



Response

General Pharmaceutical Council (GPhC)

Fees Review

June 2021

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About the Company Chemists' Association (CCA)

Established in 1898, the CCA is the trade association for large pharmacy operators in England, Scotland and Wales. The CCA membership includes ASDA, Boots, LloydsPharmacy, Morrisons, Rowlands Pharmacy, Superdrug, Tesco, and Well, who between them own and operate around 6,000 pharmacies, which represents nearly half the market. CCA members deliver a broad range of healthcare and wellbeing services, from a variety of locations and settings, as well as dispensing almost 500 million NHS prescription items every year. The CCA represents the interests of its members and brings together their unique skills, knowledge and scale for the benefit of community pharmacy, the NHS, patients and the public.

Executive summary

The Company Chemists' Association welcomes this consultation on the fees structure with a view to moving to a projected multi-fee cycle. It is noted that this proposal also forms part of the current Department of Health and Social Care (DHSC) consultation on regulatory reform. Furthermore, this consultation follows a period of significant change for regulators where the pandemic forced more agile and remote ways of working. A point not covered in this consultation, but which we are keen to see, is a breakdown of cost savings and whether they will be passed onto registrants. We believe that it is part of good governance for a regulator to forecast overheads and have reserves for unexpected situations. Furthermore, there are significant expected changes to both the profession (move to more clinical tasks for both pharmacists and pharmacy technicians) and the regulator (introduction of case examiners and streamlined processes) that need to be accounted for. Therefore, we expect all these factors to be built into cost projections and look forward to seeing detail about how the GPhC plan to measure fees going forward.

Response

Consultation questions

Q1 Do you agree or disagree with our reasons for keeping the current flat-fee structure for pharmacists and pharmacy technicians?

Neither agree nor disagree.

Q2 If you disagree, please select which group(s) you think should have differential fees, out of the following: people working part-time on low incomes, on parental leave, newly qualified registrants, or other groups.

We agree that there would be an initial cost associated with setting up differential fees. However, the claim that it would drive up the cost of regulation is not substantiated by evidence in the consultation document.

We suggest that the regulator looks to the spend on fitness to practise if it is seeking to drive down the cost of regulation which has been steadily creeping up. There is an ongoing consultation on regulatory reform which should address some of the costly bureaucracy in regulation.

We note that other regulators (e.g., GMC) charge less registration fees to doctors earning under a certain threshold.

We have considered whether this approach would be appropriate for community pharmacy and note three main concerns:

1. Multiple pharmacy operators often pay the fees for their members, and therefore would be responsible for providing accurate information about that registrants' income which could have an administrative burden and issues with liabilities.
2. While we agree that some groups would benefit from differential fees due to circumstances that are protected by the Equalities Act e.g., people pregnant and on maternity leave, we think that it would be difficult not to extend differential fees to people with other protected characteristics and would become unfair or untenable.
3. A welcome approach that GPhC could adopt to support people on lower incomes is to have a stable and relative increase in fees. Where regulation costs exceed projections, regulators should look to reducing their overheads as opposed to increasing fees. This would demonstrate good governance and appropriate spend of registrants' fees.

Q3 Please tell us your views on our proposal to keep a flat-fee structure.

We agree with the adoption of multi-year fee cycles as this will help with forward financial planning. As mentioned above, it is not just the regulator and the registrant who will be impacted by this change. Multiple pharmacy operators employing pharmacists and pharmacy technicians often pay fees on behalf of the registrant. We agree that a reduction in unnecessary consultations is a desirable output as it would release resource for both the regulator and respondents.

However, we would not see the consultation process as being unnecessary if the GPhC recoups costs that it has not forecast for, in an 'emergency situation' as indicated in this consultation.

As part of good governance, the GPhC should have reserves that it can fall back on if such an emergency arises.

Furthermore, we would query what constitutes an 'emergency' and recommend that a consultation with a four-week deadline should be issued if an 'emergency' did arise.

Q4 Do you agree or disagree with our reasons for introducing multi-year fees cycles for individual registrants?

Agree.

