

**General
Dental
Council**

Annual Report and Accounts **2020**

General Dental Council

Annual report and accounts 2020

Annual report presented to Parliament pursuant to section 2B of the Dentists Act 1984.

Annual report presented to the Scottish Parliament (by the Scottish Ministers) pursuant to section 2B of the Dentists Act 1984.

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Section One: Performance Analysis

1. Statutory purpose

The General Dental Council (GDC) is the UK-wide statutory regulator of the members of the dental team. They numbered just under 114,000 people as of December 2020, comprising approximately 43,000 dentists and 71,000 dental care professionals (DCPs). DCPs include dental nurses, clinical dental technicians, dental hygienists, dental technicians, dental therapists and orthodontic therapists.

Our purpose:

Our over-arching objective as set out in the Dentists Act 1984, is the protection of the public. We achieve this through the pursuit of the following objectives:

- to protect, promote and maintain the health, safety and well-being of the public
- to promote and maintain public confidence in the professions regulated
- to promote and maintain proper professional standards and conduct for members of those professions.

Patients and the public should be confident that the treatment they receive is provided by a dental professional who is properly trained and qualified and who meets our standards. Where there are concerns about the quality of care or treatment, or the behaviour of a dental professional, we will investigate and take action if appropriate.

We fulfil our purpose by using our statutory powers to:

- grant registration only to those dental professionals who meet our requirements on education and training, health and good character. Only those who are registered with us can practise dentistry in the UK
- assure the quality of dental education and training programmes leading to registration with the GDC
- set standards of conduct, performance and ethics for the dental team
- investigate complaints against dental professionals and where appropriate, take action through our Fitness to Practise (FtP) process
- protect the public from individuals carrying out dentistry while not registered
- require dental professionals to keep their skills up to date through our continuing professional development (CPD) requirements.

In addition, we fund the Dental Complaints Service (DCS), which provides a free and impartial service to support patients and dental professionals in using mediation to resolve complaints about private dental care.

2. Message from the Chair and Chief Executive

At the beginning of 2020, we had recently launched our new corporate strategy, Right time, right place, right-touch and for the first time published our planned activity for the year in our Costed Corporate Plan 2020. Between them, they set our ambition for the year, underpinning our primary objective of public protection by delivering efficient and effective dental professional regulation.

In the early part of the year, we made good progress. We successfully completed the final stages of our estates programme following the move of some functions to Birmingham and the opening of our new Hearings suites in London and held our second Moving Upstream conference in February. Work across the full range of our activities was also continuing as planned.

However, as we began to understand the significance of the emerging COVID-19 pandemic, including the UK going into its first national lockdown, and the effect this had on the provision of dental services across the UK, our workload, plans and priorities changed significantly.

Our first priority was to protect the delivery of our core statutory functions, which cannot be stopped. But we also had a duty of care to our employees and to individuals who attended GDC offices, for example in relation to hearings. We moved very rapidly to implement remote working wherever possible, with most of our staff working from home. We also ensured that our offices were fully COVID-secure, so that essential work which depended on physical presence could continue.

And as we responded to the pandemic, Council had to re-evaluate our plans for 2020 to take account of the impact it was having. This meant that some work accelerated, some stopped; and new work, not in the original plan, was added.



Dr William Moyes
Chair



Ian Brack
Chief Executive and Registrar

Despite these changing priorities we still delivered much of what we had originally set out to do during the year. This included continuing to process all the new applications to join the GDC registers and ensuring that the fitness to practise activity continued throughout the pandemic, including holding remote hearings when we were unable to hold them physically. We also accelerated the planned rollout of software to support collaboration and remote working that helped improve our effectiveness and efficiency, moved all of our engagement activity online, including our student and foundation dentist engagement programmes, and completed our review of dentists' preparedness for practice, which considered whether the expectations of a safe beginner were appropriate and understood.

Due to the reduction in routine dental care, practical training and experience for dental students was significantly impacted. We had to work closely with education providers to ensure that students due to qualify in 2020 were able to complete their final year of training and reach the required standard. We have continued to work with them to understand and quality-assure the plans they have in place to enable students graduating in 2021 to complete the required level of practical training and to join the register as safe beginners.

In parallel with responding to the pandemic, we also had to prepare for the end of the EU exit transition period. This was particularly challenging as many of the details were not known until the last few months of 2020. This work continues in 2021 as we ensure our routes to international registration protect the public in the UK's new international context and work with the Government to introduce the necessary legislative changes.

As is the case every year, the GDC reviewed the Annual Retention Fee (ARF). In 2019, Council had reduced rates for the ARF for both dentists and DCPs for a three-year period and decided to maintain those rates at the planned levels, despite the very high uncertainty around our costs and the risks of reduced income because of the pandemic. More recently, we have announced the introduction of a payment scheme for dental professionals who pay their own ARF to spread the cost over the year with quarterly Direct Debits.

Towards the end of the year, these challenges and changes led us to review our Corporate Strategy to ensure that it was still relevant to the changing strategic context. Our core objectives are set out in our legislation - to protect, promote and maintain the health, safety and wellbeing of the public, and to uphold professional standards and confidence in the dental team. Following the review, Council decided to revise and simplify the wording of our five strategic aims, though their intent remains unchanged. It did this to clarify our approach and to demonstrate how we are adapting to the new context of dental care and public protection.

As we look forward from 2020, it is clear that COVID-19 has had a profound effect on patients and the public, as well as the professions. That effect is likely to be long-lasting. It is probable that access to services will continue to be a challenge, and we expect the way dental services are delivered in the future will change. We are already seeing signs of these changes, with the use of new technology and channels accelerating throughout the pandemic, particularly in the provision of remote dentistry. As the regulator, we will support innovation which improves oral health, subject to the overriding need to ensure public safety.



We also hope to see progress being made on regulatory reform for the healthcare regulators. The events of 2020 have brought out even more clearly the need for a more modern and flexible legal framework to support effective regulation. We welcome the recent consultation on reform principles and will be urging the Government to bring forward detailed proposals for the modernisation of GDC's governing legislation at the earliest opportunity.

Throughout this period of uncertainty, we have had to plan for and cope with the unexpected. This has been challenging at times and has impacted some areas of our operational performance, as has been the case for almost all health regulatory bodies. We have learned from this and are applying those lessons to ensure that the GDC remains well placed to address and respond to the issues that will arise in the next few years.

Finally, we would like to thank all Council members for their continued work and support over the last 12 months and express our gratitude to the GDC's staff and associates, and to the dental professionals we regulate, for their efforts in achieving so much positive change during this challenging year.

Dr William Moyes
Chair

Ian Brack
Chief Executive and Registrar



3. Business overview 2020

a) Who we are

In 2020 the GDC employed an average of 354 full-time equivalent employees. It is overseen by a non-executive Chair and Council, composed of 12 members, six of whom are non-registrant (lay) members and six are registered dental professionals. In addition, around 440 associates and volunteers helped us deliver a range of activity including Fitness to Practise and appeal panels, registration assessment panels, education quality assurance and progressing complaints received by the Dental Complaints Service (DCS).

We have five directorates:

- Fitness to Practise.
- Legal and Governance.
- Organisational Development.
- Registration and Corporate Resources.
- Strategy.

These directorates are led by Executive Directors who are members of the Executive Management Team (EMT).

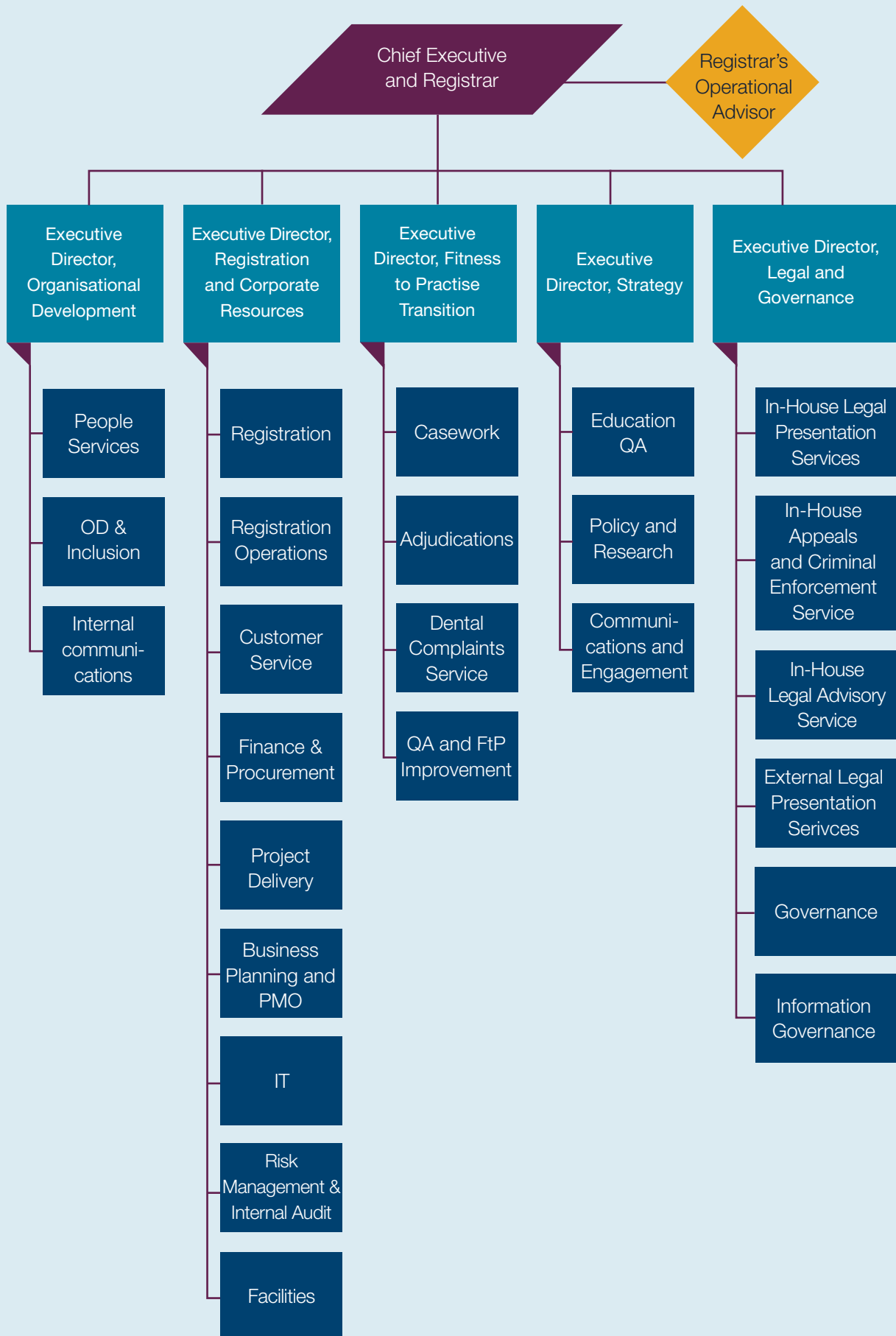
The directorates are all overseen by the Chief Executive, who is also Registrar and Accounting Officer.

In 2020, the EMT was responsible for:

- leading and supporting the delivery of GDC's services and operations, and improving their quality and efficiency
- implementing the corporate strategy approved by Council
- providing regular management reports to the Council and ensuring appropriate reports are provided to Council committees regarding matters within their remits
- identifying and reporting strategic risks to the Council and ensuring ownership of risk is allocated at the right level with clear accountability.



GDC organogram



b) Commitment to equality

Best practice requires us to report on our work with regards to the public sector equality duty (section 149 of the Equality Act 2010). We consider the needs of different groups or individuals when carrying out our day-to-day work. This includes having due regard for the need to:

- eliminate discrimination, harassment, or victimisation
- advance equality of opportunity; between people who share a protected characteristic and those who don't; and
- foster good relations between people who share a protected characteristic and people who don't.

We are committed to giving equality, diversity and inclusion proper consideration in all that we do as a regulator and as an employer. Our approach to ensuring public protection is underpinned by a belief that all individuals should be treated fairly and have access to equality of opportunity.

When provided, we collect equality and diversity data about our registrants under the headings of the protected characteristics, including age; disability; gender reassignment; race; religion or belief; sex; sexual orientation; marriage & civil partnership. In addition, where provided, we hold equality data for fitness to practise processes, for cases that are referred for assessment.

Equality Impact Assessments are carried out on new policies and initiatives, and we collect equality data when we undertake any public consultations. This is used to understand and segment the responses to consultations and to understand the impact on people with a range of protected characteristics.

To ensure our website is fully accessible, we commissioned Shaw Trust Accessibility Services to conduct an accessibility audit, evaluating against the W3C Web Content Accessibility Guidelines (WCAG) 2.1 up to conformance level AA. Following the audit changes were made to ensure we are fully compliant with these requirements.

We remain committed to ensuring that equality is an important consideration for all our work going forward, including in the development of our new Corporate Strategy for 2023-2025 which is currently underway.

In 2020 we developed our new [Equality, Diversity and Inclusion \(EDI\) Strategy](#), which was published in early 2021.



c) Business plan 2020 review

Responding to the pandemic

Over the course of 2020 the pandemic changed the context in which we were working. The statutory functions of the organisation cannot be stopped so we needed to deliver them through remote working wherever possible or at COVID-secure premises where necessary. This required us to carry out unplanned work and activities to ensure we could continue to function effectively. We:

- created dedicated website content that allowed dental professionals and stakeholders to access the latest COVID-19 information and guidance throughout the pandemic
- developed new procedures and processes that enabled us to hold our fitness to practise hearings remotely, where it was appropriate to do so. This was a significant piece of work which allowed us to continue to hold hearings through the periods of lockdown, which was of critical importance as it allowed us to take action where we had concerns that there may be a risk to patient safety or public confidence
- commissioned research and delivered online engagement events to understand the effect of COVID-19 on the public and how they access dental services and on dental professionals and their dental practices. This was a significant piece of work that provided clear insights about the impact of the pandemic on patients and their access to dental services as well as the significant impact the pandemic has had on dental professionals and will continue to have for some time
- completed a review of our Corporate Strategy to ensure that it was still relevant in the changing context in which we were regulating
- revised our education quality assurance to enable remote assessments of education providers and worked collaboratively with education providers to ensure that the 2020 cohort of BDS graduates were able to complete their final year of training and were able to graduate. We also set up a regular dental education stakeholder group to bring together education organisations and leaders, including the Dental Schools Council, COPDEND, Directors of Hygiene and Therapy and the four CDOs, to better understand the challenges facing dental undergraduates due to the pandemic and the impact that may have on their graduation in 2021
- undertook significant work to change our IT systems and technology to allow staff to work from home and communicate with external stakeholders
- reviewed and updated our processes and ways of working to ensure that our staff were able to work effectively from home, where that was possible
- provided additional training and materials to support staff and managers in areas such as wellbeing and mental health, as well as ensuring staff and Council were communicated to on a regular basis to ensure they were kept informed of any changes or new information, particularly during the periods of lockdown and changing tier levels



- undertook significant work, following the first national lockdown to ensure our offices in London and Birmingham and our Hearing suites were COVID-secure. This included reducing desk capacity, introducing protective screens and one way systems, increasing cleaning schedules, and providing sanitation stations throughout
- finally, we completed a review of our Costed Corporate Plan 2020, which resulted in some work being accelerated, some work being delayed, and some work being stopped. Doing this helped to ensure that we made the most effective use of our resources by focusing on the most important activities, in light of the pandemic.

Corporate Costed Plan

When we published our Corporate Costed Plan (CCP) for 2020, we anticipated being flexible and making changes to the detail and profile of the plan throughout the year as priorities changed. Obviously, we could not have anticipated the significant impact COVID-19 would have on the GDC and our workplan for the year and as a result, our priorities and workload changed significantly throughout 2020.

At the beginning of the year there were 81 projects on our workplan for 2020. However, changes to our workload and priorities throughout the year did affect our plans. Of the 81 projects on our original workplan:

- 45 projects were completed or remain on track for delivery in 2021 or 2022, within their original timeframe. This includes eight projects that were merged with other activities and five projects that have been incorporated into business as usual activities
- 24 projects were reviewed and had their completion dates moved, due to the impact of COVID-19 or because they were reprioritised to allow other work to be completed
- six projects were put on hold because of budget changes for 2021. These will be reviewed and considered for reprioritisation should additional budget be made available over 2021
- six projects were stopped for a number of reasons including changes to the landscape that meant the work was no longer required at this time, the planned work was superseded by deliverables from other projects, or changes to operational practices.



Achievements in 2020

Our estates programme, which commenced in 2018, concluded in early 2020. This comprised the development of a Birmingham operational hub and the completion of the refit to our London office on Wimpole Street. We also introduced a new digital audio recording system into our Hearings suites in London.

