

## **NHS Dental Services**

# **Your guide to completing Annual Reconciliation Reports**

**Important information for all Providers and Performers**

From the beginning of April your Annual Reconciliation Report (ARR) will be available to complete in Compass, there is no facility for this to be completed on paper.

This booklet contains information on how to complete your ARR. To complete the process successfully, Providers and Performers will work together to discuss and agree the ARR figures using Compass.

**All Providers and Performers must complete this by 30 June.**

## What is the ARR and why is it important?

All **Providers** and **Performers** are required to confirm net earnings for the financial year by 30 June. This includes confirming NPE/NPEE for every contract worked on during that financial year. We refer to this as the Annual Reconciliation Process.

It's important this is completed to ensure your pension records are accurate, plus your net earnings recorded in Compass are used to calculate statutory payments, such as sickness. This is done at the time a claim is made and entered in Compass.

**Providers** and **Performers** are required to confirm their actual net pensionable earnings (NPE) or Net Pensionable Earnings Equivalent (NPEE). You do this by completing the ARR online.

**Completing the ARR is a contractual obligation and a statutory requirement under Schedule 12, part 1, paragraph 3 of The National Health Service Pension Scheme Regulations 2015. It helps us maintain accurate pension records for all Performers.**

### Tip:

**NPE** (Net Pensionable Earnings) is your net GDS/PDS income paid up to 31 March excluding any payment for parental leave, seniority, long term sickness and/or trainer's grant paid from 1 April to 31 March.

**Note:** It is possible to have both NPE and NPEE figures in your ARR. This may be due to opting out or re-joining the NHS Pension Scheme during the financial year.

### Tip:

**NPEE** (Net Pensionable Earnings Equivalent) is net GDS/PDS income that you would have notified to us if you were in the NHS Pension Scheme as paid from 1 April to 31 March. This excludes any payment for parental leave, seniority, long term sickness, and/or trainer's grant paid during this period.

**Note:** It is possible to have both NPE and NPEE figures in your ARR. This may be due to opting out or re-joining the NHS Pension Scheme during the financial year.

# Completing the ARR

Follow these important steps to complete and submit your ARR.

## 1 Step 1

Log in to Compass and select '**ARR**' from the Homepage Menu and then select the '**ARR Contract Selection**' option.

If you are a **Provider**, please follow **Steps 2 – 5**.



If you are a **Performer**, please skip to **Step 6**.



## 2 Step 2

### Providers only

Providers need to start this process as soon as possible from the beginning of April to give their Performers time to check their figures and raise any queries before the completion date of 30 June.

Enter your contract number and select '**Search**'. If you are a provider on multiple contracts, select '**Search**' without entering a number. This will display all your contracts so you can choose the correct one.

**Note:** Providers **must** complete the ARR using the provider line. This is the line that shows the contract ceiling.

The **Performer** line (usually the top line) will display your NPE/NPEE figure.

Contract ID	Provider	Start Date	End Date	Ceiling	NPE	NPEE	Action
		01/04/2025	31/03/2026	0.00	3311.13	0.00	Select
		01/04/2006		7085.44	0.00	0.00	Select

The **Provider** line will display the contract ceiling.

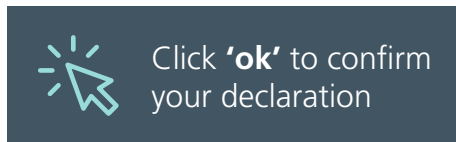


## 4 Step 4

You will then be presented with a declaration. Click on **'ok'** to confirm.

Providers will be presented with this declaration for each performer.

An email will be sent to all Performers notifying them that their NPE/NPEE figures are available for confirmation.



Declaration ✕

I understand that the administration of NHS Dental Services and responsibility for anti-fraud work in the NHS are both responsibilities of the NHS Business Services Authority.

I understand that NHS Dental Services may share the information on this form with NHS Protect, a division of the NHS Business Services Authority, for the purposes of the prevention, detection, investigation and prosecution of fraud or any other unlawful activity affecting the health service.

I declare that the information provided is complete and accurate.

I understand and accept that if I provide NHS Dental Services with false or misleading information, I may be liable to prosecution and/or civil proceedings.

By confirming your acceptance of the figure(s) you are agreeing to the terms set out in this declaration.

**?**

**OK** Cancel

If the figure(s) for either NPE or NPEE are incorrect, you can reject the figure.

To do this:

1. Select the three dots displayed next to the 'Accept' button
2. Choose **'Reject'**
3. Enter the revised amount against 'proposed NPE' or 'proposed NPEE'
4. Select **'Save'**.

Reject ARR Entry ✕

Performer Id	<input type="text"/>	End Date	<input type="text"/>
Start Date	<input type="text"/> 01/04/2025 Tuesday, 01 April 2025	End Date	<input type="text"/> 31/03/2026 Tuesday, 31 March 2026
Original NPE	<input type="text"/> 12743.75	Original NPEE	<input type="text"/> 0.00
Actual NPE	<input type="text"/> 12743.75	Actual NPEE	<input type="text"/> 0.00
<b>Proposed NPE</b>	<input type="text"/> 13000.00	Proposed NPEE	<input type="text"/> 0.00

**Save** Cancel

# 5

## Step 5

If a Performer submits a revised NPE/NPEE figure you will be informed by email and should discuss the proposed figure with the Performer to reach agreement.

