Report into the Failings of the Pay Review Process for Doctors and Dentists

This report has been produced by the British Medical Association (BMA) in consultation with the British Dental Association (BDA). Although the specific examples outlining failings within the pay review process focus mainly on doctors, this report and its calls for reform are fully endorsed by the British Dental Association and represent the joint views of the medical and dental profession.

Executive Summary

The NHS is essentially a monopsony employer and, given the vital importance of health to the nation, it is essential that disputes between the medical and dental professions and governments of the UK can be avoided. Following a Royal Commission report in 1960, it was recommended that the best way to achieve this was via the setting up of an independent pay review process and this led to the formation of the Review Body for Doctors’ and Dentists’ Remuneration (DDRB).

The Royal Commission was clear in setting out how an independent pay review process should function. It stated that the pay review body should ensure that pay was kept in line with ‘cost of living, the movement of earnings in other professions and the quality and quantity of recruitment in all professions.’ They also noted that doctors’ and dentists’ pay should not be used as a regulator of the national economy, that ‘doctors and dentists must have some confidence that their remuneration will be settled on a just basis’, and that the formation of such a body would ‘give the profession a valuable safeguard’ as ‘their remuneration will be determined, in practice, by a group of independent persons of standing and authority not committed to the government’s point of view’.

However, in recent years the four governments of the UK have interfered with the pay review process to the extent that it can no longer be considered independent. This has resulted in doctors and dentists suffering year on year real terms pay cuts, to the extent that the take home pay of the average consultant (one of the groups within the DDRB’s remit) has fallen by 34.9% in real terms since 2008. In its current iteration, the Government has interfered with the pay review process in the following ways:

- It imposed public sector pay freezes, essentially preventing the DDRB from making recommendations in 2010, 2011 and 2012
- It imposed public sector pay caps, limiting the DDRB to pay uplifts of 1% in 2013, 2014, 2015, 2016 and 2017 despite inflation running considerably higher than this
- It has imposed restrictions on the DDRB in terms of ‘NHS affordability’, as set out in the UK Government’s own arbitrary spending reviews via remit letters at the start of each annual review process, including arbitrary inflation targets such as the existing 2% target in an environment where RPI is almost 15%
- It has prevented the DDRB making recommendations for certain groups, e.g. junior doctors in England who negotiated new contracts, despite circumstances changing dramatically as a result of a global pandemic and soaring inflation
- It unilaterally appoints members of the DDRB, with many of those members having a background in NHS management, human resources, or other government affiliations
- It regularly ignores the set timetable, submitting its own evidence late and allowing them the opportunity to respond to submissions from unions who adhere to the timetable
• Even when in receipt of the DDRB report, the publication is frequently delayed by many months and the four governments of the UK have on occasion ignored or reduced the level of the pay award recommended by the DDRB.

The disputes we are seeing across the NHS are a direct result of the failure of the pay review bodies to function independently. This has resulted in doctors and dentists experiencing the worst pay erosion across the public or private sector. The findings of the Royal Commission remain just as relevant today and it is essential that the pay review process is reformed to ensure it is truly independent.

To achieve this, the following must happen:
• The DDRB’s independence must be restored in line with its original purpose
• Governments of the UK must no longer send remit letters to control the pay review process
• Appointments to the DDRB must be made in consultation with representatives of the medical and dental professions
• Governments of the UK must undertake to respect and promptly implement the DDRB’s recommendations
• There must be clear and enforceable timetables for the pay review process to which all parties must adhere
• The DDRB should publish its report independently
• The reformed DDRB must be empowered to correct for pay losses caused by the current constrained pay review process
• The DDRB’s remit should be limited to remuneration but encompass pensions as a key component of pay

**Introduction**

For many years, the British Medical Association (BMA) and British Dental Association (BDA) have been concerned about the degree of political interference and subsequent lack of independence with the current pay review process. Both trade unions have repeatedly raised these serious concerns with both the Review Body on Doctors’ and Dentists’ Remuneration (DDRB) and the health departments of the four nations, as well as including this information in recent annual evidence submissions. Indeed, the BMA, BDA and the wider professions do not believe that any pay review body that has overseen take-home for the average consultant (one of the core groups in its remit) fall by 34.9% in real terms since 2008 can in any way be regarded as having fulfilled its purpose. This is particularly stark given that the recent Health and Social Care Select Committee report stated that the NHS is now facing ‘the greatest workforce crisis in its history.’

Consequently, many in the medical and dental professions no longer have faith in the pay review process. Indeed, both consultants and junior doctors in England and Wales have formally withdrawn from the pay review process.

It is essential that the DDRB is reformed so that all parties’ faith in the process is restored and that disputes between the profession and governments of the UK can be avoided. This report sets out the BMA and BDA’s key requirements for reform of the pay review process to ensure that it can function truly independently.

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1 Health Select Committee, Workforce: recruitment, training and retention in health and social care (HC 2022-23 115).
To provide the rationale for this reform, the report will describe the origins of the DDRB, its original purpose and remit, and outline the problems that have arisen as a result of the incremental changes to its terms of reference. It will also provide robust evidence, going back to the 2011/12 pay award round, of the ways in which the DDRB has failed to appropriately recognise and reward the doctors and dentists under its remit. Likewise, it will clearly demonstrate how the four governments of the UK have interfered with the process by constraining the scope of the Review Body’s considerations at the start of the process each year via the inappropriate use of remit letters, limiting their recommendations via pay caps and “affordability targets” and, most egregiously, by preventing the DDRB from making recommendations at all via public sector pay freezes.

