

#### **BRIEFING PAPER**

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# Health and care professional regulator fees



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## Summary

## This briefing provides an overview of changes to the health and care professional regulator fees.

There are nine health and care professional regulatory bodies in the UK:

- General Chiropractic Council (GCC)
- General Dental Council (GDC)
- General Medical Council (GMC)
- General Optical Council (GOC)
- General Osteopathic Council (GOsC)
- General Pharmaceutical Council (GPhC)
- Health and Care Professions Council (HCPC)
- Nursing and Midwifery Council (NMC)
- Pharmaceutical Society of Northern Ireland (PSNI)

The professional regulators are independent statutory bodies whose purpose is to protect, promote and maintain the health and safety of the public by setting robust standards for their health care professionals across the United Kingdom.

To practise one of the professions, people must be registered with the relevant regulator and demonstrate that they have met a set of required standards.

The main source of funding for the nine separate regulators for healthcare professionals is through individual registration fees, which must be paid by healthcare professionals in order to be registered to practice in the UK. The regulators are responsible for determining the level of their annual registration fees.

The Professional Standards Authority (PSA) is responsible for providing oversight and scrutiny of the nine health and care professional regulatory bodies. In 2015, the Government introduced regulations which require the professional regulators to pay the Authority a fee in order to fund the organisation. The fees become payable from 1 August 2015. Some of the professional regulatory bodies have said that the new PSA fee has required them to increase their registration and renewal fees.

### Funding the Professional Standards Authority

The <u>Professional Standards Authority</u> (PSA) is responsible for providing oversight and scrutiny of the UK's nine health and care professional regulatory bodies. It is an independent body, accountable to Parliament.

In 2010, the Department of Health conducted a review of its Arm's-Length Bodies as part of the wider changes to the NHS. The study found no compelling reason for the PSA to continue to be funded by the Government and the Devolved Administrations. Instead, the review recommended that the PSA should be funded by a compulsory fee on the Regulatory Bodies it oversees. This would achieve savings of over £3million per year to the public purse.<sup>1</sup>

In 2015, the Government introduced regulations which require the nine professional regulators to pay the Authority a fee in order to self-fund the organisation. The Department of Health ran a consultation about changes to PSA funding and the formula for apportioning the PSA fee between the healthcare regulators<sup>2</sup>. After consultation, it was agreed that the fee level would apportioned between regulators based on their number of registrants, as it was judged that this would most fairly equate the fee to the amount of service that the PSA provides to each regulator. For example, the Nursing and Midwifery Council has nearly 50% of the total number of registrants so its contribution to the fee equates to nearly 50% of the overall costs of the PSA<sup>3</sup>. The first fees will be payable on 1 August 2015.

Concerns have been raised about the way the PSA fee is apportioned among the regulators. Further information is included relating to individual regulatory bodies below. The PSA itself also raised concerns about apportioning its fee among regulators according to their number of registrants. In response to the Department of Health consultation on changes to PSA funding, the PSA said:

The Department's assessment [that the policy will not have an adverse impact on equality] does not take account of the varying incomes of registrants; or of the variations in income collected by the regulators from their registration fees.<sup>4</sup>

The Government has laid the necessary legislation before Parliament – <u>The Professional Standards Authority for Health and Social Care (Fees)</u> <u>Regulations 2015</u> – to enable the PSA to be funded in this way.<sup>5</sup> The

<sup>&</sup>lt;sup>1</sup> Explanatory Memorandum to the Professional Standards Authority for Health and Social Care (Fees) Regulations 2015, para 7.1

<sup>&</sup>lt;sup>2</sup> Department of Health, Consultation: <u>Professional Standards Authority for Health and Social Care Draft Fees Regulations</u>, October 2014

<sup>&</sup>lt;sup>3</sup> HC Deb 23 March 2015 c399WH

<sup>&</sup>lt;sup>4</sup> Professional Standards Authority, <u>Draft Fees Regulations</u>: <u>Consultation Questions</u>, November 2014

<sup>&</sup>lt;sup>5</sup> Section 224(1) of the <u>Health and Social Care Act 2012</u> provides for the Professional Standards Authority to become funded by the Regulatory Bodies by inserting a new provision (section 25A) into the National Health Service Reform and Health Care Professions Act 2002.

instrument is subject to the negative procedure in Parliament. It will also be laid in the Scottish Parliament.

