

## locum doctors and 'off-payroll working'

From April 2017 changes in law have made GP practices responsible for assessing if any 'workers' should be taxed as if they were employees. Whilst almost a year has passed since the change was introduced many practice managers and locum workers are unaware of the changes and could face severe penalties from HM Revenue & Customs.

Commonly known as IR35 and originally introduced in 2000 the legislation is designed to tackle 'disguised employment', where an individual is working for a business in a relationship that has the appearance of an employment, but the individual is not taxed as an employee.

A common scenario is where an individual works as a consultant to a single business and is paid via the worker's own limited company. There are tax advantages to this which HMRC feel are unacceptable. This is particularly relevant to locum doctors as many operate in this way.

It was previously the responsibility of the worker to assess if they were affected by IR35. From April 2017 however the responsibility for the decision has shifted to the public sector body where an off-payroll worker is engaged through an intermediary, such as a limited company.

Practice managers of a traditional GP practice may be surprised to learn that they are considered a "public sector body" and must

apply the legislation to anyone they pay for services who is not already treated as an employee. Again, this will most likely be a locum doctor.

The GP practice is required to make an assessment of the relationship between themselves and the locum doctor to decide if the locum is caught by the legislation. Making the assessment is not all that easy to do as the determining factors are based around HMRC practice and case law. There are various factors which largely centre on who has control over the services provided by the locum.

HMRC have provided an online tool to help make the assessment, known as 'CEST'. This is not without controversy however as the online tool has been designed to assume that one of the key factors that would indicate the worker is an employee has already been met. Subsequently, the online tool will lean towards deciding that the worker should be taxed as an employee.

So what happens if the GP practice decides that the worker is caught by IR35?

The impact is a financial one, in that the worker will suffer the same income tax and national insurance charges that they would have done if they were an employee of the practice. The practice will also be required to pay employer's national



insurance contributions, increasing the cost to them of using the worker.

The GP practice may also consider taking legal advice as there is potential for a locum who is being taxed as if they were employed, to argue that they must therefore be employed. They may not be entitled to certain rights such as pension provision, holiday and sick pay that regular employees are entitled to, and having lost the tax advantages of using their own company may wish to renegotiate their position.

If you are a GP practice or locum worker then it is important to review your arrangements now and ensure you are not caught by the legislation. The onus is on the GP practice to assess their workers and failure to do so will incur penalties from HMRC for failing to operate the payroll correctly.

UK200Group Healthcare member

# audit highlights falling GP income and workforce

An audit by the Department of Health and Social Care (DHSC) for the Doctors and Dentists Review Body (DDRB) has highlighted a variety of key issues faced by general practices across England. The issues include a decreasing numbers of GPs, a fall in GP average income, an increase in the number of GPs taking early retirement, and a move away from partnerships to locum (stand-in) and salaried roles.

The audit indicates that many practices are facing recruitment issues, and warns of a gap between the number of doctors needed by

practices, and the number they are successfully recruiting and retaining. The DHSC audit proposes a range of plans to improve GP recruitment, such as new and/or increased retention schemes, the expansion of GP training posts and increased international recruitment. An increase in funding and plans for a state-backed GP indemnity insurance have also been proposed.

The audit also found that the average income for General Medical Services and Personal Medical Services partners in England decreased by 23% in the decade to

2015. However the Department of Health has suggested it will be more flexible in setting public sector salaries for 2018 and 2019 and the BMA and the DHSC are currently negotiating next year's GP contract. The British Medical Association (BMA) has also warned that general practice in England will remain underfunded by £3.4 billion by 2020/21, even with the full investment recommended.