The Fitness to Practise End-to-End programme was brought to a close in quarter one. This work introduced improved operational processes and team-based working to balance resource capacity across cases, improving our efficiency and reporting in this area. We rolled out a series of Shared Learning publications that provided a quarterly update and review of the themes observed in FtP case investigations. We also revised our Initial Assessment Decision Group procedures as part of our continuous improvement programme.

At the start of the year, we implemented registration application fees for people looking to join the register for the first time. This was in line with our commitment to ensure we remove cross-subsidy, where possible, so that the cost of regulation is borne by those most closely associated with that activity.

To ensure we remained effective and efficient, we made a number of changes to our back-office operations. This included changing our bank provider, replacing our Direct Debit system, upgrading our CRM system (resulting in improved support and user experience within our Registration and Fitness to Practise operations), the introduction of new travel booking software, and bringing forward the work to review options for the introduction of a new cloud based telephony system.

Our work to review and update the support materials for new registrants was completed at the end of 2020, with the new materials published in early 2021.

We completed our review of the preparedness of UK-trained dental graduates to register with the GDC and considered whether the expectations of a 'safe beginner' were appropriate and understood. The findings from this work will now feed into a thematic review of education that is part of the 2021-2023 CCP, which was approved by Council in October 2020.

Although our engagement was severely impacted by the pandemic, we were able to complete much of our planned work and activities. In February 2020, we were able to hold our second Moving Upstream conference, which was well attended with over 130 delegates. This created a forum for stakeholders from across the whole of dentistry to come together and discuss the challenges and opportunities that faced the profession at that time and was very well received.

From March 2020 onwards, all our face-to-face engagement activity stopped, and we began to shift our engagement activities online, using digital channels. This included working with the dental schools to redesign our student and new registrant engagement programme to develop a programme that could be delivered remotely rather than face-to-face. This change allowed us to deliver 12 student and 10 foundation dentist engagement events remotely to over 2,100 individuals during the peak of the pandemic. We have also produced a recording of the presentation to allow students to watch it again in the future.



We developed online workshops and webinars with key stakeholders to ensure they could remain engaged with policy developments and could contribute to provide inputs as they had been doing previously. We also developed and delivered a webinar focussing on professionalism that was attended by over 400 dental professionals, enabling us to engage directly with significantly more people than we would have been able to do face-to-face. By October, our engagement activities were at the same levels they were in 2019 and this trend has continued into 2021.

In addition, we delivered a range of digital enhancements that further improved our digital communications capability allowing us to engage more effectively through our website. This included an accessibility audit to ensure our website was fully accessible, inclusive and usable by all audience groups across all devices. We have also reviewed all of our content to make sure it is relevant for people who have a concern about a dental professional or want to make a complaint and developed a new set of templates allowing us to convert many of the PDF publications on our website into webpages that are much easier to find and read.

Finally, there have been a number of projects that we have progressed through 2020 for delivery in 2021. These include the development and publication of 'Supporting the dental team - a guide for managers and employers' which was published in early 2021; a review of all registration communications, which will be complete by the end of Quarter 2 of 2021. We have also prepared for regulatory reform, and this work will be incorporated in our wider Regulatory Reform Programme which is a key deliverable of our Corporate Costed Plan for 2021-2023.

Unplanned and additional work undertaken in 2020

In addition to the pandemic, there were other factors that changed our priorities in 2020. These were activities that were either not on the initial work plan or were accelerated because of changing priorities.

We completed additional significant work around regulatory reform, in anticipation for the government consultation that was eventually published in March 2021.

We had to make changes to our rules and processes in response to the end of the transitional period of the UK's exit from the European Union. This was in addition to the work we had to complete to understand the impact on international registration in the short, medium, and long term. We amended our online applications processes to be live and ready for the initial EU exit changes which came into effect on 1 January 2021. This work will continue through 2021 as we ensure our routes to international registration protect the public but do not unnecessarily restrict the workforce in our new international context outside of the EU arrangements for mutual recognition of qualification.

A new project to understand the feasibility of a temporary payment by instalments scheme for Annual Retention Fee (ARF) payments was completed, and although this was something we chose not to introduce in 2020, the outputs from this feasibility work were used to inform the wider payments by instalments evaluation project which was completed in 2021.

Finally, working remotely has allowed us to complete projects initially planned for future years, including the 'Effectiveness review of investigation and advocacy services', which moved forward and completed in 2020 rather than 2022.



d) Fitness to Practise performance

Overview

When concerns are raised with us, we consider these and, if necessary, investigate to assess whether the issues involved may indicate that a registered professional's fitness to practise is impaired.

When we say that someone is "fit to practise" we mean that they have the appropriate skills, knowledge, character and health to practise their profession safely and effectively. However, fitness to practise is not just about a registrant's clinical performance or health.

A registrant's fitness to practise also includes any actions they may have taken which affect public confidence in dental professionals and their regulation. This may include matters not directly related to professional practice, for example, committing a criminal act.

If there are concerns about a dental professional's conduct or competence which puts patients at serious risk, or seriously damages public confidence in dentistry, we will investigate and, where appropriate, take action to mitigate that risk. Concerns may arise directly from a patient, by referral from another body (for example, a police notification of a criminal caution or conviction), or from other sources.

We investigate:

- serious or repeated mistakes in clinical care, for example mistakes in diagnosis or dental procedure
- failure to examine a patient properly, to secure a patient's informed consent before treatment, to keep satisfactory records, or to respond reasonably to a patient's needs
- not having professional indemnity insurance
- infection prevention issues (for example, using dirty clinical equipment during treatment)
- serious breaches of a patient's confidentiality
- potential criminal offences including fraud, sexual misconduct, theft or dishonesty by a dental professional
- poor health or a medical condition that significantly affects the registrant's ability to treat patients safely.

If a registrant's fitness to practise is found to be impaired, a panel may decide to:

- take no action
- issue a reprimand
- place conditions on registration
- suspend registration
- remove an individual from the dentists' or DCPs' register.

There is also an appeals process.

At any stage in the Fitness to Practise process, we may apply for an interim order to restrict a registrant's practice until their case is resolved.



Closure rate at each stage of the Fitness to Practise process in 2020

The diagram below shows the average closure rate at the different stages of the fitness to practise process (this is the average of cases actioned in 2020 rather than the number of cases received). This is illustrative of where the decisions to close cases were made and includes cases that started in previous years, rather than reflecting the outcomes for concerns received in 2020, many of which are yet to be resolved.

Average closure rate at the different stages of the fitness to practise process



Cases received

Of every **100** cases received for review by initial assessment




Assessment process

81 cases progress through to assessment

18

closed immediately with no further action

1 is referred to the NHS



Assessment by case examiners

37

44

closed with no further action



Progressed to Practice Committee

15

22

closed by case examiners

Of the 15 cases heard at Practice Committee, 11 result in sanctions and 4 result in no further action

We received 1,134 new concerns in 2020, compared to 1,362 in 2019 – an 18% reduction. We made 1,117 initial assessment decisions, some of which were from cases received at the end of 2019. A small number of cases were received too late for us to make an initial assessment decision in 2020. Of all the cases reviewed at initial assessment, 81% were referred for assessment. We referred 1% of cases to the NHS and closed 18%.

After further investigation, we made 904 assessment decisions in 2020, compared to 886 in 2019. This reflects a small build-up of work towards the end of 2019 that carried forward into 2020. Due to the time it takes to investigate, many of the assessed cases completed commenced before 2020. We referred 46% of the cases reviewed at assessment stage to Case Examiners and closed 54% of cases at this stage. This equated to 37% of total cases received progressing to Case Examiner review. Following Case Examiner review, 10% of the total were closed with no further action, 12% closed with advice, warning or undertakings and 15% were referred to a Practice Committee. Of this 15%, 11% resulted in sanctions and 4% resulted in no further action.

Case Examiners made 455 decisions in 2020. These included cases that have been referred back to them by either the GDC or the dental professional's defence team before the case is heard by a Practice Committee. This was a 34% decrease in decisions made compared to 2019 (691), which reflects the fall in fitness to practise cases received since 2018. Of the 455 cases, the Case Examiners closed 60% of them, referred 39% to a Practice Committee and agreed undertakings in a further 1% of cases.

This resulted in 176 case examiner referrals to the Practice Committees, a 38% decrease compared to 2019. Case Examiners also referred 23 of these cases to the Interim Orders Committee. This represented an increase from 7% to 13% of cases that were referred to both the Practice Committees and the Interim Orders Committee.

In 2020, the percentage of cases closed at the initial assessment stage fell from 29% to 19% (including those referred to the NHS) while the percentage of cases resulting in a hearing remained about the same as 2019, at 15%.

We believe these changes are, at least in part, as a result of our efforts with the profession and the public to avoid inappropriate matters being raised with us and reflect the lower overall volume of cases received.

Further details of our performance can be found in the [Fitness to Practise statistical report](#), published separately.

Fitness to Practise hearings

Cases referred by case examiners are heard by one of three statutory Practice Committees. Each panel comprises a dentist, a dental care professional and a lay member. The Practice Committees completed 92 initial hearings in 2020, a reduction from the 141 initial hearings held in 2019. This reduction is due to the COVID-19 pandemic, which led to the postponement of initial hearings between March and July.

These postponements also led to a significant drop in performance. The median time for initial hearings to start was 296 days (9 months and 22 days) from referral by case examiners, compared to 263 days (8 months and 18 days) in 2019. 44% started within 9 months of referral, compared to 60% in 2019. The average length of an initial hearing was 5.3 days, compared to 4.9 days in 2019.

In 2020 we held 61 hearings for dentists (67%) and 31 for dental care professionals (DCPs). 21% of dentists and 39% of DCPs who had cases heard by a Practice Committee were erased from the register (27% overall). In contrast, 32% of dentists and 13% of DCPs did not receive a sanction as a result of their hearing (26% overall). 30% of cases resulted in suspension and 8% in conditions being imposed. The proportions for these sanctions were the same for dentists and DCPs.

The table below show the outcomes of all FtP initial hearings in 2020.

Outcome	No. of Outcomes	% of Total
Erased and immediate suspension	25	27%
Suspended with immediate suspension (with a review)	23	25%
Suspension (with a review)	4	4.5%
Suspension	1	1%
Conditions with immediate conditions (with a review)	5	5.5%
Conditions (with a review)	1	1%
Fitness to practise impaired. Reprimand	9	10%
Fitness to practise not impaired. Case concluded	14	15%
Facts found proved, did not amount to misconduct. Case Concluded	6	6.5%
Facts not proved. Case concluded	3	3.5%
No case to answer	1	1%
Total	92	100%

Fitness to Practise interim orders

At any stage in the fitness to practise process, we may apply for an interim order to restrict a registrant's practice until their case is resolved. We do so when we conclude there is a real risk of significant harm to a member of the public, it is in the public interest to protect public confidence in the profession, to maintain professional standards, or where it is in the registrant's own interest. In 2020, the Interim Orders Committee delivered 142 initial outcomes. They imposed no order in 52 cases, imposed interim conditions in 47 cases and an interim suspension in 43 cases.



e) Registration performance

Overview

Dentists and DCPs must be registered with the GDC to practise lawfully in the UK. Everyone who joins the register must be suitably qualified, or pass an assessment, and meet health, character and English language requirements to be considered fit to practise as a member of the dental team.

Applications can be made in several ways. The applicant must show that they have one of the following:

- A recognised UK qualification.
- A recognised European qualification.
- A recognised Overseas qualification.
- An assessment of suitability to register, via a GDC panel assessment of skills and knowledge.
- A pass in Parts 1 and 2 of the Overseas Registration Examination.

Specialist lists

We also maintain lists of dentists who are suitably qualified or experienced to be considered specialists in specific areas of dentistry.

Continuing Professional Development (CPD)

Dental professionals have a duty to keep their skills and knowledge up to date during their career. Undertaking CPD is a compulsory requirement of registration with the GDC.

Registrant volumes for 2020

This table illustrates the total number of dentists and DCPs on the register as of 31 December 2020. DCPs who have more than one title, for example a dental hygienist who is also a dental therapist, are only counted once in this table.

There was a 0.6% increase in the total number of registrants from 113,439 at the end of 2019 to 113,960 at the end of 2020¹.

Reg Type	Number of Registrants	% of total
Dentist	43,054	38%
DCP	70,906	62%
Total	113,960	100%

The composition of the register by gender of dentists and dental care professionals as of 31 December 2020²

Reg Type	Male	% of total	Female	% of total	Total
Dentist	21,121	49.1%	21,933	50.9%	43,054
DCP	5,213	7.4%	65,693	92.6%	70,906
Total	26,334	23%	87,626	77%	113,960

1 Note 78 Dentists are also registered as DCPs therefore are included in both numbers in the table

2 Percentages represent the proportion of gender composition to the overall register. The numbers presented in this table match table one.



The composition of the register by dental grouping as of 31 December 2020³

Registration Title	No of Registrants	% of total titles on the Register	Number of new titles added in 2020	% of total newly added in 2020
Dental Nurse	58,972	49%	3,813	56%
Dentist	43,054	36%	1,627	24%
Dental Hygienist	7,812	6%	660	10%
Dental Technician	5,529	5%	81	1%
Dental Therapist	3,938	3%	525	8%
Orthodontic Therapist	734	1%	58	1%
Clinical Dental Technician	367	<1%	1	0%
Total	120,406	100%	6,765	100%

There was a 0.8% increase in the overall number of registered titles in 2020, from 119,397 in 2019 to 120,406 in 2020.

The composition of the register by region of qualification as of 31 December 2020

Dentists, by region of qualification

Region of Qualification	Amount	% of Total
UK qualified	33,151	77%
EEA qualified	6,966	16%
ORE – UK Statutory Examination	1,354	3%
Rest of the World qualified	1,583	4%
Total	43,054	100%

New additions to the Dentists register in 2020, by region of qualification

Region of Qualification	Number of Registrants	% of total
UK qualified	1,070	66%
EEA qualified	357	22%
ORE – UK Statutory Examination	106	7%
Rest of the World qualified	94	6%
Total	1,627	100%

³ This table is a count of the number of members of each type of dental professional on the register. A dental professional who has more than one title is counted once for each title that they hold. Therefore, the total for this table is greater than the overall total number of registrants.



DCPs, by region of qualification

Registration Type	UK Qualified	EEA Qualified	Rest of World Qualified	Total
Dental Nurse	58,538	258	176	58,972
Dental Hygienist	6,636	462	714	7,812
Dental Technician	5,268	225	36	5,529
Dental Therapist	3,414	2	522	3,938
Orthodontic Therapist	709	4	21	734
Clinical Dental Technician	363	0	4	367
Total	74,928	951	1,473	77,352

New additions to the DCP register in 2020, by region of qualification

DCP Title	UK Qualified	EEA Qualified	Rest of World Qualified	Total
Dental Nurse	3,697	21	95	3,813
Dental Hygienist	310	32	318	660
Dental Therapist	250	0	275	525
Dental Technician	72	5	4	81
Orthodontic Therapist	42	1	15	58
Clinical Dental Technician	0	0	1	1
Total	4,371	59	708	5,138

Further details of our registration performance can be found in the [Registration Performance report](#), published separately.



f) Financial review

Analysis of income and expenditure by regulatory function

The [accounts](#) on pages 60 to 63 show our income and expenditure in standard accounts format. In order to provide stakeholders with additional information the following table shows our performance by regulatory function:

	2020 £'000	2020 £'000	2019 £'000	2019 £'000
Income				
Registration	38,114		45,984	
Overseas Registration	422		1,592	
Other Operating Income	174		19	
Total Income		38,710		47,595
Expenditure				
Regulatory Activities				
Fitness to Practise and Hearings	12,493		16,473	
Registration	2,536		3,023	
Overseas Registration Exam	963		1,639	
Policy and Stakeholder Management	2,264		2,256	
Governance	2,318		2,202	
Corporate Reporting and Delivery	1,301		1,028	
Quality Assurance	769		831	
Dental Complaints Service	326		334	
		22,970		27,786
Support activities				
Finance, HR and CEO	3,697		3,546	
Accommodation and Office Services	2,390		1,680	
Estates	-		1,159	
Information Technology	2,062		2,558	
Pensions scheme curtailment	-		(1,670)	
Loss on disposal and impairment of assets	411		3	
Depreciation and Amortisation	1,512		1,576	
		10,072		8,852
Total Expenditure		33,042		36,638
Investment income		345		516
Realised gains/(losses) on sale of investments		(751)		59
Proceeds from sale of assets		40		3
Unrealised gains/(loss) on investments		2,243		2,080
Adjustment to tax and social security costs		-		107
Surplus/(Deficit) before taxation		7,545		13,722
Taxation		(393)		(273)
Actuarial (gain/loss)		(5,216)		323
Retained Surplus/(Deficit) after taxation		1,936		13,772

Of our income in 2020, 69.5% was dedicated to delivery of regulatory activity (2019:75.8%), 24.7% was utilised for essential enabling functions (2019: 24.4%) and 5.8% utilised for other non-cash expenditure (2019: -0.2%).



