

Rt Hon Matt Hancock MP
Secretary of State for Health and Social Care
Department of Health and Social Care
39 Victoria Street
London, SW1H 0EU

07 August 2019

Dear Mr Hancock,

NHS Pension Flexibilities

The British Dental Association is pleased that your Department, along with HM Treasury, have sought to consult on changes to the NHS Pension Scheme in view of the large tax charges being faced by NHS Pension Scheme members, including dentists. BDA first raised this as a problem with DHSC officials back in 2017.

However, we are concerned that the early indications are that the availability of the proposed flexibilities (extended following the 7 August 2019 announcement) will be potentially limited. BDA members have approached us following significant tax charges which have driven them to seek early retirement or to reduce levels of NHS work undertaken.

In response to the earlier consultation announcement BDA has sought to survey our members to get a wider appreciation of the impacts of pension tax charges. We will share the results of this in a consultation response.

In respect of NHS dentists, NHS Digital's most recent statistics confirm that dentists providing a NHS contract, and who spend more than 75% of their time on NHS work have average taxable income of £113,600. This is a level at which the Annual Allowance taper will take effect. Dental consultants employed within the NHS have a payscale that is identical to their medical counterparts and so will be exposed in exactly the same way to pension tax charges.

Access to NHS dentistry remains of concern to BDA members. Recent NHS England figures show that roughly 1 in 4 new patients have not been able to secure a NHS dental appointment in the last two years, and this number is rising. In respect of hospital dentistry waiting lists for dental procedures remain long and will be aggravated by the impact of pensions taxation.

We welcome government initiatives to improve access to NHS dentistry and believe that pension flexibility will play a part in this, removing the incentives to take early retirement or to undertake lower levels of NHS work.

More generally we are concerned that targeting the availability of flexibilities could expose Government to challenge from groups that are prohibited from using these but who would like to make use of pension flexibility to deal with other affordability issues. As such we believe that it would be pertinent to extend flexibilities to all NHS Pension Scheme members.

We would welcome the opportunity to discuss this with you and your officials.

Yours sincerely,



Martin Woodrow
Acting Chief Executive, BDA

cc Rt Hon Sajid Javid MP, Chancellor of the Exchequer, HM Treasury
Chris Skidmore MP, Minister of State for Health, DHSC
Jo Churchill MP, Parliamentary Under Secretary of State, DHSC