Meeting of the Council

Agenda

14 November 2013
11:45am to 3:45pm

Hearing Room 1
129 Lambeth Road
London SE1 7BT

Enquiries: Paula Woodward
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Public business

1. Attendance and introductory remarks
   Bob Nicholls

2. Declarations of interest
   All

3. Minutes of last meeting
   Public session 12 September 2013
   Bob Nicholls

4. Matters arising
   Bob Nicholls

5. Strategic risk
   11.13/C/01
   Duncan Rudkin
   For discussion

6. Revising the Education Procedures
   11.13/C/02
   Damian Day
   For decision

7. Performance Monitoring
   11.13/C/03
   Duncan Rudkin
   For discussion

8. Modernising pharmacy regulation: implementation update
   11.13/C/04
   Hugh Simpson
   For discussion

9. Review of GPhC prosecution policy
   11.13/C/05
   Matthew Hayday
   For decision

10. Developing memoranda of understanding
    11.13/C/06
    Hugh Simpson
    For discussion
11. Developing a framework for assuring the continuing fitness to practise of pharmacy professionals
   For discussion

12. Recognition of Professional Qualifications Directive
    For discussion

13. Review of Council’s performance as a governing body
    For discussion

14. Chief Executive & Registrar’s report
    For noting

15. Unconfirmed minutes of Remuneration Committee, 9 October 2013
    For noting

16. Remuneration Committee recommendations
    For decision
    a. Council members’ remuneration
    b. Expenses policy review

17. Unconfirmed minutes of Audit & Risk Committee, 17 October 2013
    For noting

18. Council business schedule and Committee dates
    For decision

19. Any other public business

Confidential business

20. Minutes of last meeting
    Confidential session 12 September 2013

21. Matters arising

22. Unconfirmed confidential minutes of Audit & Risk Committee, 17 October 2013
    For noting

23. Any other confidential business

Date of next Council meeting
6 February 2014
Minutes of the Council meeting held on 12 September 2013 at 129 Lambeth Road, London, at 10.15am

Minutes of the public session

Present
Bob Nicholls – Chair  Ray Jobling
Sarah Brown  Liz Kay
Soraya Dhillon  Berwyn Owen
Gordon Dykes  Samantha Quaye
Mary Elford  Keith Wilson
Tina Funnell  Judy Worthington
Mohammed Hussain

Apologies
David Prince

In attendance
Duncan Rudkin (Chief Executive and Registrar)
Hugh Simpson (Director of Policy and Communications)
Bernard Kelly (Director of Resources and Customer Services)
Claire Bryce Smith (Director of Inspection and Fitness to Practise)
Vivienne Murch (Head of Organisational Development & People Strategy)
Damian Day (Head of Education & Registration Policy)
Lyn Wibberley (Head of Executive Office)
Matthew Hayday (Head of Governance)
Paula Woodward (Council Secretary)
Nigel Clarke (Chair, Learning Outcomes Review Group), minutes 66 to 66.10 only

57. Attendance and Introductory Remarks

57.1. The Chair welcomed members and staff attending the meeting. The Chair also welcomed a number of public observers including Mair Davies of the RPS.
57.2. The Chair reported that Nigel Clarke (NC) had been appointed Chair-designate by the Privy Council. He outlined the new Chair’s background and reported that NC would participate in the appointments process for the new Council members. The Chair also reported that NC would attend the meeting for item 12 in his role as chair of the Learning Outcomes Review Group, as had been planned prior to his appointment to the Council.

57.3. The Chair also reported that Mary Elford had been appointed to the board of Health Education England, and that Mohammed Hussain had been appointed Chair of the Local Professional Pharmacy Network - West Yorkshire Area Team.

58. **DECLARATIONS OF INTEREST**

58.1. The following interests were declared:

- **Item 9: Update on guidance and Rules**
  Liz Kay, Berwyn Owen, Mohammed Hussain declared interests as superintendents of registered pharmacies.

- **Item 10: Performance monitoring**
  Soraya Dhillon and Keith Wilson declared interests as employees of Universities with schools of pharmacy.

- **Item 12: Revised Learning Outcomes**
  Soraya Dhillon and Keith Wilson declared interests as employees of Universities with schools of pharmacy.

