



For immediate release

845% increase in cost of compliance is “staggering”

The cost of compliance to the average sole practitioner practice has increased by 845% in the last decade according to the National Association of Specialist Dental Accountants and Lawyers (NASDAL). Appalled by the proposed 64% increase in the cost of the General Dental Council’s annual registration fee, a NASDAL team carried out an investigation into the overall cost of compliance.

They found that the advent of the Care Quality Commission (CQC) and HTM01-05 had increased dentists’ costs by a factor of 7. In 2004, the essential requirements for setting up in practice were a one-off registration fee to the General Dental Council and an annual retention fee and registration with the Information Commissioner’s Office.

But in 2014, it has been estimated that it costs a single handed practitioner £11,200 on an annual basis to meet the requirements of the CQC and HTM01-05 alone. Combined with the various mandatory registration fees and indemnity, the figure goes up to £15,011, an overall percentage increase in the cost of compliance of 845%, compared to general inflation over the same period of 37%

Nick Ledingham, Chairman of NASDAL and a partner in specialist dental accountants Morris and Co, said the increase was staggering: “In the last ten years, dentists working in the NHS have witnessed a change in the policies of NHS commissioners. So at the same time as having to spend ever more on their business, they are more unsure of the future and whether they will retain their contract.”

The source of the figures for the NASDAL investigation is Simon Thackeray, a CQC advisor and a full-time practitioner. He says the estimated annual costs of meeting both CQC and HTM01-05 includes the time the dental nurse spends on decontamination and maintaining records, the time he spends on administration and staff training but excludes autoclave accreditation and servicing which pre-dates both and also excludes membership of BDA and CODE or other organisation who provide policy templates.

Alan Suggett, a member of NASDAL’s technical committee and a partner in UNW LLP, said: “Not only has it never been so costly to operate a dental practice, the cost of complying with rules and regulations has increased disproportionately.”

Nick Ledingham concluded: “While there has been a certain amount of guesswork in the costs of staff and training in an average practice, we tried to be conservative throughout this investigation. We hope that by demonstrating the burden of costs faced by practice-owners, the GDC will think very hard before they implement their proposed 64% increase in the ARF from the current £576 to £945.”

Comparative grid

Compliance costs for a sole practitioner in 2004 and a decade later

	2004	2014
	£	£
GDC	388	576
Indemnity	1,200	2,800
CQC	Nil	600
	<i>(introduced in 2011)</i>	<i>(for registration alone)</i>
HTM01-05	Nil	11,200
	<i>(introduced in 2009)</i>	<i>(approx costs - see article below)</i>
ICO	35	35
Total cost	1,588	15,011
Total 845% increase		

Note to editors

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