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Level 7
22 The Terrace
Wellington 6011

PO Box 10-448
Wellington 6140
New Zealand

Tel: +64 4 499 4820
inquiries@dcnz.org.nz

www.dcnz.org.nz

Kia ora

Additional disciplinary levy

The Dental Council (Council) is writing to you as you are a current registrant of an oral health profession.

This letter is to advise you that unfortunately the Council has been subjected to unexpected disciplinary costs due to a significant rise in professional conduct cases across multiple professions. To meet forecast disciplinary related expenses the Council needs to raise an additional levy for practitioners in the dentistry, oral health therapy, dental hygiene, and dental therapy professions.

For practitioners holding a current annual practising certificate on **20 October 2025**, the following additional levies will be issued and due for **payment on 20 November 2025**:

PROFESSION	DISCIPLINARY LEVY (Excl. GST)	DISCIPLINARY LEVY (Incl. GST)
Dentists and dental specialists	\$335.00	\$385.25
Oral health therapists	\$150.00	\$172.50
Dental hygienists and orthodontic auxiliaries	\$355.00	\$408.25
Dental therapists	\$215.00	\$247.25

At this time, we do not need to raise an additional levy for the dental technology and clinical dental technology profession.

This letter explains the background of why we're raising these additional levies, and key dates for the process.

Why we need to levy

Disciplinary reserves are held to fund Professional Conduct Committees (PCC) investigations of potential breaches under the [Standards Framework](#) of ethical and/or professional standards, that practitioners must meet. The PCC may then lay charges to the Health Practitioners Disciplinary Tribunal (HPDT).

The Council raises disciplinary levies by profession for oral health practitioners under section 131 of the Health Practitioners Competence Assurance Act 2003 (the Act). As the Council cannot control the number of cases, and consequential costs, that may affect these reserves, the Act allows the Council to raise additional levies as needed.

Since consulting on and finalising the annual practising certificate (APC) fees and disciplinary levies as part of the 2025/26 budget process (about 18 months before the end of that budget year), the Council has seen a disappointing and unprecedented rise in activity across the professions of dentistry, oral health therapy, dental hygiene, and dental therapy in both volume and complexity of conduct-related cases. This has led to the Council bearing significantly higher costs. Consequently, we are in the unfortunate position where we are forecasting to have exhausted the disciplinary reserves we hold in these professions by 31 March 2026.

Reasons for increased cost pressure include:

- An increase in conduct related cases, with 13 Professional Conduct Committee's (PCC), 3 HPDT proceedings and 1 appeal being managed across the four professions
- A greater degree of complexity seen in the cases being investigated, leading to:
 - PCCs needing to engage legal expertise earlier in the process
 - Independent legal cost for committees seeing a notable rise
 - A marked increase in the time taken by these Committees to consider matters
- General costs have increased significantly in the last two years, largely driven by cost-of-living pressures
- HPDT reviewing and updating their processes and increasing resources to better manage proceedings and shorten timelines. This means that when charges are laid by a PCC with the HPDT, the proceedings may begin in the same financial year as the PCC. Historically the timeframe for this may have been across two or more years spreading the cost over multiple annual budget cycles
- Improvements and efficiencies in the Council's internal processes from notification through to inquiries, reporting, and presenting to Council, mean PCCs are commencing faster than was historically the case.

These factors combined with our current modest disciplinary reserves balances (based on historic activity levels), have resulted in the Council forecasting to have deficit closing disciplinary reserve balances for the year ended 31 March 2026.

Approach

The Council now intends to:

- Raise additional disciplinary levies for the dentistry, oral health therapy, dental hygiene and dental therapy professions to cover forecasted costs and restore each professions reserve to its minimum level as approved in the 2025/26 budget process.
- Apply these levies to all practitioners holding a current annual practising certificate on 20 October 2025 in any of the four professions being invoiced the additional disciplinary levy.
- This approach aims to spread the unexpected financial impact for these practitioners while meeting the requirement to restore the disciplinary reserves to the budgeted minimum level.
- The Council will review the minimum disciplinary reserve levels held following the increase in volumes, complexity and costs.
- For the avoidance of doubt, the additional levy detailed in this letter for the dentistry profession to be issued on 20 October 2025, is a stand-alone and separate invoice to the APC invoice that will be issued to dentists and dental specialists on completing their 2025/26 practising intentions during September 2025.

What the levies will cover

These levies will cover:

- Forecasted costs for known disciplinary cases in 2025/26;
- An allowance for forecasted costs for unknown disciplinary cases in 2025/26;
- Restoring the disciplinary reserves to their levels balance, which are:

- Dentistry: \$740,000; and
- Oral health therapy, dental hygiene, and dental therapy \$27,000 each.