Reform of the Pay Review process

The shared view of the BMA and BDA is that the DDRB process has been modified beyond recognition from its original purpose. This has been developing over a number of years but is now clearly no longer acceptable to the medical and dental professions. The examples listed below demonstrate the ways in which the pay review process has ceased to be meaningfully independent as a result of Government interference, or has failed outright in its vital responsibility to deliver, in the words of the Royal Commission, ‘financial justice, neither less nor more, to those who work in that service.’ This is putting service delivery in the NHS at risk, as the staffing crisis continues to worsen and pay is a significant contributor to this, as the DDRB itself acknowledges.

There must be immediate and fundamental reform of the pay review process for doctors and dentists if it is to have any hope of restoring the confidence of these professions that it will deliver acceptable and just pay outcomes for those under its remit. The pay review process must therefore be reformed on the basis of the following principles:

(1) **Restitution of the DDRB’s independence and return to its original purpose**

   To establish a remit that once again focuses on what the Royal Commission identified as ‘changes in the cost of living, the movement of earnings in other professions, and the quality and quantity of recruitment in all professions’, and to do so free of interference from the four governments of the UK.

(2) **Establish that the four governments of the UK will no longer send remit letters**

   Remit letters are not part of the DDRB’s terms of reference and we believe they have no place in the pay review process. The four governments of the UK must no longer be allowed to use remit letters to the Review Body to place unreasonable financial constraints upon their recommendations from the outset. These often arbitrary budgetary positions are not the Review Body’s principal concern and indeed the inclusion of these affordability constraints run entirely counter to original principles under which the DDRB was founded. While these may be relevant considerations for a government, they are not legitimate grounds to restrict an independent pay review body; doing so is incompatible with an independent pay review process. Economic and budgetary considerations should be confined to the four governments of the UK’s own evidence submissions. The DDRB’s terms of reference must be restored to their original principles to reflect this.

(3) **Addressing membership of the Review Body**

   To ensure that the members of the Review Body are once again, as recommended by the Royal Commission, ‘appointed by the Government after consultation with representatives of
the medical and dental professions’, and will thereby be ‘composed of individuals whose standing and reputation will command the confidence of the profession, the Government, and the public.’ These are most likely to be senior figures in professions best suited to review and deliberate over the evidence, such as experts in public, financial and economic policy. It is inappropriate for individuals with a background in NHS management, medical staffing, human resources or affiliations with governments to be appointed to the Body.

(4) **Re-establishment of the undertaking that government(s) will respect and implement the DDRB’s recommendations**

To return to the expectation that, as the Royal Commission recommended, ‘the recommendations of the Review Body must only very rarely and for most obviously compelling reasons be rejected.’ These exceptional circumstances should not include general public sector pay policy.

(5) **Clear and enforceable timetables for evidence submission process**

To return to the expectation that the Review Body will set, manage, and enforce a specific timetable for the requesting and submission of evidence. Where bodies have been allowed to submit evidence beyond the timelines set by the DDRB and adhered to by others, it has resulted in delay to the announcement and payment of awards, which in turn has an impact on pension taxation for individuals, depending on when in the financial year awards are received. Delayed submission also allows bodies that submit late to have access to evidence on which those other bodies that did adhere to the timetable will not be able to rely or comment on in their own evidence. The only opportunity the other bodies will have to comment will be in oral evidence sessions or, exceptionally, supplementary evidence (with the latter likely delaying the process further). The DDRB’s terms of reference should make clear that it will disregard any evidence submitted by a party beyond the deadline set.

(6) **For the Review Body to publish its report independently and for the four governments of the UK to act promptly in implementing its recommendations**

It remains the case that, as the Royal Commission noted more than 60 years ago, there is ‘a lack of faith that the Government will act speedily [in dealing with any recommendations that may be made by the Review Body], and a widespread conviction that this is due to deliberate delaying tactics.’ To combat this, the DDRB must publish its report independently, in accordance with the timescales it has set in advance, rather than first submitting them to the four governments of the UK for publication at their discretion. As above, delayed implementation and payment of awards can have a significant impact on individuals’ pension and tax situations.

(7) **For the Review Body to be enabled to correct for historic losses that have arisen because of political interference in the pay review process**

For many years, we have outlined in our evidence the impacts of pay erosion that have arisen due to the imposition of pay freezes, pay caps and affordability limits on the DDRB at the start of every annual pay round since 2011. In its response, the DDRB have claimed that correcting for these losses is not part of its remit. Any reformed pay review body must be empowered to independently look at the extent that doctors and dentists pay has fallen as a result of government interference in the process and be able to make a truly independent recommendation to correct for this.
(8) The DDRB terms of reference should be limited to matters of remuneration and specifically take into account pensions as this is a significant component of lifetime remuneration

The Review Body must not allow itself to be utilised by Government to make recommendations that are unrelated to remuneration. Although the pension schemes are pan-NHS and pension taxation rules apply universally, pensions are a very significant element of lifetime remuneration for doctors and dentists. Consequently, the impact of changes to pension schemes or changes to pension taxation to be properly reflected in the remit of the Review Body.

Royal Commission and Review Body original remit

The DDRB was originally created following a recommendation by the Royal Commission on Doctors’ and Dentists’ Remuneration in 1960. The Royal Commission was set up by the Macmillan Government after a decade of government resistance to honour or explore pay increases for doctors. The intention was to thereby avoid ‘recurrent disputes about remuneration […] between the medical and dental professions and the government’.

After considering the matter at length, Royal Commission recommended that a Review Body was necessary in order to give the medical profession ‘some assurance that their standards of living will not be depressed by arbitrary government action’, as well as achieving the settlement of remuneration without public dispute.

The purpose of this Body was to keep doctors’ pay in line with:

‘…cost of living, the movement of earnings in other professions and the quality and quantity of recruitment in all professions.’

