ARF may be set at same level for three years

By Adrian O'Dowd

The dental regulator is considering setting the annual retention fee (ARF) at the same level for three-year periods and could change the way dentists are able to pay it by allowing payment in instalments, it has been revealed.

The General Dental Council (GDC) published details on 12 December 2018 of responses to its public consultation¹ that ran from February to May 2018 on a new approach to setting fees, as set out in a previous document called *Shifting the Balance*.²

The BDA has welcomed some aspects of the changes but said it still had concerns about the GDC's approach to transparency and accountability.

Following the GDC's public consultation which received 105 responses, the GDC's newly released consultation outcome report³ says the regulator has now decided to introduce a new approach from 2019 based on three principles:

- Fee levels should be primarily determined by the cost of regulating each professional group
- The method of calculating fee levels should be clear
- Decisions on the allocation of costs should not lead to undesirable outcomes (eg in the form of unacceptably high or variable costs for some groups of registrants).

The regulator said it intended to move to a three-year planning model. This, it argued, would provide clearer information about the cost of proposed regulatory activity.

In practice, this means the GDC will set out plans on how it intends to achieve its objectives every three years and before that strategy is approved, anyone with an interest will have the opportunity to express their views about its aims and spending, which will provide the basis for setting the ARF, currently set at £890 per year for dentists.

The first of these consultations will take place in spring 2019.

The GDC said it recognised that setting the fee for a three year strategic period removed flexibility for year to year fluctuations in cost and income to be factored into the level of the ARF, but said it intended to proactively manage those exceptional circumstances, such as a last resort option of adapting the fee within a three-year cycle.

Another significant change will be the elimination of 'cross subsidy' – which happens when the fees paid by one group of dental professionals effectively fund regulatory activity in relation to another – except for instances where doing so will lead to inappropriate or disproportionate outcomes.

The GDC said a number of views had been expressed in the public consultation about payment of fees by instalments.

A spokesperson for the GDC said: 'We recognise the potential positive impact that paying by instalments could have for dental professionals but there are some legal ambiguities in relation to this which leaves the position unclear.

'More detailed exploration of the legal, financial and operational factors is needed but we do not have any further information at this time.'

Ian Brack, Chief Executive and Registrar at the GDC, said: 'We will be consulting on the three-year costed corporate strategy this spring – it will be an unrivalled opportunity to understand and critique the GDC's strategic priorities, the associated costs, and the use to which cost-savings will be put.'

Dentist leaders said it was unacceptable to stop consulting on the level of the ARF and instead only consult on a high level plan every three years.

It was still critical about approaches to fee setting and the holding of significant reserves

for 2019 and BDA Chair Mick Armstrong said: 'Dentists will have little confidence in plans to base the ARF on a three-year plan without real transparency and accountability.'

'Yes, fees should reflect costs, but colleagues cannot be expected to pay for work that has no support within the profession.'

'This profession has been calling for instalments for years, so any progress on that front, however slow, is positive. We need concrete progress towards delivery, and the onus is now on the GDC to prove they are not simply kicking an achievable goal into the long grass.'

'No matter what rationale they use, there can be no justification for keeping the ARF at its current high rate. This fee must come down significantly to restore the profession's confidence, and demonstrate that the GDC has learned from past mistakes.' ■

1. General Dental Council. Clear and Certain: A new framework for fee-setting. 2018. Available at <https://www.gdc-uk.org/about/what-we-do/consultations> (accessed December 2018).
2. General Dental Council. Shifting the balance: a better, fairer system of dental regulation. 2017. Available at <https://www.gdc-uk.org/about/what-we-do/shifting-the-balance> (accessed December 2018).
3. General Dental Council. Clear and Certain: A new framework for fee-setting: Consultation outcome report 2018. Available at <https://www.gdc-uk.org/api/files/GDC%20consultation%20outcome%20report%20-%20fee%20setting%20framework.pdf> (accessed December 2018).

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