It is a decision for each regulatory body to make as to whether they pass on the cost of the new levy to their registrants. However, in light of the fact that the main source of funding for the regulators is through individual registration fees, the Department of Health has noted that:

The Department accepts that the ability of the Regulatory Bodies to raise fund to pay the new fee through other means [other than passing on the cost to registrants] may be limited.<sup>6</sup>

Some of the regulatory bodies have, or are intending to, raise their fees to cover the fee payable to the PSA. However, the explanatory note to the *2015 Regulations* explains that the Government does not expect notable interest in this change. The note states that if the cost of the fees is passed onto registrants, this should not have a significant detrimental impact on individuals as the estimated increased cost per registrant is "relatively low" at about £2.92 per year:

The public has not expressed particular interest in this policy to date, as the main affected parties are the Regulatory Bodies overseen by the Authority. We do not expect notable media interest in this, even if the Regulatory Bodies do decide to pass on the costs of the fees to individual registrants, as the increased cost per registrant is estimated to be in the region of £2.92 (as discussed further below).<sup>7</sup>

<sup>&</sup>lt;sup>6</sup> Explanatory Memorandum to the Professional Standards Authority for Health and Social Care (Fees) Regulations 2015, para 8.12

<sup>&</sup>lt;sup>7</sup> Explanatory Memorandum to the Professional Standards Authority for Health and Social Care (Fees) Regulations 2015, para 7.3

# 2. Fees charged by the health and care regulatory bodies

The regulatory bodies are independent and are therefore responsible for setting their own fees at an appropriate level. The Government's position, as set out in the 2011 Command Paper, *Enabling Excellence*, is that the Government would not expect registration fees to increase, unless there is a clear and robust business case that any increase is essential to ensure the exercise of statutory duties.<sup>8</sup>

The table below shows the Annual Retention Fee for healthcare professions regulatory bodies between 2010 and 2015.

Year	Nursing and Midwifery Council	Health and Care Professions Council	General Optical Council	General Medical Council	General Osteopathic Council	General Pharmaceutical Council	General Dental Council	General Chiropractic Council
2014- 15	£100	£80	£290	£390	£570	£240	£576	£800
2013- 14	£100	£76	£260	£390	£610	£240	£576	£800
2012- 13	£76	£76	£260	£390	£655	£240	£576	£800
2011- 12	£76	£76	£270	£390	£750	£267	£576	£800
2010 -11	£76	£76	£280 (Dispensing optician) £325 (Optometrist)	£420	£750	£262	£438	£1,000

Further information on recent changes to the fees charged by each professional regulatory body is provided below.

<sup>&</sup>lt;sup>8</sup> Presented to Parliament by the Secretary of State for Health by Command of Her Majesty, <u>Enabling Excellence Autonomy and Accountability for Healthcare Workers</u>, <u>Social Workers and Social Care Workers</u>, February 2011, para 2.6

#### 2.1 Health and Care Professions Council

The <u>Health and Care Professions Council</u> (HCPC) regulates arts therapists, biomedical scientists, chiropodists, podiatrists, clinical scientists, dieticians, hearing aid dispensers, occupational therapists, operating department practitioners, orthoptists, paramedics, physiotherapists, practitioner psychologists, prosthetists and orthotists, radiographers, social workers in England and speech and language therapists. It is governed by the *Health and Social Work Professions Order 2001*.

#### Fee increase in April 2014

In July to September 2013, the HCPC ran a consultation which proposed a £4 increase (an increase of 5.3%) to the annual renewal fee. This increased the renewal fee from £76 to £80 per year. The HCPC said:

We are proposing a £4 increase (an increase of 5.3%) to the annual renewal fee. This increases the renewal fee from £76 to £80 per year and the percentage increase compares favourably to inflation of 13.7% over the last four years. We are also proposing a similar level increase to the other fees we charge.