In the original Commission report, it was clearly stated that doctors’ and dentists’ pay should not be used as a regulator of the national economy, and it must not be restrained for fear that other professions might follow. Indeed, it foresaw that Governments might be tempted to do so when it noted:

‘[…while i]t may sometimes be expedient to avoid increased expenditure on the remuneration of people paid from public funds [and] to describe this as an economic necessity or in the national interest […] doctors and dentists must have some confidence that their remuneration will be settled on a just basis’.

As the report stated:

‘…if the nation wants the benefits [of a National Health Service] it must accept the cost, and provide the means to ascertain the facts and to do financial justice, neither less nor more, to those who work in that service.’

To do so, it would, as a matter of necessity, need to consider three principal factors which would ‘always be relevant’:

‘...changes in the cost of living, the movement of earnings in other professions, and the quality and quantity of recruitment in all professions.’

The view expressed by the Royal Commission was that:

‘[...this procedure would] give the profession a valuable safeguard. Their remuneration will be determined, in practice, by a group of independent persons of standing and authority not committed to the government’s point of view.’

Between 1963 and 1970, the Review Body produced 12 reports, of which the recommendations of the first 11 reports were accepted in full by the government. When, in 1970, the government declined to implement DDRB’s recommendations in full, halving the award recommended for career grade doctors, all members of the Review Body resigned, as the failure of the Government to implement the recommendation of the DDRB was perceived to fundamentally undermine the operation of the Review Body process.

When the DDRB was reconstituted in November 1970, the Heath Government gave an undertaking that it ‘would be an independent body whose recommendations would not be subject to reference to any other body and would not be rejected or modified by the government unless there were obviously compelling reasons for doing so’. Alongside this, new pay review bodies (PRBs) were also created for the armed forces, senior civil servants, and the judiciary. PRBs now cover approximately half of the workers in the public sector.

With the expansion of PRBs, there has also been an increase in government control over the recommendations of review bodies, as well as their implementation, including through remit letters giving undue prominence to questions of affordability. We have set out below the instances in which the Review Body has either failed in its duty towards the maintenance of doctors’ and dentists’ pay or has been constrained by arbitrary government action.

**Revised Terms of Reference**

The Terms of Reference of the Review Body have been revised on three occasions. The first took place in 1998 and, despite concerns with the way in which the process of negotiating those changes took place, the BMA acquiesced to several amendments provided certain assurances were given. These changes placed greater emphasis on economic considerations but did so without giving them primacy, and indeed restated the DDRB’s independence. In a letter from the BMA to the Secretary of State for Health at the time, we emphasised regardless of the changes ‘the Government must not abuse its position as the virtual monopsony employer to limit the earnings of doctors in the UK’ (BMA letter to Alan Milburn, 4 November 1998). Evidently, the faith of the Association in that and subsequent governments to abide by such a principle was misplaced.

Additionally, the DDRB itself noted that despite this increased emphasis on economic considerations, it has ‘a duty to give equal attention to the evidence presented to it by all the parties’ and would remain ‘free, after careful consideration of all the evidence, to recommend awards which we feel appropriate, and that there is no suggestion that we should feel constrained to limit our
recommendations’. As they rightly stated, ‘These factors are [...] essential if the independence of the system and the confidence of the parties are to be maintained’ (Letter from Brandon Gough, DDRB Chair, to Alan Milburn, 2 October 1998).

Further minor amendments were made to the Terms of Reference in 2003 (to accommodate references to regional/local variations in labour markets and their effects on recruitment and retention, and to legal obligations in relation to equalities) and in 2007 (to clarify the devolved national office holders to whom recommendations should be made, and to make patient care in the NHS an additional consideration).
### Previous DDRB recommendations and Governments’ responses