Q5 Do you have any comments about this proposal?

We support the introduction of multi-fee cycles. We do, however, have a number of questions and would value any additional detail regarding the following points:

- What is the anticipated cost saving by removing the need for annual fees consultations and moving to a multi-year fees cycle and will any savings be passed onto the registrants?
- Does the removal of the annual fees consultations represent a significant saving, given the requirement to consult on other proposals?
- The consultation references empowering the GPhC to make 'exceptional' fee changes during a multi-year cycle should an emergency situation which could not have been foreseen arise. Has the registrant's ability to pay these additional 'unplanned' costs been considered and can more detail be provided on the definition of 'emergency situation'?
- Under a multi-year fees cycle, projected costs of regulation for pharmacists and pharmacy technicians would determine a fixed fee structure. With the current pace of change within the profession, such as the move for the IP qualification to be built into the registration process and the evolving role of the technician how can these costs be accurately projected? What happens if there is a shortfall / surplus at the end of the cycle – will the additional costs or savings be passed onto registrants in the next cycle?
- The consultation states that a multi-year fees cycle enables the GPhC to react to any deviations from projected financial position gradually over the following-year cycle. We are concerned that this could result in a much greater increase in the next multi-year fees cycle. Does the ability to change fees the following year as per current process not enable a swifter and fairer response to unforeseen additional costs?

Q6 Do you think we should explore whether we should charge for accrediting and reaccrediting, and for recognising and re-recognising, all courses, 'at cost'?

Yes, in principle.

Q7 Please give the reason(s) for your response to the question above.

We agree that the regulator should be able to access revenue streams for services it provides, and this may include re-accreditation. It will be important that such measures do not cause the training providers to stagnate and that customers are still able to access a competitive market and training which is vital to the safe and effective running of the pharmacy.

We anticipate that, in practice, costs may be transferred to the registrant and may deter pharmacists and pharmacy technicians from undertaking necessary training.

Equality and impact questions

We want to understand whether our proposals may have a positive or negative impact on any individuals or groups sharing any of the protected characteristics in the Equality Act 2010.

The protected characteristics are:

- age
- disability
- gender reassignment
- marriage and civil partnership
- pregnancy and maternity
- race/ethnicity
- religion or belief
- sex
- sexual orientation

Q8 Do you think our proposals will have a positive or negative impact on individuals or groups who share any of the protected characteristics?

We also want to know if our proposals will have an impact on other individuals or groups (not related to protected characteristics) – specifically, patients and the public, pharmacy owners, pharmacy staff or education and training providers.

Q9 Do you think our proposals will have a positive or negative impact on any of the following groups?

- **Patients and the public**
- **Pharmacy owners**
- **Pharmacy staff**
- **Education and training providers**

These proposals could have a negative impact on all of these groups.

Q10 Please give comments explaining your answers to the two impact questions above. Please describe the individuals or groups concerned and the impact you think our proposals would have.

- **Patients and the public** – Public need reassurances that profession is adequately regulated – potential negative impact if a multi-year fees cycle is introduced and does not provide sufficient funds. Regulator activity could be compromised resulting in delays in FtP process, registration and accreditation of qualifications and training providers.
- **Pharmacy owners** – Potential negative impact with increased bureaucracy if differential fee scale introduced. In addition, any additional costs incurred from education and training providers through charges for course such as accreditation and re-accreditation will be passed onto the employer. Potential positive impact for those employers who pay registrant GPhC fees if a differential fees cycle introduced – although any reduction in registration fee costs could be lost due to increased bureaucracy and due diligence checks and an increase for full-time staff

- **Pharmacy staff** – For some registrants the introduction of a differential fees cycle would be a financial saving for others an increased cost. There could be a risk that if employers have to pay increased costs to enrol staff on training courses (due to increased costs to the course provider from GPhC accreditation and reaccreditation charges) colleagues do not receive appropriate training to work in a pharmacy or they are not enrolled within their first 12 weeks
- **Education and training providers** – Potential negative impact as increased costs due to GPhC accreditation and reaccreditation will most likely be passed onto the employer / student