



# Ask *the* experts

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Every month **PPD** puts a selection of everyday 'practice posers' to a rotating panel of experts...



➤ **SUSAN N'JIE**

Susan N'Jie qualified from Guys Hospital Dental School in 1986 and then worked as GDP in the UK before spending two years in South Africa, helping to set up dental practices in Johannesburg. She joined the DDU in 2011 from the Dental Law Partnership where she was a dento-legal adviser for five years, advising on negligence claims.



➤ **THOMAS COATES**

Thomas Coates is a partner and head of the dental team at LCF Law. Formerly head of dental at Cohen Cramer Solicitors, Thomas heads up a specialist team of lawyers acting for dentists and dental practitioners throughout England and Wales. As a corporate specialist, Thomas's specialisms include buying and selling practices, practice incorporations and practice business structures. The dental team can



➤ **ADAM HAMPSON**

Adam Hampson is the creative director of H&P. He has spent 13 years as a designer, gaining hands-on experience of projects such as corporate branding, website design and marketing. During this time, he has worked for design agencies, in-house design teams and as a freelancer, gaining a wide and diverse market sector background including healthcare, dentistry, retail and technology.



➤ **PRIYA KOTECHA**

Priya Kotecha (FCA, DipPFS) is a partner and chartered accountant with Mac Kotecha & Company, established for over 30 years, where her and the senior partner deal exclusively with dentists. They offer Accountancy, Taxation & Payroll services in addition to invaluable advice on practice management, buying/setting up a practice and other dental issues. Contact on 020 8346 0391 or go to **www.**





## PATIENT CONFIDENTIALITY

**Q I recently treated a well-known professional footballer and yesterday I received a phone call from a national newspaper journalist asking for an interview. He had already spoken to the footballer and knew quite a lot of information about the treatment I had provided and said how happy he was with the work. Up to now, I haven't told anybody about this patient but the publicity would be brilliant for my practice. As the patient has already confirmed he has had the treatment, can I comment?**

**Susan N'Jie writes:**

*It is always heartening to hear that a patient is satisfied with their treatment and especially nice to know they are talking about it to others. However, even if a patient chooses to speak publicly about their dental treatment, this does not mean that you can also comment freely. If you do not have the patient's permission to do so, even confirming to a journalist or any other third party that someone is a patient is a breach of confidentiality and so it is important that you think carefully before responding to a journalist or anyone else who is asking for information about a patient.*

*When considering whether to disclose information about any patient, you should always act in the patient's best interests and follow the GDC's guidance on confidentiality in Standards for the Dental Team (2013). This advises dentists to protect the confidentiality of patients' information and only use it for the purpose for which it was given (paragraph 4.2) and that information should only be released without consent in exceptional*

*circumstances (paragraph 4.3).*

*The GDC also provides advice to dental professionals on publishing information in the media. Standard 9 states: 'You should not publish anything that could affect patients' and the public's confidence in you, or the dental profession, in any public media, unless this is done as part of raising a concern.... In particular, you must not make personal, inaccurate or derogatory comments about patients or colleagues.'*

*A request from a journalist is unlikely to fall into the category of an exceptional circumstance so if you are thinking of commenting, you need to check that you have the patient's permission first.*

*Even if the patient agrees to you providing information to the media, it is important that the content is explicitly agreed beforehand. It can be difficult to do this if you are interviewed by telephone or in person as interviews with journalists can be high pressure situations in which you cannot be certain, in advance, exactly what you will be asked.*

*Having considered all the potential pitfalls, in this case you may decide that it is best not to be interviewed by the journalist and to simply state that you "cannot comment due to patient confidentiality". Many journalists recognise this ethical duty and will respect your decision not to speak*

*It is important for dental practices to have a clear written protocol for dealing with the disclosure of patient information and that all staff are made aware of it, and are appropriately trained about patient confidentiality. A practice may wish to appoint and train a current member of staff to co-ordinate and deal with enquiries from third*



**Contact**  
Susan N'Jie





## BUYING AN NHS PRACTICE

**I want to buy an NHS practice. How do I ensure that the NHS contract is properly transferred to me?**

### **Thomas Coates says:**

*Is it PDS or GDS?*

*If you're an individual dentist (not a company) and you wish to acquire a practice that holds a GDS contract which is currently in the name of dentist or group of dentists then you need to go through the "partnership route". Both you and the seller need to register as a partnership for CQC purposes and once this has been completed, your due diligence enquiries finalised and the sale contract agreed, your solicitor and the seller's solicitor will serve notice on the NHS area team that you are going into partnership with the contract holder. Twenty eight days following this notice you will be added onto the NHS contract and at this point you will pay the seller and take ownership of the practice. Your solicitor should then deal with removing the seller from the NHS contract at the appropriate time following completion, leaving the contract in your sole name.*

*This is not a process to which the NHS can refuse consent and there is no requirement on you to request their consent for this. Our advice is that neither buyer nor seller should speak to the NHS area team at all about the process and leave it to the solicitors to submit the notices at the appropriate time.*

*Unfortunately, if you wish to acquire a practice that holds a PDS contract the partnership route can't be used. The only way you can transfer a PDS contract into your own name is to approach the NHS area team and ask for their consent. They are under no obligation to provide their consent to this and more often than not, consent is not given. Where consent to the transfer is given, the area team will invariably look to accompany this with some form of reduction in overall contract value. There is the option for the seller to change the contract to GDS and then use the partnership route but once again, the area team will use this as an opportunity to reduce the contract value at that point. The normal approach taken by the Area Team when dealing with contract reduction is to try and reduce the contract so as to bring it in line with the "local average".*