<table>
<thead>
<tr>
<th>Year</th>
<th>Constraints placed on DDRB</th>
<th>RPI (Nov)</th>
<th>DDRB recommendation</th>
<th>Government action</th>
<th>Issues</th>
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<tbody>
<tr>
<td>2008</td>
<td>None; no remit letter</td>
<td>4.3%</td>
<td>Below inflation: 2.2% to 3.4%</td>
<td>Accepted</td>
<td>DDRB recommendation below level of inflation – <strong>real terms pay cut</strong></td>
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<td>2009</td>
<td>None; no remit letter</td>
<td>3%</td>
<td>Below inflation: 1.5%</td>
<td>Accepted</td>
<td>DDRB recommendation below level of inflation – <strong>real terms pay cut</strong></td>
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<td>2010</td>
<td>None; no remit letter</td>
<td>0.3%</td>
<td>Partly below inflation: 0% to 1.5%</td>
<td>Mostly accepted: DDRB recommended: 0% for consultants and independent contractor General Medical Practitioners (GMPs) and General Dental Practitioners (GDPs); 1% for registrars, SAS grades, salaried GMPs and salaried dentists; and 1.5% for FHOs. England and Northern Ireland both restricted the FHO recommendation to 1%, and in Wales but with an additional 0.5% non-consolidated payment. For FHOs in Scotland and Wales, 1.5% and in addition to basic salary, FHOs in unbanded posts received a 5%, non-pensionable pay supplement.</td>
<td>DDRB recommendation partly below level of RPI inflation and entirely below CPI (1.9%); Governments did not implement recommendation fully – <strong>real terms pay cut</strong></td>
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<td>2011</td>
<td>Pay freeze</td>
<td>4.7%</td>
<td>No recommendation due to public sector pay freeze</td>
<td>N/A</td>
<td>UK Government announced pay freeze and directed DDRB not to report, despite inflation running at 4.7%; DDRB accepted and no recommendation was made – <strong>real terms pay cut</strong></td>
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<tr>
<td>2012</td>
<td>Pay freeze</td>
<td>5.2%</td>
<td>No recommendation due to public sector pay freeze</td>
<td>N/A</td>
<td>UK Government announced pay freeze and directed DDRB not to report, despite inflation running at 5.2%; DDRB accepted and no</td>
</tr>
<tr>
<td>Year</td>
<td>Recommendation</td>
<td>Inflation</td>
<td>Acceptance</td>
<td>Notes</td>
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<td>2013</td>
<td>Capped at 1%</td>
<td>3%</td>
<td>Below inflation: 1%</td>
<td>Accepted</td>
<td>UK Government announced public sector pay cap of 1%; DDRB duly recommended below inflation 1% uplift – real terms pay cut</td>
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<tr>
<td>2014</td>
<td>Emphasised pay restraint and public sector pay policy remaining that awards should average 1%; DDRB asked to consider the impact of pay progression on individual pay</td>
<td>2.6% (Q4)</td>
<td>Below inflation: 1%</td>
<td>No uplift to incremental points. 1% non-consolidated to staff at the top of pay scales. Northern Ireland – no uplift to incremental points. 1% non-consolidated to staff at the top of pay scales.</td>
<td>UK Government re-stated public sector pay policy of average 1% despite inflation running at 2.6%; DDRB duly recommended below inflation 1% uplift; UK Government only applied that uplift to those at the top of the existing pay scales – real terms pay cut</td>
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<td>2015</td>
<td>Indicated UK Government would take the same approach as previous year (1% non-consolidated increase to those at top of pay scales only) and that DDRB was neither required to report or make recommendations for employed doctors in England</td>
<td>1.9% (Q4)</td>
<td>Below inflation: 1%</td>
<td>Accepted. This recommendation only applied to independent contractor GPs and GDPs in the UK and for salaried hospital staff in Scotland.</td>
<td>UK Government stated it would take same approach as previous year and directed DDRB not to report or make recommendations for employed doctors in England; the DDRB complied with this direction, only making recommendations for salaried doctors in Scotland, and net pay of GPs across the UK – real terms pay cut</td>
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<td>2016</td>
<td>Noted UK Government announcement of average 1% public sector pay awards; DDRB directed to consider how best to target this</td>
<td>1% (Q4)</td>
<td>Inflationary: 1%</td>
<td>Accepted</td>
<td>UK Government re-stated public sector pay policy of average 1%; DDRB accepted this and duly recommended 1% uplift, making no effort to address long-term pay erosion</td>
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<tr>
<td>2017</td>
<td>Indicated same approach as last year: average 1% public sector pay awards; DDRB directed to consider how best to target this</td>
<td>2.2% (Q4)</td>
<td>Below inflation: 1%</td>
<td>Accepted but no uplifts to CEAs, discretionary points and distinction awards in Scotland and Northern Ireland</td>
<td>UK Government re-stated public sector pay policy of average 1% despite inflation running at 2.2%; DDRB accepted this and duly recommended 1% uplift – real terms pay cut</td>
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<td>2018</td>
<td>Noted budget of 1% but accepted need for greater</td>
<td>3.7% (Q1)</td>
<td>Below inflation:</td>
<td>Staged and abated in England. Accepted in Wales and Northern Ireland. Accepted in Scotland, except for staff</td>
<td>UK Government emphasised budget of 1% despite inflation running at 3.7%; DDRB exceeded the budget indicated but only real terms pay cut</td>
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<tr>
<td>Year</td>
<td>Emphasis</td>
<td>Percentage</td>
<td>Decision</td>
<td>Summary</td>
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<td>2019</td>
<td>Emphasised NHS Long Term Plan/2019 Spending Review and considerations of affordability, suggesting trade-off between pay and workforce numbers, and emphasising pay as a means of addressing workforce reform</td>
<td>2.5% (Q1)</td>
<td>Inflationary: 2.5% headline uplift; additional 1% recommended for SAS doctors</td>
<td>Accepted with the exception of uplifts to CEAs, commitment awards, discretionary points and distinction awards. Additional 1% for SAS not implemented anywhere.</td>
<td>UK Government did not apply pay award to clinical awards, a vital component of pay and did not implement DDRB recommendation of addition 1% for SAS doctors</td>
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<tr>
<td>2020</td>
<td>Emphasised NHS Long Term Plan/2019 Spending Review and considerations of affordability, suggesting trade-off between pay and workforce numbers, and emphasising pay as a means of addressing workforce reform</td>
<td>2.6%</td>
<td>Above inflation: 2.8%</td>
<td>Accepted</td>
<td>DDRB recommendations made no attempt to address long-term erosion of consultant pay</td>
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<tr>
<td>2021</td>
<td>Cited challenging fiscal and economic context and need to consider affordability</td>
<td>1.4% (Q1)</td>
<td>Above inflation: 3%</td>
<td>Accepted, with points of ‘encouragement’ (that uplifts should be applied to groups subject to multiple year pay deals) ignored</td>
<td>UK Government directed DDRB not to make recommendations for groups on multiple year pay deals, despite these groups remaining in their remit; despite specific provisions agreed as part of junior doctor contract allowing DDRB to make recommendations for this group where requested, they accepted UK Government’s direction and made no formal recommendation for them</td>
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<tr>
<td>Year</td>
<td>Emphasised NHS budget and considerations of affordability, suggesting trade-off between pay and workforce numbers, and emphasising pay as a means of addressing workforce reform</td>
<td>8.4% (Q1)</td>
<td>Below inflation: 4.5</td>
<td>Accepted, with points of ‘encouragement’ (that uplifts should be applied to groups subject to multiple year pay deals) ignored. Welsh Government did not apply the 4.5% award to the top of the 2008 specialty doctor pay scale to address disincentives to transferring to the 2021 contract.</td>
<td>UK Government directed DDRB not to make recommendations for groups on multiple year pay deals, despite these groups remaining in their remit; despite specific provisions agreed as part of junior doctor contract allowing DDRB to make recommendations for this group where requested, they accepted UK Government’s direction and made no formal recommendation for them – <strong>real terms pay cut</strong></td>
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Pay erosion

As a consequence of the combined failures of the DDRB and the four governments of the UK set out above, doctors’ and dentists’ pay has been progressively eroded over time, which for some has now nearly reached an astonishing and unjustifiable 35% real decline in take-home pay since 2008/09.