- **Item 16: Direct Debit indemnity arrangements**
  Sarah Brown, Tina Funnell, Liz Kay and Keith Wilson declared interests as signatories to the current indemnity scheme.

59. **MINUTES OF THE PUBLIC SESSION OF THE PREVIOUS MEETING**

59.1. The minutes of the public session of the meeting held on 13 June 2013 were agreed as a true record.

60. **MATTERS ARISING**

60.1. In relation to the concerns raised about the language skills of health professionals (minute 42.3) Duncan Rudkin (DR) reported that a European Directive had been drafted which aimed to clarify the regulators’ powers to check language competence. The Directive’s progress would be monitored and reported to the Council in due course.

61. **STRATEGIC PLAN 2014-17**

61.1. Duncan Rudkin introduced paper 09.13/C/01 by drawing members’ attention to the key considerations and resources implications.
61.2. A number of members commented that the proposed plan fully reflected the Council’s aims for the next stage of the organisation’s development and welcomed the direction outlined and the language used in the document. During the subsequent discussion, the Council noted that the GPhC operated as part of a complex system and that care should be taken to prevent duplication and unnecessary burden on those regulated. It was also noted that the plan would have to be sufficiently flexible to adapt to external factors in order to remain effective.

61.3. DR advised the Council that the organisation would have to invest in and develop its capacity and capability in order to implement the plan. DR reported that a draft report had already been prepared by independent consultants focusing on data, information and knowledge management which would go some way toward shaping that development. The consultants’ final report would be made available to Council in due course.

61.4. Responding to a question about the financial implications of the plan, Bernard Kelly (BK) informed the Council that cost projections would be prepared as more detailed plans were developed. However, it was clear that the organisation’s current resources would need to be reviewed to ensure that they were aligned with the ambitions of the strategic plan. Equally, the organisation’s level of reserves would need to be reviewed to reflect the projected increase in activity.

61.5. BK also reported that although an information strategy would be a key part of the plan, it was clear that the organisation needed to increase capability in relation to data, information and knowledge in order to achieve the ambitions set out in the strategic plan.

61.6. The Council agreed the strategic plan as set out in draft at Appendix 1 of paper 09.13/C/01 subject to a minor change to the text. It further approved its preparation for laying before Westminster and Scottish Parliaments and its publication.

62. **MID STAFFORDSHIRE PUBLIC INQUIRY (FRANCIS REPORT): UPDATE ON KEY ISSUES FOR PHARMACY REGULATION**

62.1. Hugh Simpson (HS) introduced paper 09.13/C/02 by reminding the Council of its previous discussions. He drew members’ attention to the work undertaken to embed the key themes agreed by Council into the organisation’s strategic and corporate planning work. HS explained that the annex to the paper provided an overview of the work identified, mapped against key recommendations from the Francis report, to provide assurance to Council that work was underway.

62.2. The Council discussed the scope of the paper and noted that, while pharmacy was not highlighted as a key concern within the Francis report,
there were important lessons for all health regulators. The Council noted that other reports, including those led by Sir Bruce Keogh and Don Berwick, had developed key themes further, particularly the need to focus on issues of culture.

62.3. A member asked how the GPhC would work with other organisations to develop networks that would foster the development of a culture focussed on patients. HS reported that the aim was to establish a series of Memoranda of Understanding and that these discussions had already started, focussing on information sharing and operational relationships.

62.4. DR also reported that an update on the GPhC’s response to the report would be sent to ministers and key stakeholders with a copy of the new strategic plan.

62.5. DR informed the Council that the lessons from the Francis report would be embedded into the organisation’s ongoing work. Progress would be presented to Council as part of the usual performance assurance reporting, with an update paper presented in six months time.

62.6. The Council noted the paper on the Mid Staffordshire Public Inquiry.

63. Further developing our approach to modernising pharmacy regulation

63.1. HS introduced paper 09.13/C/03 by referring to the issues discussed in the previous item and informed members that the approach taken by the GPhC had been reinforced by the conclusions of the recent Berwick report.

63.2. The Council discussed the key principles set out in the paper and suggested that the bulleted paragraphs in section two should be broadened to include registrants and working with other organisations.

