

## Associate profits up by almost 7%

The average associate remuneration has increased by almost 7%. That's according to NASDAL's (National Association of Specialist Dental Accountants and Lawyers) annual Benchmarking Report for the financial period, 2022-23.

The eagerly awaited figures – based on 2023 tax returns and accounts with year ends up to 5 April 2023 – have shown:

- Average associate remuneration is up for the second year in a row from £75,488 to £80,554 – a 6.71% increase
- A small increase in typical practice profits



but smaller than inflation (from £172,291 in 2022 to £175,063 in 2023)

- A reduction in private practice profit – a drop from £178,513 in 2022 to £175,800 – but still returning to expected levels (2022 was higher due to the impact of the pandemic)
- Differential of profitability between NHS and Private practices – £17,893
- Practices with associates still show much higher average net profit per principal – £181,170 versus £146,843 single-handed in this year's figures.

Ian Simpson, Chartered Accountant and a partner in Humphrey and Co, which conducts the statistical exercise commented: "This year's figures did fulfil our expectations. We had expected a small rise in practice profits overall and to also see private practices fall back somewhat after the heights of the 'Zoom Boom'. There is still a big gap in profits between NHS and mixed and private practices and it

is difficult to see this gap ever closing as NHS practices cannot pass on increased material and wage costs.

"The continued growth of associates' income is welcome but likely to be a 'market correction' as their incomes have been so static for the last 15 years or so. As we look forward to the 2024 figures, we expect to see a continuation of growth – perhaps across all sectors? It will be an election year and an incoming government may spend more on NHS dentistry. However, we are in a recession so private and mixed practices will have to work hard to grow their businesses whilst keeping costs under control."

Heidi Marshall, of Dodd & Co, Specialist Dental Accountants and Chair of NASDAL observed, "Thank you to Ian and his team and all the NASDAL members for pooling this useful data. One interesting point to note is that the 2022-23 figures saw a reduction in the number of NHS practices and an increase in the number of mixed and private practices in the sample. Statistical anomaly or change in the market? Time will tell."

## Dentists: It will take more than sound bites and dodgy stats to save service

England's dentists have no confidence in the new Recovery Plan, which the vast majority have dubbed incapable of meeting the Government's stated goals, and which they say may actually reduce access for NHS patients. A national survey of dentists in England shows:

- Just 3% think the plan will result in their practice seeing more NHS patients while 43% believe the plan will actually lead to their practice seeing fewer NHS patients
- Only 1% of respondents believe the plan is capable of meeting the government's stated objective to provide NHS dental care to 'all who need it'. A mere 3% say it will keep them providing NHS care long term
- 4% believe it is ambitious enough to meet the scale of the current crisis – the same proportion who say the level of investment is sufficient to make NHS dentistry sustainable going forward
- Only 41% of practices say they are operating at pre-COVID levels of capacity. 62% cite higher needs patients requiring more clinical time as a factor constraining

their practice, reflecting the huge backlogs generated by ongoing access problems.

The BDA described the Government's Recovery Plan as 'unworthy of the title', stressing that after an almost yearlong wait, it failed to offer the ambition or resources to bring the service back from the brink.

The BDA stress that dentists have seen through the official spin that surrounded the plan's launch. It is demanding that Government disclose the modelling underpinning the claim the plan will generate 2.5 million new appointments, given that no policies within it are capable of generating new capacity or attracting dentists back to the NHS.

The professional body understands that not a penny of new investment is included in the £200m funding the plan, with all costs covered from less than half the estimated £450m underspend taken from practices struggling to hit their punitive NHS targets. Taken together with recent hikes in patient charges, the BDA say this represents further

cuts to a service pared to the bone – with higher charge levels being utilised as a substitute for state investment, as they hit millions of families on modest incomes.

The BDA have stressed the Health Committee set out an instruction manual to save the service in its report last year. The first step – a decisive break from the failed NHS dental contract, and a move to a person-centred, prevention-focused model of care – has been rejected by Government, following what the BDA believes is Treasury pressure.

Shawn Charlwood, Chair of the British Dental Association's General Dental Practice Committee said: 'Checkups are hard to come by, but it will prove much harder for Ministers to find a dentist who backs their outlandish claims.'

"This profession has seen through the spin. Empty sound bites won't stop queues outside practices, and dodgy statistics won't call time on 'DIY' dentistry. Bringing dentistry back into the 21st century requires real commitment, which is frankly in short supply."