

Annual report

Annual fitness to practise report

Annual accounts

2022/23

Annual report

Annual fitness to practise report

Annual accounts

2022/23

Annual report and annual fitness to practise report presented to Parliament and the Scottish Parliament pursuant to Paragraph 8 of Schedule 1 to the Pharmacy Order 2010

Annual accounts presented to Parliament and the Scottish Parliament pursuant to Paragraph 7 of Schedule 1 to the Pharmacy Order 2010



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Our year at a glance

Our work to help ensure safe and effective pharmacy care at the heart of healthier communities, in numbers

The register as at 31 March 2023



3,159 pharmacists and **2,809** pharmacy
technicians on our **temporary register**



878 routine
pharmacy 
inspections and over
221 assurance calls
106 assurance visits

147
action plans
agreed with
pharmacies



17 enforcement
notices
served against
pharmacies -
2 improvement
notices, **15** conditions



Over **6.9 million**
visits to our website including
8,672 visits to our
knowledge hub



4,178
concerns raised
about pharmacy
professionals



Took part in
74
engagement
events



2 public
consultations
and **1** public poll
with over **470**
responses received



Responded to
32,570 calls
and **20,228**
emails from registrants
and the public





Foreword

from our chair, Gisela Abbam, and our chief executive, Duncan Rudkin

The past few years have been challenging for everyone working in pharmacy, and in health and social care generally. Pharmacies experienced high and sustained demands and pressures during another busy winter. In our joint communication with the Pharmaceutical Society of Northern Ireland (PSNI) and Chief Pharmaceutical Officers, issued in December 2022, we recognised the vital role of pharmacy professionals and teams in supporting the NHS and social care services. We know their contribution made a major difference to the communities they serve.

During these challenging times we kept our regulatory processes under review to make sure we supported pharmacies to provide safe and effective care. We lengthened the timeframe of our sample of routine inspections so that we spread these out over a longer period. We also made adjustments to give pharmacies more flexibility in responding to our inspection reports, so they could prioritise safe and effective service delivery.

Strengthening pharmacy governance

This year saw the introduction of new legislative orders that will give us powers to set professional standards for Responsible Pharmacists, Superintendent Pharmacists and Chief Pharmacists. The Pharmacy (Preparation and Dispensing Errors – Hospital and Other Pharmacy Services) Order 2022 and the Pharmacy (Responsible Pharmacists,

Superintendent Pharmacists etc.) Order 2022 came into force in December 2022.

These orders will allow us to carry out important work to strengthen pharmacy governance. We have begun a programme to work with patients and the public, health professionals, the NHS, and the wider health sector to discuss the requirements and expectations around the roles affected.

After the programme is finished, we will draft rules and professional standards for these roles and begin full public consultations.

Delivering our strategic aims

Following the publication of our strategy and action plan, **Delivering equality, improving diversity and fostering inclusion: our strategy for change**, this year we developed, consulted on and have now published new **equality guidance for pharmacies**.

The equality guidance will support pharmacy owners in meeting their legal and regulatory duties in relation to equality - which includes guiding on them on approaches to help make sure that no one is unlawfully discriminated against, including staff and patients. This guidance will give pharmacy teams the knowledge and confidence to help tackle discrimination, as well as providing practical advice that can be applied in everyday work.

Looking ahead

As we begin the fourth year of our five-year strategic plan, we know the sector will continue to evolve with the challenges and changes ahead. These include:

- the growth of online pharmacies and services, making sure people can access medicine safely online
- pharmacy professionals and pharmacies playing a much greater role in providing clinical care and supplying a wider range of clinical services, including independent prescribing
- the effects of new technologies and advances in science on medicines and clinical care
- patients and the public having high expectations of evolving 'person-centred' care

We expect there to be further integration of health and social care. This is likely to see pharmacists and pharmacy technicians working in a wider variety of settings as part of multi-professional clinical teams.

We will also continue to develop and implement our new ways of working, and to put in place improved structures, systems and processes. This will help us to work flexibly and to successfully achieve our aims.

We have started a listening exercise to enable us to understand what other areas of regulatory standards and support is needed by the profession. We expect this to inform our priorities for 2024.



Gisela Abbam
Chair



Duncan Rudkin
Chief Executive



About us

Who we are

We regulate pharmacists, pharmacy technicians and pharmacies in Great Britain.

We work to assure and improve standards of care for people using pharmacy services.

What we do

Our role is to protect the public and give them assurance that they will receive safe and effective care when using pharmacy services.

We set standards for pharmacy professionals and pharmacies to enter and remain on our register.

We ask pharmacy professionals and pharmacies for evidence that they are continuing to meet our standards, and this includes inspecting pharmacies.

We act to protect the public and to uphold public confidence in pharmacy if there are concerns about a pharmacy professional or pharmacy on our register.

Through our work we help to promote professionalism, support continuous improvement and assure the quality and safety of pharmacy.

Changes to...

Our Council

There have been no changes to our council members during this year. This has been the first full year in office for our Chair, Gisela Abbam, who started her term on 13 March 2022. You can find out more about our Council in the *How we govern ourselves* section.

Our staff

In 2022 we created a new Associate Director post. David Hajduk (previously Head of IT) became Associate Director – Technology. You can find out more about our senior leadership group in the *Chief executive and registrar and directors* section.

The register

The register as at 31 March 2023



All members of the public can check whether a pharmacist, pharmacy technician or pharmacy is registered in Great Britain, by looking at the register on our website. You can also see any decisions we have made about whether pharmacy professionals are safe to practise pharmacy, and which pharmacists are also 'supplementary prescribers' or 'independent prescribers'.

To be able to practise in Great Britain, pharmacists and pharmacy technicians must satisfy us that they meet the standards for pharmacy professionals. Only then can they join the register. Similarly, anyone wanting to register a pharmacy or renew that registration must also meet our standards.

When a pharmacist or pharmacy technician renews their registration with us each year, they must make a declaration confirming that they meet all our standards.

Anyone who is not registered with us, but practises as a pharmacist or pharmacy technician, is breaking the law and can be

prosecuted. You can search the online register for details of pharmacists, pharmacy technicians and pharmacies.

Temporary registration

Since April 2020, we have kept a 'temporary register' after the Secretary of State for Health and Social Care asked us to use our emergency powers to register pharmacy professionals quickly to help with the national response to the COVID-19 emergency. In September 2022, the Secretary of State for Health and Social Care asked us and other health professional regulators to keep our temporary registers for a further two years.

As at 31 March 2023, a total of 3,159 pharmacists and 2,809 pharmacy technicians were temporarily registered with us.

Fees for registration

We have made no changes to fees during this period.



Our work in 2022/23

1 Responding to winter pressures

We recognised that the impact of another challenging year on pharmacy teams had been significant both personally and professionally. We supported pharmacy professionals by issuing a joint communication to them from the UK Chief Pharmaceutical Officers and the Chief Executives of the GPhC and the Pharmaceutical Society of Northern Ireland (PSNI). This thanked pharmacy teams, gave them reassurance about meeting the standards in challenging circumstances, and responded to concerns about abuse aimed at pharmacy teams.

2 Education and training for pharmacy professionals

We have made significant changes to pharmacy education and training this year. This included:

- making progress on accrediting and reaccrediting MPharm courses to the new standards for the education and training of pharmacists
- introducing new standards for independent prescribing courses, and
- beginning work to assess the impact of the standards for the education and training of pharmacy technicians, introduced in 2017.

3 Progress on standards and guidance

Our standards team have carried out a wide variety of work during 2022/23. This has ranged from strengthening pharmacy governance to updating the guidance for registered pharmacies on providing pharmacy services at a distance, including on the internet.

4 Taking a proportionate approach to inspections

We kept our regulatory processes under review during the sustained demands of the winter of 2022/23. This included implementing changes in our approach to inspections over a longer period. This was to make sure we supported pharmacies during these challenging times to provide safe and effective care to patients.

5 Delivering equality, improving diversity and fostering inclusion

This report sets out our key highlights and activities from the first full year of our EDI strategy

6 Improving the way we work

We have made progress in a number of areas under the five strategic aims set out in our Strategic Plan 2020-25, to help us achieve our ten-year vision of safe and effective pharmacy care at the heart of healthier communities.

Responding to winter pressures

Pharmacy teams and people working in health and social care have had another challenging year. We know that during the COVID-19 pandemic, pharmacy professionals played a vital role in caring for patients and the public. This dedication and service continued into the busy winter months of 2022/23.

Adding to the high and sustained demands of the season there were also exceptional challenges such as Group A streptococcus infections. These put added pressure on healthcare teams.

That's why we issued a joint communication to pharmacy professionals from the UK Chief Pharmaceutical Officers and the Chief Executives of the GPhC and the PSNI. This thanked everyone working in pharmacy and in health and social care for their hard work, and for providing the best possible care for people who needed it.

We recognised that the contributions of individuals made a major difference for the communities we serve – whether they were providing direct care, supporting colleagues, or leading services and teams. We also expressed our gratitude for everyone's continued professionalism and hard work, and for their efforts to provide the best possible services to patients and the public.

Working together


We recognised that the impact on pharmacy teams both personally and professionally has been significant throughout these winter months. In some cases, there may have been difficult decisions to take while dealing with the pressures being faced.

We asked that people use their professional judgement to assess and lessen risk, and to deliver safe and effective care for patients. We also asked that people take into account the regulators' **standards for pharmacy professionals** and for **registered pharmacy premises** when making any decisions. These standards are designed to be adaptable and to provide a framework for decision-making to ensure safe and effective care in a wide range of situations.

We wanted to reassure people that, in the unlikely event that a pharmacy professional was referred to us, any concern would be considered in the context in which they were working at the time. We also made it clear that we expected employers, educational supervisors, professional bodies and national health and social care organisations to take any challenging situations into account.

Responding to concerns over abuse

We continued to hear worrying reports of pharmacy teams experiencing abuse and even violence from members of the public. In our joint communication to pharmacy professionals from the UK Chief Pharmaceutical Officers and the Chief Executives of the GPhC and the PSNI, we restated our position that any abuse of pharmacy staff is completely unacceptable and robust action should be taken quickly in response to any incidents, including contacting



the police. We asked pharmacy owners to consider whether there were any further steps they could take to reduce the risk of staff experiencing abuse or violence, and to support staff who may have experienced this. We continue to work closely with professional bodies and local and national health and social care organisations to consider what more we can all do to try to prevent abuse or violence.

We reminded everyone that they could get the latest **NHS Staff Respect toolkit** and assets for use in healthcare settings by going to the **Campaign Resource Centre**. The materials encourage patients to treat NHS staff with respect by 'social norming' this behaviour. The assets feature NHS staff working in NHS settings including general practice, pharmacy, and secondary care (hospitals) across England. They carry the message 'We are here to help you. Thank you for treating us with respect'. The assets are part of a package of measures designed to help and support NHS staff, which includes wellbeing resources and support for managing patients.

Supporting wellbeing

We know that the first concern of all pharmacy and health and social care professionals will be the care of their patients and the people using their services. But we asked that people take care of their own wellbeing, and the wellbeing of their colleagues, and to get support from an employer or find information on the relevant NHS website.

Education and training for pharmacy professionals

We have made significant changes to pharmacy education and training this year, as we work towards implementing the standards for the education and training of pharmacists, and begin work to evaluate the impact of our 2017 standards for pharmacy technician education and training.

The key changes are:

- implementing new initial education and training standards for pharmacists
- introducing accreditation for pharmacist foundation training, ahead of the introduction of independent prescribing in foundation training
- revising education and training standards for independent prescribing courses, including entry requirements
- starting a review of the initial education and training of pharmacy technicians
- starting a review of the routes to registration for international pharmacists and pharmacy technicians

Working towards full implementation of the new standards for the initial education and training of pharmacists

In 2021 we introduced new initial education and training standards for pharmacists. These put a

greater emphasis on clinical practice, interprofessional practice, multi-sector clinical experience and preparations for independent prescribing – while keeping the science base which is essential for all pharmacists.

Because the changes set out under the standards are significant, we are implementing parts of the standards year by year, with the aim of implementing them fully by the 2025/26 academic year.


This year we have made significant progress towards full implementation.

Reaccrediting current MPharm degrees

We have been reaccrediting MPharm degrees against the new education and training standards since 2021. Our aim is to reaccredit all existing MPharm degrees, as well as several new ones, to these standards by the end of the 2024/25 academic year. This year we have carried out 22 accreditations and reaccreditations of current MPharm degrees. There are two phases of the reaccreditation process. As at 31 March 2023, we have completed a total of 24 accreditations or reaccreditations, made up of 22 phase one and two phase two events.

You can **find out more about how we are reaccrediting MPharm degrees and the timetable**, and **see the reports on all present MPharm degrees** in the pharmacist education section of our website.

We are encouraged to see that schools of pharmacy are working with the relevant statutory education bodies (SEBs) to provide enhanced placement opportunities during the MPharm degree. These bodies are Health Education England, Health Education and



Improvement Wales and NHS Education Scotland.

Accrediting foundation training for pharmacists

The statutory education bodies (SEBs) now have oversight of foundation training - the fifth year of initial education and training for pharmacists. We have been preparing to accredit that training for the first time. We have developed a two-part process for the accreditation, and all SEBs have sent us their first-part submissions. The second-part accreditation events will take place in the next year. The submissions include plans for supporting trainees and designated supervisors, as well as assessment plans for the whole training year.