63.3. The Council noted the paper.

64. New inspection model

64.1. Claire Bryce Smith (CBS) introduced paper 09.13/C/04 by summarising the key points in the paper.

64.2. Members who had participated in the Inspection Development Advisory Group (IDAG) reported that the new inspection model, including the labels and their descriptions, had undergone a thorough examination, with feedback received from both public and registrants throughout the new model’s development. Members noted that the introduction of the model would be the next milestone in the application of the Standards agreed by Council in 2012.

64.3. Responding to members’ questions, CBS informed the Council that the inspection model would be evaluated externally. Members noted that it was
important to be clear about the strategic and operational objectives by which the model will be evaluated. On the matter of publication of inspection reports in advance of the Rules being in place, DR informed the Council that legal advice would be sought to clarify the GPhC’s position.

64.4. CBS explained that improvement action plans would be used during the prototype phase where pharmacies were judged to be poor and, in some cases, those judged to be satisfactory, to secure improvements where standards had not been met. She reminded Council that a fitness to practise investigation could also be carried out if appropriate.

64.5. A member asked whether pharmacy compliance rates were expected to be similar to registrants’ CPD compliance rates. CBS explained that it would not be easy to make such a comparison as pharmacy standards were a wider assessment.

64.6. The Council discussed the proposed inspection labels and suggested that the descriptions which explain them could benefit from minor adjustments. CBS informed the Council that further testing of the descriptions with patients and stakeholder groups is being carried out as part of the roll-out. Members also noted that designating a ‘poor’ label to a pharmacy would only be the start of the process to ensure improvements were made and patients protected.

64.7. The Council noted:
  i. the readiness of the inspection model for the first stage of the nationwide roll-out in November; and
  ii. the aspects of the model which will be operational from November 2013 and further work required after that.

64.8. The Council agreed inspection labels for the outcome of an inspection for testing as part of the first stage of the nationwide roll-out.

65. REGISTERED PHARMACIES: UPDATE ON GUIDANCE AND RULES

65.1. DR introduced paper 09.13/C/05 and reminded the Council that the Pharmacy Order makes it necessary for the Standards to be set out as part of the Rules. They would therefore have to be included in the proposed consultation. HS reported that this would provide an opportunity for an internal review of the drafting of the Standards in light of key external developments, particularly the Francis Report, as well as an opportunity for further comment from stakeholders.

65.2. HS drew members’ attention to the section of the paper regarding guidance for pharmacies preparing medicines in a registered pharmacy without the need for a manufacturer’s licence. HS reported that, following the receipt of further legal advice, guidance was now being drafted to explain how
pharmacies preparing medicines in accordance with a prescription for an individual patient (including the preparation of extemporaneously prepared methadone) must mitigate risks to patients and meet the standards for registered pharmacies. The new approach to inspection would check this activity, where appropriate.

65.3. Regarding guidance for internet pharmacies, HS reported that the scope had been revised to cover medicines supplied via all methods of distance selling. However, a number of complex legal issues, including cross-border retail and European Union (EU) legislation, needed to be considered before finalising the guidance. He also reported that discussions had been taking place with the MHRA, the Royal Pharmaceutical Society and others in order to develop the most effective policy and guidance on this issue.

65.4. Regarding guidance on the supply of P medicines, the Council noted recent discussions and debate about how medicines could be supplied safely within pharmacy, including concerns raised by a recent report from Which?. DR reported that the GPhC was keen to take a positive role in the debate and a background paper on the safe supply of Pharmacy medicines would be released shortly. There would also be further opportunities for the Council to receive wider comments during the upcoming consultation on the Rules for registered pharmacies.

65.5. Regarding the approach to the consultation on Rules, members noted that the timetable may be subject change as the process involved external parties such as Privy Council advisers. However, it remained the intention to bring a further paper to Council in November, setting out the consultation proposals in more detail.

65.6. The Council agreed the revised scope of the three guidance documents to support the standards for registered pharmacies and the proposed approach to the consultation on Rules.

66. REVISED LEARNING OUTCOMES FOR THE INITIAL EDUCATION AND TRAINING OF PHARMACISTS

66.1. The Council agreed to take this item out of turn. Nigel Clarke (NC), chair of the Learning Outcomes Review Group, joined the meeting at 1pm.