The GDC is funded predominately from fees paid by dentists and dental care professionals (DCPs) who are required under the Dentists Act 1984 to be registered with the Council in order to practise dentistry in the United Kingdom. Fees are also paid to us by dentists to maintain their entry on the specialist lists.

Income analysis

Total operating income decreased by £8.9m in the year to £38.7m, (2019: £47.6m). The key drivers for this reduction are:

- an £8.7m decrease in registration income following the reduction to the level of annual retention fee charged to Dentists for their 2020 renewal and DCPs for their 2020/21 renewal
- a £1.2m decrease in Overseas Registration Examination fees due to exam deferment as a direct impact of the pandemic
- an additional £0.8m of income generated from first registration fees following their introduction in January 2020.

Expenditure analysis

Total expenditure decreased by £3.6m to £33.0m in 2020 (2019: £36.6m); the significant (defined as variances over £0.5m) changes to our expenditure by regulatory function in 2020 were:

- a reduction of £4.0m in total Fitness to Practise and Hearings as a result of:
 - o reduced activity resulting directly from the impact of COVID-19 pandemic on the regulatory function. We expect delayed costs will now materialise in the second half of 2021 and early 2022 as operations normalise. We have been prudent in ensuring we have built this financial risk into our planning assumptions underpinning the Corporate Costed Plan 2021-2023
 - o the full year financial impact as a result of the efficiencies delivered by Fitness to Practise End to End Review
- a decrease of £0.7m in expenditure relating to the running of the Overseas Registration Exam due to necessary exam deferment as a direct consequence of the COVID-19 pandemic
- an increase of £0.7m in Accommodation and Office Service costs following the completion of the Estates Strategy programme and all ongoing running costs (previously charged against the programme in 2019) being transferred to business-as-usual operating costs
- a reduction of £1.2m in the Estates Strategy related expenditure, which was a time bound programme of work and completed in January 2020. This programme transferred ongoing operational cost for our new Birmingham office to Accommodation and Office Services from January 2020. This programme of work remains on track to deliver projected savings of circa £50m over 15 years
- a reduction of £1.7m of benefit received in 2019 to the annual IAS19 valuation of the pension scheme on the 31 December 2019. The prior year benefit specifically related to a one-time scheme curtailment as a result from those roles made redundant as part of delivery of our Estates Strategy.

Throughout 2020, we benefited from previous decisions we had taken with a view of generating future efficiency savings. In 2020, we achieved £8.9m of ongoing savings from projects started in previous years, which saw our investment in Shifting the Balance and the Estates Strategy provide a positive return for the first-time since initial investment. These savings represent 27% of our 2020 cost base. Cumulative savings over the five-year period to December 2020 total £21.4m.



The GDC restricts the reporting of savings to a maximum of 5 years. Throughout the process of efficiency savings, careful consideration has been given to ensure that the implementation of any saving initiatives does not put public protection at risk. The GDC uses these savings to ensure organisational viability by building our reserves to a sustainable position, and by funding programmes that invest in measures to deliver public protection more efficiently by reducing the costs of and burden of regulatory enforcement.

Financial Position

The capital employed is £40.4m at 31 December 2020 (2019: £38.4m) comprising total assets of £84.2m (2019: £82.9m) and current and non-current liabilities of £43.9m (2019: £44.4m).

Outlook

Our workplan for 2020 changed significantly because of COVID-19, and we have included detail on this within our [‘responding to the pandemic’](#) section on page 13. We undertook a detailed review of the Costed Corporate Plan, which resulted in some work being accelerated, some work being delayed, and some work being stopped. Doing this helped to ensure that we made the most effective use of our resources, managed our financial position - by completing detailed scenario analysis around potential income - and enabling us to focus on the most important activities in light of the pandemic and changing priorities relating to regulatory reform and Brexit implications, which feed into our 2021 plan.

For our Costed Corporate Plan 2021-2023, significant work was completed in 2020 to ensure that the plan was reflective of the current situation and focused on the Council’s highest priority activities for 2021-2023. With continued uncertainty about the potential impact on our income levels, the Council agreed that our plan for 2021 needed to be able to cope with a drop of up to 10% in our income from that forecast in 2020. As a result, our planned and prioritised portfolio of activity presented a balanced budget for 2021 that delivered a 6.5% reduction to the budget set for 2020. It fully considered potential financial risk exposure for the organisation and was set to manage our financial reserves effectively and with alignment to our Reserves Policy.

Initiatives to generate and monitor new efficiency savings generated from measures already identified will continue in 2021. Whilst the organisation continues to be tasked with meeting challenging targets for new efficiencies, we will continue to ensure that the process of identifying efficiency savings does not put public protection at risk and considers the changing external environment in which we will operate post COVID-19.

Pension Fund

In accordance with the financial reporting standard for pension costs, IAS 19, Quantum Advisory, the pension scheme actuary, valued the defined benefit section of our pension scheme as of 31 December 2020. According to their analysis, the defined benefit section of the scheme experienced a net actuarial loss in fund value for 2020 of £5.4m, against that reported in last year’s accounts.

Results under the reporting standards can change dramatically depending on market conditions. The liabilities are linked to yields on AA rated corporate bonds whereas a large proportion of the assets of the Plan are invested in equities or investments that target equity-type returns. The scheme assets were directly impacted as a consequence of COVID-19’s impact on financial markets, with a significant loss in valuation of scheme assets in March 2020. The asset valuation had fully recovered by the close of the financial year, somewhat due to the improvements in the investment risk strategy that the Trustee put into effect in January 2020.



The discount rate assumption is lower in 2020 than in 2019, reflecting lower yield on high-quality corporate bonds deemed of equivalent term and currency to the plan's liabilities. Such bonds are generally interpreted to be rated at the level of AA or equivalent status.

In prior years, the inflation assumption has been based on the published Bank of England implied RPI inflation data, which at 31 December 2020 was a spot rate of 3.26% p.a. However, on the 25 November 2020, the Chancellor confirmed that RPI will be aligned with the CPIH index from 2030. CPIH is expected to be lower than RPI, with the difference estimated to be around 0.9% p.a. Therefore, an inflation risk premium has been applied to the scheme RPI inflation assumption, which has been agreed at 3.0% p.a.

This valuation does not relate to the formal triennial valuation of the defined benefit section of the pension scheme, which was last carried out as of 1 April 2018 and is due for update on 1 April 2021. This indicated an actuarial funding level surplus of £0.3m and recommended that the employer contribution levels be increased to 20.3%, which came into effect from 1 April 2019.

At 31 December 2020, the plan had a surplus of £0.4m based on the IAS 19 assumptions adopted. Under the requirements of 'IFRIC 14: The Limit on a Defined Benefit Asset, Minimum Funding Requirements' and their Interaction, the GDC could be restricted to limit the surplus in the financial statements if the GDC would not be able to obtain the full economic benefit from that surplus. The calculated value of the Council's share of the cost of all total future benefit accrual (up to members' normal retirement age) on the accounting basis is more than the disclosed plan surplus. Therefore, the reported surplus is not restricted.

Full details of financial evaluation and assumptions used can be found in note 16 of these accounts.

Liquidity risks

Our cash balance increased to £47.4m (2019: £40.3m) at the close of the year. The balances are cyclical and peak in December/January and in July/August when dentists and DCPs pay their respective annual retention fees. Our expenditure is evenly spread throughout the financial year.

Having reflected on the current risk position and challenges we faced in relation to financial consequences arising from COVID-19, both within the GDC and the wider dental profession, we have completed a detailed assessment of liquidity which support our preparation of the accounts as a going concern. This work was completed both as part of our CCP 2021-2023 planning round in October 2020 and updated again in February 2021.

The scenarios we have modelled include assessing a range of income risk, and the impact of impairment of our investment portfolio. Following our modelling, we are satisfied that it is not exposed to any significant liquidity risk.

Those balances not needed for short term operational reasons are invested in line with our investment principles, which we last considered and approved by Council in December 2020.



Reserves

The [Reserves Policy](#) was reviewed and agreed by Council in October 2020. The Council manages our reserves level by reference to free reserves, as adjusted for our current assessment of financial risk. These are reserves that are not earmarked for committed expenditure such as depreciation charges from prior year capital asset purchases. The aim is to maintain free reserves at a level that is not excessive but does not put solvency at risk.

The Reserves Policy has regard to the:

- objectives of the Council in pursuit of our statutory and regulatory responsibilities
- funding working capital and management of day to- day cash flows of the Council, where income is concentrated in summer and winter peaks
- risks to the income and expenditure of the Council
- planned major capital spending programmes.

Total reserves held at 31 December 2020 total £40.4m (2019: £38.4m) of which general reserves are £35.9m (2019: £30.7m).

General Reserve at 31 December 2020	£m
Of which:	35.9
Reserves committed to fixed assets	16.3
Free reserves	19.6
Free reserves expressed as number of months of annual operating expenditure	5.9

In setting a target level, Council considered that free reserves at a minimum of three months of operating spend and maximum of six months is appropriate, with a target to be four and a half months of operating expenditure as adjusted for our current assessment of financial risk by the end of our current three-year plan of strategic activity.

Our current approach to budgeting minimises the level of contingency budget we hold for financial uncertainty within the annual approved budget. Instead, we set any potential financial risk and uncertainty in timing of expenditure against free reserves. This means that there is a greater probability of the need to call against free reserves than there would have been historically. Our assessment against the CCP 2021-2023 plan demonstrates current expenditure plans would sustain free reserves at 4.9 months of operating expenditure (£16.2m) when adjusted for our current assessment of financial risk (£9.4m).

This policy will continue to be reviewed to ensure it remains appropriate in light of our increased focus on medium term financial planning challenges and estimates following the financial challenges presented to the organisation and profession as a direct consequence of the COVID-19 pandemic.



External auditors

The accounts have been audited by our auditors, Haysmacintyre LLP of 10 Queen Street Place, London, EC4R 1AG and, in accordance with the Dentists Act 1984, by the Comptroller and Auditor General, National Audit Office, 157–197 Buckingham Palace Road, Victoria, London SW1W 9SP. [The independent auditor's report](#) can be found on page 57 of this report, and [the certificate and report of the Comptroller and Auditor General](#) on page 52.

Disclosure of audit information to the auditors

So far as we are aware, there is no relevant audit information of which the General Dental Council auditors are unaware. We have taken the steps that we ought to have taken to make ourselves aware of any relevant audit information and to establish that the General Dental Council auditors are aware of that information.

Ian Brack, Chief Executive, Registrar, and Accounting Officer

24 June 2021



Section Two: Accountability Report

4. Council and committee structure

Council Structure

The Council consists of 12 members: six non-registrant (lay) and six registrant dental professionals. From 1 January to 30 September 2020, the members of the Council were as follows:

Registrant Members	Non-registrant (lay) members
Catherine Brady	William Moyes (Chair)
Jeyanthi John	Terry Babbs
Margaret Kellett	Geraldine Campbell
Caroline Logan	Anne Heal
Kirstie Moons	Sheila Kumar
Simon Morrow	Crispin Passmore

After serving two terms as Council Members, Geraldine Campbell, Margaret Kellett and Kirstie Moons left office on 30 September 2020. Following an open and competitive recruitment exercise, the Privy Council made three new appointments to the Council, from 1 October 2020 onwards:

- Donald Burden (registrant Member, Northern Ireland).
- Mike Lewis (registrant Member, Wales).
- Laura Simons (lay Member, England).

Council Meetings attendance in 2020

Council Member	Jan	March	May	June	July	Sept.	Oct.	Dec.
William Moyes (Chair)	✓	✓	✓	✓	✓	✓	✓	✓
Terry Babbs	✓	✓	✓	✓	✓	✓	✓	✓
Catherine Brady	✓	✓	✓	✓		✓	✓	✓
Donald Burden**							✓	✓
Geraldine Campbell*	✓	✓	✓	✓	✓	✓		
Anne Heal	✓	✓	✓	✓	✓	✓	✓	✓
Jeyanthi John	✓	✓	✓	✓	✓	✓	✓	✓
Margaret Kellett*	✓	✓	✓	✓	✓	✓		
Sheila Kumar		✓	✓	✓	✓	✓	✓	✓
Mike Lewis**							✓	✓
Caroline Logan		✓	✓	✓	✓	✓		✓
Kirstie Moons*	✓	✓	✓	✓	✓	✓		
Simon Morrow	✓	✓	✓	✓	✓	✓	✓	✓
Crispin Passmore	✓	✓	✓	✓	✓	✓	✓	✓
Laura Simons**							✓	✓

* Term of office ended on 30 September 2020.

** Term of office commenced on 1 October 2020.

The statutory committees of the General Dental Council

There are six statutory committees to assist in fulfilling the GDC's statutory duty, as set out in the Dentists Act 1984. The committees comprise independent panellists of registrants and non-registrants (lay members). Council Members do not sit on the statutory committees. Statutory committees are accountable to the Council for their performance.

The statutory committees are:

Investigating Committee (IC): considers allegations of impaired fitness to practise to determine whether such allegations should be referred to one of the three Practice Committees (Professional Conduct, Health, or Professional Performance Committee) for a full inquiry. The functions of the IC are delegated to case examiners in accordance with the legislative framework.

Interim Orders Committee (IOC): a case can be referred to the IOC at any stage to consider whether an order (such as conditions or a suspension) against a dental professional's registration is appropriate before a full inquiry.

Professional Conduct Committee: considers allegations of misconduct against a dental professional to decide if the misconduct amounts to an impairment of their ability to practise dentistry.

Health Committee: considers cases where it appears that a dental professional's performance is affected by either a physical or mental health condition.

Professional Performance Committee: considers allegations of deficient performance against a dental professional to decide if this deficiency amounts to an impairment of their ability to practise dentistry.

Registration Appeals Committee: considers appeals from dental professionals on the grounds of either being refused entry onto the register, removed or not restored to the register (but not by a Practice Committee).

Further information on the work and membership of the Council's statutory committees can be found on our website.

Members of the statutory committees are appointed by the Statutory Panellists Assurance Committee (SPC), which oversees the recruitment, training and performance management of the statutory committees. In 2020, the members of the SPC were Rosie Varley (Chair), Martyn Green, Nigel Fisher and Tim Skelton. During 2020, an open and competitive recruitment process was run to secure new appointments to the SPC as the Chair, Nigel Fisher and Tim Skelton left office on 31 December 2020. From 1 January 2021, the Council appointed Sir Ross Cranston FBA to Chair the SPC for four years, and also appointed the following Members: Serbjit Kaur MBE (registrant Member), HHJ Philip Sycamore (lay Member) and Carol Ashton (lay Member).

The non-statutory committees of the General Dental Council

In 2019, the Council commissioned an external review of its effectiveness and that of its Committees. In 2020, following the recommendations of that review, the Council reviewed its needs and the Terms of Reference for those non-statutory committees that supported it.

In 2020, the Council was supported by four non-statutory committees:

- Audit and Risk Committee (ARC).
- Finance and Performance Committee (FPC).
- Remuneration and Nomination Committee (RemNom), formerly known as the Remuneration Committee (Remco).
- Policy and Research Board (PRB).

At its June meeting, the Council reviewed the Terms of Reference of these committees and decided to stand down the Policy and Research Board, so that the work this Group conducted could be considered more widely by the Council as a whole. The ARC was tasked with providing strategic oversight of the Governance function and the FPC was asked to take a holistic overview of organisational performance. At its July meeting, the Council reviewed the Terms of Reference of the Remco and decided that the wider strategic piece about culture, talent and leadership should sit with the Council as a whole and the Committee's remit should expand to take on a broader nominations function. Accordingly, the name of the Committee was changed to the Remuneration and Nomination Committee (RemNom).