Revised standards and supporting guidance for independent prescribing

From 2026, when the new initial education and training standards are fully in force, newly registered pharmacists will be annotated as independent prescribers.

At the moment, registered pharmacists who want to become independent prescribers can complete an additional training course - this will still be possible after 2026.

This year, we have introduced new standards for the education and training of pharmacist independent prescribers, in line with the new initial education and training standards for pharmacists.

These revised independent prescribing standards came into force on 1 October 2022. They set out:

- the knowledge, skills and attributes that a pharmacist independent prescriber in training must demonstrate, and

- the requirements for organisations providing their education and training

The standards include a change to the entry requirements for independent prescribing training. We introduced this after carefully considering feedback from a public consultation. The new standards remove the requirement to have been working as a pharmacist for two years before applying for an independent prescribing course. Instead, pharmacists can begin a course when they have relevant clinical and patient-facing experience, without a time requirement.

After this change, we introduced new guidance for both course providers and applicants. The new guidance gives specific suggestions and examples of what is appropriate experience in a pharmacy setting.

Since 1 October 2022, we have been accrediting and reaccrediting independent prescribing courses to the revised standards. Any providers who want to implement the new entry requirements must be successfully accredited to these revised standards. As at 31 March 2023, we have reaccredited 18 providers.

Registration for internationally qualified pharmacy professionals

In 2022, we began reviewing the pathway for pharmacy professionals who qualified outside the UK to work in Great Britain.

Pharmacists who qualified in the European Economic Area can still have their qualifications automatically recognised and can practise in the UK. Pharmacists from other countries need to undertake a one-year Overseas Pharmacists' Assessment Programme run by universities, and one year of foundation training, before being

able to take our registration assessment. This is to make sure they meet the same patient-safety standards and are familiar with practice in the UK before being registered.

At the moment, overseas pharmacy technicians must take and pass the courses that GB pharmacy technicians must take to be eligible to register.

Our review aims to consider a range of options to help make sure that:

- registration requirements are proportionate, and
- people who do meet the necessary standard can register and begin work in the UK as soon as practicable

Pharmacy technician initial education and training

We have begun to review the standards for the initial education and training of pharmacy technicians (IETPT) which were introduced in 2017.

We want to understand:

- whether the standards are fit for purpose in current practice, and
- how, if at all, they have made a difference to the skills and performance of pharmacy technicians

We have commissioned outside research into the implementation and effects of the 2017 standards. The aim is to:

- give us a deeper understanding of how the standards have affected the experiences of pharmacy technicians, employers and providers, and

- find out how the role of pharmacy technicians, and the context in which they work, has changed in recent years

June 2022 registration assessment

We know how important the registration assessment is for candidates as they come to the end of five years of initial education and training. That is why it was regrettable that there were issues with our June 2022 registration assessment in a small number of centres, where some candidates experienced delays in starting their papers due to IT or other technical problems.

We apologised and acted quickly. We confirmed that a severe delay would automatically be accepted as grounds for appeal, and offered to refund the assessment fees in these cases. We also held a listening event to hear about candidates' experiences to make sure we could learn from them, and apply what we learned to future sittings.

We made key changes for the November registration assessment. These included having a GPhC or PSNI representative at each test centre, who made sure the venues were prepared the day before. We also held the assessments in test centres that were permanently set up with computer equipment already in place.

We worked closely with PSNI and our provider, Surpass, to make sure that everything went as smoothly as possible for the November assessment, and there were no reports of any significant delays or issues.



Progress on standards and guidance

Our standards team have carried out a wide variety of work during 2022/23. This has ranged from strengthening pharmacy governance to updating guidance for registered pharmacies providing pharmacy services at a distance, including on the internet.

GPhC standards and guidance provide a framework to make sure pharmacy professionals deliver patient-centred care which is safe and effective.

These regulatory standards work alongside professional standards as we explained in **our joint message with the Royal Pharmaceutical Society (RPS)** in June 2022. Although the GPhC and the RPS have different roles, they both work to create complementary frameworks which protect the health, safety, and wellbeing of the public by upholding standards and public trust in pharmacy.

Strengthening pharmacy governance

The Pharmacy (Preparation and Dispensing Errors – Hospital and Other Pharmacy Services) Order 2022 and the **Pharmacy (Responsible Pharmacists, Superintendent Pharmacists etc.) Order 2022** came into force in December 2022.

Following the introduction of the new legislative orders, we are working to strengthen pharmacy

governance, together with the Pharmaceutical Society of Northern Ireland (PSNI).

Now these orders are in force, we can use secondary legislation to outline the essential roles and responsibilities of Responsible Pharmacists (RPs). We can also set professional standards for Chief Pharmacists (CPs) and Superintendent Pharmacists (SPs), as well as for RPs. We expect the strengthening of governance around these critical roles to empower pharmacy professionals at a time of great challenge and opportunity for the professions.

We have started working with patients and the public, health professionals, the NHS, and the wider health sector to discuss the requirements and expectations around the roles of RPs, SPs and CPs.

We will analyse the feedback we get and use it to draft our proposals for the rules and professional standards. We will then put our proposals out for formal public consultations in the coming year.

Equality guidance for registered pharmacies

In December 2022, we published **new equality guidance for registered pharmacies** designed to help tackle discrimination and make sure everyone can access safe and effective person-centred care. The guidance aims to support pharmacy owners in understanding and meeting the **Standards for registered pharmacies** specifically in relation to making sure no one is unlawfully discriminated against, including staff and patients. The aim is to:

- give pharmacy teams the knowledge and confidence they need to help tackle discrimination, and

- provide practical advice that can be applied in everyday work

For more information on our EDI work, see the *Delivering our equality, diversity and inclusion strategy* section.

New standards for revalidation

From 1 October 2022, we reintroduced full revalidation requirements for pharmacists and pharmacy technicians. During the COVID-19 pandemic we reduced the requirements so that pharmacy professionals had to submit just one reflective account. Pharmacy professionals renewing their registration on or after 1 October 2022 now need to submit four CPD (continuing professional development) records (two of which must be planned events), one peer discussion record and one reflective account.

They should base their reflective account on one of a new selection of three standards, from the nine standards for pharmacy professionals:

- Standard one: Pharmacy professionals must provide person-centred care
- Standard two: Pharmacy professionals must work in partnership with others
- Standard five: Pharmacy professionals must use their professional judgement

We chose these standards because of their relevance during the pandemic, when many pharmacy professionals:

- adapted their approach based on the individual care and needs of patients
- worked more and more as part of multi-professional teams, and
- needed to use their professional judgement in particularly challenging circumstances

Duty of candour

We published new resources for pharmacists and pharmacy technicians on the duty of candour in June 2022. These highlighted the importance of openness when things go wrong.

The resources were: **Keeping patients safe – being open and honest** and **Pharmacy team toolkit – learning from incidents**. They brought together relevant existing policies and standards, and previous statements on the professional obligations of pharmacists and pharmacy technicians with respect to candour.

They emphasised that the duty of candour is not an ‘add on’. It’s a fundamental part of pharmacy professional practice. It is essential that professionals do the right thing for patients, their families, and carers, and saying ‘sorry’ meaningfully when things go wrong is vital for everyone involved.

The toolkit for pharmacy teams includes case studies and examples of notable practice. These show how pharmacy teams have learned from incidents, and used this knowledge to improve patient safety outcomes and minimise the risk of the problems happening again.

Roundtable on the duty of candour

The Chair of the GPhC, Gisela Abbam, hosted a ‘roundtable’ meeting on the duty of candour in June 2022. This was attended by the Chief Pharmaceutical Officers, other regulators, and organisations representing pharmacy professionals, employers, students, patients, and the public. The event provided useful feedback on the resources, and there were discussions around the need for a learning culture that can build trust and confidence in the pharmacy professions and help further improve patient safety.



Taking a proportionate approach to inspections

We kept our regulatory processes under review during the sustained demands of the winter of 2022/23, including the pace at which we implemented the changes in our approach to inspections. This was to make sure we supported pharmacies during these challenging times to provide safe and effective care to patients.

To ease the pressures on pharmacies, we lengthened the timeframe of our sample of routine inspections so that we spread these out over a longer period. This included moving any inspections of hospital pharmacies in the sample to later in the spring. We also made adjustments to allow more flexibility for pharmacies to respond to our inspection reports, so they could prioritise safe and effective service delivery.

A proportionate approach to inspections

From June 2022 we began to take a more proportionate, risk-based approach to routine inspections. This included inspecting a representative 'control sample' of pharmacies on the register.

We are inspecting a representative sample of 800 pharmacies of different types and ownership sizes across Great Britain over a 12-month period. These inspections are continuing into 2023.

This sample will act as a control, giving us a 'snapshot' of performance of registered pharmacies across Great Britain and within each country. What we learn from these inspections will help us plan our risk-based programmes of work and give us insights we can pass on to pharmacies and pharmacy professionals in general.

We will publish the reports from these inspections on our **[pharmacy inspections website](#)**.

We are also continuing to carry out other types of routine inspections. These include re-inspecting, after six months, pharmacies that have failed one or more standards, and our routine inspections of new pharmacies joining the register.

Online pharmacies

Patients and the public are using online pharmacy services more and more to get medicines and treatments. There can be benefits for patients of course, but there are also significant risks that need to be managed to protect patient safety.

Over the last year we have taken firm action to keep people safe in the area of online pharmacy.

We have taken enforcement action against more than 60 online pharmacies since March 2019 after identifying patient safety issues during inspections. We have also taken action to restrict the registration of individual pharmacy professionals working for these services after identifying concerns about their practice.

Common issues we found included:

- clinical services being delivered as a transactional supply function

- significant technology-enabled operating models not well understood by those working in them
- poor risk management and weak leadership/governance

We also **wrote to pharmacists and owners of pharmacies having the GPhC's voluntary internet pharmacy logo** in August 2022. We highlighted the concerns we were continuing to identify with some online pharmacies and online prescribing services. We included a reminder that all pharmacists, in any setting, must make sure they are meeting our **standards for pharmacy professionals** at all times, including if they work for an online pharmacy or prescribing service. Pharmacy owners (or the superintendent pharmacist for an online pharmacy) should also:

- make sure they create and maintain the right environment and framework to deliver safe and effective pharmacy services, and meet our **standards for registered pharmacies**, and
- follow our **guidance for registered pharmacies providing pharmacy services at a distance, including on the internet** at all times

Implementing the updated guidance for pharmacies providing services at a distance, including on the internet

The updated guidance on providing pharmacy services at a distance has been implemented during 2022/23. This included writing to pharmacy owners to ask them to review the updated guidance and make sure it is followed within their pharmacy.



Developing and delivering our equality, diversity, and inclusion strategy

We have now delivered the first full year of **our new EDI strategy**. This introduced a major change to the way we approach equality, diversity and inclusion at the GPhC.

The strategy sets out a clear intention to use all our regulatory powers and influence to:

- tackle discrimination
- support the reduction of health inequalities, and
- be more proactive on speaking out on these issues

This approach is supported by everyone at the GPhC, from our governing council to all our committees and staff.

EDI highlights 2022/23

Below are some of our key highlights and activities from year one of our EDI strategy. The activities come under our three strategic themes, covered in more detail in our standalone EDI report.

In 2022/23, we:

- developed new and comprehensive diversity data principles and guidance. These are designed to support consistency when collecting, handling and analysing data across the GPhC, and to follow best practice on language and classification
- published new diversity datasets for our registers (pharmacists and pharmacy

technicians), as well as specific diversity datasets for the three countries that we regulate

- launched **a discussion paper on our proposal to strengthen decision-making guidance** for fitness to practise (FtP) committees, to help eliminate any potential discrimination in the outcomes of hearings. This guidance makes it clear what we mean by discrimination, bullying and harassment, and how seriously we will take concerns of this nature
- introduced several FtP process changes. These were to help us identify any potential issues around discriminatory behaviour by the person raising the concern, and establish if a referral is being used as a retaliatory measure
- developed new operational guidance, *Dealing with concerns about antisemitism and Islamophobia: the use of working definitions and other resources in our investigations*
- consulted on and published **new equality guidance for registered pharmacies**. This was designed to help tackle discrimination and make sure everyone can access safe and effective person-centred care. We also carried out an extra public-panel survey, and developed a new report on the public's experience of pharmacy and any barriers to inclusive care
- published **new advice to help anyone with a disability, or a mental health or physical health issue** get the support they need, and to remove or lessen barriers they face when using our services. We also reminded all GPhC staff about our expectations on how they should support


people, and published top tips on how best to support people and listen to their needs

- developed a new guide and toolkit for our staff, to help us assess the impact of our policies. This includes how to take an ‘intersectional approach’ to impact assessment and how to use data and evidence effectively. Using an intersectional approach acknowledges that tackling disadvantage in one group may not successfully deal with discrimination experienced by other groups
- as part of our commitment to help reduce health inequalities, developed an article with PANORAMIC – a UK-wide clinical study at Oxford University. This looked at new antiviral treatments for COVID-19. The article focused on the important role that pharmacy can play in supporting greater recruitment of volunteers from underserved and diverse backgrounds
- published a new *Regulate* article on sodium valproate, highlighting patient safety risks for women and girls, along with advice to professionals on how to dispense safely
- held a ‘roundtable’ to bring together key stakeholders from across the pharmacy sector. We discussed:
 - how racism shows itself
 - how it affects pharmacists and pharmacy technicians, and
 - how this can have a resulting impact on patient care

We published a report on the roundtable with highlights from outside speakers and GPhC staff, as well as a summary of the

points raised by stakeholders during the discussion.