If the proposals outlined in this document were agreed, the fees would be increased from 1 April 2014. We would continue to have the lowest renewal fee of all the independent statutory regulators of health and care professions.<sup>9</sup>

The HCPC renewal fee currently stands at £160 for two years.<sup>10</sup>

#### Fee increase from August 2015 and funding the PSA

The HCPC opposed apportioning the PSA fee based solely on registrant numbers, which it said would "have the effect of unfairly and perversely penalising the HCPC and our registrants"<sup>11</sup> because although the HCPC have a large number of registrants, they have actively kept registration fees low. The HCPC said it would therefore not be able to absorb increase in costs as well as a regulatory body with a smaller registrant numbers but higher registration fees and thus larger incomes.<sup>12</sup>

In March 2015, the HCPC consulted on a further increase to its renewal fee, due to the introduction of the PSA fee. The HCPC proposed an increase to the annual renewal fee from £80 to £90 per year:

We last increased our fees in April 2014. Since then the Government has consulted on how the Professional Standards Authority (PSA), which oversees the HCPC and the other eight independent UK statutory regulators of health and care professionals, will be funded in the future. They have decided that in future the PSA will be funded by the regulatory bodies based on the number of registrants each regulator has. The Government

<u>consultation on the Professional Standards Authority (PSA) fee</u>, 4 December 2014, page7

<sup>&</sup>lt;sup>9</sup> Health and Care Professions Council, <u>Consultation on HCPC registration fees</u>, 4 July 2013

Health and Care Professions Council, <u>Paying your fees</u> [last accessed 9 June 2015]
Health and Care Professions Council, <u>Response to Department of Health</u>

<sup>&</sup>lt;sup>12</sup> Health and Care Professions Council, <u>Response to Department of Health</u> <u>consultation on the Professional Standards Authority (PSA) fee</u>, 4 December 2014, page7

has now laid the necessary legislation before Parliament – The Professional Standards Authority for Health and Social Care (Fees) Regulations 2015 ('the Regulations') – and has said that it will start charging a fee to the regulators from 1 August 2015.

This announcement has compelled us to review our current fee levels earlier than we had anticipated. The fee payable to the PSA will increase our costs by approximately £1m per year. We also need to ensure that we can balance our budget over the medium term and that we continue to be able to function as an effective regulator.

We are proposing a £10 increase (an increase of 12.5 per cent) to the annual renewal fee. This would increase the renewal fee from £80 to £90 per year. We are also proposing the same level of increase to the other fees we charge, with the exception of the restoration fee for which we are proposing a higher level of increase.

If the proposals outlined in this document were agreed, we plan that the fees would be increased by 1 August 2015 (subject to parliamentary approval of changes to our Rules). Our proposed renewal fee would continue to be the lowest of all the regulators overseen by the PSA and around a third less than the next highest fee.<sup>13</sup>

In May 2015, following the consultation, the HCPC Council agreed to proposals to increase the registration renewal fee from £80 to £90 per year.

The increase to the fees are subject to parliamentary approval of <u>The</u> <u>Health and Care Professions Council (Registration and Fees)</u> (<u>Amendment) (No. 2) Rules Order of Council 2015</u>. Subject to parliamentary approval, the new registration fee structure will come into effect on 1 August 2015.<sup>14</sup>

The new renewal fee will apply to existing registrants in each profession from the following dates:

Occupational therapists: August 2015 Biomedical scientists: September 2015 Radiographers: December 2015 Physiotherapists: February 2016 Arts therapists: March 2016 Dietitians: April 2016 Chiropodists / Podiatrists: May 2016 Hearing aid dispensers: May 2016 Operating department practitioners: September 2016 Social Workers in England: September 2016 Practitioner psychologists: March 2017 Orthoptists: June 2017 Paramedics: June 2017 Clinical scientists: July 2017 Prosthetists / orthotists: July 2017 Speech and language therapists: July 2017.<sup>15</sup>

<sup>&</sup>lt;sup>13</sup> Health and Care Professions Council, <u>Consultation on HCPC registration fees</u>, 27 March 2015 to 6 May 2015

<sup>&</sup>lt;sup>14</sup> Health and Care Professions Council, <u>Outcomes of the consultation on the Health</u> and <u>Care Professions Council (HCPC) registration fees</u>, 18 May 2015

<sup>&</sup>lt;sup>15</sup> Health and Care Professions Council, <u>Outcomes of the consultation on the Health and Care Professions Council (HCPC) registration fees</u>, 18 May 2015

#### 2.2 Nursing and Midwifery Council

The <u>Nursing and Midwifery Council</u> (NMC) is the independent nursing and midwifery regulator for England, Wales, Scotland and Northern Ireland. It was established by Parliament under the Nursing and Midwifery Order 2001.