The membership of these committees in 2020 was as follows:

Committee	Membership – 1 January to 30 September 2020	Membership – 1 October to 31 December 2020
Audit and Risk Committee (ARC)	Crispin Passmore (Chair) Catherine Brady Sheila Kumar Simon Morrow Independent Member – Rajeev Arya	Crispin Passmore (Chair) Catherine Brady Sheila Kumar Simon Morrow Independent Member – Rajeev Arya
Finance and Performance Committee (FPC)	Terry Babbs (Chair) Anne Heal Margaret Kellett Kirstie Moons	Terry Babbs (Chair) Donald Burden Anne Heal Mike Lewis
Remuneration and Nomination Committee (RemNom)*	Geraldine Campbell (Chair) Anne Heal Jeyanthi John Caroline Logan Independent Member – Ann Brown	Anne Heal (Chair) Jeyanthi John Caroline Logan Laura Simons Independent Member – Ann Brown
Policy and Research Board (PRB)	Kirstie Moons (Chair) Caroline Logan Catherine Brady Geraldine Campbell Margaret Kellett Simon Morrow	

* Previously the Remuneration Committee

5. Statement of the General Dental Council and the Chief Executive's responsibilities

The Dentists Act 1984 requires the GDC to prepare annual accounts in the form determined by the Privy Council. The accounts are prepared on an accruals basis and must give a true and fair view of the GDC and its income and expenditure, changes in reserves and cash flows for the financial year.

The Privy Council has appointed the Chief Executive and Registrar as Accounting Officer of the GDC. The Accounting Officer is primarily responsible to the Privy Council and Parliament for the propriety and regularity of GDC finances, for keeping proper records and for safeguarding the GDC's assets.

In preparing the accounts, the GDC and Accounting Officer are required to:

- observe the accounts determination issued by the Privy Council, including the relevant accounting and disclosure requirements and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards, as set out in the accounts determination, have been followed, and disclose and explain any material departures in the accounts
- prepare the accounts on a going-concern basis, unless it is not appropriate to do so
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

The GDC and Accounting Officer have considered the above requirements and are of the opinion that, where they apply to the GDC, they have been complied with in all material circumstances, with any significant issues being detailed in the Governance Statement that follows.



6. Governance statement

Scope of Responsibility

As Accounting Officer, I am responsible for maintaining effective governance and ensuring that a sound system of internal control is in place to support the GDC's policies, aims and objectives, whilst safeguarding the organisation's assets, for which I am personally accountable. In carrying out my responsibilities as Accounting Officer, I take into consideration, but am not bound by, the guidance provided by *Managing Public Money*.

In making my assessment, I have drawn on reports by, and discussions with, internal auditors and by ongoing monitoring of our risk registers. I also drew assurance over the course of the year from the Executive Management Team of the GDC, the suite of performance and financial management information produced by the organisation, and the work of the Council and its committees. As the GDC is not classified as an arm's length body¹, it is not required to comply with *Corporate Governance in Central Government Departments: Code of Practice 2017*. We nevertheless consider the good practice principles expressed in the document in developing and reporting on our governance arrangements. Our practices to ensure effective, transparent and accountable governance are set out in the [Council Effectiveness](#) section of this statement.

Governance Arrangements

The GDC is a body corporate constituted under the Dentists Act 1984. The 12 members of Council, including the Chair, are appointed by the Privy Council. In 2020, three Council Members demitted office and three new appointments were made by the Privy Council. The process for these appointments was assured by the Professional Standards Authority.

It is the role of the Council to set the strategic direction of the GDC and, given the changed strategic context in which the organisation now operates as a result of the COVID-19 pandemic, the Council revisited and refreshed its Corporate Strategy in December 2020. The purpose of the strategy is to align the GDC to its mission and statutory purpose, to ensure systems are in place to enable it to monitor performance and to hold the Executive team to account and, to ensure probity. The Council has determined that it can most effectively carry out its functions by delegating certain matters to subsidiary bodies (such as the three non-statutory committees) or to me as Chief Executive and Registrar. The Council does not delegate:

- the approval of strategy
- statutory rule making
- approval of the annual business plan and budget
- approval of the annual report and accounts and any report required to be laid before the Parliaments
- holding the Executive to account for its management of the organisation.

The Council is responsible for setting and monitoring the terms of reference for its committees. The Council and its committees operate in accordance with Standing Orders and clear arrangements for the management of any conflicts of interest. Council Members' [declarations of interests](#) are publicly available.



Non-Statutory Committees

In the summer of 2020, the Council reviewed its assurance framework and revised the Terms of Reference of its existing four non-statutory committees, set out above. As a result of this review, the Council stood down the Policy and Research Board and, given its new remit, re-named the Remuneration and Nomination Committee.

Each committee comprises of both registrant and lay Council Members. In the case of the Remuneration and Nomination Committee and the Audit and Risk Committee, an independent member has also been appointed to the Committee to support its work. The full membership of each committee can be found in the Council and Committee Structure section of this report.

The Committee Chairs provide an update to the Council after each meeting and each Committee submits an annual effectiveness report to Council at the end of the year summarising its performance against its work programme.

Given the ongoing Covid-19 pandemic, from March onwards, all committee meetings were held virtually in 2020.

Audit and Risk Committee

The key purpose of the Audit and Risk Committee (ARC) is to provide assurance to the Council by scrutinising the organisation's Annual Report and Accounts, the GDC's governance, internal control and risk management systems and to review the internal and external audit services. This includes monitoring whether agreed actions identified in internal audit reports are carried out. The Committee reviews the Annual Report and Financial Statements before submission to the Council for approval. The ARC will also scrutinise the arrangements in place for raising concerns in relation to fraud, whistleblowing and special investigations.

The Committee provides assurance to the Council on the adequacy and effectiveness of the risk management processes in place. This involves reviewing the Strategic Risk Register, a newly developed Board Assurance Framework, obtaining assurance on risk management arrangements from internal auditors and reviewing the status and trends of all risk in the Strategic Risk Register. In 2020, the Committee received briefings on the implications and risks arising around timeliness in Fitness to Practise, the resilience and flexibility of the organisation during a pandemic and on the effectiveness of Governance.

Finance and Performance Committee

The role of the Finance and Performance Committee (FPC) is to provide assurance to the Council by challenging and monitoring the Executive on financial and other performance and to work with the Executive to develop an appropriate and proportionate data set to enable the Council to carry out its functions. The Committee works with the Executive to develop the GDC's financial strategy, including the rolling three-year Costed Corporate Plan and budgets, and monitoring the operational delivery of the organisation against those plans. It also provides guidance to the Executive on major operational matters such as, property strategy, investment and technology development.



During 2020, the FPC oversaw the review and re-development of the three-year Costed Corporate Plan for the GDC to enable the organisation to deliver its corporate strategy. The FPC also oversaw the financial management of the organisation, on behalf of the Council, to enable a continued freeze in the annual retention fee levels charged to its registrants. The Committee scrutinised proposals in relation to payment of the annual retention fee by instalments, furlough, Fitness to Practise and Organisational Development Key Performance Indicators and conducted a series of budget scrutiny meetings in a volatile and uncertain climate.

Remuneration and Nomination Committee

The key purpose of the newly created Remuneration and Nomination Committee (RemNom) is to provide assurance to the Council by scrutinising the reward policy for the Chief Executive and Registrar, Executive Management Team, Council Members (including the Chair), Independent Members of non-statutory committees and specific Associate postholders. The Committee also scrutinises the process for appointment and appraisal of the Chief Executive and Registrar, Council Members (including the Chair) and Independent Members of non-statutory committees. It also scrutinises, on behalf of the Council, the arrangements for succession planning for the Chief Executive and Registrar.

During 2020, the Committee advised on developments to the GDC's Equality, Diversity and Inclusion Strategy and oversaw the proposed recruitment processes for three new Council Members and the reappointment process for three existing Members. The Committee also scrutinised the proposed approach to the recruitment of a further Council Member and a new Chair of the Council in December 2020.

Policy and Research Board

The Policy and Research Board (PRB) oversaw the development and implementation of strategy, policy and research initiatives and reported on them to the Council. The Board met in January 2020 to discuss the policy landscape in early 2020 and its future role. As part of the review of its assurance framework, the Council stood down the PRB in June 2020.

Statutory Panellists Assurance Committee

In addition to the non-statutory committees detailed above, the Council has exercised the power to establish an appointments committee, the Statutory Panellists Assurance Committee (SPC). Established under the General Dental Council (Constitution of Committees) Rules Order of Council 2009, the Committee assists the Council with the exercise of any appointment of members of the Council's statutory committees, such as Fitness to Practise panels. During 2020, the Committee oversaw the in-house programme to recruit statutory panellists and confirmed the appointment of 52 new panellists in September 2020 and the reappointment of 51 panellists in March 2020. As set out above, the Council appointed Sir Ross Cranston FBA as Chair, and appointed Serbjit Kaur MBE, HHJ Philip Sycamore and Carol Ashton to the Committee from 1 January 2021.



Council Effectiveness

In 2019, the Council commissioned an external organisation to conduct a Board Effectiveness Review of the Council and its non-statutory committees. The external advisers noted that they had observed several elements of good practice in relation to the governance and leadership of the GDC and highlighted the progress made in recent years in this respect. They noted both a range of positive factors (such as a highly committed and cohesive Council, excellent Chairing, good use of Council committees in the assurance framework, an open and transparent response to challenge by the Chief Executive and effective challenge and debate to shape the organisation's strategy) and areas for development, which were highlighted in a series of recommendations. The Executive and Council then worked to implement the recommendations from that review throughout 2020. These recommendations were grouped into thematic areas: reviewing and amending the balance of Council business, the evaluation and development of Council Members, the review of committee structures, Governance improvement and committee improvement.

Key highlights of this work included developing an approach, with the Chair of Council, to ensure as much business as possible was heard in the public session of the Council and to remove duplication between public and closed meetings. Detailed feedback was obtained from Council Members on the effectiveness of Council meetings and this feedback is informing ongoing improvement work. Council Members undertook a skills audit using self-assessment and an analysis of Board strengths and skills gaps was undertaken and presented to the Council in June 2020. A revised approach to the appraisal of the Chair, Council Members and Chief Executive was developed and approved by the Council in September 2020. In collaboration with the Chair of Council, Chief Executive and Committee Chairs, the Terms of Reference for all non-statutory committees of the Council were reviewed and refreshed in the summer of 2020. In relation to the assurance framework, a new assurance reporting approach was developed with Committee Chairs, and this was approved by the Council in September 2020. A light touch review of the Standing Orders of the Council was conducted in June 2020 and the Council approved amendments to them to facilitate increased agility around decision making via correspondence. A fuller review of these Standing Orders is planned for 2021. Where possible, the meeting schedule for 2021 has moved to a quarterly reporting cycle and additional meetings, where necessary, have been planned in to accommodate key business.

In relation to Governance improvement, the Governance team was re-structured by June 2020, a new Board Portal software package was procured and implemented - which has served to simplify the management of Board papers and improve the user experience – and new templates for papers, agendas, minutes and performance reporting were developed. A new suite of Governance Key Performance Indicators was approved by the Council and a 12-month forward work planning cycle has been developed and implemented. The Council also approved a new scheme of Council delegations in October 2020 and new Rules were made to implement this scheme.

Additionally, in July 2020 and following scrutiny from the FPC, the Council approved a new integrated performance report to allow the Council to engage with a higher-level strategic approach to performance oversight. A new risk management system and Board Assurance Framework was also implemented, with oversight from the ARC, and risk reporting has been amended to include a statement of assurance for each risk.

The continuing implementation of the improvement work is on target to deliver, as planned, all of the recommendations by December 2021.



We take into consideration governance best practice when reviewing Council effectiveness. The Chair continues to review each meeting at its conclusion with Members and the Executive, as well as holding annual appraisal meetings with Members and the Chief Executive.

The attendance of Council members is recorded in the minutes which are publicly available. A table of attendance is provided in the Council and Committee Structure section of this report.

Council Oversight of Strategic Risks

The Council monitors strategic risks and is presented with an update to the Strategic Risk Register (SRR) during each meeting. The SRR is reviewed and recommended for approval by the Senior Leadership Team (SLT) and then reviewed and recommended for presentation to Council by ARC. The ARC also sees a newly created Board Assurance Framework to inform its scrutiny of strategic risks.

The SRR is circulated to the Council immediately following ARC recommendation to ensure that the Council is promptly sighted on all strategic risks, the mitigating control framework and the assurances to support mitigation effectiveness. Any developments that take place in relation to strategic risk between the circulation of the SRR and the date of the Council meeting are provided as a strategic risk update at that meeting.

Amongst other things, the SRR allows the Council to assess the extent to which strategic risks are being mitigated through effective controls, to identify those that are outside Council appetite levels and to determine how the organisation is performing against the risk exposure thresholds that are set by the Council. When presented at any forum, the SRR is placed in context by a risk management paper that highlights key areas of concern, underperformance, emerging or dormant issues.

These risk documents, which are scrutinised by the Council, provide information to support and guide decision making, enable the monitoring of progress against the Council's Corporate Strategy and help hold the Executive to account for organisational performance.

Lying beneath the SRR, to ensure its completeness and that all risks included within it are of a genuine strategic nature, each Directorate has an operational risk register (ORR). These ORRs are subcategorised by team, reviewed and updated on a monthly basis and are presented to the SLT for scrutiny at least annually.

All risks, whether strategic or operational, are aligned with the Corporate Strategy and Costed Corporate Plan.

The Council reviews its strategic risk appetite annually. This process commenced in October 2020 and was completed in January 2021. All operational and strategic risks have been appropriately aligned with the current risk appetite.



Disclosure of principal risks and uncertainties:

At the end of 2020, the SRR was populated with nine strategic risks. These included:

- Constitutional changes or uncertainties following the UK's departure from the EU, including the loss of the Mutual Recognition of Professional Qualifications (MRPQ).
- Productive, effective and sustainable working in light of COVID 19 and related restrictions and Government guidance.
- Financial risks, arising from the uncertain financial climate caused by Covid-19, connected to the full and timely collection of dentist and dental care professional's Annual Retention Fee.
- The robust and timely progression of cases through Fitness to Practise processes.
- Risks in relation to the retention of PSA standards.

Internal Audit Services

Mazars LLP provided the GDC's independent internal audit service during 2020. An internal audit plan for the period 1 January to 31 December 2020, developed with Mazars, was approved by the Audit and Risk Committee at its meeting in February 2020. 10 internal audits were undertaken in 2020, nine of which were assurance assignments.

Following each internal audit assignment, recommendations to improve either the design of the control framework, or the application of the control framework were made, which were categorised as either fundamental, significant or housekeeping recommendations. Following the agreement of these recommendations, an officer responsible for implementing each recommendation was assigned and an implementation date was agreed. Audit assurance findings ranged between three possible assurance levels: substantial assurance, adequate assurance and limited assurance.

The overall internal audit opinion from Mazars, on the basis of work undertaken in 2020, was that our governance, risk management and internal control arrangements are substantial in their overall adequacy and effectiveness. Overall, risks are being effectively managed. This overall opinion was based on seven individual internal audit assignments that were provided with substantial assurance and two of adequate assurance. No fundamental recommendations were made.

We have in place a centralised internal audit recommendation implementation tracking function. A recommendation tracker is maintained, and confirmation is sought from recommendation owners on the status of recommendations when their implementation date is reached. Performance against how recommendations are implemented has been reported to the SLT and ARC throughout the year.



Executive Management Team

The Council is supported by staff, led by Ian Brack the Chief Executive and Registrar, the other members of the Executive Management Team (EMT) and a wider Senior Leadership Team (SLT).

The Council sets the strategy and policy and determines the outcomes and outputs of the GDC in support of its purpose and values. The means by which those outcomes and outputs are achieved is a matter for the Chief Executive and EMT. In my role as Chief Executive, I am accountable to Council for the Executive's performance. The EMT is responsible for:

- Implementing the strategy approved by Council.
- Business planning and budgeting.
- Providing regular management reports to the Council and ensuring that appropriate reports are provided to Council committees regarding matters within their remits.
- Identifying and reporting to Council strategy risks and ensuring that ownership for each risk is allocated at the right level with clear accountability.

During 2020, the EMT has met formally at least once a month and, during the course of the COVID-19 pandemic, more frequently. Since March 2020, all EMT Board meetings have been held virtually. Given the need for increased agility around decision making in the pandemic environment, the wider Senior Leadership Team (SLT) has contributed to the decision making in EMT Board meetings by way of comments provided via correspondence. The SLT comprises senior operational and strategic Heads of function and has responsibility to support the EMT with decision making on the implementation of the strategy and providing regular management reports. The SLT also oversees the operational risk register as detailed in this statement. The SLT met regularly throughout 2020 to discuss key operational updates and share learning throughout the pandemic period.

The SLT includes the Heads of: Communication & Engagement, GDC Policy & Research Programme, Organisational Development & Inclusion, Fitness to Practise Case Progression, Adjudications, Registration Operations, Governance, IT, People Services, In-House Legal Advisory Service, Finance & Procurement, and Registration.

The remits of the Executive Directors during 2020 were as follows:

Executive Director, Fitness to Practise Transition: Tom Scott (until July 2020)

Interim Executive Director, Fitness to Practise: John Cullinane (from July 2020)

Implementation of the findings of the FtP end-to-end review, casework, adjudications, fitness to practise, Dental Complaints Service.

