



for immediate release

New pension clarity for training practices

The pension entitlements of training practices in England and Wales have finally been harmonized and clarified thanks to the input of NASDAL. New pensions guidance has been published by the NHSBSA, the National Health Service Business Services Authority.

General confusion and variable interpretations of what should be included on an Annual Reconciliation Report arose following the 2006 contract. Responsibility for pensions moved from the Business Services Authority to contract-holders operating under the supervision of their Primary Care Trust or Health Board.

Training practices have three separate income streams arising from:

- A training grant paid to the training dentist
- The reimbursement of the vocational trainee salary
- Service costs paid to the practice

Unfortunately, PCTs and Boards were initially operating without any guidance leading to confusion around which aspects of the practice income were subject to superannuation. Early last year, guidance was introduced on the NHSBSA website for the first time, but it was still confusing.

David Paul, a Chartered Accountant and NASDAL member led the campaign to improve the pension guidance, working closely with NHSBSA to develop a document which is clear to both dentists and health authorities.

In relation to the pension entitlement of a training practice, David said that from

April of this year onwards:

- the training grant is 100% pensionable
- the vocational trainee salary is also pensionable but is not to be included on the ARR
- Service costs are not pensionable and must not be included on the ARR.

David said he has worked with four training practices within different health authority areas during 2011-2012. Two of the practices had been successful in having their service costs superannuated while the other two were refused. He said: "This inconsistent treatment is indicative of a lack of understanding. The new guidance now sheds welcome light on superannuation treatment for training practices."

Alan Suggett, Chairman of NASDAL's superannuation committee, has praised David's role in clarifying the guidance. "David has spent many hours working on this issue, making sure it is clear and water-tight and we all owe him a debt of gratitude."

Note to editors

Please contact David Paul on 01656 679800 or Alan Suggett on alansuggett@unw.co.uk, or 0191 243 6009 for further information or to find a NASDAL member in your area, go to www.nasdal.org.uk