



For immediate release

Legal and illegal dental partnerships

A family which works together can't necessarily be in a dental partnership together. This is the advice from NASDAL to all dentists tempted to form a partnership with a family member. There are many ways in which a dental practice can be structured and a dental partnership is a popular option. Some smaller practices comprise a partnership between a dentist and their spouse. Unfortunately, if the spouse is not a General Dental Council (GDC) registrant, this may be illegal.

Nick Hancock is a Chartered Accountant and a NASDAL member who was recently asked for advice by a dentist in partnership with his wife who was the practice manager. "Regrettably, I had to inform the dentist that he should dissolve the partnership. Under The Dentists Act 1984 it states '*... an individual who is not a registered dentist or a registered medical practitioner shall not carry on the business of dentistry ...*'"

Damien Charlton, a member of the NASDAL Lawyers Group says there is one exception. "When the practice holds a General Dental Services (GDS) contract, the National Health Service Act 2006 permits certain non-GDC registrants - including a GDS practice employee - to enter a GDS contract. The Dentists Act specifically states that receiving income under a GDS contract is not deemed, for the purposes of that Act, to be carrying on the business of dentistry."

He added: "It's essential that the partnership formed for the purposes of the GDS contract is kept separate from any private work carried out by the practice because it is only receipt of income under a GDS contract that falls within the exception to the definition of "the business of dentistry. This means (amongst other things) keeping separate sets of accounts and ensuring that the non-GDC registrant does not receive any income from the non-GDS parts of the practice."

So what should you do if you think you may be in one of these 'illegal partnerships'? You should take legal advice and also speak to your accountant, but we would generally speaking strongly suggest that you should act immediately to dissolve it. Once the partnership has been dissolved, the registered dentist can continue to trade in a different format. This could be as a sole trader, a limited liability partnership or as a limited company, which is quite popular nowadays. It is essential that you seek expert financial and legal advice to ensure that the structure you choose complies with the complex rules and regulations which govern the practice of dentistry.

If you require further advice in this area, please do contact specialist dental accountant Nick Hancock of Albert Goodman (nick.hancock@albertgoodman.co.uk) or Damien Charlton, a

specialist dental lawyer and head of Ward Hadaway's healthcare practices team, Damien.Charlton@wardhathaway.com. Both Nick and Damien are members of the National Association of Specialist Dental Accountants and Lawyers. To find a NASDAL member in your area, go to www.nasdal.org.uk.