Executive Director, Organisational Development: Sarah Keyes

People Services, organisational development, diversity and inclusion, people development and internal communications.

Executive Director, Registration and Corporate Resources: Gurvinder Soomal

Registration, Registration Operations, Customer Service, Finance and Procurement, Project Delivery, Business Planning and PMO, IT, Risk Management and Internal Audit and Facilities.

Executive Director, Strategy: Stefan Czerniawski

Development of strategy and policy, external communications and engagement, research and education quality assurance.

Executive Director, Legal & Governance: Lisa Marie Williams

Legal services, information governance, governance.



Management Information and Performance Reporting

In 2019, we identified our corporate, strategic and regulatory objectives and set out the required resources, anticipated outcomes and other contributory factors to meet them in a new corporate strategy for 2020 to 2022 and a three-year Costed Corporate Plan. These plans were consulted on in 2019, with key stakeholders, and were approved by the Council, alongside a reduction in the annual retention fee, in October 2019.

Following the Covid-19 pandemic, the GDC revisited its Costed Corporate Plan and re-prioritised its project portfolio to align with the changed environment. Then, in October 2020, the Council approved a Costed Corporate Plan for 2021-2023 and a reduced budget for 2021.

Delivery against the Costed Corporate Plan was monitored throughout 2020 by the SLT and EMT using Key Performance Indicators on a balanced scorecard. Progress was reported to the Council and the FPC on a quarterly basis. Programme & Project status was also reviewed and, together with risk management reporting, these reports informed operational business planning processes.

Data Breaches and Information Security

Information Governance

During 2020, we continued to develop and improve our information governance framework, the way we manage and dispose of information, identify and respond to data security incidents, and ensure compliance with the Freedom of Information Act 2000 (the FOI Act) and the Data Protection Act 2018 (the DPA).

We have continued to ensure that all new staff have received training on the FOI Act, the DPA, and data security as part of the corporate induction programme and during the year all GDC staff completed annual data protection refresher training.

Significant improvement work completed during 2020 included a review of electronic records held by the GDC, updates to the GDC's Article 30 GDPR record of processing activity, a GDC wide training needs analysis, and other work to ensure the GDC's compliance with the mandatory criteria of the NHS Data Security and Protection Toolkit (in 2019 the GDC met 51 of 55 mandatory criteria).

At the end of 2020, the GDC again used the NHS Data Security and Protection Toolkit to provide an objective measure of its compliance aligned with the ISO27001 standard. Of the 88 applicable criteria, the GDC met 87 (99%) with evidence to support the finding, of which all 44 applicable mandatory criteria were met.

Information requests

During 2020, we received a total of 324 (compared to 364 in 2019) requests for corporate information under the Freedom of Information (FOI) Act and for personal information under the Data Protection Act, known as subject access requests or SARs. FOI requests received by the GDC were commonly for statistical information relating to the work of the GDC. However, during Q3 we received a sharp increase in requests relating to decisions the GDC had taken following the COVID-19 pandemic. These included requests relating to staff numbers on furlough and any claims made by the organisation to the HMRC in this respect, the decision by the Council not to decrease the Annual Retention Fee, and Council's considerations on introducing payment of the Annual Retention Fee by instalments. There were also requests on other GDC expenditure.



We responded to 329 information requests, of which 222 were FOI requests and 107 were subject access requests. These figures include the rolling work from 2019. This was an increase on FOI requests responded to in 2019 (182) and a decrease in SAR requests (185). 98% of FOI requests (217) were responded to within the statutory timeframes (20 working days) or an extension was appropriately claimed to carry out a public interest test. 96% of subject access requests (103) were responded to within the statutory timeframes (30 calendar days) or an extension was appropriately claimed.

Of the 329 information requests we responded to in 2020, two FOI responses and one SAR response were appealed to the Information Commissioner (three in 2019, two SARs and one FOI). We are awaiting their consideration.

Data security incidents

During 2020, we continued to centrally record, manage, and report on data security incidents. We have reported and recorded concerns about the use, access, destruction of personal data by the GDC, and third parties where GDC information is affected. We have not only recorded incidents where something has happened but also 'near misses' where something almost happened so that learning can be captured. Not all data security incidents recorded are a personal data breach.

We recorded 113 Data Security Incidents in 2020 (114 in 2019).

Where a personal data breach has been identified we have ensured that information that has been lost or disclosed inappropriately through accident or error is recovered, that risks are assessed and responded to, and that incidents are learned from to prevent recurrence and improve our service.

No data security incidents were reported to the Information Commissioner (the ICO). It was the first time in four years that the GDC has not referred an incident to the ICO and is a measure of the improvements the GDC has made during that time in relation to information governance and security.

Conclusion

As Accounting Officer, having taken into account all reports available to me, including external advice, I remain confident that the Council's system of risk management and internal control are effective to enable to the Council to achieve its statutory duties, and to continue to support the GDC's policies, aims and objectives.



7. Remuneration and staff report

The financial aspects of this report are audited by the external auditors, Haysmacintyre and the National Audit Office (NAO).

Remuneration report

Council Member remuneration policy

Council Member and Chair remuneration are subject to scrutiny by the Remuneration and Nomination Committee. Remuneration is set using data available from across comparative markets for prevailing rates for similar positions and time commitments for performing the role.

Council Member remuneration was reviewed by the Remuneration and Nomination Committee in July 2020. The Committee agreed to retain the current level of remuneration of council Members, and this decision was supported by the Council in September 2020. The Council Member Remuneration Policy will next be reviewed in 2022.

The remuneration for the Chair is set at a rate of £55,000 per annum based on an average commitment of 2 days a week.

Council Members are remunerated at an annual rate of £15,000, based on an average of commitment of 36 days per annum. An annual supplement of £3,000 applies for Committee Chairs.

Executive Management Team remuneration policy

The remuneration policies for the Chief Executive, Registrar and Accounting Officer and executive directors were revised during 2020, and following scrutiny by the Remuneration and Nomination Committee, were approved by Council in December 2020. The policies do not include any provision for performance payments.

Salary progression for an Executive Director is dependent on the individuals' performance and external benchmarking of pay for comparative roles. Whilst the Chief Executive, Registrar and Accounting Officer agrees the pay for executive directors, any salary increase, or other payments, are subject to scrutiny by the Remuneration and Nomination Committee.

The Chief Executive's pay increase (as and when appropriate) is recommended by the Council Chair and the Remuneration and Nomination Committee and approved by the Council in line with the remuneration policy.

The Chief Executive, Registrar and Accounting Officer's contract of employment requires a termination notice period of six months by the employee or employer. The remaining executive directors' contracts require a termination period of three months to be given by the employer or employee after completion of the probationary period.

All the executive directors are members of either the defined benefit section of the GDC pension scheme or the master trust scheme.

Staff remuneration policy

The remuneration policy for staff is developed by the Executive Director, Organisational Development in conjunction with the Chief Executive, Registrar and Accounting Officer and executive directors. This policy is developed with consideration of the GDC's position to provide a transparent, sustainable, and fair approach to our reward framework to attract and retain high-calibre people to enable the GDC to achieve its strategic priorities and to fulfil its statutory remit and responsibilities.

We are committed to the principle of equal pay for work of equal value for all employees and aim to ensure that our pay systems are fair and free from bias. We have a duty to promote gender quality and undertake equal pay reviews to eliminate any pay gaps that cannot be explained on objective grounds, and we report on this publicly on an annual basis.

Council Member's fees and expenses (subject to audit)

	2020				2019			
	Fees £000	Benefit in kind expenses £000	Tax and NI £000	Total £000	Fees £000	Benefit in kind expenses £000	Tax and NI £000	Total £000
William Moyes Lay Council Chair	55	6	6	67	55	13	13	81
Terry Babbs Lay Council member	18	1	-	19	18	1	1	20
Catherine Brady Registrant Council member	15	-	-	15	15	1	1	17
Donald Burden (From 1 October 2020) Registrant Council member	5	-	-	5	-	-	-	-
Geraldine Campbell (Until 30 September 2020) Lay Council member	14	3	1	18	18	5	2	25
Anne Heal Lay Council member	15	-	-	15	15	1	-	16
Jayanthi John Registrant Council member	15	-	-	15	15	1	1	17
Margaret Kellett (Until 30 September 2020) Registrant Council member	11	1	1	13	15	2	1	18
Sheila Kumar Lay Council member	15	-	-	15	15	-	-	15
Michael Lewis (From 1 October 2020) Registrant Council member	4	-	-	4	-	-	-	-
Caroline Logan Registrant Council member	15	-	-	15	15	3	1	19
Kirstie Moons (Until 30 September 2020) Registrant Council member	14	1	1	16	18	4	2	24
Simon Morrow Registrant Council member	15	1	1	17	15	5	6	26
Laura Simons (From 1 October 2020) Lay Council member	5	-	-	5	-	-	-	-
Crispin Passmore Lay Council member	18	1	-	19	18	1	1	20

Benefits in kind expenses

The monetary value of benefits in kind expenses covers any benefits provided by us and treated by HM Revenue and Customs as a taxable emolument. Payments outlined above were net of tax and the tax amounts are paid over to HM Revenue and Customs. Items that fell into this category include travel expenses incurred in relation to Council business.

Executive Management Team remuneration (subject to audit)

The remuneration details disclosed for the Chief Executive, Registrar and Accounting Officer are provided in full below. The table also discloses the taxable emoluments, other payments (excluding any compensation payments if due) and employer pension contributions, in salary bands for other members of the Executive Management Team who served in 2020 (and comparative information for 2019).

	2020				2019			
	Salary £000	Employer Contri- bution to pension £000	Bonus £000	Total £000	Salary £000	Employer Contri- bution to pension £000	Bonus £000	Total £000
Ian Brack								
Chief Executive and Registrar	140-145	14	-	150-155	140-145	13	-	150-155
Stefan Czerniawski (from 14 October 2019)								
Executive Director - Strategy (Full year equivalent)	115-120	10	-	125-130	25-30 (115-120)	1 (7)	-	25-30 (125-130)
Roberta Davis (until 28 June 2019)								
Executive Director - Organisational Development (Full year equivalent)	-	-	-	-	65-70 (120-125)	6 (12)	-	70-75 (130-135)
Matthew Hill (until 19 August 2019)								
Executive Director - Strategy (Full year equivalent)	-	-	-	-	75-80 (120-125)	4 (7)	-	80-85 (135-130)
Sarah Keyes (from 1 October 2019)								
Executive Director – Organisational Development (Full year equivalent)	115-120	12	-	130-135	25-30 (115-120)	3 (12)	-	30-35 (130-135)
Thomas Scott (until 30 June 2020)								
Executive Director – Fitness to Practise Transition (Full year equivalent)	70-75 (120-125)	6	-	150-155	120-125	12	-	135-140
Termination payment	75-80	(12)	-	(130-135)	-	-	-	-
Gurvinder Soomal								
Executive Director – Registration and Corporate Resources	120-125	27	-	150-155	120-125	30	-	150-155
Lisa Marie Williams								
Executive Director – Legal and Governance	120-125	12	-	135-140	110-115	11	0-5	125-130



Ian Brack has personally elected to forgo annual salary increases since 2016. The market rate for the role of Chief Executive, Registrar and Accounting Officer, had pay awards been applied, is £160-£165,000. (2019: £160-£165,000).

The former Executive Director, Fitness to Practise Transition received a termination payment of £75,680 on his departure from the role on 30 June 2020. The full-year equivalent total remuneration figure excludes the termination payment made.

None of the Executive Management Team received any performance bonuses during 2020.

Pay multiples (Subject to audit)

The banded remuneration of the highest-paid director, the Chief Executive, Registrar and Accounting Officer, in 2020 was £140-£145,000. (2019: £140-145,000). This was 3.7 times (2019: 3.6 times) the median remuneration of the workforce, which was £38,445 (2019: £38,987).

In 2020 no employees (2019: nil) received remuneration in excess of the highest-paid director. Remuneration ranged from £15-£125,000 (2019: £15-£125,000). Total remuneration includes salary, allowances, performance bonuses and benefits in kind. It does not include severance payments or employer pension contributions.

Pensions

Our main pension scheme is a trust based defined contribution pension scheme, provided by The People's Pension, that meets and exceeds auto-enrolment requirements. Employees contribute three percent of salary and the GDC contributes six percent (2019: six percent). The GDC matches additional employee contributions up to a maximum of 10 percent employer contributions. At 31 December 2020, 303 employees (84 percent) were members of the trust based defined contribution scheme (31 December 2019: 280, 81 percent).

Employees who joined the GDC before January 2015 were able to join a defined benefit pension scheme but had to do that before July 2016. The scheme was closed to new members on 1 July 2016. Members of the defined benefit scheme make a contribution of 8 percent of salary. The employer's contribution during 2020 was 20.3 percent (2019: 18 percent until 31 March 2019, and 20.3 percent from 1 April 2019 as set by the scheme actuary). At 31 December 2020, 37 employees (10 percent) were members of the defined benefit scheme (31 December 2019: 45, 13 percent).

On 24 March 2021, following consultation with affected members, the Council made a decision to close the defined benefit pension scheme to future accrual from 31 March 2021. We have confirmed with the Scheme Actuary that this decision has no impact on the accounting liability at 31 December 2020 due to the retention of the scheme salary link. In future years, any surplus on the scheme will be unrecognised as it cannot be offset against future service costs.

Further information about remuneration and pensions is contained in note 3 and note 16 to the accounts.



Staff report

Staff numbers and emolument details

The average number of full-time equivalent employees, including the executive directors, during the year analysed by function, was:

	Permanently-employed staff	Others	2020 Number total	2019
Fitness to Practise and Hearings	79.7	12.8	92.5	106.4
Registration	52.6	6.6	59.1	57.8
Organisational Development	15.9	2.5	18.4	22.5
Legal and Governance	62.6	9.9	72.5	73.5
Strategy	33.3	3.8	37.0	36.2
Corporate Resources	69.7	5.1	74.8	68.4
Total	313.7	40.6	354.3	364.8

Staff composition

Women represent 57% of the workforce (2019: 58%). People aged 50+ represent 20% of the workforce (2019: 18%).

Non-mandatory equality and diversity data has been voluntarily supplied by 84% of our workforce during 2020 (2019: 82%), which shows that 51% (2019: 52%) of our staff are from a white background and 33% (2019: 30%) from an ethnic minority background.

Gender pay gap

Due to the pandemic, the Government Equalities Office and Equality and Human Rights Commission (EHRC) suspended enforcement of the gender pay gap reporting deadlines for 2020 (snapshot date April 2019).

The gender pay gap due to be reported in April 2020 (snapshot date April 2019) was an average of 13.8% (median 23%) in favour of men. The GDC does not pay bonuses, however, payments such as our recognition payments, which are awarded to colleagues to recognise those that have worked above and beyond the normal standards expected are categorised as bonuses for the purposes of gender pay gap reporting. 5.7% of women and 11.3% of men receiving such payments between April 2018 to March 2019 (snapshot date April 2019) On average, the bonus payments are 26.29% (50% median) higher for women than for men.



Employee absence

We encourage a culture where good attendance is required. However, we recognise that, from time to time, absences for medical reasons may be unavoidable.

Our aim is to treat staff who are ill with sympathy and fairness and, where possible, to provide them with support which will enable them to recover their health and attend work regularly. We rely on early intervention by our line managers conducting a return to work interview after each period of absence to mitigate and manage this effectively. The systems that line managers use to help to identify when trigger points have been reached and allow them to consider whether further support or action is required are being reviewed as part of the HR system project.

A total of 2,156 days were lost to sickness in 2020 (2019: 2,702 days). This represents a reduction in sickness absence of 20.2%. An average of 6.1 days per employee was lost due to sickness in 2020. (2019: 7.4 day per employee). The CIPD Health and Wellbeing Survey Report 2020 reports that the average level of employee absence is 5.8 days per year per employee (2019: 5.9 days).

The ongoing pandemic would appear to have had a significant impact on 2020 sickness absence figures with 253 days lost due to COVID-19, this was 21% of the days lost in 2020. Despite this, we have seen a 20% reduction in sickness overall as a side effect of lockdown and working from home.

Staff turnover

The total staff turnover for 2020 was 15% (2019:51%). This includes natural turnover, planned end of fixed term contracts and any agreed redundancies. The total staff turnover in 2019 was significantly higher as we had transitioned a number of operational functions to Birmingham from London, as part of our ongoing Estates Programme.

The natural staff turnover for 2020 was 9%, compared to 17% in 2019.

