

Guidance on Locum Agreements in General Practice

September 2011

Locum Agreements – Guidance

This guidance is for both locum GPs and the practices who engage them. It is aimed at locum GPs to help them put together written agreements with the practices for which they work, and should also be of interest to practices who engage locums. It assumes that the arrangements made will reflect the locum's status as a self employed GP, and that the agreement will be a contract for services, rather than a contract of service, which would apply to an employee.

DISCLAIMER – The BMA (including the GPC) does not provide any form of tax advice, including advice on direct or indirect taxation and National Insurance Contributions, to its members as part of its membership offer.

This guidance assumes that the locum GP is self-employed for tax purposes. Before signing any agreement, both parties should be satisfied of the locum's self-employed status. Whilst the Employment Status Indicator on the [HMRC website](#) may help, independent, professional tax advice should be taken if either side has any doubts as to the locum's taxable status.

Practices should be aware of the potential for a regular, long-term locum to gain employment rights. Furthermore, locums should be aware that if they are supplied through an agency, they may be employed by the agency, rather than self-employed.

The BMA recommends that, when locum GPs are engaged by practices, the parties use a written agreement that sets out the terms of their engagement. Practices vary considerably in the way they are organised, and in terms of what is considered a standard working day. Using a written agreement ensures that both parties' expectations are clearly set out and should help to create a successful working relationship. There is also the added benefit of ensuring that the locum is working within their range of experience. The agreement is normally made between the locum and the practice manager or someone with delegated authority to negotiate (deputy manager). However, receptionists should also be made aware of the exact terms of the agreement (though not necessarily the financial arrangements), particularly in relation to agreed workload.

In order to aid locum GPs and contractors in drafting such agreements, this guidance outlines a number of areas that should be covered. It also provides guidance and examples regarding content in each area. It is recognised that a number of factors will influence the outcome from the locum's perspective. These might include, for example; the level of experience as a locum; familiarity with the local area; other professional and personal (e.g. childcare) commitments; the length of locum post; the type of work that the contractor is looking to be carried out. The content of any locum agreement is also subject to negotiations between the locum and the contractor. Email should allow efficient and effective liaison between the parties to ensure that there is a clearly-worded finalised agreement in writing before the locum starts work.

The areas covered in this Guidance:

- Fees
- Timetable of work
- Definition of core work
- Additional and enhanced services
- Definition of contractor responsibilities
- Definition of locum responsibilities
- Arrangements for termination of the agreement

Fees

Any agreement should include details of the fees agreed between the locum and the practice. This guidance cannot include details of how to set a fee with the practice. Neither the BMA nor the GPC can offer guidance on levels of fees because of competition law. Guidance published by the BMA Professional Fees Committee is available to BMA members and covers the factors which must be taken into consideration when setting fees. Guidance for BMA members about this can be found [here](#).

However, below is a list of items that both parties should consider including in the agreement. Some items will be more appropriate than others, depending on the structure and type of work that is being carried out for the contractor; not all may be appropriate

- The basic fee for each session (standard sessions, based on the model contract for salaried GPs, comprise 4hrs and 10 mins of work. The length of a 'session' should be clarified and agreed in advance together with the expected consultation rate).
- An hourly rate, for shortened sessions and sessions that overrun.
- An extended hours rate.
- A rate for additional work – i.e. work carried out in addition to that which is defined within the agreement as being expected within a session. This definition is discussed under "definition of core work to be undertaken". It may be useful to indicate that additional work will be done subject to the agreement of the locum on the day. Unfamiliarity with systems and other unforeseen circumstances can make time keeping a major challenge for locums so it is not realistic to undertake to agree to an unlimited amount of additional work in advance.
- Details of fee arrangements for private work – for example, whether it will be done in lieu of standard appointments and visits, or in addition to the agreed work (in which case a fee will need to be agreed and set out in the agreement) or not done at all.
- A fee for on-call work.
- Arrangements for travel reimbursement.
- A cancellation charge where a session is cancelled by the practice at short notice (see below sections on 'Contractor's Responsibilities' and 'Arrangements for the termination of the agreement'),

There are essentially two approaches to defining the service the locum offers in relation to a fee.

Firstly, a time-based approach, whereby a set fee is agreed for a specified number of hours' work. Where this approach is used, it is important that the locum raises any concerns about the appropriateness of the time period given for the work that they are required to complete. It is also important to ensure that the fee per hour for any additional work is clearly stated in advance.

Secondly, a workload-based approach, whereby a fee is agreed for a set number of appointments/visits, regardless of the time worked. This is the more usual arrangement and the advantage of this approach for the locum is that they can usually manage their time better, which is crucial where they may have a commitment with another practice later in the day or other commitments (eg. childcare, teaching, appraisal). The advantage for the practice is that there is a guarantee of work covered and the practice is not penalised if the locum runs behind (as may occur using a time based approach to fees). Under a workload-based fee arrangement, the locum would not normally charge an additional per hour fee if the agreed workload took much longer than expected, except in exceptional circumstances, such as where a patient is sectioned under the Mental Health Act. Most locums choose to operate in this way and should ensure that they factor sufficient time into their schedule, especially when they are working in two different practices in one day.