Payment period

We acknowledge that the current cost of living is high and is a source of stress for many.

While we regret the need to charge an additional levy, we remain committed to operating cost-effectively while continuing to meet our responsibilities to keep the New Zealand public safe from harm.

On this basis we have prepared this letter advising you of this upcoming cost. Invoices will be issued on 20 October 2025 and will be **due on 20 November 2025**.

These dates were set to ensure we have sufficient funds in our disciplinary reserves and to provide affected practitioners with time to prepare.

What are disciplinary reserves and levies?

When the annual budget is prepared, disciplinary levies are set at a level intended to ensure each profession's reserve can cover anticipated costs, plus maintain a minimum reserve balance in accordance with the Council's [Level of Reserves Policy](#). This minimum disciplinary reserve is the buffer to cover unexpected events, based on activity across the preceding three years.

The minimum reserve level has been appropriate for these professions since the inception of the Act. However, this year that has changed significantly.

Our commitment is to operate in a cost effective and fiscally responsible way for our practitioners, while balancing our obligations to protect the health and safety of the New Zealand public. Whilst we can closely manage and control our operating costs internally, disciplinary costs from practitioner conduct cases is not something within our control.

The level of minimum disciplinary reserve required for each profession is based on historic costs, anticipated case complexity, and process timeframes. Holding modest reserves was also a policy that was supported by various professional associations. For the last five budget cycles this minimum has remained at \$740k for Dentists and \$27k for each of the remaining professions.

The reserve levels for the smaller professions, based on historical activity, reflects a buffer to support one medium complexity PCC and no HPDT costs. The allied professions have not historically had very complex cases and any advancement to HPDT was usually at least a year or more away, allowing levies to be raised as part of the annual cycle.

Annually, Council consults with practitioners on APC fees and disciplinary levies. The annual process for setting fees and disciplinary levies includes using a model that resets the reserve to its minimum level, meaning we can return any unused funds to each profession.

This approach means we don't hold excess practitioner money "just in case". However, it also means that when we experience large increases in case numbers and costs, we need to levy to cover these costs.

We have included a table of our historic disciplinary levies at Appendix A.

Our reserves forecast

The Council have carefully analysed what the costs for the current known case load are expected to be, as well as estimating what may happen across the remainder of the year. This updated forecast of costs has resulted in a projected negative balance in disciplinary reserves by 31 March 2026 across four of our professions.

As well as needing to get our reserves out of negative positions, we also need to restore reserves back to their minimum balances. Maintaining the minimum reserves ensures we can cover predictable costs and provides a buffer against any future cases or unforeseen costs.

For the year to 31 March 2026, we are forecasting our reserves balances as follows:

Forecast closing disciplinary reserve by profession:

\$'000's	Dentistry	Oral health therapy	Dental hygiene	Dental technology	Dental therapy
Opening reserves at 1 April 2025	770	14	33	23	37
Levy for 2025/26 *	306	-	-	-	-
Forecast costs to 31 March 2026	(1,260)	(126)	(135)	(2)	(63)
Forecast closing reserves at 31 March 2026	(184)	(112)	(102)	22	(26)

* Dentist cycle is from 1 Oct 2025 to 30 Sept 2026 – renewals and accompanying payment due Sept 2025.

Based on this forecast, the additional levies required are:

\$'000's	Dentistry	Oral health therapy	Dental hygiene	Dental technology	Dental therapy
Forecast closing reserve (above)	(184)	(112)	(102)	22	(26)
Minimum reserve per policy	740	27	27	27	27
Reserve shortfall	(924)	(139)	(129)	N/a	(53)
Number of APC holders	2,766	927	365	325	252
Levy per practitioner (excl. GST)	\$335	\$150	\$355	N/A	\$215
Levy per practitioner (incl. GST)	\$385.25	\$172.50	\$408.25	N/A	\$247.25

Council have closely considered our options and have not made this decision lightly. By acting now we can ensure we have adequate funding with no deficit reserve balances to fund the costs associated with upcoming disciplinary activities to 31 March 2026.

Contact us

If you have any questions or concerns, we encourage you to email us at inquiries@dcnz.org.nz.

