

GPhC Fee review: how we set our fees March 2021

Submitted on the 2nd of June 2021 by Jonathan Lloyd Jones, Policy and Engagement lead, Royal Pharmaceutical Society Wales, on behalf of the Royal Pharmaceutical Society.

The Royal Pharmaceutical Society (RPS) is the professional leadership body for pharmacists in Great Britain.

The Royal Pharmaceutical Society (RPS) is pleased to have the opportunity to respond to this consultation. As the professional leadership body, we represent pharmacists across Great Britain and listen to the views and concerns of our membership. This consultation response reflects those views.

Part 1: Differential fees We are proposing to retain a flat-fee structure, rather than introduce differential fees, for registered pharmacy professionals.

This means that all pharmacists will pay the same fee as each other, and all pharmacy technicians will pay the same fee as each other. In sections 1.1 to 1.31 (above), we explored differential fees for people working part-time, on low incomes, or on parental leave, and for newly qualified registrants.

We realise that differential fees would have benefits for some registrants, but our view is that these are outweighed by the costs that differential fees would have for most registrants. Our analysis found that setting differential fees would need significant extra time and resources to implement. This would drive up the costs of regulation, and increase fees for most registrants.

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

Agree

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

We strongly support the need for effective regulation. Regulation is essential to safeguard and ensure that the quality and safety of care that people are entitled to receive from pharmacy professionals and within pharmacy settings is met. It is also crucial as a means to ensure that pharmacy professionals are working in safe and supportive working environments.

The RPS supports the exploration of changes to the fees. In our response to the [GPhC premises fees consultation](#) we laid out some advantages and disadvantages of flexible fees, longer term fees, and charging directly for additional regulatory activities. We are pleased to see these being considered and consulted upon.

We would expect 3 key criteria to be met as part of any changes to the GPhC's fee structure:

1. The level of care that patients can expect within pharmacy premises are not negatively affected and that standards continue to be driven upwards.
2. The wellbeing of the profession is considered and not negatively affected.
3. Any increases are made in line with income, salaries, and inflation.

In page nine of the consultation, research carried out by the GPhC on the proposal to introduce differential fees for Individual is cited. This research was discussed by the GPhC Council that provisionally came to the view that – on balance and in the interest of fairness – it was best to keep the present flat-fee structure for individual registrants. It would be helpful if this research was shared and published.

The main barriers identified in the consultation are:

- Complexity
- Increase in fees for others
- Cost of auditing

The current fee structure is based on the cost of regulation for each group and not on the income or other circumstances of individual registrants. We agree with the principle that each registrant group pays for the costs of regulating that group.

However, there are other general costs of regulating that cannot be directly/solely attributed to one group of individuals, premises, or organisations. These costs include the likes of rental and maintenance costs of offices, Council and committee operating costs and employee costs. It is perceived amongst many of our members that too greater proportion of GPhC income from fees is allocated towards activity that is not directly supporting the regulation of those individuals paying those fees and we would welcome seeing a review on how fee income is apportioned across the whole GPhC operation.

Introducing differential fees has the potential to be confusing, costly and difficult to introduce and administer. However, there are opportunities to learn how this is being done by other regulators such as the GMC who give reductions for doctors on low incomes, and doctors in their foundation years. At the [RPS we offer](#) reduced fees for members not working, on maternity leave and for members with a long-term illness. We also offer reduced fees for the first and second year after qualification.

We understand that reducing fees for one or more of the groups could mean an increase in fees for others, as the total cost of regulation needs to be covered, notwithstanding the earlier point on apportionment. This could be perceived as being unfair to people not eligible for differential fees, but further modelling is required to see how much of an increase in fees it would have on the wider group of registrants.