We have included graphs below to demonstrate the fact that doctors have faced an unprecedented cut in their average real terms income, which we have charted below in both nominal cash and real terms since 2008-09 (Figures 1-3).

**Figure 1: Real decline in value of gross pay for the average hospital doctor (England)**

Source: BMA analysis of NHS Digital’s NHS Staff Earnings’ Estimates for HCHS doctors (England); real terms analysis in April 2009 (RPI) value

**Figure 2: Real decline in value of income before tax for the average salaried GP (England)**

Source: BMA analysis of NHS Digital’s GP Earnings and Expenses Estimates (England); real terms analysis in April 2009 (RPI) value
Despite our continued submission of evidence highlighting this issue, we continue to encounter intransigence from the DDRB, who take the position that it is not within their remit to ‘undo past decision making’.

The egregious extent of this pay erosion – something which our member engagement has continually shown is a critical factor in doctors’ and dentists’ perceptions of being undervalued and unappreciated – makes clear the extent to which the Review Body, in its recommendations and its consistent failure to correct for decisions made about pay in the past, have failed in the purpose originally envisioned for them: to protect doctors’ and dentists’ pay against changes in the cost of living; to ensure that medicine and dentistry remain competitive with the earnings in other professions; and to ensure sustainable recruitment into the future.

**Concerns with remit letters and DDRB reports:**

There have been numerous examples of problematic approaches or unsatisfactory recommendations and outcomes taken by both the government and the DDRB itself. We list here the concerns which we have noted and expressed with each award round year from 2011/12.

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3 In 2021/21 GP contractors saw an increase in their earnings due to the vaccination programme they played a significant role in delivering. This was a time limited programme, thus figure 1 also shows what earnings may have looked like without the vaccination earnings.
2011/12:

- On 26 July 2010, the Chief Secretary to the Treasury wrote to the Chairs of the independent review bodies to set out the UK government’s position on public sector pay. This followed the announcement in the 2010 emergency budget of a two-year pay freeze in England for those public sector employees earning in excess of £21,000 per year on a full-time equivalent basis. In an egregious act of interference with the independence of the pay review process, the Chief Secretary suggested that there would be no need for a formal report in the current round.

- The Secretary of State for Health subsequently wrote to the Chair of the DDRB in August 2010. He confirmed that DHSC would not be asking the Review Body to make any recommendations on independent contractor GMPs and GDPs in England and that any increases for independent contractors would be decided by the Department of Health, following discussions with the relevant professional bodies.

- The Welsh Assembly Government later confirmed that the pay freeze would apply equally to Wales. In Scotland, the Scottish public sector pay policy was announced on 17 November 2010, stating that pay would be frozen for one year (zero percent basic award) for all staff earning more than £21,000. Therefore, the Scottish Government, in line with the other UK administrations, asked the DDRB not to make any pay recommendations for 2011-12. In March 2011, a decision was taken in Scotland to award no distinction awards in the 2010-11 round, although discretionary points were awarded and paid from 1 April 2011. In Northern Ireland a decision was taken to award no new Clinical Excellence Awards (CEA) in the 2010-11 round, citing the June pay freeze announcement as the rationale, and to apply a pay freeze for both 2011-12 and 2012-13. All four nations subsequently confirmed that the approach for 2012-13 should follow that adopted for 2011-12.

- The BMA submitted evidence to the DDRB in any case, arguing that it was ‘inappropriate for it to restrict the review body in this manner’.

2012/13:

- Despite the repeated protestations of the BMA and continued evidence submission, the pay freeze imposed the previous year continued to stand, with the DDRB making no efforts to act in accordance with their function and make recommendations that took account of, but were not necessarily limited by, the economic context.

- In a clear demonstration of its lack of independence, the DDRB accepted the significantly reduced remit and made no recommendation on pay despite inflation running at 5.2% that year. Instead, it confined its call for evidence solely to the monitoring of recruitment and retention, and to take account of legal obligations on the NHS.

2013/14:

- The Chancellor of the Exchequer wrote to the DDRB in December 2011 stating that it was seeking public sector pay awards that averaged 1 per cent over the next two years. The Department of Health in England subsequently wrote to the DDRB informing them of the Government’s decision that there was no need for the Review Body to make recommendations on uplift for general medical practitioners for 2013/14, and that the Review Body’s formula for calculating the gross uplift to deliver a 1 per cent net income increase should be applied.

- The BMA wrote in August 2012 that it did not accept that DH could unilaterally change the remit of the Review Body in this way.
- The Department of Health decided not to accept the DDRB’s recommendations on GP gross earnings this year, and the Scottish Government similarly decided to uplift these by the lowest amount of all the UK nations, leading to another year of real-terms pay cuts in GPs’ personal net income.

**2014/15:**

- The Chief Secretary to the Treasury wrote to the Chair of the DDRB in July 2013 setting out the context for the 2014/15 public sector pay round indicating that its policy remained that awards would average 1% for two years following the pay freeze. The Department of Health in England subsequent set a remit on this basis, though this public sector pay policy was not followed in Scotland.

- In its evidence, the BMA once again set out its view that it was inappropriate to restrict the Review Body in this way, given that its standing remit obliged it to take account of the economic climate, and that such additional restrictions limited consideration of structural changes surrounding the pay and conditions of doctors.

