

If you're happy and you know it...

Lis Hughes looks at happiness levels in NHS dentistry

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There is much talk in the dental world of NHS versus private dentistry, and Practice Plan has recently published the results of its NHS Confidence Monitor survey regarding confidence levels in NHS dentistry.

The sample group was just less than 500 dentists with a mix of NHS and private dentists, and a mix of principals and associates. They were asked a series of questions about their happiness levels and these are some of the highlights.

Overall, the general level of happiness of practitioners who worked within the remit of NHS dentistry was low, for example:

- 64% felt unhappy with the remuneration they received for undertaking NHS dentistry
- 51% felt unhappy with the time they had to manage patient expectations
- 48% felt unhappy with the level of job satisfaction they attained
- 63% felt overly stressed
- 42% felt they have a reasonable work-life balance.

When asked to compare private and NHS dentistry, 63% were anxious about the risk of complaints when undertaking NHS dentistry compared to 25% who worked in the private sector.

In terms of litigation, 63% were anxious about the risk when working within the NHS compared to 28% who worked in the private sector.

In addition, 49% were anxious about meeting the standards set by the GDC when working within the NHS compared to 19% who worked in the private sector.

Alarming, 86% of the dentists who took part in the survey were either unhappy or very unhappy.

Overall, 42% found it very difficult to balance professionalism and working within the terms of a NHS contract.

When asked if they saw themselves working within the NHS in five years' time, 86% said no.

Of course, this is only a small sample of dentists who were involved in the survey, but it does highlight the low-level grumbles heard across the sector and, as dental agents, reinforces our understanding of the market where we are seeing a consistent increase in the goodwill of private dentistry.

Highs and lows

We understand revised NHS contracts are to be phased in from 2020 and until the revisions are made clear, this can only add to the uncertainty around NHS dentistry.

We continue to see a strong interest in mixed practices, however, the question must be: what will the impact be on goodwill values of NHS dental practices as we approach 2020?

With no clear indication of the inevitable changes, there will be opportunities and concerns; the tricky part is working out which is which.

Time to explore

Back in 2006, when the current contract was introduced, there was widespread concern it was the end of NHS dentistry and here we are 12 years later, on the brink of a new contract again. Undoubtedly, the revised contract won't work for many and there are options to continue to deliver dentistry outside of the NHS funding structure.

For those that stick with it, they may need to revise their practice structure to make sure it meets all their clinical and business objectives.

Either way, this is a planning issue. The clock is ticking and now is the time to thinking about how you want your practice to look over the next five to 10 years. If selling is on your horizon then now is a good time to explore your options and maximise the value you deserve. **D**

IF YOU WOULD like to find out more, call Lis Hughes on 0330 088 1156.

PRACTICE ONE - CAMBRIDGESHIRE

Practice location - this practice occupies a four-storey building, located on a busy road within a predominantly commercial area. There is no parking at the practice, however, there is ample street parking in the immediate vicinity.

Practice type - this is a three-surgery, mixed income practice established over 20 years and is being sold to release the principal from administrative burden. The practice is being sold as leasehold with a new five-year lease in place.

Practice gross - the gross income at this practice was in the region of £600,000 of which 50% is private and 50% generated from a NHS-GDS contract. The income has been generated by the principal working five days a week, an associate working three days a week and a hygienist working two days a week. The clinical team is supported by a full-time practice manager, two part-time receptionists and two full-time nurses.

Price achieved - a price of £775,000 was achieved, which was in excess of the asking price.

Agent's comments - this practice is ready for a new principal to inject a fresh marketing approach to take full opportunity of an underutilised surgery. Currently, there is no website or active marketing and the incoming principal comes from a practice where social media has proved to be a more effective way of generating new patients and providing existing patients with more options.

PRACTICE THREE - MIDLANDS

Practice type - this is a three-surgery mixed practice that is being sold to facilitate the retirement of the principal. It is being sold as leasehold with a new 20-year lease being created.

Practice gross - the gross income is in the region of £450,000 and is a mix of 47% private and 53% NHS-GDS contract with a UDA value of £24.69. The gross has been generated by the principal working four days a week, an associate working two days a week, and two part-time hygienists working one day a week each. They are supported by one part-time receptionist and four part-time nurses.

Price achieved - a price of £825,000 was achieved, which was in excess of the asking price.

Agent's comments - we are seeing many potential purchasers continuing to want to purchase a mixed practice and this was no different. We had a significant number of offers on this practice and the principal who wants to remain was able to decide who he would like to sell the practice to.

PRACTICE TWO - HOME COUNTIES

Practice type - this is a two-surgery mixed practice that is being sold to facilitate the retirement of the current principal. It is being sold with a virtual freehold and has been established for 20 years.

Practice gross - the gross income is in the region of £350,000 and is a mix of 55% private and 45% NHS-GDS contract with a UDA rate of £27. The gross has been generated by the principal working three days a week, an associate working four days a week, and a hygienist 1.5 days a week. The team is supported by a full-time practice manager and two part-time nurses.

Price achieved - a price of £595,000 was achieved, which was in excess of the asking price.

Agent's comments - this is another example of an opportunity for the incoming principal to expand the existing business and grow the turnover and, more importantly, the profitability of the practice.

PRACTICE FOUR - AVON AND SOMERSET

Practice type - this is a fully private two-surgery practice, which has been established for more than 40 years. The practice is being sold as leasehold with 20 years on the lease. The principal is selling to focus on other business interests.

Practice gross - the gross income is in the region of £300,000 and is generated by the principal working three days a week, and a hygienist working two days a week. They are supported by two part-time nurses and a part-time receptionist.

Price achieved - a price of £430,000 was achieved, which was in line with the asking price.

Agent's comments - all four practices are offering the new principals a real opportunity to grow and develop the private side of dentistry and we are seeing a real trend towards the development of this area and real appetite from new principals for this as well.