In order to be on the register nurses and midwives must pay an annual fee of £120. This fee funds all of the NMC's regulatory activity.

The NMC made the decision to increase the annual registration fee for nurses and midwives from £100 to £120 on 1 October 2014. The new fee came into force in February 2015. The decision followed a <u>consultation on registration fees</u> from May to July 2014.

Mark Addison CB, Chair of the NMC, said:

Today we made the difficult decision to increase the annual registration fee for nurses and midwives to £120.

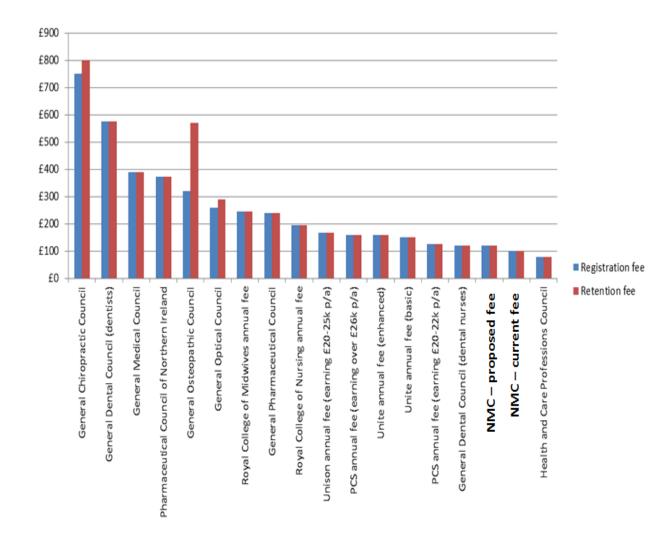
"We have considered the responses to the consultation in detail and we have listened carefully to the issues raised. We recognise the financial pressures that many nurses and midwives are facing at a time of widespread pay restraint, and the tough and demanding jobs they do.

"However, as Council members and trustees of the NMC, our first duty is to ensure the protection of the public. We are committed to keeping the fee at the lowest level which allows us to fulfil that statutory duty, and we will continue to search for more efficient ways of working.

"Currently, the only way for us to significantly reduce our costs is to change the existing legislation, which requires us to take more cases to a hearing than is necessary. We will continue to press vigorously for changes to our legal framework.<sup>16</sup>

Within the May 2014 <u>consultation document</u> (page 14), the NMC provides a graph showing that its fees are among the lowest in comparison to other health and care regulatory bodies.

<sup>&</sup>lt;sup>16</sup> Nursing and Midwifery Council, <u>NMC Council makes the difficult decision to</u> <u>increase the annual registration fee to £120</u>, 1 October 2014



The NMC had previously increased its annual registration fee from £76 a year to £100 a year in February 2013, a 32% increase.

In March 2015, the Minister for Life Sciences, George Freeman, explained that the Government had provided a grant to the NMC in 2013 to protect lower paid registrants from full fee increases, but that it is not feasible for the Government to provide another grant:

I appreciate that, since the NMC was established in April 2002, there have been a number of increases in its annual registration fee, and I appreciate the impact that that has had on dedicated nurses and midwives working long hours in difficult roles to provide excellent care. That is why, in February 2013—more than 10 years after the increases started in 2002—the Government awarded the NMC a substantial, £20 million grant to ease the pressure.

One purpose of that grant was to allow the NMC to protect nurses and midwives—particularly lower paid nurses and midwives—from the full impact of a proposed annual registration fee rise. The grant meant that, in 2013, the NMC was able to raise its fee from £76 to £100 and not to £120, as originally intended. With a week before Parliament dissolves, the Government have no plans to give the NMC a further grant to subsidise the 2015 registration fee increase. Given that we continue to have to make tough decisions to put the economy back on track, and that we have given the NMC £20 million, it now needs to work out internally how best to allocate the fee increase, which I should remind hon. Members is equivalent to £3 per member if it is spread equally among them.<sup>17</sup>

The NMC expressed concerns about the proposed funding approach for the PSA statutory levy. The levy is determined by the number of registrants a regulator has, and therefore as the NMC has nearly 50% of registrants, it will be responsible for nearly 50% of the overall PSA funding.<sup>18</sup> In response to a Department of Health consultation on changes to how the PSA is funded, the NMC said:

The Department's preferred option, although easy to understand, is disproportionate in transferring almost half the costs of funding the PSA to the NMC and therefore the nurses and midwives we regulate who provide our funding. It is also unfair in that it does not reflect equitably the extent of oversight activity undertaken by the PSA in respect of each regulator.<sup>19</sup>

[...]