Ngā mihi nui,



Marie MacKay
Chief Executive

APPENDIX A
HISTORICAL DISCIPLINARY RESERVE MOVEMENTS

Dentistry	FY2017/18	FY2018/19	FY2019/20	FY2020/21	FY2021/22	FY2022/23	FY2023/24	FY2024/25	FY2025/26
Minimum Disciplinary Reserve	223,816	305,607	226,427	362,458	740,000	740,000	740,000	740,000	740,000
Budgeted Discipline Activity	390,107	389,867	469,706	479,472	598,500	307,000	312,000	335,000	363,927
Prior year Reserve (refund)/top-up	(28,893)	(187,013)	(108,016)	0	(2,882)	(150,674)	(482,163)	22,138	(58,229)
Total Disciplinary Levy	361,214	202,855	361,689	479,472	595,618	156,326	(170,163)	357,138	305,698
<i>Per Practitioner:</i>									
Disciplinary levy	172.69	166.61	190.55	189.97	244.39	112.87	113.37	119.56	126.06
Prior year Reserve (refund)/top-up	(12.79)	(79.92)	(43.82)	0.00	(1.18)	(55.39)	(175.20)	7.90	(20.17)
Total Disciplinary Levy	159.90	86.69	146.73	189.97	243.21	57.47	(61.83)	127.46	105.89

Oral Health Therapy	FY2017/18	FY2018/19	FY2019/20	FY2020/21	FY2021/22	FY2022/23	FY2023/24	FY2024/25	FY2025/26
Minimum Disciplinary Reserve	-	20,000	32,000	20,000	27,000	27,000	27,000	27,000	27,000
Budgeted Discipline Activity	0	9,295	6,096	6,177	6,600	6,600	0	0	0
Prior year Reserve (refund)/top-up	0	4,053	(54,496)	(16,605)	(785)	(7,442)	(4,556)	(6,364)	(587)
Total Disciplinary Levy	0	13,348	(48,401)	(10,428)	5,815	(842)	(4,556)	(6,364)	(587)
<i>Per Practitioner:</i>									
Disciplinary levy	0.00	21.03	12.76	11.38	9.81	8.53	0.00	0.00	0.00
Prior year Reserve (refund)/top-up	0.00	9.17	(114.01)	(30.58)	(1.17)	(9.62)	(5.34)	(6.82)	(0.59)
Total Disciplinary Levy	0.00	30.20	(101.25)	(19.20)	8.64	(1.09)	(5.34)	(6.82)	(0.59)

Dental Hygiene	FY2017/18	FY2018/19	FY2019/20	FY2020/21	FY2021/22	FY2022/23	FY2023/24	FY2024/25	FY2025/26
Minimum Disciplinary Reserve	32,000	27,000	25,000	27,000	27,000	27,000	27,000	27,000	27,000
Budgeted Discipline Activity	11,498	9,270	6,036	4,917	4,600	2,600	0	20,000	20,000
Prior year Reserve (refund)/top-up	(14,957)	109,551	(5,610)	(1,020)	(9,561)	(9,558)	(1,658)	(1,318)	10,505
Total Disciplinary Levy	(3,460)	118,821	426	3,898	(4,961)	(6,958)	(1,658)	18,682	30,505
<i>Per Practitioner:</i>									
Disciplinary levy	14.39	14.44	15.72	13.70	12.27	7.18	0.00	54.74	59.64
Prior year Reserve (refund)/top-up	(18.72)	170.64	(14.61)	(2.84)	(25.50)	(26.40)	(4.93)	(3.61)	31.33
Total Disciplinary Levy	(4.33)	185.08	1.11	10.86	(13.23)	(19.22)	(4.93)	51.14	90.97

Dental Therapy	FY2017/18	FY2018/19	FY2019/20	FY2020/21	FY2021/22	FY2022/23	FY2023/24	FY2024/25	FY2025/26
Minimum Disciplinary Reserve	32,000	27,000	25,000	27,000	27,000	27,000	27,000	27,000	27,000
Budget In-Year Discipline Activity	10,794	10,474	7,236	6,365	21,000	11,000	0	25,000	12,500
Prior year Reserve (refund)/top-up	(14,084)	24,678	19,386	6,426	26,222	(7,328)	(21,807)	705	(25,001)
Total Disciplinary Levy	(3,290)	35,152	26,622	12,791	47,222	3,672	(21,807)	25,705	(12,501)
<i>Per Practitioner:</i>									
Disciplinary levy	5.88	7.36	12.88	18.50	59.83	36.91	0.00	95.79	50.81
Prior year Reserve (refund)/top-up	(8.13)	105.54	(59.34)	18.68	74.71	(24.59)	(84.85)	2.70	(101.63)
Total Disciplinary Levy	(2.25)	112.90	(46.46)	37.18	134.54	12.32	(84.85)	98.49	(50.82)