For more information about the audit, go to:  
<http://bit.ly/2BtMISZ>

## financial incentive proposed to battle medical staff shortages

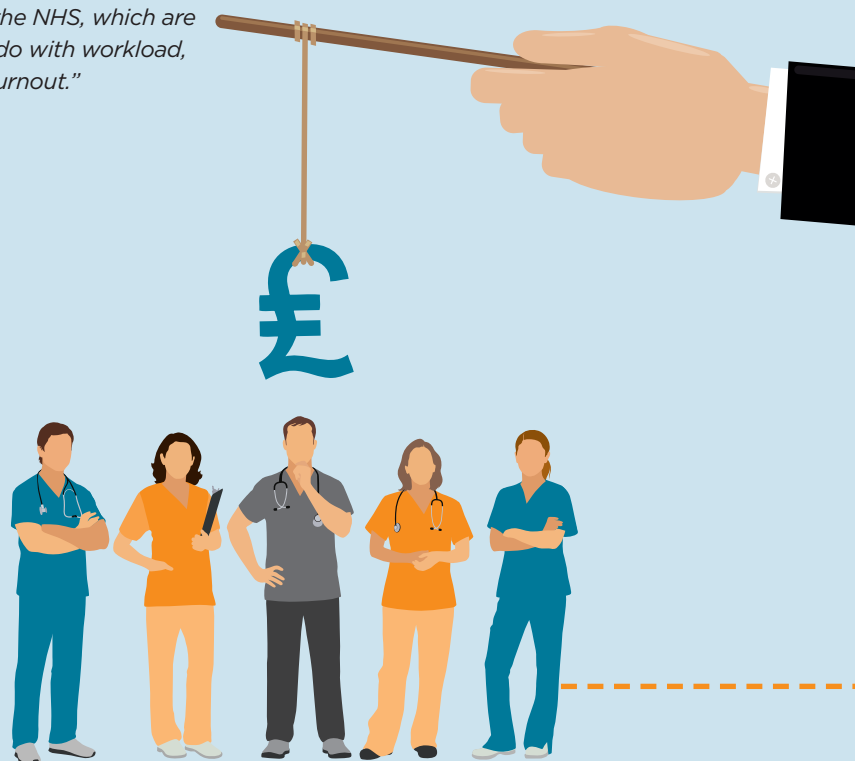
The government should consider forcing junior doctors to work in the NHS for a certain number of years in order to pay back training costs. This is according to Niall Dickson, chief executive for the NHS Confederation, who has also proposed that if newly trained doctors decide to go abroad to work soon after completing their studies they should pay back the costs of their training. The suggestions have been made as staff shortages remain a key challenge for the NHS in England, which is currently struggling to fill 45,000 clinical vacancies. The training of each new doctor is costing UK taxpayers £220,000.

Mr Dickson believes that the overworked and stressful nature of NHS hospitals could push doctors to look for employment in Canada, Australia and New Zealand, which recruit UK doctors in high numbers. Healthcare leaders are also concerned that Brexit will lead to further staff shortages as the number of healthcare professionals coming from the EU to work in the UK has already begun to fall since the EU referendum in 2016.

However, the British Medical Association (BMA) has claimed that mandatory lengths of service would be likely to discourage students from entering medicine in the first place, and that in order to keep UK-trained doctors, the government should *"address the underlying reasons why many leave the NHS, which are primarily to do with workload, stress and burnout."*

The Department of Health and Social Care is currently considering plans to increase the return on taxpayer's money used to train new doctors. The plans are expected to be published by spring 2018.

Read more about the proposals at:  
<http://bit.ly/2GwNRNO>



# in brief...

## Scheme encourages GPs to return to the NHS

NHS England has revealed that 546 GPs have applied to join its 'GP Induction and Refresher' scheme since it was launched in 2015. The scheme, which was introduced to help recruit an extra 5,000 GPs by 2020, provides financial and practical support to help qualified GPs return to NHS general practice in England. Overall, 142 GPs have completed the scheme and are now working in general practice, while 193 are currently participating in the scheme and on placements in GP practices. A further 211 GPs are expected to start on the scheme in future. While the BMA has said the figures are encouraging, the number of GPs leaving the NHS continues to outpace GP recruitment levels.