- continued to support the joint national Inclusive Pharmacy Practice Plan (IPP). This is a joint initiative with the Royal Pharmaceutical Society, the Association of Pharmacy Technicians UK, and a number of partner organisations
- to support the IPP work, developed and published a case study about what pharmacy teams are doing to reduce health inequalities and support healthy living initiatives in their local communities. This included actions targeted at the risk factors associated with cardiovascular disease
- **co-wrote an article with the LGBT Foundation.** This included materials to help individuals and teams to develop knowledge and confidence around LGBTQ+ inclusivity in pharmacy. The material also looked at how this links to our standards for pharmacy professionals in terms of providing person-centred care
- published an article on **gender identity: pharmaceutical care for children and young people.** In this we looked at the important issue of inclusive care for trans and non-binary patients. We specifically looked at gender-identity services for children and young people who are experiencing gender incongruence and dysphoria, and the role of pharmacy teams in this context
- produced internal EDI ‘legal insights’ reports. This was to improve our awareness and understanding of equalities and human rights issues happening outside the GPhC. It



also helped us identify any wider actions or learning points for the organisation

- delivered positive-action workshops and training events. These were to support the roll-out of the new positive-action guidance and strategic approach, previously approved by the Workforce Committee
- revised the pay award matrix so that junior staff (who are proportionately more diverse) are rewarded better.
- applied for external benchmarking and assessment with the mental health charity MIND, and achieved Silver Accreditation in the Workplace Wellbeing Index. We set up a staff working group, under the Employee Representative Group, to act on the MIND recommendations and develop and deliver a supporting action plan
- implemented our new EDI communications plan and published multiple blogs and insight pieces for all staff, to support our commitment to having an inclusive workplace. Council members have supported this work, including through sharing personal and lived experiences with our staff
- set up a new Inclusion Network and elected a new chair, with the network supporting a range of strategic and other EDI initiatives
- provided staff training sessions and learning events on a range of EDI topics
- introduced anonymised decision-making for new cases considered by the Investigating Committee. This involves removing the registrant's name and any reference to their ethnicity and nationality in the case papers considered by the committee. The aim is to

give increased confidence in the fairness of our decision-making

- agreed actions to make 'end-to-end' changes to how we recruit statutory committee members and support them afterwards. The aim is to create an environment where we can increase the diversity of statutory committees. EDI considerations are built into our statutory committee recruitment programmes for 2023 and 2024

Welsh language and our EDI work in Wales

We are waiting for our final compliance notice from the Welsh Language Commissioner. The standards in the notice will replace our present Welsh language scheme, and will set out what the GPhC and other regulatory bodies need to do to make sure the Welsh language is treated no less favourably than English.

Embracing the Welsh language standards shows our commitment to working across the three countries we regulate, and will help to strengthen our stakeholder relationships in Wales. It is an opportunity to become more inclusive for people using our services in Wales, who have the right to use the Welsh language in their everyday lives. We are also working on Welsh Language Awareness online training so that all staff understand the importance of the Welsh language.

This year we have met organisations to discuss the Welsh Government's race equality action plan and how our work can help deliver this.

Improving the way we work

Our *Strategic plan 2020-25* sets out our roadmap to achieving our ten-year vision of safe and effective pharmacy care at the heart of healthier communities.

Our work continues to be organised under five strategic aims to:

- deliver an adaptable standards framework that meets public and professional needs that are changing quickly
- deliver effective, consistent and fair regulation
- drive improvements in pharmacy care by modernising how we regulate education and training
- shift the balance towards more anticipatory, proportionate and tailored approaches to regulating pharmacy
- enhance our capabilities and infrastructure to deliver our vision

One of our key programmes of work is focused on developing new regulatory standards for the roles of Responsible Pharmacist, Chief Pharmacist and Superintendent Pharmacist. This follows the two new legislative orders which came into force in December 2022. We've started to engage with a wide range of stakeholders on how to strengthen pharmacy governance, with the aim of moving on to public consultation in the coming year.

As part of our EDI strategy, we're using our regulatory powers and influence to support and drive positive change in pharmacy. We are tackling discrimination and making sure

everyone can access person-centred care, promoting equality of health outcomes.

In May 2022, our Council agreed to a rule change, so that we can continue to hold fitness to practise hearings and meetings either remotely or in person. This change followed:


- positive feedback from people taking part in remote hearings during the pandemic, and
- our consultation, where 78% of those responding supported the proposal to continue to hold hearings remotely, when it is fair and appropriate to do so

In December 2022, we published guidance to set out how we decide whether a fitness to practise hearing is remote or in person.

We have also made progress in changing the way we manage concerns about pharmacy professionals during 2022/23, the second year of our managing concerns strategy. This includes:

- introducing a new approach to assessing concerns once they are raised with us, and
- changing our approach when we first receive a concern to make sure we take appropriate action when concerns are raised about discriminatory behaviour

We're committed to focusing more of our regulatory efforts on getting ahead of issues. We will use data, intelligence and insights to guide our work and decision-making so that we make the most impact. Our aim is for our responses to be based more on the issues we are dealing with, and their context, rather than the way we are structured. This approach includes reaching out to and working with others, and communicating more directly with the public as well as with pharmacy



professionals. We have a five-year communications and engagement strategy to help us with this.

New guidance

This year we published our strategy and action plan *Delivering equality, improving diversity and fostering inclusion: our strategy for change*. Following this, we have developed, consulted on and published new equality guidance for pharmacies.

The equality guidance will support pharmacy owners in meeting their legal and regulatory duties on equality, including making sure that no one is unlawfully discriminated against, including staff and patients. This guidance will give pharmacy teams the knowledge and confidence to help tackle discrimination, as well as providing practical advice they can apply in their everyday work.

We've also published guidance on how we assess concerns when we first receive them. The guidance sets out:

- our revised approach to assessing concerns at this stage, and
- how we decide whether we need to investigate a pharmacy professional's fitness to practise, or whether another action is more appropriate

The approach allows us to make more enquiries in the early stages of receiving a concern. It will make sure we are investigating only those concerns that need it, and that any others that can appropriately be resolved through other means are dealt with in a timely way. It also helps us take swift action on the most serious concerns and identify any risk to patient safety.

Working to meet the Standards of Good Regulation

The Professional Standards Authority for Health and Social Care (PSA) found that the GPhC met 15 out of 18 of its Standards of Good Regulation during 2021/22. (This covered the period 1 March 2021 to 30 June 2022.)

The report highlighted the GPhC's commitment to equality, diversity and inclusion (EDI) in our work as a regulator and an employer. It also recognised that work is continuing on education reforms.

We met all the standards across four PSA categories:

- General standards
- Guidance and Standards
- Education and Training
- Registration

Three out of the five standards within the fitness to practise (FtP) category were not met. We have been working hard to improve these areas during 2022/23, by carrying out a programme of work that has delivered considerable improvements to address the PSA concerns. Our planned improvement work against Standards 16 and 18 has been completed, and our focus in 2023 is on delivering the remaining planned activities against Standard 15. This includes finishing an end-to-end FtP process review, which is being carried out by an outside provider, and other complementary work aimed at reducing our caseloads and supporting our teams.

Our ways of working

To achieve our vision and to regulate efficiently, it's important we have the right foundations in place. This includes having the right people, and the right culture and ways of working. To be successful we will be supported by the right technology and be in a financially stable and sustainable position.

To achieve this, we have programmes of work focusing on:

- improving customers' experience of our services, making sure all our key services for pharmacist and pharmacy technician registrants are available online
- improving our systems, processes and infrastructure so that we can work effectively in delivering our vision
- establishing a sustainable and fair financial position, funded appropriately and fairly by the people we regulate
- making sure the move to our new office space runs smoothly

As part of our commitments in

Communications and engagement: our strategy 2022-27, we have set up:

- a patient and public forum
- a pharmacy student and trainee pharmacist forum, and
- a pre-registration trainee pharmacy technician forum

We have set up the forums so that we can listen to the experiences, needs and views of forum members. In this way we can identify and gather insights on issues that may affect patient safety or public protection. We will be

developing forums in the future for pharmacy technicians, pharmacists, and employers.

Future developments

We know the pharmacy sector will continue to evolve with the challenges and changes ahead. These include:

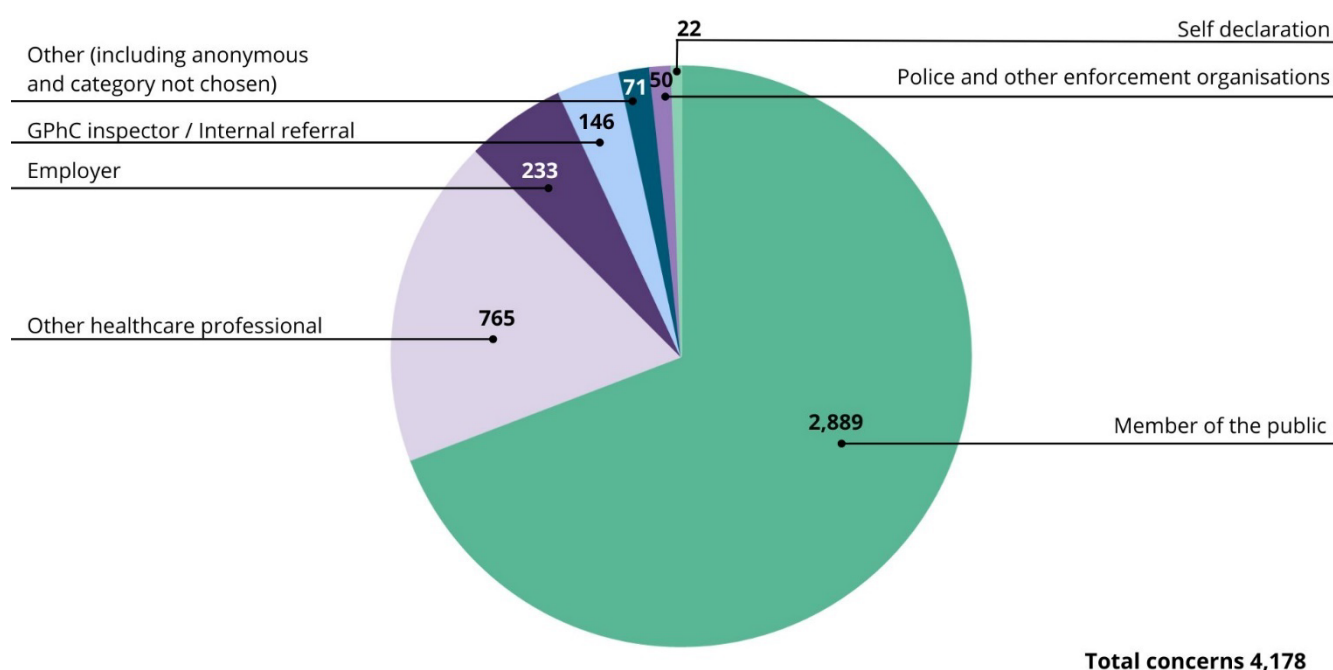
- the growth of online pharmacies and services, making sure people can access medicine safely online
- pharmacy professionals and pharmacies playing a much greater role in providing clinical care and providing a wider range of clinical services, including independent prescribing
- the effects of new technologies and advances in science on medicines and clinical care
- patients and the public having high expectations of evolving 'person-centred' care

We expect there to be more integration of health and social care. This is likely to see pharmacists and pharmacy technicians working in a wider variety of settings as part of multi-professional clinical teams.

We will also continue to develop and implement our new ways of working, and to put in place improved structures, systems and processes. This will help us to work flexibly and to successfully achieve our aims.

Annual fitness to practise report

How concerns came to us in 2022/23



Total concerns 4,178

What is 'fitness to practise'?

Fitness to practise is when someone has the skills, knowledge, character and health to do their job safely and effectively. A pharmacy professional may not be fit to practise for a number of reasons, for example if:

- their behaviour is putting patients at risk
- they are practising in an unsafe way, or
- their health may be affecting their ability to make safe judgements about their patients

Dealing effectively with fitness to practise concerns is at the heart of our commitment to protecting patients and the public, and maintaining public confidence in pharmacists and pharmacy technicians.

If you are concerned that a pharmacist or pharmacy technician registered with us is not fit to practise, you can **report your concern to us**.

You can find out more about **how we deal with fitness to practise concerns** on our website.

How we deal with concerns

A concern is information that we receive about an issue with a pharmacy professional or an issue with how a pharmacy is operating. When we receive a concern, we carry out an initial assessment. This is the first stage in how we manage the concerns we receive. It involves assessing concerns when we first receive them and deciding whether we need to investigate or if some other action is needed.

Many concerns are closed at this early stage because it is not within our powers to deal with them, or because we do not consider they are serious enough to call into question someone's fitness to practise. When this is the case, we can point the person raising the concern towards other organisations who may be able to help. This might include suggesting that they deal directly with the pharmacy itself. It sometimes includes telling the pharmacy professional about the concern raised and reminding them about the need to maintain proper professional standards in future.

