

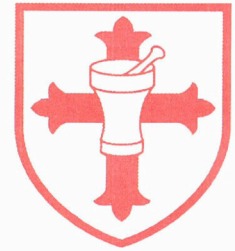


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**GHP**

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*Guild of  
Healthcare  
Pharmacists*



11<sup>th</sup> May 2011

Draft 2011 Fees Rules  
Consultation Response  
GPhC  
129 Lambeth Road  
London  
SE1 7BT

Dear Sirs

**Consultation on the General Pharmaceutical Council Annual Renewal Fees for Registrants for 2011-12**

**Response from the Guild of Healthcare Pharmacists**

Thank you for the opportunity to respond to this consultation. The Guild of Healthcare Pharmacists represents UK wide around 4,000 pharmacists including the majority of hospital pharmacists, pharmacists employed by Primary Care Trusts (PCTs) and pharmacists employed by other public bodies such as the Commission for Social Care Inspection and the Healthcare Commission. The Guild is part of the health sector of the union Unite.

**Question 1**

**Do you agree with these draft principles which will underpin current and future fees setting?**

Yes

Comments

We believe that the principle function of the GPhC is to protect, promote and maintain the health, safety and wellbeing of members of the public, particularly those members of the public who use or need the services of pharmacy professionals, or the services provided at a registered pharmacy or by a hospital

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pharmaceutical service. So while we agree with these draft principles we do not believe that they are being adhered to when setting the new fees.

Fees should be comparable to fees for other regulated professional groups only if the other regulated professional groups are similar to GPhC registrant group. The two groups must therefore have similar costs of regulation and similar relative risk factors etc. We recognise that the GPhC are committed to considering these factors, the new fees appear to be set based more on a perception of ability to pay.

We would support avoiding complexity to fee setting, although given the range of factors that need to be considered this is to some extent unavoidable and must not be prevent the fair setting of fees.

When setting fees, the draft principles state that the GPhC will ensure they consider external factors, including economic factors. Given the current financial climate in the NHS, particularly in the managed sector, it is not clear that this has occurred in setting the fees for 2012. While recognising that the GPhC must set fees at a level which enables it to carry out its statutory functions effectively, we believe that greater efforts need to be made to identify efficiencies in the GPhC regulatory operations.

## **Question 2**

**Do you have suggestions for other principles we should take into account, or any other comments on questions of principle?**

No

Comments

No additional comments.

## **Question 3**

**With the exception of pharmacy technician renewal fees, the GPhC has produced its proposed fees using an overall below-inflation increase of 4%. Do you agree with this approach?**

No

Comments

When setting fees using an overall below-inflation increase of 4% (with the exception of pharmacy technicians), we do not believe that the GPhC has given sufficient consideration external factors and in particular economic factors. We are particularly concerned that the current financial climate in the NHS, particularly in the managed sector, is having a large impact on the financial wellbeing of our members. Issues around job losses, cost of living pay award freezes for the next 2 years, reductions in payments for on-call are having negative effects on salaries, not helped by rising inflation. As a result we believe that the GPhC must consider the economic factors more closely when setting the fees for 2012.

While recognising that the GPhC must set fees at a level which enables it to carry out its statutory functions effectively, by applying an overall below-inflation increase of 4% (with the exception of pharmacy technicians), we do not believe that the GPhC has given sufficient consideration to identify efficiencies in the GPhC regulatory operations. At a time when the NHS is receiving real world cuts in funding and where annual efficiency savings in the order of 4% year on year, in the interests of transparency the GPhC should provide the detail behind any proposed efficiency savings it has made.

## **Question 4**

**Do you agree with the renewal fee of £272 we propose for pharmacists?**

No

#### Comments

We welcome the reduction for pharmacy technicians as and indication that the GPhC is considering ways of matching costs of regulation to fees paid, although there is little evidence in the consultation to directly support the proposed change. However with the proposed increase in the renewal fee they are proposing for pharmacists, we believe the GPhC should provide a categorical assurance that pharmacists are not still subsidising the cost of the registration and inspection of premises in any way. There must be a fair distribution of costs being reflected in fees set for different registrant groups in a way which considers a range of factors including costs of regulation and relative risk factors where known. We would hope that the fees imposed on individual registered pharmacists must not subsidise the fees associated with new requirement for the registration of pharmacy technicians or particularly premises as most of the inspection costs will relate to premises not individual practitioners. We remain concerned that the powerful commercial lobby of the multiples may sway this debate.

As described in our comments in Question 3, we are particularly concerned that the current financial climate in the NHS, the negative effects are felt hardest by the more junior grades in the managed sector who are facing reductions in the order of 10% of their salaries many of whom work in unregistered and therefore from a GPhC perspective un-inspected premises. As a result we believe that the GPhC must consider the economic factors more closely when setting the fees for pharmacist 2012.