- DH also directed additional consideration around incremental pay in its remit letter; something that does not form part of the DDRB’s terms of reference. We noted in evidence that pay progression is rightly a matter to be confined to contract negotiations.

- The DDRB’s recommendation of an increase of one per cent for all doctors was accepted in full by the Scottish Government, but was rejected by the Governments in England, Wales and Northern Ireland. This naturally exacerbated discrepancies in the pay scales between Scotland and the other three nations.

**July 2015 Special remit: Contract reform for consultants and doctors & dentists in training**

- Following the stalling of contract negotiations after a protracted 18 months of engagement, the consultant and junior doctor contracts were referred by the UK Government to the DDRB in England, and soon after by the Northern Ireland Government and Welsh Government. The Scottish Government only referred the junior doctor contracts to the DDRB.

- The remit set for the DDRB framed their task as one of finding ways in which contract reform could facilitate the delivery of seven day services, which was supported by the BMA in principle but ignored the fact that doctors already do work across the entirety of the week and that, even if there was a clinical need to offer more services at the weekend, there simply are not enough staff. This aim was particularly problematic in the context of no additional funding proposed to introduce it. This remit extended, at points, beyond matters solely relating to doctors’ pay and, critically, allowed the Review Body to be used in the context of a broad industrial dispute to justify decisions that the UK Government had already decided to take. In spite of this, the BMA engaged with the process in good faith, providing evidence which demonstrated that such expanded services could not be delivered within the existing funding envelope provided and would require significant additional investment. The BMA also provided substantial amounts of evidence of the content of junior doctor and consultant contract negotiations that were going on at that time.

- The DDRB’s adoption of NHS Employers/Government proposals in such a wholesale manner betrayed the extreme pressure placed upon them to help the UK Government and NHS to find ways of delivering seven-day services without additional funding.

- The recommendations of the DDRB were effectively used to help justify what would culminate in imposition of the 2016 junior doctor contract and the wave of industrial action that followed. Engagement with our junior doctor members clearly demonstrated that the proposals of the DDRB were viewed as being unacceptable.
- The decision by the DDRB to make such an intervention on contractual matters far beyond their usual remit significantly contributed to a worsening of relationships. Ultimately, this led to the eventual decision of the BMA’s UK junior doctors committee to cease to engage with the pay review process from 2021 onwards, following the decision taken by the UK consultants committee to no longer submit evidence due to longstanding concerns with the independence of the DDRB.

2015/16:

- The DDRB’s remit was again restricted in this pay round. The Chief Secretary to the Treasury once again wrote to the members of the DDRB in July 2014 setting out the context for public sector pay, arguing that there would again need to be pay restraint across the public sector. It stated that the Government did not intend to invite the DDRB to make recommendations on a pay award for employed doctors in England. The subsequent remit letter from the Department of Health in England went further than this, stating that the DDRB was neither required to report or make recommendations or observations for hospital doctors on remuneration, nor on recruitment and retention, or regional and local variations in labour markets.

- In its report, the DDRB complied with the direction imposed by Government, only making recommendations for salaried doctors in Scotland, and net pay of GPs across the UK.

2016/17:

- The UK Government continued to indicate that pay awards would be subject to its Public Sector Pay Policy and therefore subject to a cap of 1%. Despite extensive evidence from the unions outlining that this was well below comparable wage inflation in the wider economy, the notionally independent DDRB body recommended in its 44th report a 1% uplift, exactly in line with the limits set out in the remit letter.

- In this year, the Scottish Government chose not to accept DDRB’s recommendation to increase the value of consultant discretionary points and distinction awards by 1%, and the Northern Ireland Government once again failed to run Clinical Excellence Award rounds, which had been the case since 2010. This again demonstrated the extent to which the recommendations of an independent review body have become weakened, insofar as they can be ignored by governments with impunity.

- The DDRB failed to address timetable issues, with the four governments of the UK continuing to submit evidence past the deadlines given to other bodies, giving them an advantage in that they could respond pre-emptively to points made by the other bodies.

2017/18:

- Once again, in this year, the DDRB recommended an uplift that was constrained by public sector pay policy, even though the report itself recognised that there was a ‘diminishing case’ for this and raised concerns about fairness. That cap of 1 per cent was, as we noted in our evidence, about 60 per cent lower than the pay increases that had been seen in the wider economy. As we argued, there is no justification in a supposedly independent review body allowing itself to be limited by pay policies, and that these should simply form part of government evidence rather than having a special status in the process.

- The DDRB provided insufficiently strong criticism of the Scotland and Northern Ireland Governments in relation to their decision to ignore recommendations made around distinction awards and CEAs in the previous year.
- The DDRB failed to address timetable issues, with the four governments of the UK continuing to submit evidence past the deadlines given to other bodies.

2018/19:

- In its report, the DDRB once again allowed itself to be constrained by the remit imposed by the HM Treasury and DHSC to consider targeting in specific.
- The DDRB’s recommendation (a headline uplift of 2%) was, in any case, once again significantly below the rate of inflation (3.7% in that year).
- These recommendations were subsequently largely rejected in England, Scotland and Northern Ireland, and were only accepted in full in Wales, once again raising the question of what value the pay review process served when such recommendations can be arbitrarily rejected. **Those three governments of the UK ignored the DDRB’s recommendations** and only halving the value of the awards granted. This effectively meant that doctors were the only group of public sector workers still subject to a pay cap in 2018-19, with effective uplifts of less than 1 per cent.
- The DDRB failed to address timetable issues, with the four governments of the UK continuing to submit evidence past the deadlines given to other bodies. This delay to the process caused subsequent delay to the implementation of uplifts.