If we decide to take a concern further, we will start an investigation. Following the investigation, we may decide to:

- take no further action
- send a letter to the professional that includes guidance about their future practice
- enter into a voluntary agreement with the professional to manage the concern
- recommend that the evidence is considered by an investigating committee, or
- with the most serious concerns, refer it directly to the fitness to practise committee

Only the most serious concerns are referred to the investigating committee or reach the fitness to practise committee. The investigating committee (IC), which meets in private, can decide to:

- take no action
- agree 'undertakings' with a professional (undertakings are promises by the professional on things they will or will not do in the future, and may include restrictions on their practice or behaviour, or a commitment to undergo supervision or retraining)
- send a letter of advice
- issue a warning, or
- refer the case to the fitness to practise committee for a hearing

The fitness to practise committee (FtPC) is a panel which operates independently of the GPhC, and is usually made up of three members. The FtPC, which usually holds hearings in public, decides if a pharmacy professional is fit to practise. If it finds that they are not fit to practise, it can:

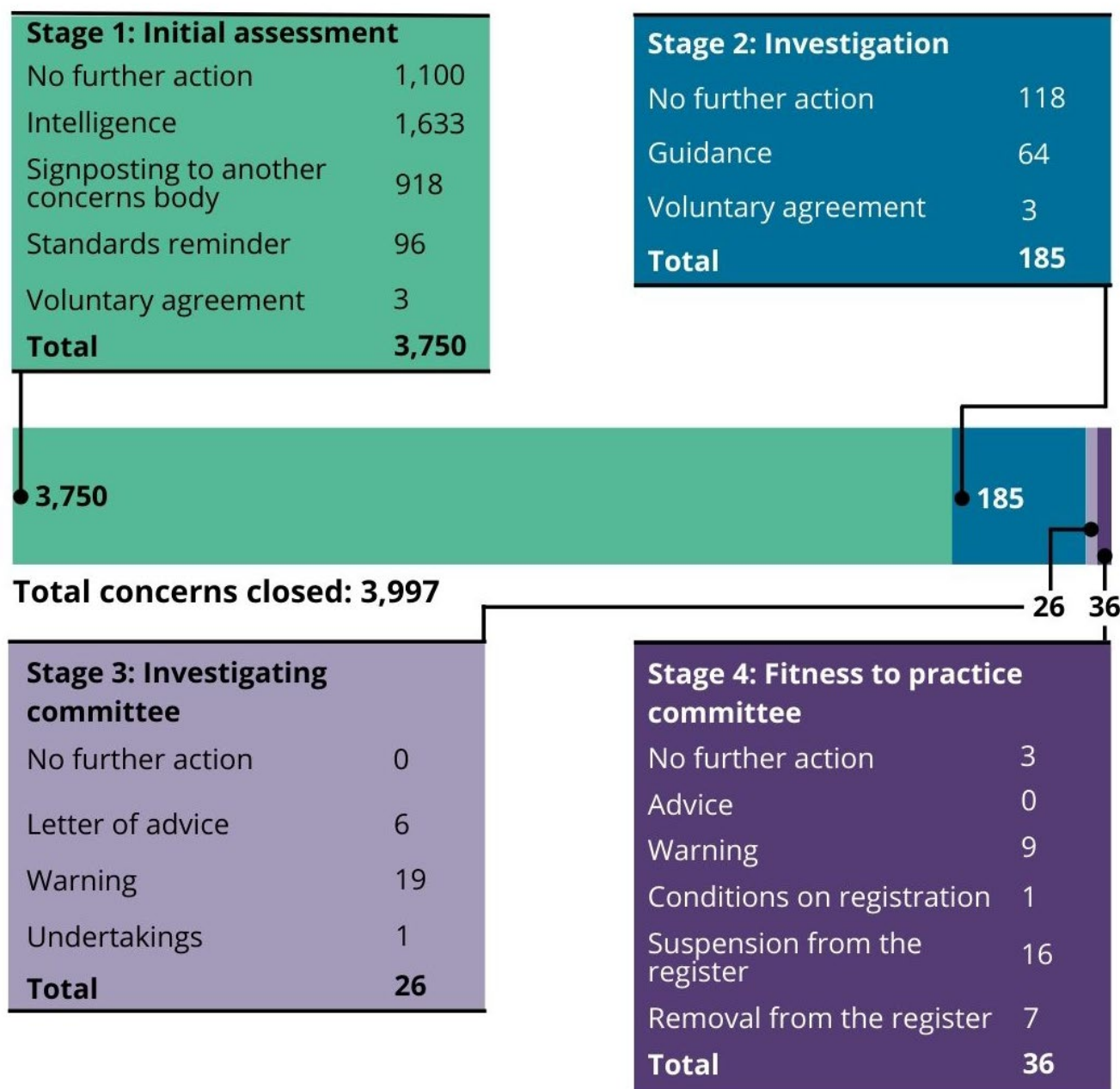
- issue a warning
- set conditions, or undertakings, that place restrictions for a period of up to three years on how the professional can practise
- suspend them from the register for a period of up to 12 months, or
- remove them from the register

Sometimes we receive a concern where a pharmacy professional's behaviour or practice presents a serious continuing risk to patient safety, or where they have a health condition

which means that they are a risk to themselves or the public. In these cases, we can apply to the fitness to practise committee for an 'interim order'. Interim orders allow for a pharmacy

professional's registration to be suspended, or made subject to conditions, while we carry out our investigation.

Outcomes of cases closed in 2022/23



Dealing with concerns in 2022/23

The number of concerns we received

This year the overall number of concerns raised with us was 34% higher than in the previous year. In 2022/23 we received 4,178 concerns, compared with 3,077 in 2021/22 and 2,984 in 2020/21. This significant increase can largely be accounted for by an increase in concerns received from members of the public. It reflects what we have seen in terms of increased pressures on pharmacies coupled with limited resources and staff shortages. There were also problems with the medicines supply chain. These problems have led to issues including unexpected pharmacy closures, as well as delays in patients receiving medication. These matters are often outside the control of a pharmacy, but they cause patients and the public understandable frustration and dissatisfaction. This then results in concerns being raised with us as the regulator, even if they do not amount to fitness to practise issues, or significant systems failures.

The source of concerns

Members of the public continued to raise most of the concerns we receive, around two thirds of total concerns in the past year. And that number is significantly up from last year. In 2022/23 we received 2,888 concerns from members of the public, up from 1,745 in 2021/22 - an increase of 1,127.

Concerns from police and other enforcement organisations have gone down slightly. Concerns from 'other' sources have seen a significant decrease and self-declarations have gone down by almost half. The number of


concerns from employers, other healthcare professionals, and inspector/internal referrals have all increased from 2021/22. The most notable increase in concerns was in those from employers.

Initial assessment outcomes

Overall, there were 3,750 concerns closed at this stage in 2022/2023 (89% of all concerns raised). This compares with 2,577 in 2021/22 (84% of all concerns raised) and 2,380 in 2020/21 (79% of all concerns raised). Although there has been a significant increase in the number of concerns closed at the initial assessment stage, the proportion of these compared to the total number of concerns raised is broadly consistent with previous years.

We have seen an increase across all the outcomes available at initial assessment. The number of concerns that we suggested another organisation could handle went up significantly: 918 in 2022/23 compared with 455 in 2021/22 - more than double. The concerns closed by way of sharing intelligence with inspection colleagues went up from 1,056 in 21/22 to 1,632 in 22/23. Inspectors use the intelligence to improve their knowledge of the pharmacies concerned and to help them make decisions about the nature and timing of future inspections.

We concluded 96 concerns with a reminder about the importance of upholding proper standards, more than double the 47 cases closed in 2021/22 and concluded three concerns with a voluntary agreement – a slight increase on the two from the 21/22 period. A total of 1,100 concerns were closed with no further action in 2022/23, a small increase on the 1,017 cases closed in 2021/22.



We will continue to analyse our data to look for trends and to understand the nature of the concerns we close early in the process. We will share this information more widely to help people wanting to raise a concern understand what we can and cannot deal with.

Investigation outcomes

We closed 185 cases following an investigation, a decrease on the 194 closed in 21/22. Following investigations we closed 64 cases with guidance, a decrease on the 77 cases closed with guidance in 21/22. We closed 118 cases with no further action during 22/23 - a similar number to the 113 closed with no further action in 21/22. We reached a voluntary agreement with three professionals in this reporting year, while in 21/22 we reached a voluntary agreement with four professionals.

Investigating committee and fitness to practise committee outcomes

The total number of concerns closed at an investigating committee went down from 34 in 2021/22 to 26 in 2022/23. The number of concerns where an investigating committee issued advice was six compared with five in the previous year. The number of warnings decreased from 28 in 2021/22 to 19 in 2022/23, a reversal of the trend highlighted in last year's report. There was one case in 2022/23 where the investigating committee issued undertakings, after there being none in 2021/22.

The total number of fitness to practise committee hearings went down from 40 in 2021/22 to 36 in 2022/23. There was one case where the fitness to practise committee issued conditions, compared with three in the previous

year. Three concerns were closed with no further action, a slight decrease on the four closures in 2021/22. The number of warnings increased from three in 2021/22 to nine in 2022/23. We have seen a decrease in the number of cases concluded by way of a suspension from 21 in 2021/22 to 16 in 2022/23, and a slight decrease in the number of concerns concluded by removal from the register from eight in 2021/22 to seven in 2022/23.

How do I find out about fitness to practise hearings?

Fitness to practise committee hearings are usually held in public at our Pharmacy Hearings Centre and members of the public are welcome to attend.

Some fitness to practise committee hearings are held in private if, for example, there are matters involving a registrant's health.

You can [find out about upcoming hearings](#), and about [decisions the fitness to practise committee has made](#) on our website.

Our reporting requirements

Under the Pharmacy Order 2010 there are certain items we report as part of demonstrating our accountability to parliament.

We have to publish annual reports and accounts, and provide them to the Privy Council Office for laying in the UK and Scottish Parliaments.

We have to publish:

- an annual report on how we have carried out our work, including the arrangements we have to make sure we follow good practice in relation to equality and diversity
- a statistical report which shows the efficiency and effectiveness of our arrangements to protect members of the public from registrants whose fitness to practise is impaired. The report includes a description of the arrangements and the Council's comments on the report
- annual accounts, in a form set by the Privy Council
- our external auditors' report on our accounts

This report is published to meet these requirements.

The Privy Council has issued an 'accounts determination', setting out what we must include when preparing our annual accounts. The accounts determination is in appendix 1 to our financial statements. Our accounts have been produced in line with this determination.

As a body funded by registrants' fees and independent of government, we are not

covered by the treasury guidance on managing public money. But we want to follow best practice, both in being transparent and in communicating with members of the public, who are our main stakeholders. We have therefore aimed to keep our reporting as clear and straightforward as possible, with the least amount of duplication.

We have provided a governance statement by the chief executive and registrar. This covers the systems we have to support the Council's strategy and objectives, while safeguarding the organisation's assets. The statement also includes the chief executive's review of the effectiveness of our systems of internal control.



How we govern ourselves

The Council is the GPhC's governing body and is appointed by the Privy Council. It sets the strategic direction and objectives for the organisation, in line with its statutory objectives. It monitors the organisation's performance, and that of the senior leadership group. It also safeguards the organisation's assets and makes sure its financial affairs are run properly.

The GPhC's council has 14 members: seven lay members and seven registrant members. There is at least one member who lives or works in each of England, Scotland and Wales.

This year was the first year in office of our new Chair, Gisela Abbam, who started her term on 14 March 2022.

Council members' pay and attendance

April 2022 to March 2023


This table records council members' attendance at regular formal meetings only. In 2022/23 we were able to hold in-person meetings again and moved to a mix of holding meetings in person and online.

This year we created a new committee – the Quality and Performance Assurance Committee – which first met in September 2022. Its role is to oversee and monitor the measurement and management of quality and performance across the range of the GPhC's activities, so the Council can carry out its oversight responsibilities. The committee is made up of six council members (who also sit on other committees) and is chaired by Rima Makarem.

Council members also took part in other meetings and events. This included working on assurance and short-life groups and working with our stakeholders by attending engagement events..

Table 1: Council members' pay and attendance April 2022 to March 2023

Name	Registrant or lay member	Pay ¹ £	Council meetings attended ²	Committee meetings held or attended
Gisela Abbam ²	Lay	60,000	9 out of 9	FPC*: 2 out of 4 ARC**: 1 meeting QPAC***: 2 meetings WfC****: 1 meeting
Aamer Safdar	Pharmacist	15,000	9 out of 9	ARC: 3 out of 4
Ann Jacklin	Pharmacist	15,000	8 out of 9	ARC: 3 out of 4 QPAC: 2 out of 3
Arun Midha ³	Lay	17,500	6 out of 9	WfC: 5 out of 5
Elizabeth Mailey ⁴	Pharmacist	17,500	5 out of 9	WfC: 5 out of 5 QPAC: 2 out of 3
Jayne Salt	Lay	15,000	9 out of 9	ARC: 2 out of 4 QPAC: 1 out of 3
Joanne Kember	Pharmacist	15,000	9 out of 9	WfC*** 5 out of 5 QPAC 3 out of 3
Mark Hammond ⁵	Lay	17,500	8 out of 9	FPC 4 out of 4



Name	Registrant or lay member	Pay ¹ £	Council meetings attended ²	Committee meetings held or attended
Neil Buckley ⁶	Lay	17,500	9 out of 9	ARC 4 out of 4
Rima Makarem ⁷	Lay	16,958	8 out of 9	FPC 2 out of 4 QPAC 3 out of 3
Rose Marie Parr ⁸	Pharmacist	17,500	8 out of 9	FPC 4 out of 4
Penny Mee-Bishop	Pharmacy technician	15,000	9 out of 9	FPC 4 out of 4
Selina Ullah	Lay	15,000	7 out of 9	WfC 3 out of 5
Yousaf Ahmad	Pharmacist	15,000	9 out of 9	ARC 1 out of 4 QPAC 2 out of 3

Notes to the Council members' pay and attendance table

* Finance and Planning Committee

** Audit and Risk Committee

*** Quality and Performance Assurance Committee (a new committee which first met in September 2022)

**** Workforce Committee (formerly the Remuneration Committee)

1. Council members' pay is given as a gross figure
2. Chair of Council
3. Includes £2,500 for co-chairing the advisory group on Initial Education and Training Standards for Pharmacists
4. Includes £2,500 for chairing the Workforce Committee (formerly the Remuneration Committee)
5. Includes £2,500 for chairing the Finance and Planning Committee
6. Includes £2,500 for chairing the Audit and Risk Committee
7. Includes £1,958 for chairing the Quality and Performance Assurance Committee since September 2022
8. Includes £2,500 for co-chairing the advisory group on Initial Education and Training Standards for Pharmacists

Council members' expenses: April 2022 to March 2023

In 2022/23, we held a mixture of in-person and online council and committee meetings.

