

Focus on seniority payments

This guidance note has been produced by the GPC (general practitioners committee) to help GPs and LMCs (local medical committees) understand the funding arrangements for seniority payments.

Although there may be some differences in process in each of the four countries of the UK, the principles of this guidance apply to all.

(Guidance produced in September 2005 – updated March 2014)



Documentation

Detailed information about seniority entitlements can be found in chapter 19 (England), chapter 13 (NI, Scotland) or chapter 15 (Wales) of the GMS Statement of Financial Entitlements:

[England](#)

[Scotland](#)

[Northern Ireland](#)

[Wales](#)

What are seniority payments?

Seniority payments are payments to a contractor in respect of an individual GP provider (a partner, singlehanded practitioner or a shareholder in a limited company that is a GMS contractor). The payments reward experience and are based on the GP's number of years of reckonable service.

2014/15 phasing out of seniority payments

It has been agreed that seniority payments will cease on 31 March 2020. In the meantime, those in receipt of payments on 31 March 2014 will continue to receive payments and progress as currently set out in the SFE. There will be no new entrants to the scheme from 1 April 2014. The current qualifying arrangements will continue for those currently in receipt of payments.

It is expected that the changes to seniority payments will result in the quantum of seniority payments from the seniority pool falling by 15% each year from 2014/15 to 2019/20. In the event that this reduction is not delivered in any year, NHS Employers and GPC will agree action to achieve this. All funding released will be added into the global sum with no Out of Hours deduction being applied.

Calculating your seniority payments

Any GP provider who has at least two years of service as a GP provider will be eligible for seniority payments.

There are four stages in calculating the seniority payment to which you are entitled.

Stage one – calculating reckonable service

This is to determine how many years of ‘reckonable service’ you have accumulated. It is based on the number of years you have worked as a doctor in the NHS (not only as a GP) or in the public health system of another EEA member state (including service in that system pre-accession) and/or provided service as a medical officer in the prison service or armed forces of the UK or other EEA member state or under the Crown.

Reckonable service is calculated from the date that the doctor became first registered (be it temporarily, provisionally, fully or with limited registration) with the General Medical Council or an equivalent authority in another EEA member state. There is one exception to this, which is clinical experience outside the UK that, prior to 1 April 2004, was used to calculate the GP provider’s seniority payments under the Red Book (for more detail on this see SFE paragraphs 19.3 (e) and 19.5 (b) or the respective paragraphs for each of the devolved administrations).

Reckonable service means calendar-length NHS service. It does not matter whether the work in any given year was full or part time. They are counted as the same when determining years of experience for seniority purposes. Reckonable Service does not include added years.

Generally, breaks in service do not count as reckonable service. However a leave of absence from NHS service (ie you were absent from a post but had a right of return) can be counted toward reckonable service. This leave of absence may have been due to compulsory national service, maternity leave, paternity leave, adoption leave, parental leave, holiday leave, sick leave or study leave or of a secondment elective or similar temporary attachment to a post requiring the provision of clinical services.

The calculation of years of reckonable service is independent of whether that work was pensionable under the NHS Pension Scheme. The PCO will try to confirm that the claimed years have been worked by an individual GP and may use superannuation records to verify this. However, if the PCO cannot verify the years of service from NHS records, the onus is on the individual GP to produce evidence to verify their claim. This will particularly apply to GP locum work before it was superannuable. Payments may be made while verification issues are being resolved.

SFE paragraph 19.3 sets out in detail the types of work that count as reckonable service.

Stage two – your seniority and qualifying dates

Seniority date

Your seniority date is the date that your reckonable service started; ie the date you first worked as a doctor in the NHS or other reckonable service post.

Qualifying date

This is the date following completion of two years as a GP provider (with part time counting the same as full time work so not pro-rated). It includes work as a single-handed GP or partner prior to 1 April 2004. Your previous NHS, including GP, work will count as reckonable service, but you will only be eligible to receive seniority payments once you have worked for 2 years as a GP provider. Your qualifying date is the first date after the end of this two-year period.

Stage three – calculating the full annual rate of seniority payments

Once you have calculated the years of reckonable service you next need to determine the proportion of the full annual payment that you are entitled to. To do this, you need to take the Average Adjusted Superannuable Income. From this you can calculate your Superannuable Income Fraction which will determine the proportion of the seniority payment that you will receive.

Please note that the Primary Care Organisation (PCO) will undertake these calculations for you, but you may still want to check that they are accurate and the following will help you to do this.

Average Adjusted Superannuable Income

This is calculated by dividing the aggregate of all NHS profits of all GP providers in that country (rather than on a UK-wide basis) by the number of these providers, with an adjustment to take account of the shift towards part-time working. This is calculated by dividing the aggregate of all NHS profits of all GP providers in that country (rather than on a UK-wide basis) by the number of these providers, with an adjustment to take account of the shift towards part-time working.

The following are final seniority figures in England:

- 2011/12 - £92,034
- 2010/11 - £94,080
- 2009/10 - £93,678
- 2008/09 - £92,955
- 2007/08 - £90,375
- 2006/07 - £92,140

The following timescales are likely for publication of future final seniority factors:

2012/13 factors due to be published in early 2016

The interim seniority figure for England for 2014/15 is £96,097

Final seniority figures for Wales:

- 2011/12 - £84,199
- 2010/11 - £82,237
- 2009/10 - £82,266
- 2008/09 - £79,096
- 2007/08 - £78,938
- 2006/07 - £82,399

The interim seniority figure for Wales for 2014/15 is £84,012

Superannuable Income Fraction

Your Superannuable income is used to calculate your Superannuable Income Fraction. Your NHS profits from all sources (including PCO and other NHS work, not only practice-based profits) for the financial year, but excluding NHS income already superannuated elsewhere (eg GP clinical assistant work which is superannuated by the hospital Trust) and seniority payments, are divided by the Average Adjusted Superannuable Income.