## LIMITED COMPANIES?

*If the seller holds the NHS contract in a limited company, the only way an NHS contract can be transferred to you is by requesting consent from the NHS area team. This is the same for both PDS and GDS contracts. Similarly, if you wish to acquire the practice through a limited company of your own, the only way that contract can be transferred into your company is with the consent of the area team. Once again there is no obligation on the area team to provide consent or consider the request. If they do so, once again you may find yourselves held to ransom with proposed contract reductions.*

*Do keep in mind though that the above is only the position if you are buying the assets of a practice. By assets we mean fixtures and fittings, goodwill, equipment and possibly property. You are buying the bits of the practice you want to buy and leaving the rest behind. If the seller holds either PDS or a GDS contract in the name of a limited company, it may be possible for you to acquire the shares of that limited company rather than the assets.*

*In effect, rather than buying the assets owned by the company, you will buy the company itself and everything that goes with it. The effect of this is that*

## Contact

Thomas Coates





## BRANDING DILEMMA

**Q** I want a new logo and name for my new practice. I don't want the usual names such as white, fresh etc. What things do I need to think about and what do I need to incorporate in the refurbishment of my practice?

### Adam Hampson responds:

**A** Getting the right name for your practice involves a lot of thought and planning. The aim is to create a brand that will grow and develop as your practice, team and services do over the years to come. The name you choose needs thought. Some businesses think of their end game first. For example if you choose your name, will it make the practice harder to sell? If you choose your location, what happens if you move? And most importantly, as most marketing is now done digitally, can you purchase a web address that reflects your name? A functional name that includes what you do will help with Google optimisation. Alternatively, a more emotive name may cost more to raise awareness initially but it may resonate better on an emotional level and lead to stronger brand recognition. Our approach is to first determine the type of name: should it be functional, such as London Smile Clinic or emotive, like Evolve, a client of ours that has evolved from a squat? Don't stop at one name; think as broadly as you can. Draw up a list of possibilities and then score each one using a simple testing system that considers several factors as follows:

- **Appearance:** How will the name look as a logo?
- **Distinctive:** How different is the name from the competition? How memorable is it?
- **Depth:** Are there layers of meaning? Will it be able to surprise clients with different ideas?
- **Energy:** How much buzz does it carry? Is it strong enough?
- **Humanity:** Is there any warmth to the name? Is there any emotional link?
- **Positioning:** How relevant is the name to the type of clients you want to attract, your location and the kind of dentistry you plan to provide? Does it reflect your values?
- **Sound:** How does the name sound? How easily it is pronounced?
- **Intrigue:** How much word of mouth is it likely to generate?
- **Trademark:** How easy is it to trademark?

By giving each name and parameter a score out of ten it forces you to consider each choice in a more functional, pragmatic way. In terms of practice refurbishment, there should be synergy with your branding. Ideally team uniforms and general décor should be recognisable as 'you'. In the main though, whilst it is branding that attracts people in the first place, it is the fulfillment of your brand promise through your patient journey that will determine your success.

## Contact

Adam Hampson





## TAX REDUCTION

**Q** Is there anything I can do to reduce the amount of capital gains tax I pay when I sell my Buy To Let (BTL)?

**Priya Kotecha answers:**

**A** If you make a gain on the sale of an asset there is capital gains tax (or CGT as we affectionately refer to it as) payable subject to certain conditions. This doesn't apply if the sale is in the normal course of your business, so for example, it doesn't apply on the sale of toothbrushes which fall under the scope of good old income tax (or corporation tax if you operate a limited company).

The two main assets which people seem to sell are cars and houses, and you will be glad to learn that in many cases, these are exempt. Cars are always exempt unless they are valuable vintage cars. If you only have one house and it is your principal private residence (PPR), this is also exempt but if you sell a property that you have been renting out, CGT would normally apply.

There are some useful tips and reliefs though:

**1** One of the simplest and most useful is that transfers between husbands and wives (or civil partners) are CGT free. So, if you had a BTL which you were going to sell and would have produced a gain of, say, £22,000 – you could give\* half to your spouse/civil partner first and then each of you could sell your share. This way, each of you would make a gain of £11,000 and as this is below the annual exemption of £11,000 per annum (assuming neither of you had any other chargeable gains) would have saved yourself CGT of either £1,980 or £3,080 depending on whether you are a higher rate tax-payer or not! (Basic rate taxpayers pay 18% CGT and higher rate pay 28%).

(\*Gifting assets is normally treated as if you have sold the asset for its market value and CGT is charged appropriately. However you are allowed to gift things to your spouse/civil partner without triggering a gain for capital gains tax purposes).

**2** If you are renting out a property which was your PPR at one time (you actually occupied it as your main residence) there is a lettings relief available which is the lower of:

- £40,000
- the amount of Private Residence Relief due (see point 3)

**3** Any periods you actually lived in it as your main residence (PPR) are exempted as well as the last 18 months of ownership – so long as it has been your main residence at some time. So, if you owned it for 10 years, of which you lived in it for the first 2, you will actually get 2 years plus 1.5 years (18 months) of the gain exempted (3.5/10 of the gain). You should also be able to get some lettings relief as point 2 sets out. Handy!

It is worth noting that you pay CGT on the 31st of January following the tax year in which you made the disposal. So for example, if you sell your BTL in August 2014, that is in the 14/15 tax year so you will pay the associated CGT on 31st January 2016. ■



## Contact

Priya Kotecha



PPD has an extensive panel of experts in a variety of fields. If you would like to put a question to us, we'd be happy to get it answered by a relevant specialist. Email your question(s) to: [PPD@fmc.co.uk](mailto:PPD@fmc.co.uk)

