

GP MEDECONOMICS 3

Green schemes to help GP practices

Doing your bit to slow down climate change need not break the bank. *Andrew Cooper* advises on funding



Act now to avoid global warming and weather extremes

GREEN GP

There are environmentally-friendly schemes that practices can use to reduce the cost of the capital investment needed to upgrade your surgery's building's services and fabric.

Enhanced capital allowances

Enhanced capital allowances, let businesses claim 100 per cent of the cost of buying energy efficient equipment against their taxable profits.

To qualify, the equipment purchased must be on the energy technology list. Examples are energy-efficient gas boilers, biomass boilers, combined heat and power and renewable technologies.

Interest-free Carbon Trust loans

In conjunction with the RCGP, the Carbon Trust offers practice-unsecured interest-free loans, for up to four years.

The loans range from £3,000 to £500,000, and there are no arrangement fees. If sufficient savings can be made through reducing utility costs, you could make a loan pay for itself through reducing utilities costs.

To encourage GPs to take up these loans, and as part of an RCGP scheme, a tailor-made website is being developed with a practice carbon footprint calculator.

Practices using the website can obtain a green practice award, highlighting their green credentials (key 'carbon trust' into the search facility at rcgp.org.uk).

Low Carbon Buildings Programme

The government-funded Low Carbon Buildings Programme has two phases. Phase two is available to NHS-funded practices and provides grants of up to 50 per cent for microgeneration technologies.

The Building Research Establishment (BRE) manages the fund and applications are being accepted until 31 March 2010 for electrical and heat microgeneration and until 31 March 2011 for thermal energy.

Climate change levy

The climate change levy (CCL) affects the UK's non-domestic sector. It is charged to businesses consuming around 20,000kWh of electricity per year – equivalent to the amount consumed by a six-bedroom house.

The levy is also charged on gas, coal and liquefied petroleum gas consumption, but not on other types of fuel such as biomass or on electricity that comes from renewable sources.

By investing in these technologies, GPs can save money against the CCL. And some utility companies have schemes letting customers to buy electricity from renewable sources, exempting them from the CCL.

Feed-in tariff

A feed-in tariff (FIT) allows small businesses and individuals to sell electricity back via the grid to electricity companies required to buy at premium rates.

The government wants FITs in place by April 2010. For systems up to 4kW, the rate will be as high as 36.5 pence per kWh,

RESOURCES

- www.eca.gov.uk/etl
- www.carbontrust.co.uk
- www.decc.gov.uk
- www.bre.co.uk
- www.lowcarbonbuildings.org.uk

which, once fixed, will be guaranteed for up to 20 years.

To qualify for FITs, the installers must be Microgeneration Certification Scheme-accredited through the BRE.

● *Andrew Cooper is a commercial property and energy consultant, andrew-cooper.com*

Visit healthcarerepublic.com/greenGP for more advice.

ISA payments and retirement plans

SAVINGS ACCOUNTS

I am 42 and want to start saving into an individual savings account (ISA). I believe the annual limit has increased, but should I invest a lump sum or a regular amount?

ISAs are highly tax-efficient savings vehicles. The limit has already increased for people aged 50 or over to £10,200 for the 2009/10 tax year.

For all ISA savers, regardless of age, that higher limit will apply from 6 April. As you are not yet 50 your limit for this tax year is still £7,200.

Stock market prices have been going up – although they could still wobble – as the world emerges from recession, making this a good time to invest in a stocks and shares ISA.

If you have your full £7,200 allowance available as a lump sum, you will stand to benefit by leaving it invested for the medium term: five years-plus.

If you choose to save monthly,

you will also benefit from 'pound cost averaging' – because you buy units in your chosen stocks and shares ISA at different prices each month.

If you have not yet made any ISA contribution for this tax year and you choose monthly savings, you may as well start saving £850 per month (1/12th of £10,200). That way, come 6 April, you can continue with your arranged direct debit and maximise your investment for 2010/11.

Please note that ISAs' favourable tax treatment may not be maintained and may be subject to change in legislation

Liz Willis

LIMITED COMPANIES

I am a single-handed GP intending to take 24-hour retirement on my 60th birthday this summer.

The practice contract with the PCT is held by a limited company of which I am a director. Does that make any

THE EXPERTS

Email questions or phone our experts...



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NHS RULES Dr Tim Kimber is a Littlehampton GP and deputy chairman of West Sussex LMC. Email: tim.kimber@nhs.net

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difference to my plans? Can the company still hold the contract while I take 24-hour retirement? Do I have to appoint a partner to ensure that the company retains the contract?

The fact that a company rather than you directly holds the contract with your PCT makes no practical difference.

Either way, if a GP who is effectively single-handed wishes to take 24-hour retirement, there is a need to introduce another GP into the equation to comply with the regulations.

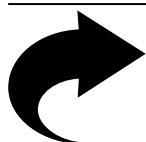
In your case, it will be necessary to bring in another GP as a shareholder of the company.

This may be a temporary or permanent arrangement – and involves the transfer of only one share – but, nonetheless, the impact of this will enable you to take 24-hour retirement.

Lynne Abbess

PLEASE NOTE

Please ask for 'GP Ask the Experts'. You may be asked to book a full consultation if your request is time-consuming or difficult. Our specialists retain the right to refuse advice. The information in the Ask the Experts list is for information purposes only. The expert advice is intended to provide general guidance only. It should not be relied upon by readers, who should seek further professional advice. No legal responsibility can be accepted by GP for the experts' answers.



Ask your questions online

www.healthcarerepublic.com/experts