Diversity and inclusion

We are committed to providing equal opportunities to all and to ensure that our workforce is as diverse and inclusive as the communities we serve. Our decisions about recruitment, training, promotion, internal and external opportunities are based on ability, capability and potential.

2020 saw the launch of the REACH Network – an internal group for Black, Asian and Minority Ethnic (BAME) staff and other interested parties, which led the organisation's efforts to recognise and celebrate Black History Month in October.

These networks are in addition to launch of the EDI Champions, a group of staff with a particular interest in the field of EDI. The EDI Champions have been used to inform the completion of Equality Impact Assessments, as well as taking responsibility for coordinating staff events aimed at promoting the diversity of our workforce.

With a view to embedding EDI as business as usual, extensive work has taken place on the creation of a new EDI Strategy. The strategy launched in early 2021. This has involved extensive engagement with staff across the business and has taken input from the Remuneration Committee and Council.



Employee engagement

Work continued in 2020 on the actions identified in the 2019 large-scale staff survey. We have approached staff engagement surveys through quarterly, small-scale pulse surveys. These have enabled us to gather relevant and representative data upon which we can act directly and swiftly, both at a corporate level and within Directorates. Core questions have been used across quarters to track trends over time, and targeted questions have been introduced each quarter, specific to the work or challenges during that period and have been of particular value during the pandemic.

In addition to the quarterly pulse surveys, a dedicated all-staff survey was undertaken to capture views on remote working and the impacts of working from home. Follow-up focus groups enabled input from a wide range of staff to inform our approach to working flexibly in the medium and longer terms.

The need to work remotely required us to adapt our approach to communicating with staff. Feedback from staff told us that regular and reliable communication was imperative during this period of uncertainty, and daily update emails from members of the Executive Management Team were used to convey important operational information as well as messages around staff wellbeing. Where possible and practical, we have moved our face-to-face engagement activities into a virtual space. Microsoft Teams has become the platform for induction, staff development, and awareness events as well as enabling staff to come together in social settings.

We have delivered improvements to our intranet to enable changes to the way information and special communications are presented and promoted.

Health and Safety at work

The GDC's vision and commitment to Health and Safety is to maintain and promote a healthy harm-free environment. The GDC Health and Safety Committee Membership and Terms of Reference have been reviewed during 2020 and were enhanced to assure the Executive Management Team that the organisations legislative obligations are being met. Those obligations being to safeguard the health, safety and welfare of staff and visitors. The GDC Health and Safety Policy was also revised in 2020.

During the year there was one accident reported under Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR) (2019: nil) and three minor incidents recorded across both sites (2019: 8). One of these was an incident of ill health, one was an accident whilst working from home. The majority of staff have been working from home since March 2020, in line with Government advice to work from home if possible during the pandemic.

Our 'Thriving at Work' intranet site provides staff and managers with a significant bank of resources to promote resilience and wellbeing. We have grown our group of thirteen trained Mental Health First Aiders who have been of considerable value to staff during the pandemic.

During the year we have entered into a new arrangement for an Employee Assistance Programme, which has been communicated actively to staff.



Consultancy expenditure

We do not use consultants to fill positions in the permanent employee complement. All employee posts are filled by either permanent, fixed-term, seconded employees, or (for short-term needs) by workers provided by employment agencies.

Coronavirus Job Retention Scheme

Some specific areas of GDC operations were severely affected as a result of the COVID-19 pandemic, with the result that for a period some employees did not have work to do or were prevented from working by personal circumstances. Our aim is always to maximise the efficiency of our operations to make that burden no heavier than it need be on Registrants – and this was particularly important last year as some registrants had experienced significant negative financial impacts because of COVID-19.

The Council noted that the government's Coronavirus Job Retention Scheme applied to staff that an organisation would not otherwise retain in employment (because they were temporarily redundant) or pay at full rate (because they had caring responsibilities which prevented them from working full time or at all). Council took the view that it was appropriate to use the furlough scheme for its intended purpose - to protect the jobs of people who would otherwise be likely to be laid off or made redundant. Our use of the scheme is fully compliant with HMRC requirements.

During the period 18 May 2020 to 31 July 2020, 30 employees were placed on furlough leave with the total grant claimed for the period being £101k.

Compensation for loss of office

12 employees left under compulsory redundancy terms during 2020. They received a compensation package of between £3,581 and £61,510. The table below sets out all compulsory redundancy payments made in 2020, per cost band.

Exit band cost	2020 Number of exits	2019 Number of exits
<£10,000	5	42
£10,000 - £25,000	5	31
£25,000 - £50,000	1	10
£50,000 - £75,000	1	-
Total number of exit packages	11	83
Total cost / £	197,149	1,145,404

Ian Brack, Chief Executive, Registrar, and Accounting Officer

24 June 2021



8. The Certificate and report of the Comptroller and Auditor General to the Houses of Parliament

Opinion on financial statements

I certify that I have audited the financial statements of The General Dental Council for the year ended 31 December 2020 under the Dentists Act 1984. The financial statements comprise: the Income and Expenditure Account, the Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Reserves and the related notes; including the significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. The financial reporting framework that has been applied in their preparation is applicable law and International Accounting Standards in conformity with the determination of the Privy Council.

I have also audited the information in the Accountability Report that is described in that report as having been audited.

In my opinion the financial statements:

- give a true and fair view of the state of the General Dental Council's affairs as at 31 December 2020 and of the surplus for the year then ended; and
- have been properly prepared in accordance with the Dentists Act 1984 and the Privy Council determination issued thereunder.

Opinion on regularity

In my opinion, in all material respects the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I have also elected to apply the ethical standards relevant to listed entities. I am independent of the General Dental Council in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.



Conclusions relating to going concern

In auditing the financial statements, I have concluded that the General Dental Council's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the General Dental Council's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Council and the Chief Executive with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the General Dental Council is adopted in consideration of the requirements set out in International Accounting Standards in conformity with the determination of the Privy Council which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

Other Information

The other information comprises information included in the annual report but does not include the parts of the Accountability Report described in that report as having been audited, the financial statements and my auditor's certificate thereon. The Council and Chief Executive are responsible for the other information. My opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with Privy Council determinations made under the Dentists Act 1984; and
- the information given in the Performance Analysis and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.



Matters on which I report by exception

In the light of the knowledge and understanding of the General Dental Council and its environment obtained in the course of the audit, I have not identified material misstatements in the Accountability report. I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Accountability Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual are not made; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Council and Chief Executive for the financial statements

As explained more fully in the Statement of General Dental Council and Chief Executive's Responsibilities, the Council and Chief Executive are responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view.
- internal controls as the Council and Chief Executive determine is necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error.
- assessing the General Dental Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council and Chief Executive anticipates that it is not appropriate to do so.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Dentists Act 1984.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.



My procedures included the following:

- inquiring of management and those charged with governance, including obtaining and reviewing supporting documentation relating to the General Dental Council's policies and procedures relating to:
 - o identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - o detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - o the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the General Dental Council's controls relating to the Dentists Act 1984, and Order 2008 and the Health Care and Associated Professions (Miscellaneous Amendments and Practitioner Psychologists) Order 2009.
- discussing among the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition and posting of unusual journals.
- obtaining an understanding of the General Dental Council's framework of authority as well as other legal and regulatory frameworks that the General Dental Council's operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the General Dental Council. The key laws and regulations I considered in this context included the Dentists Act 1984, and Order 2008 and the Health Care and Associated Professions (Miscellaneous Amendments and Practitioner Psychologists) Order 2009, Employment Law, tax Legislation and Coronavirus Act 2020.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management and the Audit and Risk Committee concerning actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance and the Council;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- in addressing our assurance over regularity, considering any special payments made in year, any off-payroll arrangements, review of Council and Audit and Risk Committee papers and minutes and an overall comparative review of current year to prior year.

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.



A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General
National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Date 1 July 2021



9. Independent auditor's report

Opinion

We have audited the financial statements of the General Dental Council (“the Council”) for the year ended 31 December 2020 which comprise the Income and Expenditure Account, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Reserves, and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the state of the Council's affairs as at 31 December 2020 and of its surplus for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Dentists Act 1984 and the directions issued thereunder by the Privy Council

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Council in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Council Member's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Council's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The Members of Council are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.



In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Council and its environment obtained in the course of the audit, we have not identified material misstatements in the annual report.

We have nothing to report in respect of the following matters where we report to you if, in our opinion:

- adequate accounting records have not been kept by the Council, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of the Council and Chief Executive

As explained more fully in the Statement of the Council and Chief Executive's Responsibilities, the Council and Chief Executive as Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Council Members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Council Members are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council Members either intend to liquidate the Council or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:



Based on our understanding of the Council, we identified that the principal risks of non-compliance with laws and regulations related to the Dentists Act 1984, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the accounts determination issued by the Privy Council, including the relevant accounting and disclosure requirements.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the risk of posting inappropriate journal entries and management bias in accounting estimates was low. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted either before or during the preparation of the financial statements and those containing round numbers or consistent ending numbers; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Members of Council, as a body, in accordance with the Dentists Act 1984 and the directions issued thereunder by the Privy Council. Our audit work has been undertaken so that we might state to the Members of Council those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Council and the Members of Council as a body, for our audit work, for this report, or for the opinions we have formed.

Haysmacintyre LLP

Statutory Auditors
10 Queen Street Place
London
EC4R 1AG

29 June 2021



Section Three: Financial Statements

10. Accounts

Income and Expenditure Account

	Note	2020 £'000	2019 £'000
Income			
Fees	2	38,114	45,984
Overseas Registration Exam	2	422	1,592
Miscellaneous	2	174	19
Total Operating Income		38,710	47,595
Expenditure			
Staff costs	3	19,186	18,654
Legal and professional fees	4	4,810	6,762
Council and committee meetings	5	3,469	5,669
Administration	6	4,028	3,900
Accommodation	6	1,085	1,176
Communications and Publications	6	464	474
Total Operating Expenditure		33,042	36,635
Surplus after operational expenditure		5,668	10,960
Adjustment to tax and social security costs		-	107
Proceeds from sale of assets		40	-
Investment income	2	345	516
Realised gains/(losses) on sale of investments	10	(751)	59
Unrealised gains on investments	10	2,243	2,080
Surplus for year after investment income and adjustment		7,545	13,722
Taxation	7	(393)	(273)
Retained Surplus after taxation		7,152	13,449
Other comprehensive Income			
Items not reclassified			
Actuarial gains/(loss) on pension scheme assets	16	(5,216)	323
Total other comprehensive income/(expenditure)		(5,216)	323
Total comprehensive income/(expenditure) for the year		1,936	13,772

The [notes](#) on pages 64 to 87 form part of these financial statements.



Statement of Financial Position

	Note	2020 £'000	"Restated 2019" £'000
Non-current assets			
Property, plant and Equipment	8	16,322	17,984
Intangible assets	9	36	154
Financial assets at fair value through profit or loss	10	18,996	17,530
Provision for pension asset	16	373	5,813
Total non-current assets		35,727	41,481
Current assets			
Trade and other receivables	11	1,071	1,142
Cash and cash equivalents	12	47,420	40,255
Total current assets		48,491	41,397
Total Assets		84,218	82,878
Current liabilities			
Trade and other payables	13	2,732	3,779
Deferred income	13	33,981	33,605
Provisions	15	10	212
Corporation tax	13	39	109
Total current liabilities		36,762	37,705
Non-current assets plus/less assets/liabilities		47,456	45,173
Non-current liabilities			
Other Payables	13	6,397	6,425
Deferred tax	13	686	311
Total non-current liabilities		7,083	6,736
Assets less liabilities		40,373	38,437
Reserves			
General reserve		35,849	30,716
Pension reserve		373	5,813
Unrealised gains on investment reserve		4,151	1,908
Total reserves		40,373	38,437

The financial statements were approved by the Council members and were signed on their behalf on 24 June 2021.

Ian Brack
Chief Executive and Accounting Officer

William Moyes
Chair

The [notes](#) on pages 64 to 87 form part of these financial statements.



Statement of cash flows

	Note	2020 £'000	2019 £'000
Cash flows from operating activities			
Surplus from operating activities	I&E	5,668	10,960
Adjustment to tax and social security costs	I&E	-	107
Depreciation and amortisation	6	1,520	1,593
Loss/(Gain) on disposal of property, plant and equipment	6	433	(3)
Decrease in trade and other receivables	11	71	652
(Decrease) in trade payables and other liabilities	13	(395)	(4,391)
Pension reserve funding movements	16	224	(1,560)
Use of Provisions	15	(202)	(798)
Net cash (outflow) / inflow from operating activities		7,319	6,560
Cash flows from investing activities			
Purchase of property, plant and equipment	8	(172)	(1,014)
Purchase of intangible assets	9	-	(77)
Proceeds from sale of assets		40	3
Proceeds from sale of financial assets	10	4,610	1,177
Purchase of financial assets	10	(4,584)	(2,253)
Investment income	2	345	516
Tax	7	(393)	(273)
Net cash (outflow) / inflow from investing activities		(154)	(1,921)
Cash flows from financing activities			
Capital element of lease liabilities	8	-	(6,727)
Net cash (outflow) / inflow from financing activities		-	(6,727)
Net increase in cash and cash equivalents in the period		7,165	(2,088)
Cash and cash equivalents at the beginning of the period	12	40,255	42,343
Cash and cash equivalents at the end of the period	12	47,420	40,255
Net (decrease) / increase in cash and cash equivalents		7,165	(2,088)

The [notes](#) on pages 64 to 87 form part of these financial statements.



Statement of changes in reserves

	Note	General Reserve	Pension Reserve	Unrealised Gains on Investment Reserve	Total Reserves
Balance at 31 December 2018		20,907	3,930	(172)	24,665
Changes in reserves for 2019					
Total comprehensive income for the year	I&E	13,772	-	-	13,772
Actuarial gain on pension scheme	16	(323)	323	-	-
Reserves transfer		(1,560)	1,560	-	-
Unrealised gains on investments	10	(2,080)	-	2,080	-
		9,809	1,883	2,080	13,772
Balance at 31 December 2019		30,716	5,813	1,908	38,437
Changes in reserves for 2020					
Total comprehensive income for the year	I&E	1,936	-	-	1,936
Actuarial loss on pension scheme	16	5,216	(5,216)	-	-
Reserves transfer		224	(224)	-	-
Unrealised gains on investments	10	(2,243)	-	2,243	-
		5,133	(5,440)	2,243	1,936
Balance at 31 December 2020		35,849	373	4,151	40,374

The [notes](#) on pages 64 to 87 form part of these financial statements.



11. Notes to accounts

1. Accounting policies

The financial statements have been prepared on a 'going concern' basis and under the historical cost convention, as modified by the inclusion of investments at market value, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and taking into consideration the accounting principles and disclosures of the Government Financial Reporting Manual (FRM). The principal accounting policies adopted in the preparation of the financial statements, which have been applied consistently, are detailed below.

The GDC was established by an Act of Parliament in 1956 and is domiciled in the United Kingdom. The principal place of business is 37 Wimpole St, London W1G 8DQ.

The financial statements are presented in our functional currency of pounds sterling.

1.1 Format of the accounts

We are required to prepare our annual accounts in a form as determined by the Privy Council. The Privy Council is required to lay the certified accounts before each House of Parliament and the Scottish Parliament. The statutory purpose of the GDC is given in the introduction of the account report.

1.2 Adoption of new and revised accounting standards

No new accounting standards and interpretations were adopted in the financial year.

1.3 Critical accounting estimates and judgements

To be able to prepare financial statements in accordance with IFRS, we must make certain estimates and judgments that have an impact on the policies and the amounts reported in the annual accounts. The estimates and judgments are based on historical experiences and other factors including expectations of future events that are believed to be reasonable at the time such estimates and judgments are made. Actual experience may vary from these estimates. The estimates and assumptions which have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below.

Pension benefits

We account for pensions in accordance with 'IAS 19 Employee Benefits'. In determining the pension cost and the defined benefit obligation of the GDC's defined benefit pension scheme, a number of assumptions are used which include the discount rate, salary growth, price inflation, the expected return on the schemes' investments and mortality rates. The Council has adopted IAS19 (2011) which is effective for periods beginning 1 January 2013. The assumptions are agreed with the qualified actuary and used to calculate the pension provision. Further details are contained in note 16 to the accounts.

As at 31 December 2020 the plan has a surplus of £0.4m based on the IAS 19 assumptions adopted.



Under the requirements of 'IFRIC 14: The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction', we could be restricted to limit the surplus in the financial statements if we would not be able to obtain the full economic benefit from that surplus. Under the terms and conditions of the Plan we would be able to obtain full economic benefit from the surplus either through a full contributions holiday or a reduction in its future contributions. Therefore, the reported surplus is not restricted.