2019/20:

- In its report, despite the repeated and evidenced calls from the BMA, the DDRB took no steps to recommend a mechanism to address and remedy the real-terms pay cuts sustained by doctors since 2008, reiterating their view that it was not their role to redress long-term pay erosion.
- In any case, the four governments of the UK did not fully implement the DDRB’s recommendations, including the recommendation for SAS doctors to receive an extra 1 per cent in addition to the 2.5 per cent general increase, and the recommendation to increase the value of Clinical Excellence Awards, Commitment Awards, Discretionary Points and Distinction Awards in line with the recommendation for the basic consultant pay scales (although in Wales the money was retained in the pay uplift envelope).
- The DDRB failed to address timetable issues, with the four governments of the UK continuing to submit evidence past the deadlines given to other bodies, resulting in delay to the implementation and payment of awards. As we noted repeatedly in our evidence over several years, this is especially important given the complexities of the current pension taxation rules as small rises in pay can trigger large additional tax bills. The delay makes it difficult for people to be able to predict what their pay is or will be in a given tax year when deciding what to do about remaining in or leaving the pension scheme.
- The DDRB in its report also supported the introduction of a new specialty recruitment premium for histopathology trainees in England. The Review Body also stated its intention to review existing flexible pay premia, with the prospect of expanding their scope into incentives for recruitment to certain regions, despite recognising the lack of evidence on their effectiveness. While such forms of remuneration are rightly a matter for the DDRB, they are contractual matters for which they should seek the specific input and approval of the BMA on any proposals they may make to ensure these are done carefully and that they can be certain of the evidence of their effectiveness. They instead made recommendations about specific premiums despite recognising the lack of evidence on their effectiveness in addressing recruitment issues and without seeking or gaining agreement with the BMA.
- **BMA call for reform**: The BMA wrote to the DDRB and the UK Government and issued a position statement with the British Dental Association (BDA) demanding fundamental reform of the pay review process for doctors. The letter made clear that failure to make the required changes would lead to BMA Council considering any further engagement or participation in the DDRB process.

**2020/21:**

- In its report, the DDRB stated that its ‘recommendations and observations are not explicitly intended to undo past decision making’. As we indicated in subsequent evidence submissions, it is plainly the case that this is part of their role, given the original purpose of the formation of the DDRB was to keep doctors pay in line with the ‘cost of living, the movement of earnings in other professions and the quality and quantity of recruitment in all professions.’
- Once again, the review body’s decision not to recommend an increase to the value of Clinical Excellence Awards (CEAs), Discretionary Points and Distinction Awards effectively resulted in consultants not receiving the full value of the pay award stated. The same is true of Commitment Awards in Wales, and CEAs in Scotland and Northern Ireland, who continued to see no increase in the value of awards and, in the case of NI, no awards were granted at all.
- Despite our evidence, and its critical significance to the overall doctor remuneration package, the DDRB failed to make meaningful recommendations about pensions and taxation, claiming that this fell outside of its remit despite it being a critical element of doctors’ pay.

**2021/22:**

- While we continued to reject the concept of UK Government remit letters setting affordability constraints from the outset in the context of an independent pay, the 2021/22 letter itself contained a number of inaccuracies as well as selective and tendentious interpretations of data which the BMA had to refute in its own evidence submission. In any case, the positions outlined in the remit letter reflect the UK Government’s own views and, as we argued in our evidence, those views should be rightly confined to its own evidence submission, rather than straying into the remit letter.
- In its 49th report, the DDRB’s recommendations of a 3% pay award were made even at a time when it had become clear that this figure would be significantly outpaced by inflation. The Review Body also made no efforts to address long-term pay erosion, once again stating that to do so fell outside of its remit.
- Despite the clear provisions set out in the junior doctor contract 2018 review framework agreement that ‘[t]he DDRB terms of reference allow them to make further pay recommendations or observations should one of the parties request it, or indeed where they consider it appropriate’, the Review Body did not make a formal recommendation for junior doctors. It made this decision in spite of the pandemic, which represented a significant change from the context in which the pay deal was originally negotiated. Instead, the DDRB acquiesced to the UK Government’s direction not to include a critical section of the medical workforce in its recommendations. Rather, it merely ‘encouraged’ the UK Government to offer an additional pay award to supplement the multiple year pay deal agreed for junior doctors. This subsequently allowed the UK Government to say that it had implemented the DDRB’s recommendations in full, while failing to act on what it had been ‘encouraged’ to do.
2022/23:

- The DDRB’s recommendation of a 4.5% pay award, which only applied to some groups of doctors, was in any case significantly below the rate of inflation at the time it was eventually published.

- The DDRB once again refused to make active recommendations in relation to multiple year pay deals (MYDs) agreed prior to the substantially changed economic context and spiralling inflation. They did so despite acknowledging that the headline increases set as part of the MYDs are ‘likely not sufficient’ to address the issues with recruitment, retention and motivation identified elsewhere in the report.

- The DDRB once again rejected the argument, made by the BMA and others, about the need to address pay erosion resulting from previous years’ sub-inflationary pay awards, stating that their ‘recommendations should not be explicitly justified by the need to, or the need to avoid, retrospectively tracking inflation or cross-economy earnings data’.

- The DDRB criticised the DHSC and NI DoH failures to submit evidence within the deadlines provided but continues to prove unable to enforce adherence to those timetables; something that a truly independent body would insist upon.

Conclusion

In light of the above, it is clear that reform to the DDRB is well overdue, and that the medical and dental professions have lost confidence in its independence and approach due to persistent governmental disregard of its recommendations and interference in its remit. Continuing with the status quo is not sustainable and will lead to growing discontent and a worsening of the already-dangerous workforce shortage, as ever greater numbers of doctors and dentists indicate an intention to leave the profession (as evidenced, for example, by a recent BMA survey). This, of course, poses an increasing risk to patients and the care they receive, at a time when the NHS is already in crisis and struggling to cope. The DDRB has drifted far from its original purpose and needs restitution to regain its rightful role not only as an independent advisory body but also as a source of stability in industrial relations within the NHS.
Excerpts from report of the Royal Commission on Doctors' and Dentists' Remuneration (1960)

8. The context in which we have made our enquiries is that of a National Health Service, a service intended to be available to the whole nation; if the nation wants the benefits it must accept the cost, and provide the means to ascertain the facts and to do financial justice, neither less nor more, to those who work in that service.