Table 2: Council members' expenses: April 2022 to March 2023

Name	Travel	Accommodation	Subsistence	Total
Gisela Abbam	£458.35	-	-	£458.35
Aamer Safdar	£39.40	-	-	£39.40
Ann Jacklin	-	-	-	£ 0.00
Arun Midha	£859.32	£325.00	£63.99	£1,248.31
Elizabeth Mailey	£204.25	-	-	£204.25
Jayne Salt	£646.91	£381.49	£20.52	£1,048.92
Joanne Kember	£528.25	£1,306.46	-	£1,834.71
Mark Hammond	£540.70	-	-	£540.70
Neil Buckley	£462.00	-	-	£462.00
Penny Mee-Bishop	£378.65	£475.00	-	£853.65
Rima Makarem	-	-	-	£ 0.00
Rose Marie Parr	£1,573.77	£475.00	-	£2,048.77
Selina Ullah	£364.60	£346.50	£20.48	£731.58
Yousaf Ahmad	£308.89	-	-	£308.89



Non-statutory committees

The GPhC has five non-statutory committees: audit and risk; assurance and appointments; finance and planning; quality and performance assurance; and workforce. There are also advisory groups on the initial education and training of pharmacists and the post-registration assurance of pharmacy practice. The membership of our non-statutory committees is reviewed through an agreed process.

Audit and Risk Committee

The Audit and Risk Committee supports the Council by reviewing the GPhC's internal and external audit arrangements. It also reviews the arrangements for managing risks. It provides assurance to the Council that risks are being identified and managed. This includes advising the Council on the assurances provided in respect of risk and internal controls.

The committee is made up of five council members, including the chair of the committee, Neil Buckley.

The committee also has an independent member, Helen Dearden. Helen took up the appointment in 2017 and continues to serve as an independent member, having been reappointed for a third term in 2023.

The Audit and Risk Committee met four times in the year: in May, September and December 2022, and in March 2023.

The committee's minutes are reviewed by the Council after each meeting and the committee presents a full report to the Council once a year. You can see these reports on the GPhC website.

Finance and Planning Committee

The Finance and Planning Committee has oversight of strategic and financial planning. It also supports the Council by overseeing and monitoring the development and implementation of the GPhC's investment strategy and policy.

The committee is made up of five council members, including the chair of the committee, Mark Hammond.

The committee also has an independent member, Andrew McLaren. Andrew took up the appointment in 2019 to support the committee's enhanced investment role and was re-appointed in 2022.

The committee met four times in the year: in May, September and November 2022, and in January 2023.

The committee's minutes are reviewed by the Council after each meeting and the committee presents a full report to the Council once a year. You can see these reports on the GPhC website.

Quality and Performance Assurance Committee

The Quality and Performance Assurance Committee was set up in September 2022. Its role is to oversee and monitor the measurement and management of quality and performance across the range of the GPhC's activities, so the Council can carry out its oversight responsibilities.

The committee is made up of six council members (all of whom also sit on other

committees), including the chair of the committee, Rima Makarem.

The committee met three times in the year: in September and December 2022, and in February 2023.

The committee's minutes are reviewed by the Council after each meeting and the committee will present a full report to the Council once a year. You can see these reports on the GPhC website.

Workforce Committee (formerly Remuneration Committee)

The Workforce Committee has the power, delegated from the GPhC's governing council, to approve or reject the pay framework for GPhC employees and the packages for the chief executive and directors. The committee advises the Council on the remuneration (pay) policy for council members and on the expenses policy for council members, staff and associates. The new name better reflects the wider range of issues the committee also covers. These include:

- organisational development
- health and wellbeing
- employer aspects of equality, diversity and inclusion, and
- monitoring our work on the gender and ethnicity pay gaps, our culture and staff surveys

The committee is made up of four council members, including the chair of the committee, Elizabeth Mailey. The committee also has two independent members, Rob Goward and Janet Rubin - both of whom joined the committee in

2016 and continue to serve as independent members, having been re appointed in 2020.

The committee met five times in the year: in April, May and September 2022, and in January and March 2023.

The committee's minutes are reviewed by the Council after each meeting and the committee presents a full report to the Council once a year. You can see these reports on the GPhC website.

Assurance and Appointments Committee


This committee is responsible for recruiting and appointing statutory committee members. It also oversees arrangements for their training and for reviewing their performance. The committee reports to the Council, but no council members serve on the committee. It also has an independent chair, Elisabeth Davies. This is an important part of making sure there is a proper separation of tasks between the Council and the statutory committees.

The committee is made up of five members including its chair. It met four times in the year: in July, September and December 2022 and in March 2023.

The committee reports every year to the Council. You can see these reports on the GPhC website.

Advisory group on the initial education and training of pharmacists

In September 2020 the Council agreed that the working group on the initial education and training of pharmacists should become a formal advisory group. A number of key organisations sit on the group, advising the Council on the development of the new standards - published in January 2021 - and providing assurance to the



Council on the implementation of the standards, which is now underway.

The group is co-chaired by one lay member of the Council, Arun Midha, and one registrant member, Rose Marie Parr. It met five times in the year: in April, June, September and November 2022, and in February 2023.

Advisory group on post-registration assurance of pharmacy practice

In January 2022 the GPhC and the Pharmaceutical Society of Northern Ireland (PSNI) brought together key stakeholders. This was to discuss setting up a group to assure the post-registration practice of pharmacists and pharmacy technicians, with the aim of maintaining patient safety and public confidence. This work links with that of the advisory group on the initial education and training of pharmacists.

The purpose of the group is to allow the councils of the GPhC and PSNI to decide whether they are satisfied that the necessary quality control, quality management and quality assurance mechanisms exist for pharmacists and pharmacy technicians (once they are qualified and registered). The purpose of these would be to:

- protect the public, and
- give them assurance that they will receive safe and effective care when using pharmacy services

The group also allows the councils of the GPhC and PSNI to decide whether any additional assurance is needed.

The group is co-chaired by two GPhC council members, Aamer Safdar and Ann Jacklin. It met

four times in the year, in June, August and September 2022, and in March 2023.

Chief executive and registrar and directors

Senior leadership group (SLG)

The GPhC's staff is headed by the chief executive and registrar. All senior leaders and directors are involved in aspects of strategy, policy operations and regulatory development. This helps the different parts of the GPhC work together better and improves our regulatory effectiveness.

There are four directors, leading teams across the organisation as follows:

- Education and Standards, led by Mark Voce
- Fitness to Practise, led by Carole Auchterlonie
- Insight, Intelligence and Inspection, led by Claire Bryce-Smith
- Adjudication and Financial Services, led by Jonathan Bennetts

There are also two associate directors leading teams as follows:

- Corporate Affairs, led by Laura McClintock who is also Chief of Staff
- HR and Organisational Development, led by Gary Sharp.

In 2022 we created a new associate director post. This was to recognise the full responsibilities of the then Head of IT, David Hajduk. David is now Associate Director – Technology.

The SLG was set up by the chief executive and registrar as a way of meeting a number of key executive governance responsibilities. The group is made up of the chief executive and

registrar, the directors and the associate directors. You can find more information about our structure on our website.

Accounting requirements

The GPhC is an independent statutory body, accountable to Parliament and the Scottish Parliament. The GPhC must, under the Pharmacy Order 2010, prepare yearly accounts in a form set by the Privy Council. We must prepare accounts for each year in line with:

- UK accounting principles, and
- the disclosure requirements set out in the United Kingdom Generally Accepted Accounting Practice (GAAP)

The accounts must be prepared to give a true and fair view of the state of affairs of the organisation, and of its income, spending, recognised gains and losses, and cash flows for the financial year.

Number and types of corporate complaints

We received 25 complaints about our services in 2022/23, slightly down from 28 in 2021/22. Some complaints were about more than one issue, so we have set them out in the table according to the main theme of the complaint. We report detailed information about complaints to the Council quarterly through regular performance monitoring.

Corporate complaints received in 2022/23

Table 3: Complaints received in 2022/23

Issue	Received	Upheld
Conduct and behaviour	3	0
Data and information use	1	1
GPhC processes and procedures	15	3
Outcome of a decision	5	0
Other	1	-
Total	25	4

Four complaints were upheld. We look to learn from all complaints, whether they are upheld or not. This can help us to improve and we share what we have learnt with the relevant teams. We also share what we have learnt with the Council as part of the regular performance monitoring.

How we meet freedom of information and data protection legislation

Under the Freedom of Information Act 2000 (Fol), anyone can ask to see GPhC records. You can **[find out how to do this on our website](#)**.

Our publication scheme follows the 'model publication scheme', revised and approved by the Information Commissioner (ICO) in 2014 for all health regulators. This commits us to publishing information routinely.

As a registered data controller under the Data Protection Act 2018 (DPA), we collect, store and use personal data. We use this data for, for example, updating the register, dealing with concerns, compiling statistics and keeping our stakeholders up to date with information about the GPhC. We share personal data with other organisations in the public interest and to support our statutory role and responsibilities. You can find out more about **[how we use and protect personal data and the organisations we work with](#)** on our website.

During the year we continued to update our policies and practice to keep to data protection legislation. Our employees took part in annual training on data protection and information security.

We reported three personal data incidents to the Information Commissioner's Office in the year. The Commissioner took no further action on two of the incidents, and we are waiting for the outcome of the third. We have nevertheless acted to improve our processes and controls so that similar incidents do not happen in future.

In 2022/23, we received 162 information requests under the Freedom of Information and Data Protection Acts (we received 192 in 2021/22). We responded to all requests within the statutory deadline. We also received 13 requests relating to the other rights data subjects have under data protection law, including requests to have their data erased (we received 10 in 2021/22).

Table 4: Number and type of information requests

Information request type	Number in 2021/22
FOI	112
DPA*	20
Subject access**	30

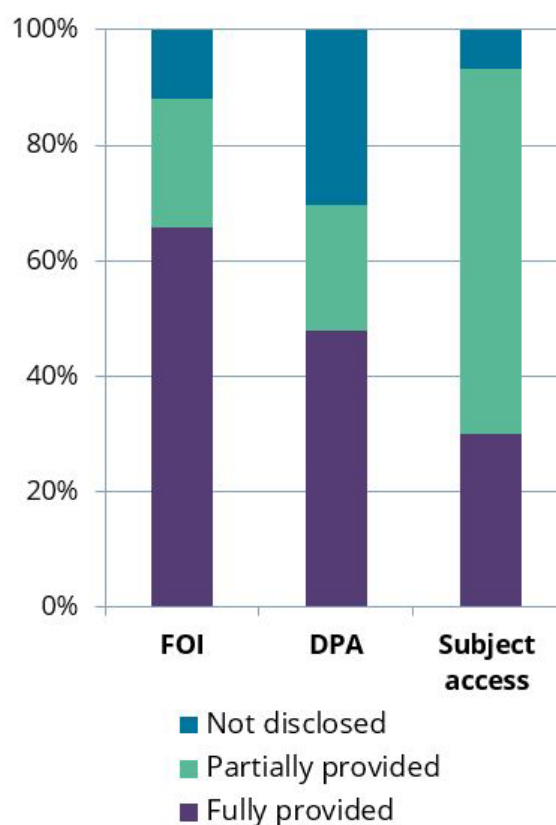
* DPA cases are ones when a third-party organisation makes a request for the personal data of an individual and we consider disclosure under the provisions in the Data Protection Act.

**Subject access requests are when someone asks us to disclose to them the information we hold about them. We aim to be as transparent as possible in these cases, but may not be able to provide all the information they ask for. For example, we may 'redact' (edit or remove) information that contains the personal data of other people.

In 13 cases we did not hold the information requested and three cases were closed because the person asking for the information either withdrew the request or did not reply when we asked for proof of identity or other clarification. When we held the information, we disclosed it - either in full or in part - in 82% of our responses to requests. In most cases when we did not disclose information, it concerned the personal data of other people.

We received six requests to review a decision we had made about disclosure.