Provisions

We provide for legal or constructive obligations which are of uncertain timing or amount at the date of the Statement of Financial Position based on the best estimate of the expenditure required to settle the obligation.

Depreciation and amortisation

We account for depreciation and amortisation in accordance with 'IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets'. The depreciation and amortisation expense is the recognition of the decline in the value of the asset and the allocation of the cost of the asset over the periods in which the asset will be used.

Judgments are made on the estimated useful life of the assets, which are regularly reviewed to reflect the changing environment.

Further details are contained in the accounting policy on depreciation and amortisation below (note 1.6).

1.4 Going concern

We are a statutory body with a continued provision of service. Our fee income is generated through mandatory registration fees for dentists and DCPs practicing in the UK. The registration fee for Dentists in relation to 2021, was received in full in December 2020. The registration fee for DCPs covering the period to 31 July 2021, was received in July 2020. Therefore, 85% of our total income for 2021 had been received at the reporting date.

We complete detailed scenario analysis to stress test the impact of a potential reduction in registrant number on our income over the next 3 year period. The scenarios used reflected on available statistical information and modelled the impact of different levels of income risk on our liquidity and forecast level of free reserves. As part of this modelling, we also completed key sensitivity analysis to understand to what extent registrant numbers would have to fall to place us in a critical cash position.

Our ability to mitigate future income risk is also supported by the relatively long lead times in which we complete our operational planning, providing us a further opportunity to reduce our cost base to ensure financial viability can be maintained.

Having reviewed these scenarios and updated our operational expenditure forecast for 2021, we consider that it is appropriate to prepare the financial statements on a going concern basis.



1.5 Property, plant, equipment and intangible assets

Items of property, plant and equipment and intangible assets have been stated at fair value using depreciated historic cost as a proxy.

An annual verification exercise is completed to ensure that the assets are present, and in working condition. Any damaged equipment that is beyond economical repair is disposed of.

Non-Current Fixed Assets are reported as Property, Plant and Equipment under IAS 16. Where appropriate, software and development assets have been classified as Intangible Assets under IAS 38.

Assets under construction are held at the accounting date at cost until they become capable of being operational, when they are transferred to the non-current asset class to which they relate.

Expenditure is only capitalised where the cost of the asset or group of assets acquired exceeds £1,000.

1.6 Depreciation and amortisation

Depreciation and amortisation are provided to write off the cost of the non-current assets evenly over their estimated useful lives. The depreciation and amortisation expense is included within the administration expense line in the income and expenditure account under comprehensive income and expenditure. The useful lives are as follows:

Asset classification	Asset life
Furniture and fittings	Up to 10 years
Plant and equipment	Up to 25 years
IT equipment	Up to 5 years
IT software, licences and software assurance	Up to 5 years
Leasehold improvement	Over the remainder of the lease – 20 years or 10 years or, if shorter, over their estimated useful lives
Right of use assets	Over the remainder of the lease

Depreciation rates are reviewed on a regular basis comparing actual lives of assets with the accounting policy rates.

1.7 Impairment

At each Statement of Financial Position date, we review the carrying amounts of our assets to determine whether there is any indication the assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is charged to the income statement immediately.

When there is a subsequent increase in the recoverable amount of an asset due to a change in the estimates used to determine the recoverable amount, it is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in the income and expenditure statement immediately.



1.8 Expenditure

Expenditure is accounted for on an accruals basis when either the goods have been received or the service performed. Irrecoverable VAT is included with the item of expense to which it relates.

1.9 Income

Revenue is accounted for over the period in which we are obliged to maintain an individual's registration. The registration period for dentists is 1 January to 31 December. The registration period for DCPs is 1 August to 31 July. There are no significant judgements or estimates required in assessing GDC's obligations, which are evenly spread throughout the period of registration. Accordingly, all fees are initially deferred and released on a straight-line basis throughout the respective registration periods.

Fees receivable in respect of Overseas Registration Exams are recognised when the examinations are sat.

Miscellaneous fees, other sales and other income are recognised when the related goods or services are provided. Investment income is recognised when dividends or interest falls due and is stated gross of recoverable tax.

1.10 Leases

For any new contracts entered into during the accounting period, we consider whether a contract is or contains a lease. The lease liability is measured at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or our incremental borrowing rate (2020: 0.1%); which is set in line with the Bank of England Base Rate.

The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the us, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

Right-of-use assets are depreciated on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Leases are assessed for impairment when such indicators exist.

We have elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

The Council has:

- treated any leases of underlying asset less than £3,000 as a low value asset
- treated any leases with a duration of less than 12 months as a short-term lease
- recognised short-term and low value leases on a straight-line basis as an expense to the income and expenditure account.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in trade and other payables.

We do not have any sub-lease, sale and leaseback arrangements or arrangements in which we act as a lessor.



Office premise leases

The leased assets held at 31 December 2020, consist of rental agreements in respect of our office premises in London and Birmingham.

The leases held do not include any options to renew for any additional period. Any modifications made to either property is subject to prior agreement with the lessor and with relevant contractual notice.

London office

The lease for the London Office stipulates that the premises are to be occupied as the headquarters of the GDC. The lease contains a part variable lease payment based on the retail price index, which is revalued at five yearly intervals.

The lease obliges us to hold insurance, to a sufficient sum and with a lessor appointed insurer, against fire and damage to the property. We are also responsible for the upkeep and presentation of the outside of the property at contractually defined intervals.

Birmingham office

The lease for the Birmingham Office requires us to make payments to the lessor in respect of service charges and insurance, these amounts are generally determined annually. Rent charges are subject to a rent review at five yearly intervals.

We have an obligation to keep insured, to a sufficient sum and with a reputable insurer, public liability risks relating to the premises.

1.11 Taxation

The Council is taxed as a mutual organisation and is therefore only taxed on outside sources of income. Historically this has been investment income.

Deferred tax is recognised on all taxable temporary differences. However, deferred tax is not provided on initial recognition of an asset or liability unless the related transaction affects tax or accounting profit. In addition, a deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that the taxable profit will be available against which the deductible temporary difference can be used. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised, or the liability is settled. Measurement is also based on the tax consequences of recovering or settling the carrying amount of assets and liabilities. Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the income and expenditure account.

1.12 Pension schemes

The Council operated three pension schemes during 2020.

Pensions Scheme	Trust
Master trust	People's Pension
Defined Benefit Section	General Dental Council 1970 Pension and Life Assurance Plan
Defined Contribution 'top up' section	General Dental Council 1970 Pension and Life Assurance Plan



Employees joining the GDC after the 31 December 2014 are covered by the provisions of the People's Pension Master Trust scheme. We recognise the expected cost of this scheme on a systematic and rational basis, over the period during which it benefits from the employee's service, by payment to the People's Pension of amounts calculated on an accruing basis. Contributions are set as a percentage of pensionable salary, with the employer contribution set at a minimum of 6% and a maximum 10% of pensionable salary. Liability for payment of future benefits is a charge to the People's Pension.

The two other pension schemes are within the same trust — the General Dental Council 1970 Pension and Life Assurance Plan. The assets of the schemes are held separately from those of the Council and are invested as described in note 16.

Defined benefit section

This section was closed to new employees who received offers of employment dated after 31 December 2014 and was closed to new joiners from 1 July 2016. The defined benefit pension section's current service costs, the net of the scheme interest cost, and the expected return on the scheme assets for the year are charged to the income and expenditure account within 'pension costs'. Actuarial gains and losses are recognised immediately within 'other comprehensive income'.

The defined benefit section's assets are measured at fair value at the statement of financial position date. Scheme liabilities are measured on an actuarial basis at the statement of financial position date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term to the scheme liabilities. The resulting defined benefit asset or liability is disclosed separately in the statement of financial position.

Defined contribution 'top up' section

This section was closed to new joiners with effect from 1 April 2014. Contribution is voluntary and the Council will make matching contributions of up to 5% of the pensionable salary. Contributions are charged to the income and expenditure account as they fall due.

1.13 Financial instruments

Financial assets

These comprise investments of listed securities, fixed interest securities, equities, and a unit trust which is a managed fund comprising of a mixed portfolio of listed securities and cash deposits. These are classified as 'fair value through profit and loss' for IFRS 9 purposes.

The fair value of the investments is based on the closing quoted bid price at the accounting dates. Unrealised gains and losses arising from changes in market value are recognised in the income and expenditure account. The value of these assets is disclosed in note 10.

Cash and cash equivalents

Cash and cash equivalents are held at amortised cost and comprise of cash in hand and deposits held at call with banks. The value of these assets is disclosed within note 12.

Trade and other receivables

These are initially recognised at fair value and then carried at invoiced value or amortised cost. These arise principally from the prepayment of services received. The value of these assets is disclosed within note 11.



Trade and other payables

These are initially recognised at fair value and then carried at invoiced value or amortised cost. These arise principally from the receipt of goods and services. The value of these liabilities is disclosed within note 13.

1.14 Reserves

Reserves comprise the information below.

General reserves

Represents the retained results after the transfer of actuarial gains and losses on pension scheme assets.

Pension reserve

Represents the actuarial gains and losses on pension scheme assets arising from the revaluation of the GDC provision for defined benefit pension scheme asset/liability.

2. Income

2.1 Registration income

	No.	2020 £'000	2019 £'000
Dentists			
Total new registration	1,623	541	752
Temporary registration	27	20	19
Retention	41,497	28,113	36,366
Restoration after removal	157	76	107
Total	43,304	28,750	37,244
Dental Care Professionals			
Total new registration	3,878	240	116
Retention (August to December)*	68,868	3,110	3,361
Retention (January to July)**	-	4,777	4,783
Restoration after removal	864	66	111
Total	73,610	8,193	8,371
Specialist			
Additions to specialist list	129	45	62
Specialist annual retention	4,236	308	307
Specialist restoration fee	-	4	-
Total	4,365	357	369
Registration application processing fees		814	-
Total Registration Income		38,114	45,984

The above numbers reflect registrants paying fees during the year as opposed to the number of registrants on the register at 31 December 2020.

2.2 Other income

	2020 £'000	2019 £'000
Exam Fees	422	1,592
Miscellaneous Income	174	19
Investment Income	345	516
Total Other Income	941	2,127

Miscellaneous income includes £101k claimed under the [Coronavirus Job Retention Scheme](#). Further information in relation to our access of the scheme is available on page 51 of this report.

3. Staff costs

			2020	2019
	Permanently employed staff	Others	Total	Total
	£'000	£'000	£'000	£'000
Staff Costs				
Wages and salaries	14,807	-	14,807	15,497
Social security costs	1,635	-	1,635	1,721
Pension costs	1,508	-	1,508	1,473
Pension scheme curtailment	-	-	-	(1,670)
Redundancy and termination payments	383	-	383	-
Other staff costs	691	-	691	1,206
Sub total	19,024	-	19,024	18,227
Temporary staff	-	162	162	427
Total	19,024	162	19,186	18,654

4. Legal and professional services expenditure

	2020	2019
	£'000	£'000
Legal and professional services		
Auditor's remuneration and expenses:		
External audit	24	25
External audit - National Audit Office	5	5
Internal audit	92	61
Professional Standard Authority Fees	302	296
Conduct hearings	1,211	1,673
Counsel Fees	637	888
Expert fees	572	697
Examinations costs	405	1,417
Other fees and charges	1,452	1,563
Other disbursements	110	138
Total	4,810	6,762
During the year, the General Dental Council received the following non-audit services from its external auditors Haysmacintyre:		
For corporation taxation advice	3	4
Total	3	4



5. Council and committee meeting expenditure

	2020 £'000	2019 £'000
Total Council fees and expenses	469	367
Fees paid to committee and panel members	1,610	1,916
Expenses paid to committee and panel members	167	608
Professional fees and expenses for committees and panels	814	1,058
Committee and panel meeting expenses	409	1,720
Committee Meeting Expenses	3,000	5,302
Total Council and Committee Meetings	3,469	5,669

6. Other administration expenditure

	2020 £'000	2019 £'000
Administrative expenses		
Depreciation	1,428	1,457
Amortisation	92	136
Loss on disposal of property, plant and equipment	433	(3)
Hire of office machinery	6	17
Building leases	217	207
Interest charges	243	244
Information technology support and maintenance	1,057	1,213
Personnel costs	22	33
Other operating costs	531	596
Total	4,028	3,900
Accommodation expenses		
Business Rates	598	599
Cleaning	139	153
Maintenance & repair	211	175
Other Accommodation Costs	137	249
Total	1,085	1,176
Communication and publication expenses		
Communications & Publications	464	474
Total	464	474
Total other administration expenses	5,577	5,550



7. Taxation

7.1 Analysis of tax charge

	2020 £'000	2019 £'000
Current tax		
UK corporation tax on profits of the year	39	107
Prior year tax adjustment	(21)	-
Foreign taxation	1	1
Total current tax charge	19	108
Deferred taxation		
Origination and reversal of timing differences	337	165
Effect of tax rate change on opening balance	37	-
Total deferred tax	374	165
Tax on profit on ordinary activities	393	273

7.2 Factors affecting the tax charge for the period

	2020 £'000	2019 £'000
The Council is taxed as a mutual organisation and is therefore only taxed on outside sources of income. Historically, this has been investment income.		
Factors affecting the tax charge for the period		
Profit for year	5,303	11,643
Expected charge at 19.0% (2019: 19.0%)	1,007	2,212
Effects of:		
Non taxable income	(994)	(1,842)
Adjustment to brought forward values	26	47
Movement in the deferred tax balance due to a change in tax rates	-	(19)
Tax on equalisation and value increasing fixed interest investments	337	191
Foreign taxation credits	1	1
Remeasurement of deferred tax for change in tax rates	37	
Prior year tax adjustment	(21)	(317)
Current year tax charge	393	273



8. Property, Plant and Equipment

	2020					
	Leasehold Improvements £'000	Right of Use Assets £'000	Plant & Equipment £'000	Furniture & Fittings £'000	Information Technology £'000	Total £'000
Cost or valuation						
Balance at 1 January 2020	14,699	6,727	1,181	1,127	2,157	25,891
Additions	79	-	-	53	40	172
Disposals	(4,479)	-	(8)	(36)	(622)	(5,145)
Balance at 31 December 2020	10,299	6,727	1,173	1,144	1,575	20,918
Depreciation						
At 1 January 2020	5,001	438	632	661	1,175	7,907
Charged in year	372	437	106	175	338	1,428
Disposals	(4,075)	-	(8)	(36)	(620)	(4,739)
Balance at 31 December 2020	1,298	875	730	800	893	4,596
Net book value:						
Balance at 31 December 2020	9,001	5,852	443	344	682	16,322
Balance at 31 December 2019	9,698	6,289	549	466	982	17,984

	2019					
	Leasehold Improvements £'000	Right of Use Assets £'000	Plant & Equipment £'000	Furniture & Fittings £'000	Information Technology £'000	Total £'000
Cost or valuation						
Balance at 1 January 2019	14,154	-	1,132	1,110	1,753	18,149
Additions	545	6,727	49	17	404	7,742
Balance at 31 December 2019	14,699	6,727	1,181	1,127	2,157	25,891
Depreciation						
At 1 January 2019	4,604	-	507	445	894	6,450
Charged in year	397	438	125	216	281	1,457
Balance at 31 December 2019	5,001	438	632	661	1,175	7,907
Net book value:						
Balance at 31 December 2019	9,698	6,289	549	466	982	17,984
Balance at 31 December 2018	9,550	-	625	664	860	11,699

All assets are owned by the GDC, except for right of use assets.



9. Intangible assets

	Software £'000	2020 Licenses £'000	Totals £'000
Cost			
Balance at 1 January 2020	2,065	444	2,509
Disposal	(642)	(194)	(836)
Balance at 31 December 2020	1,423	250	1,673
Amortisation			
Balance at 1 January 2020	1,977	378	2,355
Charged in year	73	19	92
Disposal	(639)	(171)	(810)
Balance at 31 December 2020	1,411	226	1,637
Net book value:			
Balance at 31 December 2020	12	24	36
Balance at 31 December 2019	88	66	154

	Software £'000	2019 Licenses £'000	Totals £'000
Cost			
Balance at 1 January 2019	2,065	367	2,432
Additions	-	77	77
Balance at 31 December 2019	2,065	444	2,509
Amortisation			
Balance at 1 January 2019	1,867	352	2,219
Charged in year	110	26	136
Balance at 31 December 2019	1,977	378	2,355
Net book value:			
Balance at 31 December 2019	88	66	154
Balance at 31 December 2018	198	14	213

All assets are owned by the GDC.