Our registrants will be unduly affected by the proposed changes and we will be forced to either raise the registration fee or reduce fitness to practise activities (compromising our effectiveness and public protection) to pay the proposed levy.<sup>20</sup>

The Government's response to the consultation stated that:

The only viable option was a fee methodology based on the number of registrants per regulator. This option was deemed to be fair as the model recognises that those RBs [regulatory bodies] who have more registrants will pay more, as the evidence shows that they use a greater amount of the Authority's resource in relation to section 29 cases [Fitness to Practice]...<sup>21</sup>

#### 2.3 General Medical Council

The General Medical Council (GMC) regulates doctors.

The General Medical Council's annual fee, paid by doctors with a licence to practise, increased by  $\pm 30 - \text{from } \pm 390$  to  $\pm 420 - \text{from } 1$  April 2015. This was the first rise since 2010. The GMC cited the new requirement to pay the Professional Standards Authority fee as one of the reasons for the increase.

The GMC said:

The decision to restore the 2010 level follows increased demand for the GMC's services. In 2015, the doctors' regulator expects to process more than 20,000 registration applications and more than 75,000 revalidation decisions, as well as handling an increase in serious complaints, which is likely to result in over 2,800 fitness to practise hearing days.

<sup>&</sup>lt;sup>17</sup> HC Deb 23 March 2015 c401WH

<sup>&</sup>lt;sup>18</sup> HC Deb 23 March 2015 c399WH

<sup>&</sup>lt;sup>19</sup> NMC, <u>NMC response to the Department of Health consultation on changes to how</u> the Professional Standards Authority (PSA) is funded, paragraph 21

<sup>&</sup>lt;sup>20</sup> NMC, <u>NMC response to the Department of Health consultation on changes to how the Professional Standards Authority (PSA) is funded</u>, paragraph 41

<sup>&</sup>lt;sup>21</sup> Department of Health, <u>Professional Standards Authority for Health and Social Care -</u> <u>Draft Fees Regulations Consultation response</u>, February 2015, page 11

In addition, demands on its oversight of medical education have increased with enhanced monitoring of areas where there are concerns.

Looking ahead, the Council of the GMC is determined that everything should be done to bear down on cost to keep the ARF as low as possible.

This year the GMC fee also includes the Government's new statutory levy on regulators to fund the work of the Professional Standards Authority. This will amount to £600,000 from April 2015 to the end of the year, rising to £800,000 in 2016.<sup>22</sup>

In response to the Department of Health's consultation on the PSA fee, the GMC said that apportioning the fee between the healthcare professional regulators according to their number of registrants was the best approach.<sup>23</sup>

#### 2.4 General Chiropractic Council

The General Chiropractic Council (GCC) regulates chiropractors.

The GCC provides the following information about its fees:

The registration fees were reduced on 1 January 2012 when the <u>GCC (Registration) Amendment and Repayment) rules</u> 2011 came into force.

Our practising registration fees were reduced on 1 January 2012 and are now as follows:  $^{\rm 24}$ 

	Practising	Non- practising
Initial registration fee	£750	£100
Annual retention fee	£800	£100
Transfer to practising fee	£800	£100
Restoration fee	£750	£100
Other fees		
Test of competence*	£1,500	£1,500

<sup>&</sup>lt;sup>22</sup> General Medical Council, <u>First GMC fee rise for five years – provisional fee frozen</u>, 10 December 2014

<sup>&</sup>lt;sup>23</sup> Department of Health, <u>Professional Standards Authority for Health and Social Care -</u> <u>Draft Fees Regulations Consultation response</u>, February 2015, page 16

<sup>&</sup>lt;sup>24</sup> General Chiropractic Council, <u>Registration fees</u> [last accessed 9 June 2015]

#### 2.5 General Dental Council

<u>General Dental Council</u> (GDC): the GDC regulates dentists, dental therapists, dental hygienists, dental nurses, dental technicians, clinical dental technicians and orthodontic therapists.

