General Practice (GP) Partnership Law is a specialist area within UK Partnership Law that requires careful consideration and an appropriate contractual document (partnership agreement or deed) that records the roles and responsibilities of all GPs concerned, the earnings and shares of profit or equity and income, and what will happen should things do not work out. Where a GP partner is a salaried partner, employment law rather than partnership law is likely to be more relevant to the way the practice conducts itself in relation to the employed doctor.

Sadly, GP Partnership arrangements do sometimes breakdown or go through a period of instability because of an under-performing partner, the death or retirement of a partner, or for some other significant reason. Where a partner is an employed partner and they run into difficulties with their partnership or they cause employment law headaches for the equity partners, a raft of additional employment law considerations may come into play. The long term consequences of any of these occurrences can, if not quickly remedied, be detrimental to the general wellbeing and long term commercial viability of a GP Practice. On occasions an exit strategy will be agreed between a GP Practice and one of the partners, to enable. Documents may well need to draft formal agreements, which evidence the arrangement that has been agreed, which
details any pay off that is agreed or offered by way of settlement or compromise, in order to raise the chances of having some certainty and finality to the proposed arrangement.

GP Practices who enter into new partnership arrangements are likely to want legal advice and a written partnership agreement, in order to provide reassurance and some level of clarity about the roles and responsibilities and remuneration of each partner, and the basis and terms for exit from the agreement / partnership. Written partnership agreements can provide an element of security for all of the partners where a dispute arises. Doctors Defence Service lawyers can advise doctors on partnership law, the drafting of contractual documents, salaried partnership employment law, and on the steps that might be taken in order to resolve a dispute in a cost effective manner.

Commercial decisions (based on a careful risk assessment) will often have to be made by the partners or senior partners about a step that needs to be taken to preserve the economic wellbeing of the GP business. Where GP partnerships have employment law insurance protection, there may on occasions be a tension between the advice being given by the insurer or the insurer’s lawyers (“to play it safe” – which in reality often means do nothing to put the insurer at risk of a claim, which may invalidate the policy if the GP partnership takes a different view) and the risk to the business as a whole because of the financial drain a salaried partner is making on the partnership, perhaps due to long term sickness absence or resistance to a change of working arrangements.

If you are a GP who would like confidential advice about the interpretation of a partnership agreement or employment law
related to salaried partnerships, or you are a doctor who wishes to enter into or exit a GP practice partnership arrangement, then contact Doctors Defence Service in confidence for legal advice and assistance, on: 0800 10 88 739

See our Employment Law pages.

See also our Performance List Law page.

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