10. Financial assets

	2020			2019		
	Equities £'000	Fixed Interest Securi- ties £'000	Total £'000	Equities £'000	Fixed Interest Secu- rities £'000	Total £'000
Balance at 1 January	12,369	5,161	17,530	10,152	4,163	14,315
Additions	3,859	725	4,584	1,251	1,002	2,253
Disposals	(3,927)	(683)	(4,610)	(927)	(250)	(1,177)
Realised Losses on investments	(557)	(194)	(751)	58	1	59
Unrealised Gains on investments	1,904	339	2,243	1,835	245	2,080
Balance at 31 December	13,648	5,348	18,996	12,369	5,161	17,530

Income generated from the financial assets for the year ended 31 December 2020 Equities £297,404 (2019: £394,491).

The above financial assets are quoted in an active market and are included at market value. All above financial assets are classified as level 1 for the purposes of the disclosure under IFRS 7, because all amounts have been determined by reference to quoted prices in an active market.

11. Trade receivables and other current assets

	2020 £'000	2019 £'000
Amounts falling due within one year		
Other receivables	105	121
Prepayments and accrued income	966	1,021
Total	1,071	1,142

The ages of all receivables are current and there are no amounts past due, but not impaired. There is no bad debt provision. There are no impaired financial assets.

12. Cash and cash equivalents

	2020 £'000	2019 £'000
Balance at 1 January	40,255	42,344
Net change in cash and cash equivalent balances	7,165	(2,089)
Balance at 31 December	47,420	40,255
The following balances were held at:		
Commercial banks and cash in hand	37,034	30,099
Short term bank deposits	10,386	10,156
Balance at 31 December	47,420	40,255

13. Trade payables and other current liabilities

	2020 £'000	2019 £'000
Amounts falling due within one year:		
Corporation tax	39	109
Other taxation and social security	457	494
Trade payables	604	775
Other payables	75	86
Accruals	1,322	2,151
Deferred income	33,981	33,605
Current part of lease liabilities	273	273
Total	36,751	37,493
Amounts falling due after more than one year:		
Lease Liabilities	6,397	6,425
Deferred tax	686	311
Total	7,083	6,736
Total Payables and Other Current Liabilities	43,834	44,229

The 2019 figures have been restated to correct the classification of Corporation Tax due at the reporting date as a current liability.

14. Financial instruments and financial risk management

	2020 £'000	2019 £'000
Amortised Costs		
Cash and bank balances	47,420	40,255
Trade other receivables	105	121
Total	47,525	40,376

	2020 £'000	2019 £'000
Fair Value through Profit and Loss		
Equities	18,996	17,530
Total	18,996	17,530

These comprise of investments of listed securities, equities and a unit trust which is a managed fund comprising a mixed portfolio of listed securities and cash deposits. These are classified as 'fair value through profit and loss' for IFRS 9 purposes. Investments available for sale are included at market value at year end date. The fair value of the investments is based on the closing quoted bid price at the accounting dates.

The investments are categorised as level one for the purpose of disclosure under IFRS 7.



	2020 £'000	2019 £'000
Financial Liabilities		
Trade and other payable	2,499	3,615
Total	2,499	3,615

Credit risk

Exposure to credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. This is not considered to be significant. The GDC does not use financial instruments that increase its own credit risk profile and has no external debt exposure. It uses a variety of risk mitigations including credit rating assessments to assess credit risk of counter parties including suppliers and financial institutions.

Liquidity risk

The Council currently has no borrowings and relies primarily on fees for its cash requirements. The cash balances are cyclical and peak in December/January and July/August. Cash funding levels are depleted between these periods because Council receipts are at their highest in December, when dentists pay their annual retention fee, and in July, when dental care professionals pay their annual retention fee. Council expenditure is evenly spread throughout the year.

We are committed to future expenditure, primarily in relation to leases. As we are a statutory organisation which is funded by mandatory registration fees paid by dentists and DCPs, we consider that there is a low risk of these future liabilities not being met.

Therefore, the Council considers there is no significant exposure to liquidity risk.

Currency risk

All material assets and liabilities are denominated in sterling, so it is not exposed to any currency risk from direct holdings in overseas equities. However, some of the collective funds held are invested overseas, and some companies may declare dividends in currency other than sterling but pay in sterling, and so may be subject to currency fluctuations.

The GDC has a reserves policy. Due to registration renewal cycles and the payment methods of registrant fees, the GDC holds an appropriate amount of cash in short-term deposit accounts to cover the expenditure expected to be incurred over the payment period.

Interest rate and market risk

Dental professionals pay fees in advance. Surplus funds are held as follows:

- Fixed term deposit – the majority of the surplus funds are held in the short-term money market. Competitive rates are sought on money-market investments.
- Investments – the remainder of the funds are invested in a portfolio of equities and unit trusts where there is always a risk of diminution in value.

The Council continues to monitor the financial markets using an investment strategy that avoids undue risk and detriment to the GDC's regulatory responsibilities.



The Council approved a revised statement of investment principles in December 2011 and this was reconfirmed in December 2019, whereby the GDC will aim to achieve an investment risk portfolio that seeks to achieve investment returns broadly in line with inflation.

The interest rate risk is not considered to be significant in terms of the GDC relying on interest income to a sizeable extent to fund its operations.

15. Provisions for liabilities and charges

	2020 £'000	2019 £'000
Balance at 1 January	212	1,011
Provided in year	3	-
Written back	(59)	(97)
Utilised in Year	(146)	(702)
Balance at 31 December	10	212

16. Pension fund

The GDC operates a defined benefit plan which is wholly funded by contributions from the GC and pensions scheme members. A full actuarial valuation was carried out as at 1 April 2017 and updated to 31 December 2020 by a qualified independent actuary.

As at 31 December 2020, the plan has a surplus of £0.4m based on the IAS 19 assumptions adopted. The defined benefit section of the scheme experienced a net actuarial decrease in fund value for 2020 of £5.4m, against that reported in last year's accounts.

The duration of the plan is approximately 30 years and therefore future cash flows are expected to be paid for more than 30 years. The principal assumptions used by the actuary at 31 December 2020 were as follows:

	2020	2019
Rate of inflation	3.0%	3.2%
Rate of salary increase	3.5%	3.7%
Rate of increase in pensions in payment where RPI max 5.0%	2.9%	3.1%
Rate of increase in pensions in payment where RPI min 3%, max 5%	3.5%	3.6%
Rate of increase in pensions in payment where RPI max 2.5%	2.1%	2.2%
Discount rate	1.3%	2.1%
Proportion of employees opting for early retirement at age of 60	50.0%	50.0%

Assume life expectations on retirement age 65:

	2020	2019
Retiring today - males	23.0	22.9
Retiring today - females	24.4	24.4
Retiring in 20 years - males	23.9	24.4
Retiring in 20 years - females	25.5	25.5



The mortality assumption for the current period-end follows the S3PxA Light mortality tables adjusted in line with the CMI 2018 projections with a long-term trend of 1% p.a.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Allocation (£) 2020	Allocation (%) 2020	Allocation (£) 2019	Allocation (%) 2019
Equities	12,347	30.0%	27,242	72.6%
With Profits Fund	3,548	8.6%	3,419	9.1%
Bonds	-	0.0%	3,919	10.3%
Cash	3,281	8.0%	2,965	8.0%
LDI	11,099	27.0%	-	-
Others	10,819	26.4%	-	-
Total	41,094	100.0%	37,545	100.0%

None of the pension scheme assets are invested in the GDC.

	2020 £'000	2019 £'000
The actual return on the scheme assets in the year	3,242	5,561

Analysis of the amounts debited/credited to the income and expenditure accounts:

	2020 £'000	2019 £'000
Income and Expenditure:		
Current service cost	750	762
Net interest income on net pension obligation	(119)	(107)
Pension scheme curtailment	-	(1,671)
Total income/(expense)	631	(1,016)

The amounts recognised in the statement of financial position:

	2020 £'000	2019 £'000
Statement of Financial Position:		
Present value of funded obligations	(40,721)	(31,732)
Fair value of assets	41,094	37,545
Surplus	373	5,813



The amounts in the statement of other comprehensive income:

	2020	2019
	£'000	£'000
Other Comprehensive income:		
Actuarial (loss)/gain on plan assets	2,450	4,670
Actuarial (loss)/gain on defined benefit obligation	(7,666)	(4,347)
of which due to experience	(84)	32
of which due to demographic assumptions	-	165
of which due to financial assumptions	(7,582)	(4,544)
Total (loss)/gain in statement of other comprehensive income	(5,216)	323

The Council expects to contribute £401k to its defined benefit pension scheme in 2021.

Sensitivity analysis of the defined benefit obligation:

	2020	2019
	£'000	£'000
Discount rate reduced by 0.1% pa (2019: 0.1% pa)	39,521	31,032
RPI inflation increased by 0.1% pa (2019: 0.1% pa)	39,921	31,232
Salary growth increased by 0.1% pa (2019: 0.1% pa)	40,521	31,532
Mortality - life expectancy of each member increases to that of someone one year younger	39,321	31,032

Changes in the present value of the defined benefit obligation:

	2020	2019
	£'000	£'000
Defined benefit obligation at 1 January	31,732	27,755
Interest expense	673	784
Service cost	750	762
Contributions by members	159	216
Actuarial loss/(gain)	7,666	4,347
Pension scheme curtailment	-	(1,671)
Benefits paid from plan assets /administrative expenses paid	(259)	(461)
Defined benefit obligation at 31 December	40,721	31,732



Changes in the fair value of the scheme assets:

	2020	2019
	£'000	£'000
Fair value at 1 January	37,545	31,685
Interest income	792	891
Return on plan assets in excess on interest income	2,450	4,670
Employer contributions	407	544
Plan participants' contributions	159	216
Benefits paid/administrative expenses paid	(259)	(461)
Fair value at 31 December	41,094	37,545

Changes in recoverable surplus and components of the scheme performance:

	2020	2019
	£'000	£'000
Balance at 1 January	5,813	3,930
Current service cost	(750)	(762)
Pension scheme curtailment	-	1,671
Interest on surplus	119	107
Employer contributions	407	544
Actuarial (loss)/gain	(5,216)	323
Balance at 31 December	373	5,813

Amounts per current and previous periods:

	2020	2019	2018	2017
	£'000	£'000	£'000	£'000
Return on plan assets in excess of interest income	2,450	4,670	(2,570)	2,195
Experience gains/(losses) on scheme liabilities	(84)	32	2,638	212
Changes in assumptions underlying the present value of the scheme liabilities	(7,582)	(4,544)	777	(884)
Defined benefit obligation	40,721	(31,732)	(27,755)	(28,993)
Scheme assets	41,094	37,545	31,688	30,493
Surplus	373	5,813	3,930	1,500



Asset Gain:

Asset gain	2020	2019	2018	2017
Amount £'000	2,450	4,670	(2,570)	2,195
% of scheme assets	6.0%	12.4%	-8.7%	7.2%

Liability experience gain:

Liability experience gain	2020	2019	2018	2017
Amount £'000	(84)	32	2,638	212
% of scheme liabilities	-0.2%	0.1%	9.5%	0.7%

It is assumed that the pension plan liabilities are excluded from assets where liabilities are matched by annuities.

All pensioners receive a guaranteed increase of 3% p.a. under the terms of the plan for service to 6 April 1997. Service after 6 April 1997 is treated in accordance with the 1995 Pensions Act. Any further compensation for the rise in the cost of living is considered on an annual basis.

In 2020 the annual premium contribution was £1,296,879 (2019: £1,357,021). Included in the annual premium was a contribution of £895,488 (2019: £777,671) for the defined contribution and master trust pension arrangements. The scheme was in surplus at year end.

The plan is constituted as a trust and is legally and financially separate from the employer. The trustees have responsibilities in relation to the trust that are set out in the trust's deed and rules. In summary, the trustees are responsible for:

- the administration and management of the scheme for the purposes of the Finance Act 2004
- the appointment or removal of an actuary for the purpose of the scheme as the trustees think fit and proper
- the appointment or removal of an auditor for the purposes of, and in accordance with, the Pensions Act 1995
- making available to scheme members, beneficiaries and certain other parties, audited financial statements for each scheme year
- making available certain other information about the plan in the form of an annual report preparing and maintaining a written statement of investment principle
- agreeing with the GDC the amount and timing of contributions to be made by members and by the GDC and to ensure their payment.



The plan, as with most other defined benefit pension schemes, faces many risks including:

- the risk that the future investment return on assets will be insufficient to meet the funding objective
- the risk that inflation may be different from that assumed
- the risk that falls in asset values will not be matched by similar falls in the value of liabilities, thereby reducing the funding level of the plan
- the risk that unanticipated future changes in mortality, or other factors, will increase the cost of the benefit
- the risk that the Council may not be able to pay contributions or make good deficits in the future
- the risk associated with the potential exercise (by members or others) of options against the plan
- the risk of adverse legislative changes.

This list is not exhaustive.

Due to the risks above, any adverse experience following from them may mean additional contributions are required in the future.

The exact level of contributions and the period over which these would be spread will depend on negotiations between the Council and the trustees of the plan typically following a triennial valuation.

The calculations are based upon an assessment of the plan's liabilities as of 31 December 2020. The sensitivities have been calculated using the same methodology.

These have been based upon the preliminary results of the 1 April 2018 formal triennial actuarial valuation, projected forward with allowance for benefit accrual, expected investment return, actual contributions and cash flows, and scheme curtailments and have been adjusted to allow for the IAS19 assumptions detailed above.

The results and sensitivities are therefore calculated approximately.

If liabilities and sensitivities had both been calculated as of 31 December 2020 using actual membership data at that date, the results might differ. However, any difference would not be expected to be significant.

Further information on the Council's pension schemes can be found in the [Remuneration Report](#) on page 44.



17. Commitments under leases

Contractual undiscounted cash flows:

	2020	2019
	£'000	£'000
Land and buildings		
Less than one year	273	273
One to five years	2,486	2,022
More than five years	5,912	7,073
Total undiscounted lease liabilities at 31 December	8,671	9,368
Lease liabilities included in the statement of financial position at 31 December	6,669	6,698
Current	273	273
Non-current	6,396	6,425

Amounts recognised in the income statement:

	2020	2019
	£'000	£'000
Interest on lease liabilities	243	244

Amounts recognised in the statement of cash flows

	2020	2019
	£'000	£'000
Payment of lease liabilities	580	118

The carrying amount, addition and depreciation charges associated with right of use assets is disclosed in note 8, and the interest expense arising on the lease liability is disclosed in note 6 of these accounts.

Further information in respect of leases can be found within note 1.10 of these accounts.



18. Capital commitments

The GDC has no contractual capital commitments which were not included in these financial statements as of 31 December 2020 (2019: nil).

19. Related party transactions

There were no related-party transactions during the year ending 31 December 2020, other than the fees and expenses paid to Council members as disclosed in note 5 to the accounts. Details of amounts paid to individual Council members are set out in the [remuneration report](#) on page 44. (2019: nil, other than the fees and expenses paid to Council members as disclosed in note 5 to the accounts).

20. Contingent liabilities

The GDC has no contingent liabilities as of 31 December 2020 (2019: nil).

21. Events after the reporting period

On 24 March 2021, following consultation with affected members, the Council made a decision to close the defined benefit pension scheme to future accrual from 31 March 2021. We have confirmed with the Scheme Actuary that this decision has no impact on the accounting liability at 31 December 2020 due to the retention of the scheme salary link. In future years, any surplus on the scheme will be unrecognised as cannot be offset against future service costs.

The Accounting Officer (Chief Executive and Registrar) authorised these financial statements for issue on the date certified by the Comptroller and Auditor General. The financial statements do not reflect events after this date.



12. Advisers

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13. Appendix

a) Account Determination

The Accounts Determination given by the Privy Council under section 2C of the Dentists Act 1984.

Their Lordships make the following determination in exercise of powers conferred by section 2C(1) of the Dentists Act 1984.

This determination has effect from the 16th May 2016:

Interpretation

In this determination –

“the accounts” means the statement of accounts which it is the Council’s duty to prepare under section 2C(1)(b) of the Dentists Act 1984.

“the Council” means the General Dental Council.

“the FReM” means the edition of the Government Financial Reporting Manual issued by HM Treasury which is in force for the relevant calendar year.

Determination

The Council must prepare accounts for each calendar year. In preparing its accounts the GDC should take into consideration the accounting principles and disclosures of the FReM.

The accounts must be prepared so as to:

- Give a true and fair view of the state of affairs as at the year end and of the income and expenditure, total recognised gains and losses, and cash flows of the GDC for the calendar year then ended
- Provide disclosure of any material expenditure or income that has not been applied to the purposes intended by Parliament or material transactions that have not conformed to the authorities which govern them

This determination is to be reproduced as an appendix to the published accounts.

The Accounts Determination made on 22 December 2015 is hereby revoked.



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General Dental Council



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