



## PRACTICE NEWS from Albert Goodman

Welcome to the latest issue of the Albert Goodman e-Update specifically for medical practices.

If you have any feedback on the contents of this newsletter, or would like to discuss how this may affect your practice please click on the feedback link. Likewise, if you are not a client of ours and would like to see if we are the right team for you please forward [Keith Miller](#), our medical practice specialist, your details and he will be delighted to get in touch for an informal chat.

Thank you for taking the time to read this newsletter.

Keith Miller

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# Salaried GPs' rights explained

08/03/2010

The legal entitlements of salaried GPs are explained in a new handbook being sent to salaried GPs who are members of the BMA.

The 2010 Salaried GP Handbook, published on Wednesday, has sections on employment protection, sick leave, working hours, salary, maternity leave and redundancy.

Employer GPs can also get copies, from the association.

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# Doctors' pay award 'fair' claim NHS employers

10/03/2010

The Government accepted all but one of the Review Body's recommendations for General Medical Services (GMS) and General Dental Service (GDS) contracts.

NHS Employers said: 'We support pay restraint for GPs and dentists and are pleased that the Government has taken into account the evidence we submitted on affordability and that such awards should take into account any efficiencies that practices may achieve.'

'The Government has also decided that it would not be unreasonable to expect GPs and dentists to make a 1 per cent efficiency saving on their expenses'.

Andrew Clapperton, head of primary care workforce and contracting at NHS Employers, said: 'We have consistently made the argument over a number of years that these awards should take into account prospective efficiency savings and can understand why the Government has made the decisions it has.'

NHS Employers said a pay increase of 1 per cent for salaried GPs, salaried dentists, specialty and associate specialist grade (SAS) doctors and doctors in training in England was acceptable 'however, we acknowledge that it creates a pressure as the increased cost has to be met by individual trusts already facing financial difficulties'.

Gill Bellord, director for core membership services at NHS Employers, said: 'We welcome pay restraint for consultants in the NHS. The evidence we gave to the Doctors' and Dentists' Review Body (DDRB) called for constraint as increases would not be helpful in the context of such difficult economic times.'

'In addition, we understand the Government's decision not to increase the pay of board level senior managers. It is reasonable that senior staff in the NHS should lead by example and demonstrate their commitment to meeting the current financial challenges.'

The award includes a new 5 per cent pay supplement for the small number of year one foundation (FY1) doctors in posts attracting basic pay (approximately 10 per cent or 600 posts) and this places an additional financial pressure on trusts. This is designed as an interim adjustment to pay pending the work which we have been commissioned to undertake to look at the effectiveness of the current contractual arrangements for junior doctors.

Ms Bellord added: 'We believe that overall the outcomes for doctors, dentists and very senior managers, which were announced today, are fair while reflecting the need for efficiencies that all NHS organisations are being asked to deliver.'

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# Doctors' leaders 'disappointed' at 2010-2011 pay award

10/03/2010

Initial reaction to the doctors' pay award is one of disappointment from GPs and hospital doctors.

BMA council chairman and GP Dr Hamish Meldrum said the association was disappointed that the Government had chosen to overrule some of the recommendations of the independent pay review body.

'We are well aware of the financial climate in which this decision is being made, but the independent pay review body took these factors into account in coming to its recommendations.'

'Many doctors have already undergone pay freezes or sub-inflation pay rises in recent years and today's announcement will

mean a pay freeze for the most highly experienced senior doctors.

'We are particularly disappointed that the Government, in choosing to interfere with the pay review body's recommendations, has not fully taken into account the financial pressures on junior doctors in their first years of postgraduate training – who have average debts of £22,000.

'The Government has also scaled back the uplift that was essential to counter increases in GPs' expenses, which has resulted in another pay cut for family doctors'.

He remarked it was 'interesting' that the Government accepted in full the salary increases recommended for MPs 'yet chose to penalise dedicated and hard-working doctors who strive to lead and deliver improvements in care whilst working in exceptionally challenging circumstances.'

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## Freedom of Information Act allows access to GPs' earnings

15/03/2010

The media is using the Freedom of Information Act to find out what GPs earn.

And the results have allowed newspapers to report that the highest-paid GPs are earning over £300,000-a-year from the NHS.

One GP, Dr Suppiah Ratneswaren, was pictured yesterday in The Sunday Times and today's Daily Mail. He is 'linked to four separate NHS practices in the south London borough of Greenwich' and earns between £300,000 and £400,000 a year, 90% of it from the health service.