If your Superannuable Income Fraction is two thirds or more then you will receive the full seniority payment for your point on the scale (see table below). If your Superannuable Income Fraction is between one third and two thirds, 60% of the full annual seniority payment is payable. For those with less than one third, no seniority payment under the SFE is payable, but you may appeal to the PCO (see below).

You can determine the payment to which you are entitled from the table in the SFE, which has been reproduced below. Therefore, a GP with 25 years of reckonable NHS service (so not only service as a GP), who has been a GP provider during this time for at least two years and who has a Superannuable Income Fraction of two thirds or over, will receive £7,414 in 2013/14.

As your superannuable income/NHS profits and the exact Average Adjusted Superannuable Income will not be known for a particular financial year until some time after, this may result in you receiving an overpayment and you will be required to repay this. This is set out in SFE paragraph 25.7. Similarly if you receive an underpayment then this money must be reimbursed.

TABLE 1: Full annual rate of seniority payment in 2013/14

Years of reckonable service	Full annual rate of payment per practitioner
0	0
1	0
2	0
3	0
4	0
5	0
6	600
7	672
8	753
9	843
10	944
11	1,057
12	1,184
13	1,326
14	1,486
15	1,664
16	3,185
17	3,504
18	3,854
19	4,239
20	4,663
21	5,129
22	6,785

23	6,989
24	7,198
25	7,414
26	7,637
27	7,866
28	8,225
29	8,455
30	8,692
31	8,935
32	9,186
33	9,433
34	9,707
35	9,979
36	10,258
37	10,546
38	10,841
39	11,144
40	11,457
41	11,777
42	12,107
43	12,446
44	12,795
45	13,153
46	13,521
47	13,900

Step four: calculating the quarterly seniority payments

Seniority payments are calculated and paid quarterly for individual GP providers. The annual payment is therefore divided by four, and is paid directly to the practice by the PCO.

You should be paid on the last day of the quarter. The quarterly amount that you receive will be recalculated if your qualifying date or if your retirement date (and you are retiring) falls in that quarter.

An explanation of these recalculations can be found in SFE paragraph 19.19 (or 15.19 or 17.19)

Claiming your payment for work outside the NHS

Armed forces service

Claims in respect of clinical service in or on behalf of armed forces are to be considered in the first instance by the PCO, and should be accompanied by appropriate details, including dates and relevant postings. If the PCO is not satisfied that the service should count towards your reckonable service as a doctor, they should put the matter to the relevant Health Department (Welsh Assembly in Wales). Before taking its decision on whether or not to endorse the claim, the Department will consult the Ministry of Defence or the equivalent authorities of the country in whose armed forces you served. Generally, the only service that will be endorsed is service where you undertook clinical duties (whether on military service or in a civilian capacity) and the relevant Health Department has received acceptable confirmation of the nature and scope of the clinical duties which you performed from the relevant authorities.

Diplomatic missions abroad

Claims in respect of clinical service for or on behalf of diplomatic missions abroad are to be considered in the first instance by the PCO, and should be accompanied by appropriate details, including dates and relevant postings. If the PCO is not satisfied that the service should count towards your Reckonable Service as a doctor, they should put the matter to the relevant Health Department (Welsh Assembly in Wales). Before taking a decision on whether or not to endorse the claim, the Department will consult the Foreign and Commonwealth Office. Generally, the only service that will be endorsed is service where you undertook clinical duties for:

- (a) members of the Foreign and Commonwealth Office and their families;
- (b) members of the Department for International Development and their families;
- (c) members of the British Council and their families;
- (d) British residents, official visitors and aid workers;
- (e) Commonwealth and EEA Member State official visitors;
- (f) staff and their families of other Commonwealth, EEA Member State or friendly State diplomatic missions, and where the relevant Health Department has received acceptable confirmation of the nature and scope of the clinical duties performed by you from the relevant authorities.

Appeal

Where doctors believe that they are not receiving their proper seniority payments, there will be an appeal to the PCO which, together with the LMC (or its equivalent), will examine the entitlement, and increase it where there is evidence to support this.

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Salaried GPs

GPs salaried by the PCO or by the practice are not eligible to receive seniority payments through the SFE. The contract document, "Investing in General Practice" suggests that the seniority of salaried GPs should be reflected in their overall salary. Salaried GPs should refer to the GPC's guidance, Focus on salaried GPs for advice regarding salary negotiations.

Sabbaticals

Sabbaticals will not count towards your seniority payments unless they were for less than a year and the rest of the year was spent working in the NHS.

Voluntary overseas service

Voluntary service overseas would not count towards seniority unless it was for less than a year and the rest of the year was spent working in the NHS.

PMS GPs

PMS GPs are entitled to the same improvements in seniority pay as GMS GPs. Central guidance suggested that this could be delivered either as part of the overall percentage uplift to the practice budget and the entitlements worked out within the practice, or by the individual entitlements being calculated separately to the baseline budget, with a corresponding reduction in the increase to the baseline budget. Due to the lack of a centrally-recommended uplift to PMS baselines and generally low levels of uplifts, the GPC advises PMS practices to use this second method.