

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

We welcome the opportunity to respond to this consultation and have answered the questions asked by the GPhC in its discussion paper as follows.

We are proposing to increase the registration and renewal fees for premises by £103, from £262 to £365. The increase is based on the difference between the present fee for premises and the cost of regulating pharmacy premises according to our cost allocation model.

Do you agree or disagree that the increase in fees for pharmacy premises should be the difference between the amount they now pay in fees (£262), and the amount they cost to regulate (£365)? *

- Agree
- Disagree
- Don't know

- **What is the reason for your answer?**

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

As the professional leadership body for pharmacists we strongly support the need for effective regulation. Regulation is essential to safeguard that the quality and safety of care that patients are entitled to receive within pharmacy settings is met. It is also crucial as means to ensure that pharmacy professionals are working in safe working environments. Safe working environments enable pharmacy professionals to maintain their own wellbeing at work and to be in the best possible mental state to support their patients. It is for these reasons that maintaining high standards of regulation is essential to pharmacy professionals, pharmacy contractors and the public.

The consultation details a shortfall between the cost of regulating premises and the fees received from contractors. Whilst recognising that an increase in fees will be a blow to contractors, we support the premise that this shortfall should be paid by the contractors not by individual pharmacists. It should be noted however, that the Ernest Young report suggests that a registration fee rise of £103 annually is unlikely to be a major driver of financial performance.

Furthermore, we do note that the 39% increase is significant and is not in line with previous increases or inflation. The consultation document notes that pharmacy premises shortfall is currently being covered using the GPhC reserves. No detail is given in the report on the duration of this, but it is stated that the GPhC has made a loss in four of the last five years. It is disappointing that a more stepwise approach was not adopted to increase premises fees. We do however recognise the financial need that now exists and that an increase is necessary.

Going forward we would strongly encourage that any changes in fees are carried out in a more strategic manner, avoiding the need for any large increases or decreases in fees as is proposed in this consultation.

We support the GPhC long-term financial strategy of looking at ways to reduce costs, become more efficient and to use GPhC reserves more effectively. The £5,185,820 spent on regulating premises is broken down into 4 categories in the report, a further detailed breakdown would be helpful for

further scrutiny. In order to reassure fee payers, we would expect further details on existing and planned efficiency saving and ways of working to reduce costs.

We are encouraged that there are no immediate plans to increase fees for pharmacy professionals but note that the GPhC expect there to be more increases in the future. Were such increases to take place we would expect a similar robust consultation process to consider the views of the profession

Over the next two years, as part of our long-term fees strategy, we will be exploring changes to our fees for all our registrant groups. This will include looking at:

- setting fees for all registrant groups over a longer period - for example, by linking to inflation over a three-year period or setting fees to increase each year by a certain, fixed percentage over a three-year period
- whether we could have more flexible fee options, including considering the cases for and against different fees for some registrants - for example, those on parental leave
- different fees for premises based on type, turnover or other size measures
- the possibility of charging directly for additional regulatory activities - for example, re-inspection

Do you think these are the right areas to look at in the future?

*

- Yes
- No
- Don't know

Please explain your answer and tell us about any other areas you think we should look at as part of our long-term fees strategy.

The RPS supports the exploration of changes to the fees. We believe that it is essential that a public consultation occurs once plans are firmer as details of proposals currently listed are unclear.

The Royal Pharmaceutical Society does not object in principle to changes to the GPHC's fees for all registrant groups. However, we would expect 3 key criteria to be met as part of any changes that could be made:

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 and salaries and inflation

To inform our view on each proposal we have considered the advantages and disadvantages.

Long term fees

Setting

fees for all registrant groups over a longer period would offer certainty to pharmacists and contractors but the GPhC would need to ensure that the rises reflect a similar increase in income.

Advantage	Disadvantage
The increase predictability would allow all registrant groups to prepare long term budgets.	Would these increases match an increase in income/salaries. How will this be calculated.
The increase in income for the GPhC would ensure effective regulation.	The increasing fees will put extra pressure on struggling contractors.

	A further consultation will be needed for proposed details and the impact of these.
	Increase for all registrant groups, where is the evidence that this needed?

Flexible options

We would support the exploration of more flexible fee options. The RPS offers flexible fees for members not working, on maternity leave or on long term sickness.

Advantage	Disadvantage
Advantage to members who would benefit from flexible fee options.	This would result in a decreased income for GPhC. Are there assurances that this would not be compensated for elsewhere
	Will there be timely adjustments when employment status changes i.e how much notice would need to be given to ensure that pharmacist would be on the register to work.
	Increased complexity of fees may increase GPhC costs
	Need more examples than just parental leave. Could there be a danger of creating different tiers of pharmacists?

Fees for different premises

We support in principle that pharmacies requiring increased GPhC investment/time should pay fees to reflect this. Ernest Young report suggests alternative models for premises related fees in the future such as prescription volumes or range of service offered. We support this recommendation in principle but more detail is required.

Advantage	Disadvantage
Those who benefit from more complex GPhC services/inspections and therefore increased GPhC costs should be the ones who pay for them.	Complexities such as services are often hard to measure and categorise fairly.
It is likely that pharmacies of a higher turnover would pay more. The fees are likely to have a smaller impact on pharmacies with a higher turnover.	Increased complexity of fees may increase GPhC costs
	Would the GPhC be able to adjust fees promptly in the event of a decrease/increase in prescription figures/services

Additional regulatory fees

We support the principle of charging directly for additional regulatory activities such as re inspections. We believe that this is likely to support higher standards during the initial inspection.

Advantage	Disadvantage
Likely to drive standards to avoid re-inspection costs	Increased costs on premises being re-inspected.

The re-inspection costs would cover increase costs incurred by the GPhC directly.	Could increase pressure on pharmacists having a GPhC inspection and distract from patient care.
Easier to regulate as cost could be retrieved on re inspection.	Increased pressure put on inspectors to avoid financial penalty.