The Sunday Times said it figures for GPs were disclosed under the Freedom of Information Act, relating to 2007 and 2008.

The doctor reportedly said he was not the highest-paid doctor in Greenwich: 'I don't want to be seen as a money-hungry doctor because I am driven by the quality of work and I work very hard. I have got nothing to hide.'

The story named a second GP in the trust area, Dr Hany Wahba, as being named by colleagues as 'one of the country's highest-paid doctors'.

300 GPs in England and Wales were said to earn more than £250,000 a year.

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## GP educators' and trainers' pay

10/03/2010

The GP educators' pay scale and trainers should rise by one per cent for 2010-11 in line with recommendation for salaried GPs, the Review Body said today.

Health departments had argued that GP educators should not receive any uplift to their pay scale.

The Review Body expressed concern at the apparent inertia in completion of the various reviews and consequent deferral in holding discussions around the future of the GP trainers' grant. This had been promised by the Health departments for several years.

The pay board said it sympathised with the BMA's view that there should be some interim recognition for GP trainers pending completion of the review.

But it added 'However... we also consider that any changes to the level of the trainers' grant should reflect changes to their responsibilities, but we have not been provided with sufficient evidence that would allow us to make such an assessment. On balance, therefore, we believe that until thereviews are complete we should simply continue to increase the value of the trainers' grant in line with the other fees and allowances on which we are required to make recommendations.

'Therefore we recommend that the general medical practitioners' trainers' grant be increased by 1 per cent for 2010-11. We ask the parties to give priority to this issue and to update us for our next review'.

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# GP pay rise in 2010? Forget it!

10/03/2010

GPs have been told today they will receive an overall gross uplift of only 0.8 per cent. This will result in no net increase in their pay.

NHS Employers said the uplift was to meet expenses and took into account a 1 per cent saving on the expenses component.

In what is yet another disappointing award for doctors generally, the Government's decisions on Review Body recommendations for 2010-11 are:

- No change for the salaries of medical and dental consultants.
- General dental practitioners will receive an overall gross uplift of 0.9 per cent which will result in no net increase in dentists' pay. The uplift is to meet expenses and takes into account a 1 per cent saving on the expenses component.
- Specialty and Associate Specialist (SAS) doctors and all junior doctors in England will receive an increase of 1 per cent although there will be a new 5 per cent pay supplement for FY1 doctors in posts that attract only basic pay.
- The Government has decided to freeze pay for certain very senior managers in the NHS following recommendations from the Senior Salaries Review Body (SSRB). This applies to board level staff in PCTs, ambulance trusts, strategic health authorities and special health authorities in England.

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## GP registrars' pay

10/03/2010

The GP registrars' supplement should stay at 45%, the Review Body said.

Doctors' representatives had argued for it to be restored to 50 per cent, its level before the reduction in 2009-10.

The BMA said GP training was decreasing in popularity, and believed that the ability to recruit into the five year training programme currently under consideration would be hit if GP registrars were to be subjected to a further erosion of pay.

Doctors disputed the Health departments' claim that the NHS had not experienced any significant difficulties in filling training places.

They said the overall number of applications to GP training programmes last year decreased, despite an increase in the number of posts offered.

But the Review Body responded: 'The GMP registrars' supplement was introduced at a time when recruitment into general practice was poor and was paid to ensure that doctors who opted to train for a career in general practice were not financially disadvantaged compared to hospital doctors in training. The evidence suggests that there are no major causes for concern with recruitment among GMP registrars'.

It said any doctors currently receiving the higher protected level of the supplement should keep their existing entitlement rather than see their pay supplement reduced.

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## GPs warned over PCT contract scam

18/03/2010

Lawyers are warning PMS GPs to be alert for a PCT contracts scam.

They say they have evidence of PCTs sending out variation notices requiring changes to PMS agreements on the basis that they are mandatory changes required by law.

But in reality the changes are only ones that the PCT would like to bring in, claim Lockharts solicitors.

The firm says in a circular to GPs: 'Such non mandatory changes cannot be imposed and it is quite wrong for PCTs to dress them up in this way'.

Lockharts said GPs should contact a legal representative if there was any doubt about changes they were being asked to sign up to.

Practices might need to take urgent action to prevent this happening.

On a second PMS issue, the firm has drawn attention to a dental case concerning a Dr Eddie Crouch and a proposed termination of his PDS Agreement.