From 2011, the Annual Retention Fee (ARF) for dentists was £576 and for dental care professionals (DCPs) was £120.

In June 2014, the GDC launched a consultation on the level of the ARF for registrants in 2015. The consultation proposed an increase to £945 a year for dentists and an increase to £128 for DCPs: a 64% and a 6.7% increase respectively.

The GDC said:

The GDC's primary source of income is fees from registrants. We do not receive funding from the taxpayer and we must use the fee income that we receive to fund all of the activities which Parliament has stated we must deliver.

The current fee level for dentists is  $\pm$ 576 and for DCPs is  $\pm$ 120. We have not increased the ARF for 4 years.

Since 2010 when we last increased the ARF there has been a 110% increase in the number of complaints from patients and members of the public, employers, other registrants and the police about GDC registrants. As a result, we need additional funds to investigate these complaints and where necessary to bring Fitness to Practise cases involving dentists and DCPs. If we do not have sufficient funds to bring these cases we would fail in our duty to protect patients and the public. This would also mean that the public would lose confidence in dental professionals.

In total we estimate we will need to collect an extra £18.0 million in fee income to allow us to deal with the extra volume of complaints and Fitness to Practise hearings that we anticipate in 2014 and 2015. This will be collected partly in 2015, with the balance in 2016 as set out in Table 6, later in this document. This means that the ARF level for dentists will need to increase to £945 a year and for DCPs to £128: a 64% and a 6.7% increase respectively. This fee is deductible for the purposes of income tax, for all UK-based registrants.<sup>25</sup>

However, following the consultation, the increase in Annual Retention Fee was set at a lower amount than originally proposed. The fee for dentists increased to £890 (a 55% increase), and the fee for DCPs reduced to £116.<sup>26</sup>

The British Dental Association is campaigning against the GDC's increase to the Annual Retention Fee. It said:

The GDC's announcement, following a flawed consultation, that the ARF rose to £890 (a 55 per increase), shocked and outraged the profession.<sup>27</sup>

<sup>&</sup>lt;sup>25</sup> General Dental Council, <u>Consultation on the Annual Retention Fee (ARF) Level for</u> <u>2015</u> [last accessed 9 June 2015]

<sup>&</sup>lt;sup>26</sup> General Dental Council, <u>Annual Retention Fee</u> [last accessed 9 June 2015]

<sup>&</sup>lt;sup>27</sup> British Dental Association, No to GDC ARF increase

#### 2.6 General Optical Council

The General Optical Council (GOC) regulates opticians.

The GOC provides the following information about increases to its fees:

Council has set the registration fee for 2015/16 at £310. This represents an increase of £20 for optometrists, dispensing opticians and bodies corporate. The low income fee, for registrants earning under £12,000, will be £210 (maintaining the £100 discount) and we have frozen the fee for students at £25. The new fees will come into effect on 1 April 2015.<sup>28</sup>

In response to the Department of Health consultation on PSA fees, the GOC expressed concerns that there would be a disproportionate impact on the GOC and its registrants:

The GOC commented that many of their registrants earn far less than other healthcare professions and expressed concern that the GOC could end up contributing more than its fair share of the Authority's levy. They said that this would impact on optometric and optical registrants and the public either through higher fees for registrants and charges to the public, or reduced capacity for effective regulation by the GOC.<sup>29</sup>

#### 2.7 General Osteopathic Council

The General Osteopathic Council (GOsC) regulates osteopaths.