<http://bit.ly/2HDFbcC>

## Plans to limit GPs from prescribing over-the-counter medications

NHS England has consulted on its proposals to restrict GPs from prescribing certain over-the-counter (OTC) medications and products. Under the plans, GPs will no longer be able to prescribe OTC treatments for eight self-limiting conditions and 25 minor ailments including cold sores, colds and conjunctivitis. GPs will still be able to prescribe OTC treatments for long-term or complex conditions, as well for minor illnesses that are side-effects of more serious conditions. According to NHS England, the proposals could release up to £136 million in NHS funding. In November 2017, NHS England issued guidance to clinical commissioning groups stating that 18 low-value treatments such as herbal remedies and homeopathy can no longer be prescribed in primary care.

<http://bit.ly/2peeNNs>

## Concerns about proposals for healthcare 'super-regulator'

The Department of Health has consulted on its plans to improve the regulation of healthcare professionals. Under the plans, the number of regulators in the healthcare sector would be reduced from nine to three or four. In its response to the consultation, the Medical Protection Society has warned that while healthcare regulation is in need of significant reform, the General Medical Council should continue to be the regulator for the medical profession. The National Pharmacy Association has also raised concerns about the proposals and warned that creating a 'super-regulator' for the healthcare sector could lead to a loss of expertise and understanding of the different healthcare professions.

<http://bit.ly/2pjiOQ8>

<http://bit.ly/2FO1BCS>

## CQC to rate non-NHS healthcare services

The Department of Health (DH) has published its response to a consultation about its plans to strengthen the powers of the Care Quality Commission (CQC). In the response, the DH confirms that the CQC will be granted new powers to rate more non-NHS healthcare services in England, such as online GPs, certain types of cosmetic surgery providers, substance misuse clinics and pharmacies. While the CQC currently has powers to carry out inspections of non-NHS services and publish its findings, it cannot award ratings. According to the DH, extending the rating system will improve patient safety and help them to make more informed choices. The DH is expected to consult on how the CQC will rate the additional services later in 2018.

<http://bit.ly/2IPryZU>

## New GP contract for Scotland approved

The BMA's Scottish GP Committee (SGPC) has announced that a new GP contract for Scotland will be implemented from 1 April 2018. The announcement follows a poll of GPs in Scotland which revealed that almost 72% are in favour of implementing the new contract. According to the SGPC, the new contract will reduce GP workloads, improve the recruitment and retention of GPs and provide more stability and financial security for practices across Scotland. The contract will introduce a new Practice Income Guarantee to protect the funding of all practices, as well as a minimum earnings threshold so that no full-time GP partner will earn less than £80,430.

<http://bit.ly/2mITNmy>

## GPs reluctant to offer online consultations

Around 58% of GP practices in England have no interest in offering online consultations to patients, according to a survey of 231 GP partners by GPonline. Overall, 10% of partners said their practice already offers online consultations, while 32% said they would be interested in providing them in future. Despite limited GP support for online consultations, NHS England has announced £45 million of funding for clinical commissioning groups to introduce online consultations. According to NHS England, online consultations will help tackle the rising workloads of GPs and improve access to healthcare. However, the survey has indicated that practices which are already using online consultation systems have recorded a rise in workloads and patient demand as a result. <http://bit.ly/2ET1hSe>



# support for clinical pharmacists working in general practice

NHS England has outlined its plans to roll-out the 'Clinical Pharmacists in General Practice' programme, which provides funding to enable clinical pharmacists to work in general practice. Clinical pharmacists provide support with day-to-day medicine management, help patients to manage long-term conditions and provide consultations directly with patients.

Under the plans, the number of clinical pharmacists working in general practice will be almost

doubled from 580 to over 1,100 across more than 3,200 GP practices. Overall, clinical pharmacists will work in 40% of surgeries across England and support a population of around 34 million patients.