ARR Details

Contract ID  Financial Year   
Ceiling

Search

Performer	Name	Start	End	NPE	NPEE	Performer NPE	Performer NPEE	Provider Status	Performer Status	Action
		01/04/2025	31/03/2026	3311.13	0.00	4000.00	0.00	Waiting	Revised	<a href="#">Review</a>
		01/04/2025	31/03/2026	1026.43	0.00	0.00	0.00	Waiting	Waiting	<a href="#">Accept</a>
		01/04/2025	31/03/2026	2504.97	0.00	0.00	0.00	Waiting	Waiting	<a href="#">Accept</a>



When the revised figure is agreed, return to the ARR details screen and click on 'Review' against the relevant Performer.

You'll then be presented with the following screen:



Review the revised figures and then click on 'Accept' or 'Reject'.

Review ARR Entry ✕

Performer Id

Start Date  Tuesday, 01 April 2025 End Date  Tuesday, 31 March 2026

Reason for Rejection

Proposed NPE  Proposed NPEE

Additional Information

# Important information for Providers only

## Providers who are also Performers

If you're a Provider and a Performer, you must complete an ARR under your provider role and submit the declaration from there.

## Multiple contracts

If you hold more than one contract, you must complete an ARR separately for each one.

## Sole traders or partnerships

Providers should declare the net pay of all Performers and take account of the net income of any non-pensionable dentists. The remaining balance is the maximum the sole trader or partner can pension for themselves.

## Partners

The remaining balance can be allocated between partners as per their partnership agreement up to the maximum amount.

## ARR calculations

The calculation of NPE or NPEE is agreed between each Provider and Performer. However, examples are available on our website in the '[How to calculate provider and performer NPE / NPEE](#)' guidance.

## Limited companies

For limited companies, Providers should confirm the net pay for their Performer(s) and take account of the net GDS/PDS income of any non superannuable dentists. The remaining balance is the amount the dentist shareholders (who are active members of the NHS Pension Scheme) may 'pension'. **Only income taken in the form of a salary and dividends can be 'pensioned'**. Any income not taken and left in the company is not pensionable.

The total pensionable income declared by a limited company practice may not reach the net pensionable earnings ceiling.

Where a limited company practice has a mixed NHS and private income, there is no need to apportion salary/dividends between NHS and private income for NHS Pension purposes. All salary/ dividends paid, up to the ceiling, are available for allocation as NHS pensionable income.

If salary/dividends paid by a limited company practice do not reach the maximum available in any year then the shortfall is lost. It cannot be carried over to the following year.



More information can be found on the [NHS Pensions website](#) and in our online knowledge base [Ask Us](#)

# 6

## Step 6

### Performers only

Performers will receive an email to let them know that their NPE/NPEE figures are available for confirmation once they've been reviewed by their Provider.

You should check each line in the ARR against each contract (if you work on more than one contract) to make sure the estimated amount(s) for either NPE or NPEE is/are correct.

If you are happy with the amount entered, click '**Accept**'.

If you feel the figures are incorrect reject the figure and continue to [Step 7](#).

ARR Details

Contract ID  Financial Year

Search

Performer	Name	Start	End	NPE	NPEE	Performer NPE	Performer NPEE	Provider Status	Performer Status	Action
		01/04/2025	31/03/2026	3311.13	0.00	0.00	0.00	Waiting	Waiting	<a href="#">Accept</a>

### Tip:

The NPE/NPEE figure quoted is the estimated earnings figure for Performers that has been processed in the April to March payment schedules for the relevant ARR financial year.



Performers should review their NPE or NPEE and then select '**Accept**' or '**Reject**' for the figures entered.

# 7 Step 7

If you feel the estimated figure(s) for either NPE or NPEE are incorrect:

1. Select the three dots displayed next to the 'Accept' button
2. Choose **'Reject'**
3. Enter the revised amount against 'proposed NPE' or 'proposed NPEE'
4. Add any additional information (if applicable)
5. Select **'Save'**

**Reject ARR Entry**

Performer Id:

Start Date:  Tuesday, 01 April 2025

End Date:  Tuesday, 31 March 2026

Original NPE:  Original NPEE:

Actual NPE:  Actual NPEE:

Proposed NPE:  Proposed NPEE:

Reason for Rejection:

Additional Information:

Your Provider will be automatically informed by email if you choose to reject the figure.

You should discuss and agree your proposed figures with your Provider.

When a revised figure has been agreed, your Provider must enter it into the ARR process screen in Compass by repeating [Steps 3-5](#). Once this has been done, repeat [Step 6](#).

## Timetable

Date	Activity
<b>April</b>	The annual reconciliation reports are available in Compass at the beginning of April
<b>30 June</b>	All annual reconciliation reports must be completed and submitted by 30 June
<b>July</b>	Any adjustments needed as a result of the declared figures will appear on the July schedules paid first working day in August
<b>July</b>	SD86Cs giving the final position for contributions will be available in Compass by the end of July