It would take extra time and resources if differential fees were introduced but could this be offset by other measures? The consultation sights the Royal Pharmaceutical Society of Great Britain low-income fee scheme with 50% of the claims that were checked not being genuine. The GMC charge a £92 Scrutiny fee for any application made to them to go on the register which cannot proceed. Could the GPhC explore a scrutiny fee for applications for differential fees: this could be refunded once the application is checked and act as a penalty if the claim is found to be incorrect. This would cover the additional costs of auditing applications and deter fraudulent claims.

The reasons provided in the consultation are rational and provide a case for keeping a flat-fee structure. However, there are lessons to be learnt from other regulators such as the GMC, GOC and the HCPC who offer differential fees. We would encourage that the research and modelling underpinning this consultation, and cited on page nine, be made public so that we can understand the data to help us, and other respondents, make an informed response.

We believe that more needs to be done to explore how a tiered fee structure could work.

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.

Part time

Low incomes

Parental leave

Newly qualified

Other groups

We support the exploration of more flexible fee options. At the [RPS we offer](#) reduced fees for members not working, on Maternity leave and for members with a long-term illness. We also offer reduced fees for the first and second year after qualification.

We would also appreciate clarification that 'parental leave' is inclusive of adoption leave as this should be the case.

Part 2: Introducing a multi-year fees cycle

We are proposing to introduce multi-year fees cycles, rather than yearly fees cycles, for registered pharmacy professionals.

This means that fees for pharmacists and pharmacy technicians would be set for a number of years rather than being reviewed every year. We explained our reasons for this proposal in sections 2.1 to 2.12 (above). We think that multi-year fees cycles will:

- allow for better forward financial planning for both us and registrants
- reduce the number of consultations we run
- reduce costs and the pressure caused by carrying out and responding to a consultation exercise
- allow us to smooth out any increases over a longer period of time

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

Agree

Do you have any comments about this proposal?

We agree with the principle of introducing multi-year fees cycles but more information is required about how these fees will be projected.

Setting fees for all registrant groups over a longer period would offer certainty and better forward financial planning for the GPhC, pharmacists and contractors. However, the GPhC would need to ensure that any proposed fee increases are proportionate with income, salary and inflation.

More information is needed on how and who would be responsible for projected costs of regulation for pharmacists and pharmacy technicians over these fixed periods. If projected costs were inaccurate and 'exceptional' fees were charged on a regular basis during a multi-year cycle the benefits of better forward planning is lost.

Part 3: Charging for accreditation and reaccreditation, and for recognition and re-recognition

At the moment, we only charge fees for some courses that we accredit and reaccredit, or recognise and re-recognise (see Appendix C). We are reviewing whether we should extend the charging of fees to include all courses 'at cost'. By this we mean we will charge training providers the amount it costs us to carry out the accreditation and reaccreditation, or recognition and re-recognition.

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

Yes

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

We agree that this should be explored. Part of this process should include a review of the accreditation process to ensure that it assures that standards are met but at the same time it is highly efficient and proportionate to ensure costs are affordable to training providers.

The fee structure for registrants is based on the cost of regulation for each group and not on the income or other circumstances of individual registrants. With the GPhC not currently charging for the services they provide for courses (e.g., accrediting, reaccrediting, recognising, and re-recognising), the cost of assessing these applications is met by the regulator. This cost is in turn passed on to registrants. It would be fairer for regulators to be able to charge for services undertaken on a cost recovery basis as these costs would likely be absorbed by those using the courses.

The role of pharmacy teams is evolving quickly and there is a great need for comprehensive and accessible post graduate education. The GPhC is currently only accredits prescribing courses at a post graduate level. If this changes, it is important that any charges can be absorbed by providers and charges do not become a barrier to offering this vital training for pharmacy teams.

We will be responding to the Department of Health consultation: [Regulating healthcare professionals, protecting the public](#) which is proposing a Governance and Operating Framework to introduce the power for regulators to charge for services undertaken on a cost-recovery basis. This includes being able to charge a fee in connection with all education and training approval decisions, both in the UK and overseas, and to charge a regular fee for monitoring ongoing approval.