In addition to the above, the agreement should include details of the time period within which the locum's fee should be paid. This should usually be within 28 calendar days to allow completion of the locum's pension forms. Under late payment legislation, the locum would have the right to charge interest on an overdue account. You can find out more [here](#).

Timetable of Work

The agreement should include specific details about:

- The number of sessions that will be worked per week.
- The start and finishing times each day.
- Where on-call duties apply, the time until which the locum will be available by phone if not at the surgery. This could all be included in the form of an easy-to-use timetable within the agreement.
- Details of the number of appointments expected to be completed during a day.
- Appointment length.
- Visits and the cut off time for notification of routine visits (ie. from what time visits would be considered the responsibility of the on-call doctor).

Consideration should also be given as to whether the locum can be asked to accept extra appointments or not during the course of the working day.

Definition of core work to be undertaken

The agreement should include a definition of the work that the locum will be expected to carry out. The agreement could include a general definition of the locum's core work as well as a more specific list of the work that might be undertaken in addition to basic duties (for example, telephone consultations, repeat prescribing, referral letters).

The non-clinical work that is included in the locum's fee should be specified. For short-term placements, this is likely to include arranging referrals and investigations and it may be helpful to specify "referrals and investigations arising directly from own caseload". The procedure used for referrals should be detailed, for example whether a dictaphone is available and whether there is assistance for Choose and Book referrals. These factors should be considered when estimating the time required to complete the work.

There are some areas that frequently prove contentious and should be addressed explicitly (either inclusion or exclusion):

- Dealing with nurse queries.
- Telephone triage outside of agreed surgeries.
- Signing repeat and non-repeat prescriptions.
- Signing prescriptions on behalf of other practitioners such as nurses.
- Defining what the on-call duties are.
- Whether any private work etc. will be undertaken and what proportion of payment will be retained.
- What happens to fees incidental to seeing patients eg MHA sectioning fees

For longer-term placements, there may be an expectation that the locum will deal with incoming results and correspondence and this may need to be explicitly stated. If necessary, an adjustment should be made to the normal workload to reflect the additional time required and/or the fee should be adjusted accordingly. It may also be useful to specify whether the "paperwork" share is only that linked to the locum's own caseload and that of the doctor the locum is replacing, or whether it is done on the basis of a set "share" of the overall workload of the practice. It is also important to state whether fees arising from any reports will be payable to the locum in whole or in part or whether the fee is in lieu of appointments or visits.

It is important to specify whether the locum will sign prescriptions and whether this will be just repeat prescriptions (for patients who have been reviewed within their required review date, subject to seeing the repeat prescribing policy) or also non-repeat requests.

Additional & Enhanced Services

The agreement should clarify whether there is an expectation to undertake work associated with Additional and Enhanced services, as defined in the BMA and the NHS Confederation publication 'New GMS contract 2003, Investing in general practice'.

As with the definition of core work, if additional and enhanced services are to be carried out, the agreement should specify what services will be undertaken – for example, minor surgery or IUDs. Following discussion between the locum and the contractor, details should be specified in the agreement and specific fees detailed.

Definition of contractor responsibilities

There are a number of examples of basic responsibilities that may be outlined within the agreement:

- Provision of a personal computer login username and password and, if appropriate, a brief training session on the system used.
- Induction folder and information including referrals, how to organise in-house and external investigations and practice policies (SEA reporting, repeat prescribing, appointment system, etc.). A designated 'locum pack' may be provided on arrival.
- Access to computer and medical records outside of consulting time for audit purposes.
- The time period within which the fee for services should be paid (referred to above).
- Signature of pension forms A.
- Supplying adequate / appropriate equipment and drugs.
- Prompt notification of any complaints.
- Notice period for cancellation of any sessions. Thought should be given as to whether a cancellation fee should be charged (see 'Fees' section above and 'Arrangements for the termination of the agreement' section below).

Additional issues that may be referred to in the agreement include the possibility of attending practice clinical and educational meetings and being able to work in the same consulting room where working at a practice over a longer period.

Definition of locum responsibilities

A clear statement should be made by the locum that written original evidence of the following will be provided for the practice to make and keep a photocopy:

1. Inclusion on a medical performer's list
2. Medical indemnity
3. GMC registration
4. CRB check

It must be made clear that the locum is undertaking the work in a self-employed capacity and undertakes to meet any National Insurance Contributions, income and any other taxes arising from the income. The locum will be expected to provide either an invoice for payment or a receipt.

For longer-term placements, the locum and contractor may wish to agree a notice period for taking leave.

Arrangements for termination of the agreement

Arrangements for the termination of the agreement made should be included, particularly if the locum is engaged by the contractor on a longer-term basis. Where such arrangements are outlined within an agreement, they will often include the following:

- Details of how the parties can decide to terminate the agreement i.e. by mutual agreement, or by providing a certain length of notice (acceptable to the locum and the contractor).
- If the agreement is terminated by the contractor and the agreed period of notice is not given details of the fee claimable by the locum (for example, this fee could be based on the difference between the notice actually given and notice that should have been given according to the terms of the agreement).
- A clause stating that the agreement can be terminated if its terms are breached by either party.