Disclosure rates 2022/23





Whistleblowing disclosures to us as a 'prescribed person'

The Small Business, Enterprise and Employment Act created a power for the Secretary of State to require 'prescribed persons' to produce an annual report on protected ('whistleblowing') disclosures made to them by workers. The aim of this duty is to increase transparency in the way that these disclosures are dealt with and to increase the confidence of the people raising concerns that their disclosures are taken seriously.

The GPhC is a 'prescribed person' under the Act. As a prescribed person we must report in writing every year on the protected disclosures made to us. This is the report for the period 1 April 2022 to 31 March 2023.

Our role as a prescribed person is to provide workers with a place to make their disclosure to an independent body when:

- the worker does not feel able to make a disclosure direct to their employer, and
- we may be in a position to take regulatory action on the disclosure

If we are unable to take regulatory action because the disclosure is outside our scope, we will refer the disclosure to an appropriate organisation.

Between 1 April 2022 and 31 March 2023 we received 21 qualifying disclosures of information.

We concluded our enquiries on 16 of these disclosures, with a further five still under review.

The action we took included a full investigation through established fitness to practise

processes and follow-up action through our inspection network. The former can result in any available outcome under the fitness to practise process. The latter can include guidance, a follow-up visit or an unannounced inspection.

Twelve cases were concluded by sharing information with inspection colleagues for follow-up action. Three were signposted to another organisation. The remaining concern was investigated and concluded with no further action.

Three concerns from the previous reporting period were all concluded with no further action.

None of the disclosures had an impact on our ability to perform our functions and meet our objectives, which are set out in the *About us* section at the beginning of this report.

Governance statement 2021/22

Scope of responsibility

As chief executive and registrar, I am accountable to the Council for maintaining a sound system of internal control that supports the Council's strategy and objectives, while safeguarding the GPhC's assets. I am also responsible for making sure that GPhC business is carried out in line with the law and proper standards.

In carrying out this overall responsibility, I am responsible for putting in place proper arrangements for the governance of the GPhC's affairs and for making sure it carries out its work effectively. This includes arrangements for risk management.

The purpose of the governance framework

Governance is about the GPhC making sure it is doing the right things, in the right way, for the right people, and in a timely, inclusive, open, honest and accountable way.

The governance framework is made up of:

- the systems, processes, culture and values by which the GPhC is directed and controlled, and
- the GPhC's activities, through which it engages with registrants, the public and other stakeholders

The framework allows the GPhC to monitor the achievement of its objectives and to consider whether those objectives have been met in an effective and efficient way.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to deliver policies, aims and objectives. Therefore, it can only provide reasonable (and not absolute) assurance of effectiveness. The system of internal control is based on an ongoing process designed to:

- identify and prioritise these risks
- evaluate the likelihood and possible impact of the risks being realised, and
- manage them effectively, efficiently and economically

Apart from the changes to the senior leadership group as described earlier in this report, the governance framework has been in place at the GPhC for the year ended 31 March 2023 and up to the date the annual report and statement of accounts is approved.

The governance framework

At the end of 2019, we agreed a ten-year vision for 'safe and effective pharmacy care at the heart of healthier communities'. We also agreed two, five-year strategic plans, along with supporting strategies and business plans. While 2020/21 and 2021/22 were affected by the COVID-19 pandemic, 2022/23 has been about understanding what our new way of working should be. It has also been about dealing with a number of challenges created by factors such as the cost-of-living crisis and an impending office move. However, the framework has remained the same.

We have reconsidered how we monitor our progress against our objectives and have developed a new Board Assurance Framework. This gives our Council oversight of our progress in terms of:

- our business plan
- budgetary control
- our key performance indicators, and
- how we manage risk

You can find more information about our governance framework, including our organisational structure and the workings of our committees, in the *GPhC committees* section of this annual report.

Review of effectiveness

As chief executive and registrar, I am responsible for reviewing the effectiveness of the GPhC's governance framework, including the system of internal control. The review of effectiveness is supported by:

- the work of the executive managers within the GPhC, who are responsible for developing and maintaining the governance environment
- the head of internal audit's annual report, and
- comments received from the external auditors and other review agencies

The Council appointed TIAA as our internal auditors in June 2019 and extended this contract for a further 21 months in June 2022. Our external auditors, Haysmacintyre, were

appointed by the Council in November 2022. This followed the recommendation of the Audit and Risk Committee tender panel, replacing Crowe Clark Whitehill.

The internal audit plan for 2022/23 was updated in March 2022 to make sure that present and future audit plans remained relevant and up to date. To ensure the review of effectiveness has a wide enough scope, we have assessed the adequacy and effectiveness of the system of internal control in relation to:

- our main service delivery areas
- the management systems that allow us to deliver them, and
- our core processes

The plan was updated in March 2023 for the work to be carried out in 2023/24.

We have continued to work with internal audit to make sure our system of internal control is fit for both the present and the future.

Overall, our internal auditors carried out eight assignments during the year. These were reviewed by the Audit and Risk Committee. One of the assignments was following up previous recommendations and another was the first part of a two-part advisory audit into information governance. The other six reports and the assurance ratings given were:

Learning and development	Reasonable
Renewal programme	Substantial
Fitness to practise risk assessments	Reasonable
Core finance	Reasonable

Integrity of the register	Substantial
Health and safety	Reasonable

Explanation of the ratings

Substantial Assurance: There is a robust system of internal controls operating effectively to ensure that risks are managed, and that the process objectives are achieved.

Reasonable Assurance: The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed, and that the process objectives are achieved.

Limited Assurance: The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed, and that the process objectives are achieved.

No Assurance: There is a fundamental breakdown or absence of core internal controls requiring immediate action.

Amber: weaknesses have been identified in the control framework or there is non-compliance, and this puts the achievement of system objectives at risk. Some remedial action will be needed.

Advisory: these reports do not have a formal assurance rating as they are a review of work areas that are ongoing and not complete.

I have been advised on the implications of the result of the review of the effectiveness of the governance framework by the Audit and Risk Committee and advised that generally the arrangements continue to be regarded as fit for purpose within our governance framework.

In making this statement, I have noted the internal audit opinion that the General Pharmaceutical Council has reasonable risk management, control and governance processes in place.

While the overall internal audit opinion is that there is reasonable assurance for the areas reviewed during the year, I know that there is some risk that our objectives may not be fully achieved in certain respects and that improvements are needed to address that risk.

The areas we have already addressed and those to be specifically addressed with new or additional actions are outlined below.


Significant governance issues

Meeting the PSA Standards of Good Regulation

Every year the PSA scrutinises our performance against its Standards of Good Regulation. The PSA changed its review cycle in 2022 and so the most recent PSA report covers the period from 1 March 2021 to 30 June 2022.

We met all the standards across four PSA categories:

- General standards – these include equality, diversity and inclusion, and the way we:
 - provide information
 - apply policies
 - respond to public inquiries and other independent reports, and
 - work with stakeholders to protect patients and the public
- Guidance and standards
- Education and training
- Registration



However, three out of the five standards within the Fitness to Practise category were not met. These were the same standards that were not met in the 2020/21 review.

The PSA report acknowledged that there had been significant improvements in relation to two of the standards and some improvement in relation to the third, as well as a general improvement in performance. We have completed the action plan developed in response to the PSA's earlier concerns and they acknowledged that it takes time to embed the changes and demonstrate their impact. We are continuing to carry out work to improve our performance in this area and to provide updates to the Council on the effectiveness of the action we are taking. This includes an end-to-end review of the whole Fitness to Practise process, which is being carried out by an outside provider to give us a robust evaluation of the process.

Online registration assessment

A number of issues and concerns were raised by candidates who sat the online Registration Assessment in June 2022. There was disruption at a number of temporary exam centres used for this sitting, including significant delays and technological issues. We apologised to candidates at the time and held meetings with representatives from student groups. We also commissioned an external review of what went wrong to make sure we did not make the same mistakes in future. We published an executive summary of this review in February 2023.

We carried out significant work to make sure the factors that led to issues in June would not be present in November 2022. This included sending GPhC representatives to all centres. The

November 2022 sitting was managed without significant events and we have implemented a number of changes to make sure future sittings run smoothly. We do, however, continue to be vigilant and mindful of the impact that problems at any one of the many exam centres we use would have.

Summary

I propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. I am satisfied that these steps will address the need for improvements identified in our review of effectiveness, and I will monitor their implementation and operation as part of my next annual review.

Duncan Rudkin
Chief Executive
8 June 2023

Financial statements for the year ended 31 March 2023

Financial review

The actual result for the financial year was an operating surplus position of £6.5m (2021/22: £2.5m). This exceeds the original budget expectation and is predominantly driven by the change in the GPhC accommodation arrangements.

The original expectation was for a decision on the accommodation to be made in 2023/24. By taking advantage of the opportunity to exit the current lease early we have been able to identify several cost incentives. Accounting treatments have led to many of the cash inflows being recognised in the 2022/23 financial year, leading to a higher-than-expected surplus. These amounts will be placed in a designated reserve used to offset the cost incurred for the new premises during the 2023/24 financial year. Ultimately, we expect an almost cost neutral capital position, the future office will also deliver ongoing structural savings.

During the year there was an expected increase in the volumes of operating activities, especially when compared to the prior year which had been constricted by the pandemic. This was offset by the rephasing in the timings and mode of delivery on some projects which reduced or pushed cost into later years. Recruitment challenges also had an impact with a number of roles commencing later than expected.


We also saw continuing progress on many of our key strategies including the managing concerns, equality diversity and inclusion and the modernisation of education and standards. Alongside the implementation of these strategies, development also commenced on other key priorities including strengthening pharmacy governance, the fitness to practise improvement programme and our programme on new ways of working.

Income

Total income for the year amount to £30.2m (2021/22 £25.2m) an increase of around 20%. The key driver behind the income growth is the credit amounts received in relation to the change in accommodation arrangements.

Income generated from regulatory activities increased by 6% from £25.0m in 2021/22. There was a growth in income across the three main registrant groups which was offset by a marginal decrease in pre-registration income.

The GPhC's income is mainly derived from the annual renewal fees paid by pharmacist and pharmacy technician professionals and pharmacy premises. It is important to note that annual fees are paid in advance and the income is recognised over the relevant registration period. Therefore,



actual monies received for the year does not reflect the income recognised from renewal fees for the financial year.

Main income sources

Registrant group	2022/23 income (£m)	2022/23 registrant numbers	2021/22 income (£m)	2021/22 registrant numbers
Pharmacists	17.0	62,654	16.4	61,137
Pharmacy technicians	3.2	25,314	3.2	24,928
Registered pharmacies	5.3	13,805	4.3	13,844

The figures above include annual renewal fees, initial registration, and application fees.

Pharmacist income has increased with a net growth in pharmacist numbers of 3%. In 2022/23 we also continued to see increased volumes of overseas applications with the profession included in the home office shortage list and independent prescriber fees with the changing demand for health services.

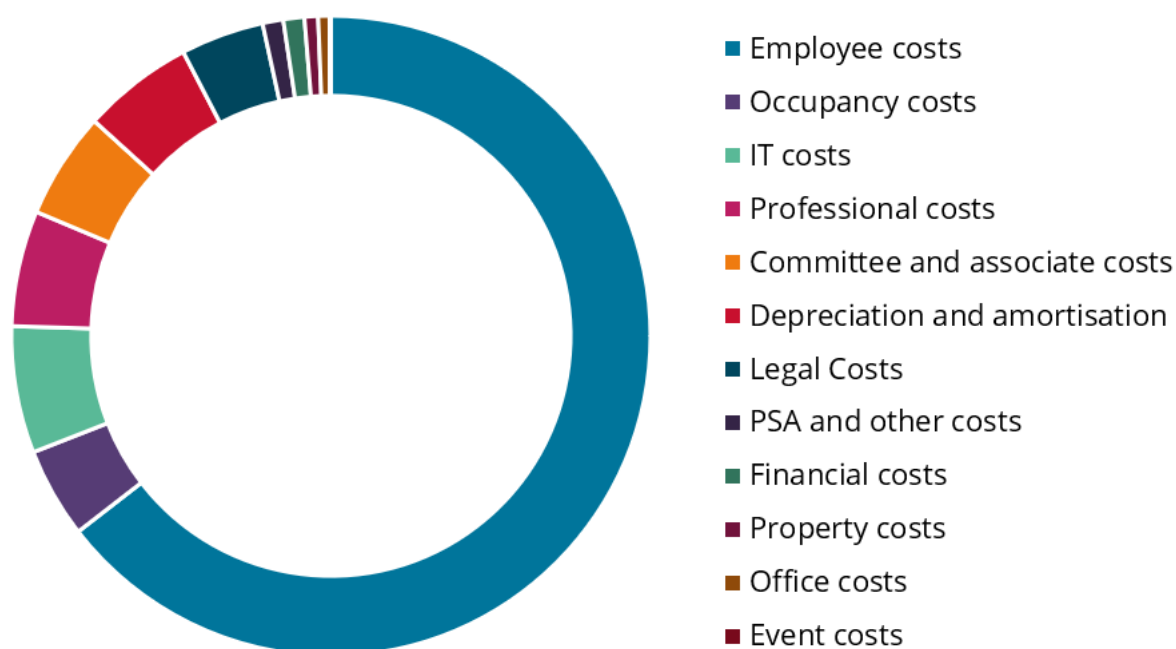
Pharmacy technician professionals saw a growth of around 2% which is broadly in line with growth levels over the previous years.

