



Nurse Partners

There is increasing interest amongst nurses in primary care in the option of forming or joining a practice partnership. This briefing provides information on the options available to nurses, and the essential preparatory steps that need to be taken by anyone planning to enter a partnership.

New opportunities

Although the nationally-negotiated General Medical Services (GMS) contract, under which GPs provide services to the NHS, has never prohibited nurses from entering into a practice partnership, there has in the past been no incentive for GPs to extend this option to nursing colleagues. The effect would be to divide the profits of the practice, which were largely generated by the GPs, amongst more partners. The more recent contract ('new' or nGMS) is different. It is practice-based, rather than individual GP based, and includes a much greater proportion of payments based on quality of care and outcomes for patients – the 'Quality and Outcomes Framework' or QOF. It is generally acknowledged that the contribution of nurses and other healthcare staff is essential to the achievement of QOF targets, and so to the generation of practice income. This has led to a greater recognition that income-generating staff might wish to become profit-sharing partners.

As well as the nGMS contract, local Personal Medical Services (PMS) contracts enable healthcare professionals, such as nurses, allied health professionals, practice managers and others, to enter into a contract with the local Primary Care Trust to provide the equivalent of general medical services. While some of the services may need to be 'performed' by a GP (employed by the PMS contract holder, if not in the

partnership), there is no requirement for a GP to be a partner in a PMS practice. Different forms of the PMS contract and their characteristics are shown in *Box 1*.

Motivation

As well as a desire to reap more direct benefits from their work for the practice, many nurses choose to enter a partnership because they want more influence over the policies, ways of working and decision-making of the practice. They bring a different perspective to the partnership, and have more influence as partners than as staff. Existing nurse partners describe greater job satisfaction, better teamwork and a greater sense of control over their working lives.

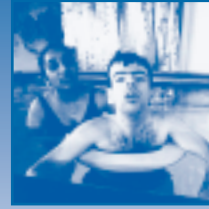
Types of partnership

A nurse joining a practice partnership can become a salaried, fixed share or full equal partner.

A salaried partner continues to be employed as a staff member, so taking on none of risks or responsibilities of a full partnership, but receives an agreed part share of practice profits in addition to regular remuneration. Terms are set out in a separate agreement to the partnership agreement.

A fixed share partner is self-employed and receives an agreed, fixed share every month regardless of variation in practice profits. The level of liability of the fixed share partner needs to be set out in the partnership agreement.

New



A full equal partner is self-employed and a part-owner of the practice business with other partners. Partners may need to buy into practice premises, if they are owned by the partners, and to pay into a capital fund for practice equipment. All full partners have unlimited liabilities for all debts and liabilities of the practice. That is, each partner can be held liable for the full amount of a debt or claim, not just a share of it. They also share all profits of the practice equally. A partnership may also be set up to share profits according to a fixed percentage, with each partner receiving a proportion of the profits according to their partnership share, e.g. a 13% share of practice profits for a partner who works part-time, whereas a fulltime partner will get a 21% share.

Partnership agreements

Partnerships are created by and operate under a partnership agreement between named partners. If a new partner joins a practice, or an existing partner leaves, the agreement has to be amended, or a new partnership agreement has to be drawn up.

The agreement should be a written document, setting out the basis of the partnership and how it will operate with regard to strategic decisions and operational matters, including arrangements for holiday, sick and maternity leave; premises, expenses, profit sharing and taxation; retirements, arbitration and defence body membership.

Self-employment

Self-employed fixed share or full

partners need to make arrangements to pay their own tax and national insurance contribution. In the past, nurse partners have not been eligible to continue to pay into the NHS pension scheme, but this has now changed. See the NHS Pensions Agency website (www.nhspa.gov.uk) for latest information. Partners will need appropriate indemnity insurance, which may be available through medical defence organisations. They may also need to consider sickness insurance, if a locum will need to be employed in their absence.

Limited liability companies

Unlike a partnership, in which the partners are regarded as the business, a limited liability company has a legal identity of its own. This allows the owners of the company to limit the risk they are exposed to (the liability) should problems arise. There are now some examples of healthcare professionals setting up a company in order to contract to provide PMS (see *Box 2*).

Preparing to become a partner

Discussions with existing nurse partners have identified four areas of essential preparatory work for nurses considering becoming a practice partner:

- Consolidating business knowledge and skills
- Building local knowledge and networks
- Preparing for changing responsibilities and relationships
- Developing personal support systems

Business knowledge and skills

Before entering a partnership, it is essential to take legal and financial advice. The prospective nurse partner should understand the nature and implications of different forms of partnership, and the impact on his/her personal finances, working conditions and pension.

In preparation for contributing to the partnership, some knowledge or experience of strategic and financial planning and management would be useful, together with an understanding of the contractual and financial basis of general practice, and financial flows in primary care and the wider NHS. Staff management skills, and knowledge of legal requirements in relation, for example, to employment of staff, operation of premises, health and safety (including Control of Substances Hazardous to Health regulations) and data protection, would also be helpful.

While much of this knowledge will be developed through working in the partnership, the better prepared the nurse partner, the greater his or her value to the partnership.

Local knowledge and networks

A well-developed network of local contacts, knowledge of local health needs and local health organisations, will contribute greatly to the success of the practice, and so make a prospective partner more attractive to the partnership.