#### **Question 5**

**Do you agree with the renewal fee of £120 we propose for pharmacy technicians?**

No

#### Comments

The aspect of fairness of the fees is based on an assumption that the costs of administering Pharmacy Technician registration is substantially less than that of a pharmacist and the fees are adjusted accordingly. The principles which underpin GPhC approach to setting fees for different registrant groups in a way which considers a range of factors including: costs of regulation; relative risk factors where known. There is at this point no evidence of this differential risk between regulation of pharmacy technicians and the regulation of pharmacists. As we stated in our response to the consultation on the draft 2011 fees rules, we accept that technician registration is a new concept which we support and we would expect this to be kept under review. However to avoid large fluctuations in fees, up or down, in future years, the GPhC should not reduce the pharmacy technicians by such a large amount until this risk can be quantified. Technician registration will only be mandatory from July 2011 and many pharmacy technicians are still in the process of registration, it would be incorrect to base any perceived risk until there is experience with all technicians being on the register. The current cohort of registered technicians could be a more motivated and carry less risk. Until the total risk of all registered pharmacy technicians is known it may be unwise to reduce the fees by such a large amount based on the current perception that risk is low.

#### **Question 6**

**Do you agree with the renewal fee of £226 we propose for pharmacy premises?**

No

#### Comments

The consultation on the Draft 2011 Fees Rules for the GPhC asked for views for the principle that the

premises fees we set should cover the costs associated with the regulation of pharmacy premises. We continue to agree with the principle. We believe the premises fees must cover the costs associated with the regulation of pharmacy premises otherwise individual registered pharmacists or pharmacy technicians would need to pay for this through higher renewal fees. We firmly believe in the fair distribution of costs being reflected in fees charged the fees imposed on individual registered pharmacists or pharmacy technicians must not subsidise the fees associated with registration of premises even if some of the regulation issues are attributable to individual registered pharmacists in their superintendent roles. The rationale for this is that we believe that most of the inspection costs will relate to premises not individual practitioners and that the premises fees set must fully cover the costs of regulating the premises. In the interests of transparency the GPhC should provide details on how the proposed small increase in premises fees is not as a result to registered pharmacists subsidising them.

#### **Question 7**

**Do you agree that the additional costs incurred by the GPhC for processing credit card payments should be borne by those using the service rather than across all registrants and pharmacy owners?**

Yes

Comments

Paying by credit card or debit card is a convenient and safe way of pay the registration fee particularly when making the payment online. While in general we do not approve of levy surcharges for making credit card or debit card payments, we would support that any additional costs that the GPhC are charged for these transaction are transferred to individual registrant, rather than being distributed across all fees. However the additional fee for using a credit card or debit card must reflect the charges incurred in processing the payments. We recognise that all banks charge retailers a “merchant fee” for processing payments by debit and credit cards ( and that credit card payments cost more to process than debit card payments) and that the GPhC will need to negotiate and possibly pay higher merchant fees due to the lower number of transactions processed in comparison to other merchants. Any extra security costs borne by the GPhC in processing online card transactions must also be attributed to the individual registrant, rather than being distributed across all fees.

#### **Question 8**

**Do you agree with our intention to charge differing fees for restoration of an entry or an annotation depending on the reason for the initial removal of the entry?**

Yes or No or Unsure

Comments

We agree with the GPhC’s intention to charge differing fees for restoration of an entry or an annotation depending on the reason for the initial removal of the entry. However, the draft principles which will underpin current and future fees setting state that the fees set must cover the costs of delivering the regulatory function. As a result if the fee set is greater than the regulatory function then this should be stated clearly in the interest of transparency.

#### **Question 9**

**Do you agree with our intention to charge an increased initial registration fee if the applicant was previously removed from the register following a decision by the RPSGB’s Statutory Committee or Disciplinary Committee?**

Yes

Comments

We agree with the GPhC's intention to charge an increased initial registration fee if the applicant had previously been removed from the register following a decision by the RPSGB's Statutory Committee or Disciplinary Committee. However, the draft principles which will underpin current and future fees setting state that the fees set must cover the costs of delivering the regulatory function. As a result if the fee set is greater than the regulatory function then this should be stated clearly in the interest of transparency.

#### **Question 10**

**Do you agree with our intention to amend our scrutiny fees in the circumstances described above?**

Yes

Comments

The principles which underpin GPhC approach to setting fees state that the fees the GPhC set must cover the costs of delivering the regulatory functions, as we support these principles, we would agree with GPhC intention to amend its scrutiny fees in the circumstances described in the consultation document.

#### **Question 11**

**Do you have any other comments you wish to make?**

We were disappointed that most of our comments on the previous consultation 'Consultation on the Draft 2011 Fees Rules for the General Pharmaceutical Council' were largely ignored. We hope that our views and comments on this consultation are considered more favourably.

In addition to the comments above we would like to make some additional comments on the direct debit payment method. We continue to believe that paying by quarterly direct debit is a useful payment option for pharmacy professionals, although we were very disappointed that the GPhC decided to charge the additional fee of £20 for administration costs. We do not see the additional as being reasonable, and it represents approximately 7% of the fee. Additionally we supported this approach as it offered an alternative approach for the low income solution, as all registrants could access this to spread payments over the year. As the GPhC do not charge an additional fee for making a payment using an annual direct debit we are unclear as to the rationale of such a fee for the quarterly direct debit. We would expect transparency to prevent further administration fees being imposed.

We hope these comments are of assistance

Our reply may be made freely available.

Yours faithfully

Barry Corbett  
Professional Secretary  
Guild of Healthcare Pharmacists

Graeme Richardson  
Chair of Practice  
Guild of Healthcare Pharmacists