Income from pharmacy premises was up by 23% which is predominantly due to the full year impact of the 2021 fee increase. Premises numbers are marginally down compared to last year, the proposed closures announced this year will impact the next financial year due to phasing.

Pre-registration income, which consists of registration assessment fees and pre-registration applications was £1.0m for the year (2021/22: £1.1m). The number of students sitting the assessment in 2022/23 was 3,476 compared to 3,870 during 2021/22.

The temporary register was established in 2020 in response to the pandemic and no fees have been charged in relation to this register. In line with the government decision, the temporary register will now remain open through to 2024.

Actual expenditure 2022/23



Please see note 3 of the financial statements for a detailed breakdown of expenditure.

Expenditure


The GPhC expenditure for the year was £23.2m which is consistent with the expenditure during 2021/22 of £23.1m. Increases in employee costs have been offset by the unwinding of costs associated with the exit of the current lease.

Employee costs amounted to £15.4m (2021/22: £13.6m) an increase of 14% from the previous year. The budget proposed for the year included the anticipated growth in this area. As a service-based organisation, we fully expect that to meet the growing demands of an evolving sector, the level of resources and skills required will change accordingly.

Occupancy and property costs in total have reduced by £3.3m when compared to the 2021/22 financial year. There have been several cost reductions recognised now that the lease exit is committed. This includes the release of the dilapidation provision which is no longer required.

Other expenditure areas impacted by the change of accommodation include depreciation and amortisation costs, which increased by £0.6m compared to last year due to the acceleration of the depreciation cost to align with the lease termination.

Professional fees also increased by £0.3m with the additional legal and consultancy costs to support the negotiation of lease exit and commencement of a new lease.



Other staff costs, including council and committee costs, were also up when compared to the prior year with more events taking place, including in-person events.

Investments

The GPhC invested £15m through an investment partner in 2020 which is made up of a combination of bonds and equities. The economic environment has been highly volatile in the last year, and this has had an impact on share values. The value of the investments at the end on 2022/23 stands at £15.4m which is down £0.8m when compared to 2021/22. We have seen some recovery in recent months with the value once again moving in a positive direction. The returns from the investment portfolio are subject to fluctuation and are intended to manage the longer-term financial risks. The economic climate does hold a high level of uncertainty and is constantly changing so it is a position that is continually under review.

Looking forward

Beyond the 2022/23 financial year we expect to continue to deliver on our core regulatory activities seeking improvement on service delivery, maintain progress on the strategic plan priorities and proceed on the development of our longer-term vision. Improvement to our ways of working will include the development of business systems and further development of processes.

We also remain mindful that the pharmacy sector is expanding in breadth and scope and we need to ensure we have the ability to keep pace with change.

This will be supported by the sustainable financial strategy that not only enables the delivery of key priorities but can do so in a way that can adapt to the challenges and changes that may arise.

The inflationary cost pressures faced by us all will continue to have an impact. We will continue to closely monitor changes, constantly assessing the financial risks so they are managed effectively.

Statement of the Council's responsibilities for the preparation of financial statements

The Council is responsible for preparing the General Pharmaceutical Council's report and the financial statements in accordance with applicable law and regulations.

Under the Pharmacy Order 2010, Council members must prepare financial statements for each financial year. Under that law, the Privy Council has directed the GPhC to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standard and applicable laws) including Financial Reporting Standard 102. Council members will not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and the surplus or deficit of the GPhC for that period. In preparing these financial statements, the Council members must:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, and disclose and explain any material departures from these in the financial statements
- prepare the financial statements on a 'going-concern' basis unless it is inappropriate to assume that the GPhC will continue its activities

Council members are responsible for keeping adequate accounting records. These must be adequate to show and explain the GPhC's transactions, and disclose with reasonable

accuracy – at any time – the financial position of the GPhC. They must enable the Council to ensure that the financial statements keep to the Pharmacy Order 2010. Council members are also responsible for safeguarding the assets of the GPhC and therefore for taking reasonable steps to prevent and detect fraud and other irregularities.

By the order of the Council

Gisela Abbam
Chair
8 June 2023



Independent auditor's report to the council members of the General Pharmaceutical Council

Opinion

We have audited the financial statements of the General Pharmaceutical Council for the year ended 31 March 2023 which comprise the statement of comprehensive income, statement of financial position, statement of cash flows, statement of changes in reserves and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the General Pharmaceutical Council's affairs as at 31st March 2023 and of the surplus for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the General Pharmaceutical Council in accordance with the ethical requirements that are relevant to our audit of

the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the General Pharmaceutical Council's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the council members with respect to going concern are described in the relevant sections of this report.

Other information

The Council members are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the council members' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the council members' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the General Pharmaceutical Council and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the council members' report.

We have nothing to report in respect of the following:

- adequate accounting records have not been kept by the General Pharmaceutical Council, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of council members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of Council members

As explained more fully in the council members' responsibilities statement in the previous section, the council members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the council members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the council members are responsible for assessing the General Pharmaceutical Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the council members either intend to liquidate the General Pharmaceutical Council to cease operations, or have no realistic alternative but to do so.



Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

Extent to which the audit was considered capable of detecting irregularities, including fraud

Based on our understanding of the legal and regulatory frameworks within which the General Pharmaceutical Council operates, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements of the Pharmacy Order, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the

preparation of the financial statements such as the General Data Protection Regulation (GDPR), taxation legislation, and employment legislation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing accounting journal entries, in particular those journal entries which exhibited the characteristics we had identified as possible indicators of irregularities; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities

occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Council members, as a body, in accordance with Schedule 1 of the Pharmacy Order 2010. Our audit work has been undertaken so that we might state to the council members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the General Pharmaceutical Council and the council's members as a body, for our audit work, for this report, or for the opinions we have formed.

Haysmacintyre L.L.P

Statutory Auditor

10 Queen Street Place

London

EC4R 1AG

16 June 2023

Statement of comprehensive income for the year ending 31 March 2023

	Note	2023 £000	2022 £000
Income	2	30,158	25,154
Expenditure	3	(23,202)	(23,143)
Operating surplus		6,956	2,011
Investment income	4	459	306
Surplus on ordinary activities		7,415	2,317
(Loss)/Gain on investments	9	(1,023)	287
Taxation	6	145	(139)
Total comprehensive income for the year		6,537	2,465

Statement of financial position as at 31 March 2023

	Note	2023 £000	2023 £000	2022 £000	2022 £000
Fixed assets					
Tangible assets	7		1,620		1,270
Intangible assets	8		360		402
Investments	9		15,400		16,221
			17,380		17,893
Current assets					
Debtors	10	6,754		1,944	
Bank and cash	11	18,646		16,006	
		25,400		17,950	
Creditors: amounts falling due within one year	12	(19,127)		(18,211)	
Net current liabilities			6,273		(261)
Total assets less current liabilities			23,653		17,632
Creditors: amounts falling due after more than one year	13		(2,305)		(1,024)
Provision for liabilities	14		(54)		(1,851)
Net assets			21,294		14,757
Funds employed					
Accumulated surplus					
- General Reserve			19,314		13,085
- Fixed Asset Reserve			1,980		1,672
Total funds employed			21,294		14,757

The financial statements were approved, authorised for issue and signed on behalf of the Council by Gisela Abbam, Chair, on 8 June 2023.

Statement of cash flows for the year ended 31 March 2023

	Note	2023 £000	2022 £000
Cash flows from operating activities			
Surplus for the financial year		6,956	2,011
Adjustments for:			
Depreciation and amortisation	3	1,438	878
Decrease in provision for dilapidation	14	(1,652)	(27)
Deferred tax	14	(145)	85
Investment portfolio management fees	9	79	85
Dividends and fixed interest securities	9	(281)	(276)
(Increase) / decrease in trade and other debtors		(4,810)	61
Increase in creditors (except tax)		2,398	184
Net cash provided by operating activities		3,983	3,001
Cash flows from investing activities			
Purchases of tangible fixed assets	7	(1,648)	(49)
Purchases of intangible fixed assets	8	(98)	(260)
Investment income	4	459	306
Taxation		(56)	(27)
Net cash (used in) investing activities		(1,343)	(30)
Change in cash and cash equivalents in the reporting period		2,640	2,971
Cash and cash equivalents at the beginning of the period		16,006	13,035
Cash and cash equivalents at the end of the reporting period		18,646	16,006
		£000	£000
Cash in hand		160	19
Notice Deposits (less than 3 months)		18,486	15,987
Total cash and cash equivalents		18,646	16,006

Statement of changes in reserves for the year ended 31 March 2023

	Note	General Reserve	Fixed Asset Reserve	Total
		£000	£000	£000
At 1 April 2021		10,051	2,241	12,292
Total comprehensive income		3,343	(878)	2,465
Transfers between reserves		(309)	309	-
At 31 March 2022		13,085	1,672	14,757
Total comprehensive income		7,975	(1,438)	6,537
Transfers between reserves		(1,746)	1,746	-
At 31 March 2023		<u>19,314</u>	<u>1,980</u>	<u>21,294</u>

The accumulated fund has been segmented into a General Reserve and a Fixed Asset Reserve. The fixed asset reserve represents functional assets that are used operationally. The general reserve represents the balance of the GPhC's accumulated reserves.



Notes to the financial statements for the year ended 31 March 2023

1.1. Accounting policies

The General Pharmaceutical Council (GPhC) was established by the Pharmacy Order 2010 and is domiciled in the United Kingdom. The principal place of business is 1 Cabot Square, London, E14 4QJ.

1.2. The format of the accounts

The General Pharmaceutical Council is required to prepare annual accounts in a form as determined by the Privy Council. The Privy Council is required to lay the certified accounts before each House of Parliament and the Scottish Parliament. The statutory purpose of the GPhC is to protect, promote and maintain the health, safety and wellbeing of members of the public by upholding standards and public trust in pharmacy.

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – ‘The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland’ (‘FRS 102’). The financial statements have been prepared on the historical cost basis.

The Council have considered the financial position as at 31 March 2023, and forecasts and budgets for future years. The Council are satisfied that the GPhC is a going concern and the financial statements have therefore been prepared on that basis.

The financial statements are presented in Sterling (£).

1.3. Critical accounting estimates and judgements

To be able to prepare financial statements in accordance with FRS 102, the General Pharmaceutical Council must make certain estimates and judgements that have an impact on the policies and the amounts reported in the annual accounts. The estimates and judgements are based on historical experiences and other factors including expectations of future events that are believed to be reasonable at the time such estimates and judgements are made. Actual experience may vary from these estimates.

The estimates and assumptions which have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below:

Depreciation and amortisation

The General Pharmaceutical Council accounts for depreciation and amortisation in accordance with FRS 102. The depreciation and amortisation expense is the recognition of the decline in the value of the asset, and allocation of the cost of the asset, over the periods in which the asset will be used. Judgements are made on the estimated useful life of the assets which are regularly reviewed to reflect the changing environment.

Dilapidation

During the current year the GPhC reversed the provision for dilapidations. The potential liability arose as a result of the original fit-out of the office in 2014. The provision is not required due

to negotiations between the landlord and GPhC as part of the early lease termination of 25 Canada Square.

Lease incentives

Judgements are made in determining the relevant lease term of 1 Cabot Square and therefore the treatment of lease incentives and rent-free periods.

1.4. Tangible fixed assets

Tangible fixed assets include leasehold properties and equipment. All assets in these categories with a value of £1,000 or more have been capitalised (including the cost of implementation). Fixed assets are valued at cost less depreciation. Depreciation is calculated on a straight-line basis.

The principal useful economic lives of assets are as follows:

Short leasehold improvements – term of the lease

Office furniture – five years

Computer software – three years

Computer hardware (excluding PCs and laptops) – three years

PCs and laptops – one to four years

1.5. Intangible fixed assets

Intangible fixed assets comprise internally developed computer software and systems. All assets in this category with a value of £10,000 or more have been capitalised. Amortisation is calculated on a straight-line basis over three years.

1.6. Impairment

At each balance sheet date, the GPhC reviews the carrying amounts of its assets to determine whether there is any indication the assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is charged to the statement of comprehensive income immediately.

1.7. Expenditure


Expenditure is accounted for on an accrual basis when either the goods have been received or the service performed. Irrecoverable VAT is included with the item of expense to which it relates.

1.8. Income

All fees from registrants and premises are shown in the statement of comprehensive income for the period to which they relate being from the month an individual is entered onto the register. Income attributable to future periods is included in creditors under deferred income.

Investment income is presented in the statement of comprehensive income. Income from fixed interest securities accrues over time whereas dividend income is recognised when the dividend is declared. Interest on loans and deposits is accrued as earned.

Government grants are recognised based on the accrual model and classified either as a grant relating to revenue or a grant relating to assets.



All other income is shown in the statement of comprehensive income when entitlement is earned.

1.9. Operating lease rentals

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the entity. All other leases are classified as operating leases. Rentals payable under operating leases are charged to the statement of comprehensive income on a straight-line basis over the lease term. The aggregate benefit of lease incentives is recognised as a reduction to the expense recognised over the lease term on a straight-line basis.

1.10. Pensions

The GPhC has a defined benefit pension scheme and a defined contribution scheme. Contributions to both schemes are charged to the statement of comprehensive income as they fall due.

1.11. Provisions

A provision is recognised when an obligation exists at the reporting date as a result of a past event, it is probable that the GPhC will be required to transfer economic benefits and the obligation can be reliably measured.

