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ASK THE EXPERTS

Sick leave, pensions schemes and NI limits

Q PARTNER OFF SICK
 I am a GP on sick leave and have been funding nine locum sessions a week through my sickness insurance policy.

We do not have a partnership deed. My partners are pressing me to reduce my profit share to that of a half-time partner, while continuing to fund the full nine sessions.

They say I agreed to this during a conversation of which I have no recollection. Is this reasonable?

It is certainly not reasonable in these circumstances to require the full-time equivalent of nine sessions of cover if the sick partner receives only a half-time share of profits.

Indeed, to do so could amount to a fraudulent claim against your insurance company if you continued to claim payments for nine sessions.

Under the policy terms, the company is no doubt only required to fund the number of sessions that you are 'missing' in income terms as a result of your sickness. Otherwise, the effect would be to allow the other partners to receive the 'released' half share of profits, without taking responsibility for the cost of the clinical time associated with that share.

The fact that there is no part-

nership deed, and your partners are seeking to rely on a verbal discussion you cannot recall taking place, complicates matters.

If you cannot resolve the issue amicably, a partnership split may well occur. If this happens, the PCT could terminate the practice's NHS contract as the partnership would have ceased to exist. All the partners would then lose out.

Lynne Abbess

Q NEW NHS PENSION
 I understand that in 2009/10 existing

members of the NHS Pension Scheme (NHSPS) will have the opportunity to join the new NHSPS which has a normal retirement age of 65. One advantage of the new NHSPS would be a pension based on 1.87 per cent of my career average revalued earnings (CARE), rather than 1.4 per cent under the old scheme.

So far I have had no notification from NHS Pensions about this option. If it is still going ahead, what is the actuarial reduction that would apply to members joining the new scheme and taking early retirement at, say, age 60?

Examples of the reductions that would apply for leaving both NHS Pension schemes before

normal retirement date (NRD) are provided on page 25 of the NHS Pension Scheme Guide which is available at www.nhs.bsa.nhs.uk

Originally, the window of opportunity for members of the NHS scheme (see the '1995' section of the guide) to join the new scheme (2008 section) was expected to open on 1 July 2009 and close on 30 June 2010.

However, in April consultations were still taking place and further information is expected this month.

Kevin Quinn

Q NATIONAL INSURANCE
 I am a GP partner and also have a salaried post.

Class 1 national insurance contributions (NI) are deducted from my pay for this post. As a self-employed partner I also pay class 4 NI on my practice profit share. Is there an annual ceiling on the total amount of NI payable? If I have paid too much, how do I get it back?

Whether you are employed or self-employed, there is a limit to the amount of NI you need to pay each tax year. The limit for 2009/10 is £43,875. An additional 1 per cent is due on all earnings above this limit. With your salaried job, you will be paying class 1 NI at 11 per cent on your earnings up to the limit and on your profit share, you will be paying class 4 NI at 8 per cent.

This may well mean that you are paying more NI than you need to. Usually HM Revenue &

THE EXPERTS

Email questions or phone our experts...



NHS RULES

Dr Tim Kimber is a Littlehampton GP and deputy chairman of West Sussex LMC.
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INVESTMENT PLANNING

Liz Willis is a financial adviser at the medical division, St James's Place Partnership.
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PARTNERSHIP

Stuart Williamson is a partner at accountants Williamson West.
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LEGAL

Lynne Abbess is a partner at solicitors Hempsons and offers outline legal advice to GPs in England and Wales.
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PREMISES

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PENSIONS AND FINANCE

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ACCOUNTANCY AND TAXATION

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PRACTICE-BASED COMMISSIONING

Maggie Marum is a management consultant for the NAPC and runs its practice-based commissioning helpline.
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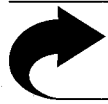
PLEASE NOTE

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.

Custom's NI office will contact you if it thinks you have overpaid.

If not, I suggest you write to your tax office with details of the NI you have paid on your employed and self-employed income. State clearly your NI number and tax reference.

Jenny Stone



Ask your questions online

www.healthcarepublic.com/experts