Lockharts took advice from Counsel and thinks the Court of Appeal decision in this case would be persuasive if the same issue arose in connection with PMS. In the Crouch case it was determined that PCTs did not have a stand alone right to terminate a PDS agreement and could only do so when there was just cause, i.e. contractor default as set out in specific contractor conditions.

Said Lockharts: 'Last Friday, regulations amending the principal PMS Agreements Regulations were laid before Parliament which will bring about, with effect from the 1st April, a number of changes in the PMS regime. In particular, there is a change which seeks to give some clarification to the termination provisions.

'We continue to believe that the Regulations probably do not give rise to a stand alone right to terminate but it is increasingly likely that PCTs may attempt to operate such a right; particularly in connection with their current drive to reduce PMS spend. Unfortunately, there can be no certainty about the position as no PMS case has gone to Court'.

The firm said if existing PMS contractors were served with termination notices without a clear contractor default, it was crucial that the notice was appealed.

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## Health secretary spells out why best paid doctors get nothing

10/03/2010

Health Secretary Andy Burnham has spelt out why GPs won't get a better paid contract in 2010.

Responding to the Review Body award today he said: 'These pay uplifts are a good deal for the Government and the NHS. In tough times, this package targets the pay rises we can afford to make where they can do most good for patients.

'They also take full account of the need for pay restraint - especially by top earners in the public sector. The best-paid hospital doctors, along with GPs, dentists, and top NHS managers, will therefore get no increases'.

He said the Government had, however, taken on board the recommendations of the independent pay Review Body on lower-paid doctors at the start of their careers, who would be getting a special pay supplement.

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## Ministerial statement on doctors' pay

10/03/2010

Health Secretary Andy Burnham made the following written ministerial statement on doctors' pay today (see 4th paragraph for GPs):

'For salaried doctors and dentists the DDRB has divided its recommended pay awards for 2010-11 into three groups:

\*consultants — 0 per cent; - registrar grades, specialty doctors and associate specialists (SAS) grades, salaried general medical practitioners (GMPs) and

\*salaried dentists — 1 per cent; and

\*foundation house officers (1 and 2) and their equivalents — 1.5 per cent.

'In addition, the DDRB recommend that a banding multiplier be introduced for foundation house officer 1 posts that only attract basic pay and that this should be set at 1.05 of basic salary.

'The Government does not accept that there is a compelling case for the recommended award of 1.5 per cent for foundation house officers and their equivalents and in line with its evidence believes that all salaried doctors and dentists below consultant level should receive an award of 1 per cent. The remainder of the DDRB's pay recommendations for salaried doctors and dentists have been accepted in full by the Government.

# GPs

'For independent contractor general medical practitioners (GMPs), DDRB have recommended an increase in contractual payments to practices of 1.34 per cent designed to result in no increase to GMPs' average net income after allowing for movement in their expenses.

'With regard to general dental practitioners (GDPs), the DDRB has recommended a 1.44 per cent increase in contract values which the DDRB intend to result in no increase in GDPs' net income after allowing for movement in expenses.

'In making these recommendations the DDRB has indicated that it considers efficiency savings made by GP and dental practices should only be taken into account retrospectively, after the scale of these savings becomes apparent in data showing trends in earnings and expenses.

'The Government does not consider this approach sustainable at a time when most areas of the public sector are having to achieve efficiency savings in order to sustain jobs and income levels. In view of this, and in line with its evidence to the Pay Review Body, the Government has decided to abate the DDRB's recommendations for GMPs and GDPs by applying a prospective efficiency assumption of 1 per cent of contractors' operational costs.

'This will have the effect of reducing the proposed uplift in the value of contract payments to 0.8 per cent for GP practices and 0.9 per cent for dental practices'.

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## Keith Miller

Keith joined Albert Goodman in 2006 from a local Somerset firm of Accountants where, having qualified as a Chartered Accountant in 1988, he had been a Partner since 1990. He recently went on to achieve further success becoming a Certified Financial Planner in 2006.

Although best described as a General Practitioner, providing financial and taxation advice to an expanding portfolio of high net worth individuals, limited companies, sole traders and partnerships, Keith specialises in assisting medical practices and solicitors on all aspects of financial and taxation advice. He leads our GP medical team and is a member of AISMA, the Association of Independent Specialist Medical Accountants.

As a qualified Certified Financial Planner, he is ideally suited to obtaining a detailed understanding of the issues facing proprietors and their personal objectives in order to make a key contribution on strategic and tax issues, as well as dealing with the very complex areas of Capital Gains Tax and Inheritance Tax planning.



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