1.12. Management of liquid resources and investments

The GPhC has one main current account from which all day-to-day transactions take place. The balance of this account is kept to a minimum to ensure that surplus funds are placed on short-to medium-term deposits. The policy in managing cash is to maximise returns while minimising risk.

The element of cash and deposits held for long-term return in excess of 12 months is recorded within investments. Investments are included in the financial statements at fair value at the balance sheet date. The movement on the value of the investments in the year has been included in the general reserve.

1.13. Financial instruments

The GPhC only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and listed investments. These basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost apart from listed investments which are measured at fair value.

1.14. Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more or less tax in the future have occurred at the balance sheet date. Timing differences are differences between the GPhC's taxable profits, and the results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted, or substantially enacted, by the balance sheet date. Deferred tax is measured on a non-discounted basis.

2. Income

	2023 £000	2022 £000
Pharmacists	16,978	16,402
Premises	5,332	4,297
Pharmacy technicians	3,240	3,193
Pre-registration	961	1,083
Grant income	31	16
Other income	3,616	163
Total income	30,158	25,154

3. Expenditure

	2023 £000	2022 £000
Employee costs: payroll	15,415	13,580
Other employee costs	2,398	1,906
Property costs	175	235
Office costs	147	140
Professional costs	2,591	2,271
Event costs	16	12
Marketing costs	13	11
Depreciation and amortisation	1,438	878
Financial costs	271	248
Research costs	(11)	11
IT costs	1,635	1,503
Other costs	267	249
Occupancy costs	(1,153)	2,099
Total expenditure	23,202	23,143

3. Expenditure (continued)

Employee costs

Employee costs including directors were made up as follows:

	2023 £000	2022 £000
Wages and salaries	12,658	11,167
Employer's National Insurance	1,526	1,280
Pension costs	1,231	1,133
Redundancy	-	-
	15,415	13,580

The average number of staff employed during the year ended 31 March 2023 was 261 (237 at 31 March 2022).

Detailed below is a schedule showing numbers of staff, including directors, who earned above £60,000 (excluding redundancy payments) during the year:

	2023 £000	2022 £000
£60,001 – £70,000	28	20
£70,001 – £80,000	17	12
£80,001 – £90,000	8	5
£90,001 – £100,000	2	2
£100,001 – £110,000	1	2
£110,001 – £120,000	1	1
£120,001 – £130,000	4	3
£130,001 – £140,000	0	0
£140,001 – £150,000	0	0
£150,001 – £160,000	0	0
£160,001 – £170,000	0	0
£170,001 – £180,000	0	1
£180,001 – £190,000	1	0
	62	46

Under FRS 102, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly. This includes the chief executive and registrar and the directors.

3. Expenditure (continued)


Remuneration in respect of key management personnel for the year ended 31 March 2023 was £1,243,881 (£1,085,920 at 31 March 2022). A breakdown of their salary and benefits is as follows:

Name	Job title	Pay (stated in £10K bandings)	Benefits in kind* (to the nearest £100)
Duncan Rudkin	Chief Executive	£180,000 - £190,000	-
Claire Bryce-Smith	Director of Insight, Intelligence & Inspection	£120,000 - £130,000	-
Carole Auchterlonie	Director of Fitness to Practise	£120,000 - £130,000	-
Jonathan Bennetts	Director of Adjudication and Financial Services	£120,000 - £130,000	£600
Mark Voce	Director of Education and Standards	£120,000 - £130,000	-
David Hajduk	Associate Director of IT	£110,000 - £120,000	-
Gary Sharp	Associate Director of Human Resources	£100,000 - £110,000	-
Laura McClintock	Chief of Staff and Associate Director of Corporate Affairs	£90,000 - £100,000	£600

*Benefits in kind include private healthcare.

Expenses for key management personnel are as follows:

Name	Travel	Accommodation	Subsistence	Total
Duncan Rudkin	385	152	-	537
Claire Bryce-Smith	511	333	-	844
Carol Auchterlonie	242	361	-	603
Jonathan Bennetts	280	434	31	745
Mark Voce	116	-	-	116
David Hajduk	48	-	-	48
Gary Sharp	137	-	-	137



Name	Travel	Accommodation	Subsistence	Total
Laura McClintock	2,503	2,015	-	4,518

3. Expenditure (continued)

Remuneration of highest-paid director as a multiple of median remuneration:

	2023 £	2022
Mid-point of band of highest-paid director's total remuneration	185,000	175,000
Median total remuneration	43,116	44,097
Remuneration ratio	1:4	1:4

Council members' pay and expenses:

	2023 £000	2022 £000
Total pay of council members	273	236
Total expenses paid to council members	10	2
	283	238

4. Investment income

	2023 £000	2023 £000
Dividends	66	56
Fixed interest securities	215	220
Interest receivable – cash deposits	178	30
	459	306

Investment income relates to interest and dividends from the investment portfolio. Investment totalling £15m was made into a managed portfolio during 2020/21.

5. Total comprehensive income

This is stated after charging:

	2023 £000	2022 £000
Operating lease rentals: motor vehicles	38	79
Operating lease rentals: photocopiers	8	10
Operating lease rentals: buildings	445	1,240
Depreciation of tangible fixed assets	1,298	651
Amortisation of intangible fixed assets	140	227
Auditor's remuneration: audit services – Haysmacintyre	25	23

6. Taxation

	2023 £000	2022 £000
UK corporation tax at 19% in the year	-	55
Under provision in respect of prior year	-	(1)
Current tax charge	-	54
Deferred tax (asset)/charge at 25% in the year	(145)	85
	(145)	139

Corporation tax is only payable on interest receivable and data subscription income, net of attributable costs, in the year.

The UK government has proposed an increase in the main corporation tax rate of 6% to 25% from 1 April 2023, which has been substantively enacted. Following the substantive enactment of the new rate the deferred tax liability is measured accordingly.

7. Tangible fixed assets

	Short leasehold improvements £000	Office equipment £000	Total £000
Cost			
As at 31 March 2022	5,607	2,229	7,836
Additions	946	702	1,648
Disposals	-	-	-
As at 31 March 2023	6,553	2,931	9,484
Depreciation			
As at 31 March 2022	4,402	2,164	6,566
Charge for the year	1,207	91	1,298
Disposals	-	-	-
As at 31 March 2023	5,609	2,255	7,864
Net book value			
As at 31 March 2023	944	676	1,620
As at 31 March 2022	1,205	65	1,270

8. Intangible fixed assets

	Computer software and systems development £000
Cost	
Balance at 1 April 2022	1,594
Additions	98
Balance at 31 March 2023	1,692
Amortisation	
Balance at 1 April 2022	(1,192)
Amortisation charge for the year	(140)
Balance at 31 March 2023	360

9. Investments

	2023 £000	2022 £000
Market value at 1 April 2022	16,221	15,743
Additions at cost	-	-
Disposals	-	-
Dividends and fixed interest securities	281	276
Investment manager fees charged to fund	(79)	(85)
(Loss)/Gain on investments	(1,023)	287
Market value as at 31 March 2023	15,400	16,221

Portfolio asset allocation:

	Investments in 2023			Investments in 2022		
	UK £000	Overseas £000	Total £000	UK £000	Overseas £000	Total £000
Corporate fixed income	5,860	32	5,892	6,146	-	6,146
Sovereign / agency fixed income	3,932	-	3,932	4,112	-	4,112
Equities	965	4,577	5,542	858	5,022	5,880
Cash	34	-	34	83	-	83
	10,791	4,609	15,400	11,199	5,022	16,221

During 2020/21, surplus cash totalling £15 million was invested with Goldman Sachs in an investment portfolio following a formal tender process. The Council agreed an investment strategy which governs the portfolio and regular reports on the performance are being made to the Finance and Planning Committee. Prior to this, surplus cash was invested in cash deposits.

10. Debtors

	2023 £000	2022 £000
Trade debtors	33	30
Registrant direct debits to be collected	174	182
Other debtors	192	34
Prepayments and accrued income	4,835	1,698
Debtors (due in more than one year)		
Trade and other debtors	1,520	-
	6,754	1,944

11. Bank and cash

	2023 £000	2022 £000
Current accounts	160	19
Deposit accounts	18,486	15,987
	18,646	16,006

Money is moved from deposit accounts into the current account as and when needed. This ensures a maximum return is earned from money on deposit. The GPhC maintains 6 months of operating expenditure as an operating liquidity reserve to be held in liquid funds for the day-to-day running of the organisation.

12. Creditors: amounts falling due within one year

	2023 £000	2022 £000
Trade creditors	1,866	846
Corporation tax	-	56
Other taxation and social security	387	348
Other creditors	69	29
Accruals	663	920
Deferred income	16,142	16,012
	19,127	18,211

Deferred income is made up of the following:

Deferred income from registrants and premises	16,120	15,916
Other deferred income	22	65
Deferred capital grant	-	31
	16,142	16,012

All deferred income from registrants and premises is released to income in the subsequent year.



13. Creditors: amounts falling due after more than one year

	2023 £000	2022 £000
Lease liability	2,305	1,024
	2,305	1,024

14. Provisions

	2023 £000	2022 £000
Dilapidation	-	1,652
Deferred tax liability	54	199
	54	1,851

Following the termination of the lease for 25 Canada Square, the GPhC has reversed the provision for dilapidation. The potential liability had arisen as a result of the original fit-out of the office in 2014.

The deferred tax liability comprises potential capital gains tax on investments.

15. Commitments

As at 31 March 2023 the GPhC's future minimum operating lease payments are as follows:

	2023 £000	2022 £000
Within one year		
Motor vehicles	9	43
Property	562	787
Equipment	12	6
	583	836
Between one year and five years		
Motor vehicles	8	6
Property	2,250	886
Equipment	-	-
	2,258	892
Later than five years		
Property	3,708	-
	3,708	-

16. Related parties

Remuneration and expenses paid to council members shown in note 3 (council members' pay and expenses).

17. Financial risk management

The GPhC has a formal risk management framework for which the Council is accountable. The GPhC has exposure to liquidity risk. The objective of the GPhC in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The GPhC expects to meet its financial obligations through operating cash flows. Given the availability of cash, the GPhC is in a position to meet its commitments and obligations as they come due. Funds are placed with investment grade institutions.

18. Pensions

NHS Defined Benefit Pension Scheme

The GPhC participates in the NHS Pension Scheme in respect of 103 employees (2021/22: 87 employees). The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period. The pension charge for the year includes contributions payable to the NHS Pension Scheme of £722,370 (2021/22: £668,915).

The valuation of the scheme liability as at 31 March 2023 is based on valuation data as at 31 March 2022, updated to 31 March 2023 with summary global member and accounting data. The purpose of this valuation is to assess the level of liability in respect of the benefits due under the scheme (taking into account their recent demographic experience), and to recommend contribution rates payable by employees and employers. The scheme regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the scheme actuary and appropriate employee and employer representatives as deemed appropriate.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2020. The Department of Health and Social Care has laid scheme regulations confirming that the employer contribution rate has increased to 20.6% of pensionable pay from this date. However, the GPhC continues to pay the existing rate of 14.38% as the increase in the rate is currently projected to be met centrally.

Defined contribution scheme

The GPhC also operates a defined contribution scheme. The total contributions paid into this scheme for the year ended 31 March 2023 were £508,068 (2021/22: £463,637) in respect of 180 employees (2021/22: 144 employees).

Employees' enrolment is mandatory, although all staff have the option to opt out. Where an employee chooses to be a member, the GPhC will contribute as follows:

Employee contribution	Employer contribution
5%	5%
6%	12%
7%	14% max

Appendix 1: General Pharmaceutical Council Accounts Determination given by the Privy Council under the Pharmacy Order 2010

Their Lordships make the following determination in exercise of powers conferred by Schedule 1 (7) of the Pharmacy Order 2010.

This determination has effect from 13 March 2010.

Interpretation

1. In this determination –

“the accounts” means the statement of accounts which it is the Council’s duty to prepare under section 2 Schedule 1 (7) of the Pharmacy Order 2010.

“the Council” means the General Pharmaceutical Council.

Determination

2. The Council must prepare the accounts for each calendar year in compliance with the accounting principles and disclosure requirements prescribed in the Generally Accepted Accounting Practice (GAAP).
 3. The first accounts will be prepared for the financial year 2010-2011, and will incorporate any residual accounts declaration from the financial year 2009-2010.
 4. The accounts must be prepared so as to:
 - give a true and fair view of the state of affairs as at the end of the calendar year and of the income and expenditure, total recognised gains and losses (or, as appropriate, recognised gains and losses), and cash flows of the Council for the calendar year then ended; and
 5. Compliance with the requirements of the GAAP will, in all but exceptional circumstances, be necessary for the accounts to give a true and fair view of the state of affairs for the financial year in question.
 6. If there are such exceptional circumstances and compliance with the requirements of the GAAP would give rise to the preparation of accounts which were inconsistent with the requirement for those accounts to give a true and fair view of the state of affairs at the end of that year, the requirements of the GAAP should be departed from only to the extent necessary to give a true and fair view of that state of affairs.
 7. In cases referred to in paragraph 5, informed and unbiased judgement should be used to devise an appropriate alternative treatment which is consistent with both the economic characteristics of the circumstances concerned.
 8. Any material departure from the GAAP should be discussed, in the first instance, with the Privy Council Office in any event.
 9. This determination is to be reproduced as an appendix to the published accounts.
- Signed by the authority of the Privy Council



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