13. We recommend the setting up of a Review Body, somewhat similar to the Advisory Committee on the Higher Civil Service, to watch the levels and spread of medical and dental remuneration, and to make recommendations to the Prime Minister. The main task of this Body will be the exercise of the faculty of good judgment, and it must be composed of individuals whose standing and reputation will command the confidence of the professions, the Government, and the public. It must be regarded as a better judge than either the Government or the representatives of the professions as to what the levels and spread of medical and dental remuneration should be.

14. While the Government cannot abrogate its functions and responsibility for ultimate decisions, we are insistent that the recommendations of the Review Body must only very rarely and for most obviously compelling reasons be rejected.

15. We attach special importance to prompt action by the Government in dealing with any recommendations that may be made by the Review Body. In both professions there has been a lack of faith that the Government will act speedily, and a widespread conviction that this is due to deliberate delaying tactics. Nothing will restore confidence between the professions and the Government more than experience of really prompt action on the recommendations of the Review Body.

28. Doctors and dentists in the public service should not be used as a regulator of the national economy. Their earnings should not be prevented from rising because of a fear that others might follow.
REVIEW MACHINERY (CHAPTER X)

(42) The present negotiating machinery should continue to be used for the settlement of minor matters concerning remuneration. The two sides of the Whitley Committee for the hospital service should jointly consider what action might be taken to improve its procedure (paragraph 427).

(43) The present machinery should no longer be used for the consideration of major issues. We recommend the appointment of a standing Review Body consisting of seven independent persons of eminence and experience to advise the Prime Minister about the “remuneration of doctors and dentists taking any part in the National Health Service” (paragraphs 428 to 430).

(44) While it is for the Review Body to decide which factors might be relevant at any particular time to fixing remuneration, and the weight to be attached to them, we would expect that three factors which would always be relevant would be changes in the cost of living, the movement of earnings in other professions and the quality and quantity of recruitment in all professions (paragraph 431).

(45) The Review Body should make recommendations on its own initiative or when requested by the Government or by the professions through the Government (paragraph 432).

(46) It should concern itself only with matters of major importance. On minor matters there should be no appeal from existing negotiating machinery to the Review Body (paragraphs 434 and 435).

absolute assurance, but we do not think it reasonable to suggest that the Government should be asked formally to abrogate its functions completely in a matter of this kind. But we believe that seven people such as we have in mind will make recommendations of such weight and authority that the Government will be able, and indeed feel bound, to accept them. This procedure will in fact, therefore, give the professions a valuable safeguard. Their remuneration will be determined, in practice, by a group of independent persons of standing and authority not committed to the Government’s point of view. In the interests of preserving confidence and goodwill it is moreover essential that the Government should give its decision on the Body’s recommendations very quickly, and we recommend that the Government and the professions explore together means of minimising the time between receipt of a recommendation and its implementation.
428. The second conclusion is that none of the four methods considered above is adequate for dealing with major matters. We have decided that the most appropriate form of machinery would be the appointment of a Standing Review Body of eminent persons of experience in various fields of national life to keep medical and dental remuneration under review and to make recommendations about that remuneration to the Prime Minister.

**APPOINTMENT AND COMPOSITION**

430. The members of the Review Body should be appointed by the Government after consultation with representatives of the medical and dental professions. It should consist of a Chairman and six other members, all of whom should be persons of eminence and authority. They should be selected as individuals able to bring a wide variety of experience and wisdom to bear on the problems involved and should not be regarded as the representatives of any interest. No members of the medical or dental professions should be included. The Chairman should be able to devote a substantial part of his time to the work of the Review Body, and in order to secure a man of the right calibre the Government might have to pay him a substantial sum.

403. The first is the avoidance of the recurrent disputes about remuneration which have bedevilled relations between the medical and dental professions and the Government for many years. Whatever the rights or wrongs of these disputes, they do nothing to promote the smooth working of the National Health Service.

404. The second aim is to give these two professions, most of whose members derive the greater part of their livelihood from the National Health Service, some assurance that their standards of living will not be depressed by arbitrary Government action. It may sometimes be expedient to avoid increased expenditure on the remuneration of people paid from public funds; it may be tempting to describe this as an economic necessity or in the national interest. While clearly the Government of the day must govern, doctors and dentists must have some confidence that their remuneration will be settled on a just basis. Hitherto, many doctors and dentists have regarded

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**TERMS OF REFERENCE**

431. We recommend that the terms of reference should be:

"To advise the Prime Minister on the remuneration of doctors and dentists taking any part in the National Health Service."

We do not think it desirable to define exactly the factors of which the Review Body should take account in making its recommendations. It would be presumptuous on our part, after recommending the appointment of persons of eminence and authority, to seek to tie their hands for years ahead in circumstances of which we are not at present aware. While it should be left to them to decide which factors might be relevant at any particular time and the weight to be attached to them, we expect that three factors which would always be relevant would be changes in the cost of living, the movement of earnings in other professions, and the quality and quantity of recruitment in all professions.

145

**GENERAL COMMENT**

436. It is inherent in these proposals that the Review Body will be advisory only and that the Government would be free to reject its recommendations. It might be said that this does not, in fact, achieve the aim, to which we attach great importance, of giving the medical and dental professions confidence that their remuneration would not be determined by considerations of political convenience. The adoption of our proposals would not, it is true, give an