The GOsC reduced its 2014-15 registration fees. Following a consultation, the fees from 1 May 2014 stand as follows<sup>30</sup>:

Registration levels	Current fee	New fee (for renewal of registration after 1 May 2014)
Year 1, entry	£340	£320
Year 2, practising	£455	£430
Year 2, reduced rate	£230	£215
Year 3, practising	£610	£570
Year 3, reduced rate	£340	£320

<sup>28</sup> General Optical Council, <u>Retention fees set for 2015/16</u>, December 2014

<sup>29</sup> Department of Health, <u>Professional Standards Authority for Health and Social Care -</u>

Draft Fees Regulations Consultation response, February 2015, page 20

<sup>30</sup> General Osteopathic Council, <u>Fee reduction consultation 2014-2015</u>

These remain the current fees.<sup>31</sup>

#### 2.8 General Pharmaceutical Council.

The General Pharmaceutical Council (GPhC) regulates pharmacists and pharmacy technicians.

After a three month consultation, the GPhC agreed that registration fees for 2011-12 would be increased by two per cent, a reduction from the four per cent increase originally proposed in the consultation document. The two per cent increase for pharmacists equated to a £5 per annum increase. The Council also confirmed that registration fees for pharmacy technicians would reduce by 15.5%, which equated to a reduction of £22.<sup>32</sup>

For 2012/13, there was a ten per cent decrease in fees for pharmacists and pharmacy technicians - a reduction of £22 for pharmacists and £12 for pharmacy technicians. This meant a renewal fee of £240 for pharmacists and a renewal fee of £108 for pharmacy technicians from 15 October 2012.<sup>33</sup>

The GPhC's governing council agreed to increase registration renewal fees for pharmacists, pharmacy technicians and pharmacy premises from 15 October 2015. The annual renewal fee for pharmacists will rise by £10 from £240 to £250. The annual renewal fee for pharmacy technicians will also increase by £10 from £108 to £118 and the annual renewal for pharmacy premises will increase by £20, from £221 to £241.

The council in reaching a decision on the fee rules considered the results of a consultation which heard from over 1,000 respondents. A number of respondents to the consultation raised concerns in relation to the £15 administration fee for direct debits. In response, council approved removing the £15 fee for quarterly direct debits which means people can now spread the cost of paying their fees over the year without incurring an extra fee.

Duncan Rudkin, Chief Executive of the GPhC, said:

The council carefully considered the concerns of respondents and the overall economic context but decided it was necessary to increase fees to meet the growing costs of regulation caused by a number of factors, including a rising number of complaints. Even after the increase, fees for pharmacists and pharmacy technicians in 2016 will still be lower than those charged in 2011.

"We are strongly committed to driving down our operating costs and achieving further operational efficiencies, as well as avoiding

<sup>&</sup>lt;sup>31</sup> General Osteopathic Council, <u>How to register - UK qualified</u>

 <sup>&</sup>lt;sup>32</sup> General Pharmaceutical Council, <u>GPhC agrees renewal fees for 2011/12</u>, 10 June 2011

<sup>&</sup>lt;sup>33</sup> General Pharmaceutical Council, <u>Consultation report: Draft Fees Rules 2012</u>, June 2012

significant fluctuations in fee levels in future years to any or all registrants.<sup>34</sup>

The GPhC's response to the Department of Health consultation on the PSA fee expressed concerns about apportioning the fee according to the number of registrants per regulator:

We do not agree that Method 1 is the only viable option for charging the fee. When this fee was first explored in 2011 we expressed the view that a fee based on registrant numbers could be over simplistic and did not take into account the widely differing costs per registrant of each regulator and their respective regulatory burdens.

At the time we expressed our preference for what was Option C which was based on a combination of registrant numbers and fee income received. Both numbers are transparently available as they 2 are published by each regulator annually. We maintain that this will produce a more proportionate distribution of the fees burden between the regulators.<sup>35</sup>

The GPhC's response also raised concerns that the fee would detrimentally impact on lower paid health professionals.<sup>36</sup>

# 2.9 Pharmaceutical Society of Northern Ireland

The <u>Pharmaceutical Society of Northern Ireland</u> (PSNI) is the regulatory and professional body for pharmacists in Northern Ireland.

The current annual retention fee is £372 which has been in place since June 2009 when the last fees increase was introduced.

In September 2014, the PSNI ran a consultation on retention fees for 2015 to 2017. The consultation proposed a fee increase to £395 for 2015/16, £405 for 2016/17 and £415 for 2017/18. The consultation reported that the proposed fees are below what the fees would be if they were directly uplifted in line with inflation.<sup>37</sup> The PSNI said that it was proposing increased fees due to their increased costs as a result of factors including increasing workload and increased Fitness to Practice and Governance expenditure.

