



GP NEWSLETTER

July 2018



Francis Whitbread
Partner

In recent years Emma Wood from our medical sector team has provided a summary of the main points of

interest from the annual AISMA conference which was in May. This year Emma has been busy trying to finish as much accountancy related work as possible before she commenced maternity leave, so the task of providing the conference highlights for 2018 has fallen to me.

Many of the speakers echoed what we have seen with the practices we act for; the number of full-time equivalent GPs has declined, practices are struggling to recruit (in particular at partner level), whilst at the same time an increasingly ageing population is putting pressure on already limited GP resources.

In the expectation of extended access to GP services at evenings and weekends by 1 October 2018 the 2018/19 NHS planning guidance states the aim is to actively encourage

every practice to be part of a local primary care network, serving populations of at least 30,000 to 50,000.

There were the usual sessions emphasising collaborative working, being part of a Federation and the possibility of a merger. The clear message from all of this is that GP practices cannot stand still if they wish to survive.

In this time of change a perspective from outside the practice is in our view very helpful in determining the steps the practice can take to make itself more profitable and hopefully retain its independence, if that is the wish of the partners.

We have highlighted our GP trouble



shooter service in previous newsletters and this remains available. Trevor Bailey, our original trouble shooter, has been working closely as an interim finance manager with one of the practices which I deal with and the clear message from the partners there is that they are feeling the benefit of having somebody coming from outside and looking critically at their procedures, income streams to see if these can be expanded, and expenditure. Clearly an external review

comes with a cost but in our opinion the long-term benefits far outweigh



this so if a review is of interest please do not hesitate to contact us. Unfortunately Trevor has become so involved with my client he does not feel able to accept any further assignments, but we have another external consultant who is able to assist Debbie Wakefield and myself in providing this ongoing trouble shooter service.

Turning to taxation, there was a helpful VAT update. Other than dispensers, GPs probably think they do not need to worry about VAT because the provision of healthcare services is an exempt activity for VAT purposes but as always with VAT it is never that simple; remember the debate years ago over whether a Jaffa cake was liable to standard rated VAT or not! A number of areas were highlighted where a VAT liability can arise, for example clinical trials, cosmetic procedures, providing services to a CCG and providing management services or resources. Commenting on the last point, where the provision is of staff resource this will be liable to VAT unless joint employment contracts are



involved. Such a contract must not be a sham and needs to show that the individual does have responsibilities to both employers.

Inevitably, there was a good deal of time devoted at the conference to pensions. Many of the delegates highlighted their concerns about obtaining pension information from nth NHS England and accurate information. One of the speakers was from the Pensions Agency and confirmed that some valuations and pension savings annual allowance statements have been issued based on incomplete information from NHS England. The next wave of annual allowance statements should be issued over the next couple of months so when you receive yours can you please make sure it is forwarded on to us so it can be checked. The following points were also highlighted too:-

1. It is expected that the employee superannuation tiered rates will be altered from 1 April 2019 but exact details have not yet been published.
2. A long overdue review of the current rules for annualisation and final pay control regulations is to

take place as these are considered by many to be totally unfair.

3. A review is also to take place of the scheme pays election rules for annual allowance charges that arise as a result of the tapered annual allowance.
4. It is estimated that several thousand salaried GPs have not completed year end Type 2 certificates of pensionable earnings. It is hoped that there will be a one form catch up to cover the last five years but we would recommend that you do check that your salaried GPs are up to date with their reporting of pensionable earnings and if they need any assistance with this we will of course be happy to help.

Alison McDowall, who also attended the conference, was able to obtain the contact details of the speaker from the Pensions Agency and we hope this will be useful in providing a quicker way of dealing with any specific queries that arise for our clients.

If you think this information might be useful to a friend or colleague, please pass it on.



Debbie Wakefield
Partner



Alison McDowall
Manager



Emma Wood
Manager

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Edmund Carr LLP

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www.EdmundCarr.com
Email: Advice@EdmundCarr.com

Registered Auditors and Chartered Tax Advisers

Edmund Carr LLP, 146 New London Road, Chelmsford, Essex, CM2 0AW, UK
+44 0 1245 261818 www.EdmundCarr.com



David C Drain
Francis V Whitbread
Colin A Barker

Eric D Williams
Ray Grace
Thomas C York ACCA

Stewart P Martin
Debbie J Wakefield

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