Changes to parental and sickness arrangements for dental contractors in 2017/18

Background and purpose

1. Under the General Dental Services (GDS) Statement of Financial Entitlements (SFE) 2013, dental contract holders are able to claim payments from NHS England to reimburse payments made to dental performers they have engaged who are on parental (maternity, paternity or adoption) or sickness leave.

2. Reimbursement of maternity leave payments (including those for an adoptive parent who is the child’s primary carer) are limited to a maximum of 26 weeks. Reimbursement of paternity leave payments (including those for an adoptive parent who is not the child’s primary carer), are limited to a maximum of two weeks.

3. Reimbursement of payments to performers on long-term sickness leave are limited to a maximum of 22 weeks. The first four weeks of sickness absence are not reimbursed.

4. The amount that a contractor is able to claim is calculated using the performer’s estimated monthly Pensionable Earnings, plus any seniority payment. This can be found on the contractor’s Monthly Payment 34 Schedule. The total is multiplied by 12 and then divided by 52, to give the total payment before any relevant deductions or limits are applied.

5. In order to be eligible to claim reimbursement of parental or sickness leave payments, the contractor must continue to engage the performer and to pay the performer an amount equivalent to their estimated net Pensionable Earnings.

6. The changes set out below take effect from 1 April 2017 for sickness leave, and from 1 October 2017 for parental leave.

7. Changes apply to practices providing services under a GDS or PDS contractual framework. The amendments to Statement of Financial Entitlements (SFE), which underpins changes to the contract, are available on Department of Health (DH) and Business Services Authority (BSA) websites.

Introduction

8. The below changes, were agreed by NHS Employers, on behalf of NHS England, and the British Dental Association (BDA). They reintroduce a ceiling to the payments dental providers can claim in respect of a performer taking parental or

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sickness leave. The ceilings will be adjusted annually to reflect the DDRB pay award for that year (if any). For information on how the ceilings were calculated, please see Appendix A.

9. Where a claim is made in respect of a performer who is entitled to claim Statutory Maternity Allowance (SMA) as a self-employed individual, an equivalent amount should be deducted from the amount claimed.

Parental and sickness leave payment ceilings for 2017/18

10. From April 2017 for sickness leave, and from October 2017 for parental leave, the maximum weekly amounts a contractor can claim are:

- £1,660 per week in respect of a dental performer on parental or sickness leave
- £3,630 per week in respect of an orthodontic performer on parental or sickness leave

11. For the purposes of the SFE, an orthodontic performer is a performer who earns 50 per cent or more of their weekly net pensionable earnings from the provision of orthodontic services. A performer who provides orthodontic services but earns less than 50 per cent of their total weekly net pensionable earnings from these services will be treated as a dental performer.

Performers who are engaged by more than one contractor

12. If a performer is employed by more than one contractor, the contractor making the claim should apply the ceiling proportionately, based on the percentage of the performer’s net pensionable earnings from their contract with that contractor. The percentage of the total ceiling that should be applied is calculated as follows:

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\frac{\text{the performer's weekly net pensionable earnings from the performer's contract with the contractor making the claim}}{\text{the performer's total weekly net pensionable earnings from all contracts}} \times 100
\]

13. For example, if the performer earns 60 per cent of their weekly net pensionable earnings from their contract with the contractor making the claim, the ceiling should be applied at 60 per cent. For a dental contractor in 2017/18, this would be 60 per cent of £1,660, so the ceiling to be applied by that contractor would be £996 (£1,660 / 100 * 60). The remainder would be applied proportionately to any claim(s) made by the other contractors who engage that performer.
Statutory Maternity Allowance (SMA)

14. From April 2017, where a claim is made by the provider in respect of a performer who is entitled to claim Statutory Maternity Allowance (SMA) as a self-employed individual, the value of the SMA\(^2\) should be deducted from the amount claimed.

15. If a performer is employed by more than one contractor, the percentage of the SMA to be deducted by the contractor is calculated as follows:

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\text{the performer’s weekly net pensionable earnings from the performer’s contract with the contractor making the claim} \div \text{the performer’s total weekly net pensionable earnings from all contracts} \times 100
\]

For example, if the performer earns 60 per cent of their weekly net pensionable earnings from their contract with the contractor making the claim, 60 per cent of the total SMA amount should be deducted from the amount claimed by that contractor.

16. If a performer is not entitled to SMA, the contractor may claim the full amount but should provide NHS England with evidence that the performer is not entitled to claim SMA. If the performer is entitled to a reduced rate of SMA, the contractor may reduce the deduction in line with the actual SMA amount received by the performer. Providers should seek proof that the performer in question is unable to claim SMA, for example notification that a claim has been refused by the Department of Work and Pensions.

How to claim reimbursement for payments in respect of parental or sickness leave

17. The process for claiming reimbursement remains unchanged. Contractors should complete the SFE claim form showing the performer’s net pensionable earnings (or net pensionable earnings equivalent) and indicate if there will be claims on any other contracts. NHS BSA will then calculate the payment due on each contract and where appropriate the amount of SMA to be deducted.

18. Shared parental leave there is no requirement for NHS England to reimburse enhanced shared parental leave payments, as contractors are not required to offer these (the law requires contractors to offer shared parental leave, but not enhanced payments for such leave).

\(^2\) At the time of publication, SMA is £139.58. The current value can be found at https://www.gov.uk/maternity-allowance/overview
Appendix A - How the cap for parental and sickness leave payments to NHS Dentists was set

1. The starting point was NHS Digital (formerly known as HSCIC) *Dental Earnings & Expenses 2012/13 – Initial Analysis*[^3]. We used the net pensionable earnings of Dentists/Orthodontists undertaking over 75% NHS Activity. This was £72,000 for dental performers and £159,213 for orthodontic performers.

2. We then reduced the figure by 5% to account for some non-NHS Activity in HSCIC’s original figure (unfortunately there are currently no figures available for dentists undertaking 100% NHS activity).

3. We increased the figure by 20% for allow some flexibility to make higher payments to genuine higher-than-average earners.

4. We then applied uplifts reflecting DDRB pay awards for each subsequent year after 2012/13 (This will also need to be reflected in the SFE in the event of a DDRB pay award in subsequent years that this cap is in place). The uplifts were 1% each year for the five years from 2013/14-2017/18.

We divided this figure by 52 and rounded to the nearest £10.00 to give the weekly cap.