The consultation also highlighted the proposed PSA fee as a future factor that would impact on cost and stated that:

Should this levy be introduced in the future, it is proposed that the actual cost per registrant would be directly added to both the registration and the retention fees from the date of introduction.<sup>38</sup>

<sup>&</sup>lt;sup>34</sup> General Pharmaceutical Council, <u>GPhC council approves increases to fees</u>, 11 June 2015

<sup>&</sup>lt;sup>35</sup> General Pharmaceutical Council, <u>GPhC response to the Professional Standards</u> <u>Authority for Health and Social Care, Draft Fee Regulations consultation</u>, page 1

<sup>&</sup>lt;sup>36</sup> General Pharmaceutical Council, <u>GPhC response to the Professional Standards</u> <u>Authority for Health and Social Care, Draft Fee Regulations consultation</u>, page 2

Pharmaceutical Society of Northern Ireland, <u>Consultation on fees 2015-2017</u>, September – December 2014, page 9

<sup>&</sup>lt;sup>38</sup> Pharmaceutical Society of Northern Ireland, <u>Consultation on fees 2015-2017</u>, September – December 2014, page 14

In the PSNI's response to the Department of Health consultation on the PSA fee, the PSNI said that apportioning the PSA fee between regulators based on their number of registrants was fair:

PSNI said that Method 1 [apportioning the PSA fee between regulators based on their number of registrants] was fair and proportionate. They said that the same principle applies for each of the RBs in relation to fitness to practise whereby all registrants pay an equal contribution to the registration or retention fee whether they themselves are involved in fitness to practise proceedings.<sup>39</sup>

<sup>&</sup>lt;sup>39</sup> Department of Health, <u>Professional Standards Authority for Health and Social Care -</u> <u>Draft Fees Regulations Consultation response</u>, February 2015, page 16

# 3. Reform of the regulatory bodies

In April 2014, the Law Commission published its proposals for major reform in a draft Bill and an accompanying report, <u>Regulation of Health</u> and <u>Social Care Professionals</u>. The Law Commission proposes a series of changes to ensure regulation becomes more effective and robust, and sets a new single framework for the regulation of all health and social care professionals.

Each professional regulator has a different statutory foundation and the Commission's report provides some background to the piecemeal development of professional regulation, which it says has led to a fragmented and inconsistent system:

Given the importance of health and social care professionals regulation, it is a matter of some concern that its UK legal framework is fragmented, inconsistent and poorly understood. The history of the legal framework can be traced back to the establishment of the General Medical Council in 1858. Since then it has grown piecemeal through numerous statutes and Orders in Council which have established and sometimes re-established regulatory bodies. Added to this structure is a vast array of orders, rules and regulations that have accumulated over the years. The resulting framework is neither systematic nor coherent and contains a wide range of inconsistencies and idiosyncrasies. Several examples of this can be seen in the area of fitness to practise. Some regulators have powers to establish systems of case management, while others do not. Some are able to screen allegations of impaired fitness to practise, while others must refer all complaints to an investigation committee. The test for referring a case to a fitness to practise panel and the powers to take action against practitioners whose fitness to practise is impaired also vary.

To improve consistency the Law Commission proposed that an overarching duty to protect the public should be established in a single statute for all the regulatory bodies and that all regulated professionals should be subject to a single test to assess their fitness to practise.

The Law Commission's report did not however recommend major changes to the charging of fees by the regulatory bodies.

The Government has committed to legislate on the Law Commission's proposals when Parliamentary time allows. In June 2015, Parliamentary under Secretary for Health, Ben Gummer, said:

This Government has been clear about its commitment to take forward the valuable recommendations made by the Law Commissions for reformed legislation on regulation of health and (in England) social care professionals. We remain committed to bringing forward legislation as soon as Parliamentary time allows. This will be a substantial Bill and it is important that Parliament has sufficient time to give it the consideration it requires.

Consideration is also being given to what legislative vehicle is appropriate to amend the Nursing and Midwifery Council's

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governing legislation to remove its current responsibility and accountability for statutory supervision of midwives in the United Kingdom. Our intention is to act as swiftly as possible to legislate.<sup>40</sup>

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