Nurses contemplating partnership could talk to managers at the primary



"Becoming involved with the local PCT, be it as a previous employee, a PEC member or sitting on committees, is a valuable experience. Not only does it further your knowledge of the local population and their health needs in its widest sense, but it also enables you to familiarise yourself with different funding streams, processes for establishing strategies and development plans – and, probably most importantly, networking." Nurse Partner

Box 1

Different forms of PMS contract

PMS – full range of services equivalent to GMS; provider/partners need not include GP but must be from NHS 'family'.

sPMS – Specialist PMS; may provide only some specific services, rather than the whole range; provider/partners must be from NHS family.

aPMS – alternative provider PMS; full range of services; provider may be any individual or organisation that meets the provider conditions, e.g. private company, charity or not-for-profit company, GMS or PMS practice, Foundation Trust.

PMS

care trust who are responsible for contracting, practice development and professional training, to get an outside view of the practice, and begin to build working relationships. The local development plan (LDP) will provide insight into local priorities and plans for local health services. Practice and other local patient groups will give another key perspective on what is needed, what is currently provided, and how well. For nurses currently based in a practice, some experience of working elsewhere – in a PCT, nursing organisation, or charity – will provide fresh thinking on ways of running an organisation, dealing with staff and handling finances. Practice managers have invaluable experience and could provide excellent mentorship. Networking with other GPs is of course equally valuable, as they have the most relevant experience.

Changing responsibilities and relationships

Becoming a partner in a practice involves a different relationship between the individual and staff of the practice. The nurse partner will be an employer of other staff, rather than a colleague, and will share with other partners responsibility for recruiting, employing and managing staff, including deciding salaries and leave, and handling performance, disciplinary and grievance issues. Nurse partners have a responsibility to ensure that staff are delivering the outcomes required by the practice's contract, and helping to maximise practice income. They may have to work longer hours. All this may be

particularly difficult if the nurse becomes a partner in a practice at which she/he was previously employed, or if staff find it difficult to accept a non-GP partner.

Nurses preparing for partnership should not under-estimate the scale of the change they are embracing. They need to be prepared for these new responsibilities, and robust enough to manage changing relationships with others in the practice team.

Another key change when seeking a partnership is the need to sell oneself as a valuable asset to the practice: someone it is worth sharing practice profits with, rather than an expert clinician worth employing. This requires more confidence, assertiveness, attention to personal image and possibly more persistence, than nurses usually need. If a partnership is not offered at the nurse's 'home' practice, it may involve word of mouth networking, advertising, and re-locating.

Developing personal support systems

Existing nurse partners all emphasise the importance of ensuring that they have personal support when making the significant decision to become a self-employed practice partner, and subsequently when adapting to a new way of working with partners and staff.

Support from friends and family is very important: it would be difficult to contemplate the change without it. A supportive network of professional contacts is also invaluable. A network

Box 2

A company set up to provide PMS services

Chilvers McCrea Healthcare is a company set up by a nurse and a GP four years ago, that now runs 16 general practices around the country under PMS contracts with the local PCTs. The company puts in clinical and management leads at practice and 'cluster of practices' level, while providing finance, human resources and payroll functions centrally. All staff of the practices are employed by the company, so all are of equal status in the practice team. Practices work within a framework to ensure consistent quality of services, and action learning sets enable them to learn from each other.

*For more information visit
www.chilversmcrea.co.uk*

Box 3

Relevant websites

www.dh.gov.uk
www.primarycarecontracting.nhs.uk
www.nhsalliance.org (The NHS Alliance)
www.primarycare.co.uk (The National Association for Primary Care)
www.qni.org.uk (The Queen's Nursing Institute)
www.rcn.org.uk (The Royal College of Nursing)
www.msfcpva.org (The Community Practitioners and Health Visitors Association)

group with other nurse partners allows the exchange of experience and solutions, and is a safe forum for discussing sensitive issues and bringing in experts to advise. Wider professional or primary care focussed organisations can provide briefings, alerts to relevant legislative or policy changes, and the power of collective lobbying when necessary. A personal mentor or coach can help an individual to maximise their effectiveness, recognise and improve coping strategies for difficult situations, and celebrate their own progress over time.

What you can do now

If you are thinking of becoming a practice partner, you should:

- Look at relevant websites for information (see Box 3)
- Talk to the GPs in your practice, and provide them with information about the options for and advantages of widening the partnership
- Talk to your family and friends about the impact on them, and the support you will need
- Register with the QNI nurse partners network for contacts, meetings and information on

development opportunities

- Join relevant professional organisations and check what support and advice they can offer
- Make local contacts and gather information on local health services and plans that will affect the practice
- Before going ahead with a partnership, take professional advice on your financial and legal position, including on indemnity and insurance.

Summary

Joining a practice partnership is an exciting and attractive move that enables a nurse to influence the care of patients, shape the services provided to the local population and develop new strategic organisational skills, as well as benefiting from sharing in the practice profits. It represents a significant change in working practice, but there is now a range of support and development opportunities available to enable an individual to make the transition successfully. More than a dozen nurses are already working in practice partnerships: many more are likely to join them as primary care contracting options are used to their full extent.

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