NHS England announced its plans to extend the programme after a successful pilot indicated that clinical pharmacists offer quicker access to clinical advice for patients and enable GPs to prioritise patients with more serious and complex conditions. In particular, NHS England has committed to invest more than £100 million to train and recruit an additional 1,500 clinical pharmacists to work in general practice by 2020/21.

Dr Arvind Madan, Director of Primary Care at NHS England, said: "*The clinical pharmacists*

*programme has proven to be hugely popular with practices, patients and pharmacists themselves. Clinical pharmacists have a wealth of knowledge and skills to offer great patient care in a more convenient way and are also taking some of the pressure off GPs."*

GP practices and other providers of general practice medical services can apply for funding to recruit and train clinical pharmacists through the programme on an on-going basis. NHS England has published guidance about the application process and there are four funding application deadlines over the next 12 months starting on 13 April 2018.

Read more about the programme at: <http://bit.ly/2HGtPQx> And: <http://bit.ly/2q9i8JE>



Grimsby t: 01472 350601  
Louth t: 01507 606111  
Scunthorpe t: 01724 863105  
Skegness t: 01754 761777

Forrester Boyd is a partnership operated from the offices listed above.



Beverley t: 01482 889400

Forrester Boyd Robson is a trading name of Forrester Boyd Robson Limited, a company incorporated in England & Wales with company number 08370127 and registered office at Kingfisher Court, Plaxton Bridge Road, Woodmansey, Beverley, HU17 0RT

[www.forrester-boyd.co.uk](http://www.forrester-boyd.co.uk)

If you would like to receive further information on any of the articles in this newsletter, please contact our healthcare partner, Paul Tofton, at our Grimsby office or email [p.tofton@forrester-boyd.co.uk](mailto:p.tofton@forrester-boyd.co.uk)



The UK200Group is a modern and proactive professional membership association of independent chartered accountants and lawyers which provides training and business services to enhance the performance of member firms. As well as being focused on the general small to medium businesses, members have specialist knowledge and experience of the agriculture, healthcare, charities, legal and property and construction sectors to provide effective support and advice in the areas of tax, financial management, business planning and legal issues.

[www.uk200group.co.uk](http://www.uk200group.co.uk)

This newsletter has been prepared for general interest and it is important to obtain professional advice on specific issues. We believe the information contained in it to be correct. While all possible care is taken in the preparation of this newsletter, no responsibility for loss occasioned by any person acting or refraining from acting as a result of the material contained herein can be accepted by the UK200Group, or its member firms or the author.

UK200Group is a trading name of UK200Group Limited and is an association of separate and independently owned and managed accountancy and law firms and as such each has no responsibility or liability for the acts or omissions of other members. UK200Group does not provide client services and it does not accept responsibility or liability for the acts or omissions of its members.

## DBS checks extended for new dental practice owners

The Care Quality Commission (CQC) has confirmed that CQC countersigned Disclosure and Barring Service (DBS) checks in England will now be valid for 12 months instead of six for anyone buying a new dental practice.

The change has been announced in response to criticism from the British Dental Association (BDA) that the six-month validity of DBS checks placed additional costs and administrative burdens on dental practices. In particular, the checks would often expire before the other legal processes involved in buying a new practice had been completed, which could lead to delays as the buyer would have to apply for another check in order for the sale to go ahead.

The CQC has confirmed that it will retain the right to request a six-month DBS certificate if there are safeguarding concerns.

Chair of the BDA General Dental Practice Committee, Henrik Overgaard Nielsen, has welcomed the decision to extend the validity of DBS checks to 12 months as a 'common-sense move'. Mr Nielsen said: "*This extension is certainly a step in the right direction and we will continue to fight unnecessary bureaucracy like this, which affects our dentists adversely.*"

The CQC has also published updated guidance to clarify who needs to apply for a DBS check and provide more information about the registration process.

Read more about this issue at: <http://bit.ly/2F1aeTC>

To download the updated CQC guidance, go to: <http://bit.ly/2FEJldM>