66.2. Damian Day (DD) introduced paper 09.13/C/08. He reported that the revised learning outcomes for the MPharm degree were the first of a series of planned changes to update pharmacy education standards. DD reminded members that much of the education framework had been inherited from the former regulator and that changes were needed to ensure that the standards kept pace with pharmacy practice during a period of rapid development.

66.3. NC reported that the group’s key concern was to ensure that the public was protected while taking into account the impact of any changes on colleges,
tutors and students. NC informed the Council that it was also crucial that employers fully understood the proposals and were able to support them during and following their implementation.

66.4. NC informed the Council that representatives from England, Scotland and Wales had participated in the group’s work. He also reported that the review had taken account of the findings of the Francis Report and that representatives from the Department of Health, Health Education England and the Pharmaceutical Society of Northern Ireland had observed the Review Group’s deliberations. In addition, Council was told that the learning outcomes had already been considered by a scrutiny group convened by the Pharmacy Schools Council.

66.5. The Council discussed the proposed changes with a particular focus on the transition from the current course structures to the new. The Council noted that there was now a much greater emphasis on conduct, ethics and patient welfare, in addition to the continuing need to ensure students gained a comprehensive understanding of medicines. The Council expressed the view that the report clearly demonstrated the need to update other elements of pharmacy education such as pre-registration.

66.6. A number of Council members asked about the measures being taken to ensure that higher education institutions were fully consulted and their needs understood. DD assured the Council that a full consultation and implementation plan was being prepared taking into consideration issues such as funding, the different approaches being taken in the countries of the UK, and the need to carefully manage the transition to the five year MPharm degree. During the discussion, Council members suggested a number of issues that should also be considered such as prescribing and acute hospital training.

66.7. Responding to a member’s comment about the need to ensure the changes were implemented in a timely fashion, DD replied that this would be addressed as part of the implementation plan. DR commented that the revised learning outcomes set the standards for entry into the profession and that changes to other aspects of the education framework would support those standards.

66.8. The Chair thanked Nigel Clarke and the other participants in the Learning Outcomes Review Group for a thorough and thoughtful report.

66.9. The Council agreed that the new learning outcomes set out in the paper were contemporary and fit for purpose and should form the basis for a full consultation at a date to be decided. The Council requested that a further paper be presented in early 2014 to provide an update on progress.

66.10. NC left the meeting at 1:45pm.
67. **PERFORMANCE MONITORING**

67.1. DR introduced the report (paper 09.13/C/06) and invited members’ questions and comments.

67.2. Regarding the number of individuals requesting adjustments at assessment centres, DD reported that it was not clear why Sunderland reported no adjustments while other centres reported double figures. DD undertook to investigate and to report to members via email.

67.3. Regarding the financial implications of statutory appeals, BK informed members that a contingency set aside in the budget had been more than sufficient to cover such costs to date.

67.4. Claire Bryce-Smith (CBS) confirmed that the reasons for delays in dealing with fitness to practise cases covered those caused by both internal and external factors. The Council noted that it was important to continue to make every effort to reduce the delays.

67.5. DD introduced the Board of Assessors report by reminding members that these were the first assessments to use the updated question bank. He reported that, over time, questions became familiar to students and needed to be revised but that ‘anchor’ questions were used to allow comparison between different cohorts. While this resulted in a dip in pass rates, this was not unusual and other accreditation bodies had experienced similar results when new questions were introduced. The most important point was that the pass standard had been shown to be consistent and fair.

67.6. Members discussed the report and suggested that more detailed analysis would be helpful in understanding the differences in pass rates between different groups. Members also noted that the Board of Assessors had raised a number of learning points as a result of concerns about the answers some candidates gave to some questions. DR reported that these would be highlighted in a future edition of Regulate.

67.7. The Council noted the performance monitoring report. The Council also asked that a further paper, examining the Board of Assessors findings in more detail, be presented in due course.

68. **PROFESSIONAL STANDARDS AUTHORITY (PSA) PERFORMANCE REVIEW REPORT 2012-13**

68.1. DR introduced the report (paper 09.13/C/07) by drawing the Council’s attention to some of the key points. In response to a member’s question, DR reported that the information security case set out in the report had now been closed by the Information Commissioner.
68.2. DR informed members that the executive would report back to the PSA on progress against the points raised. He also reported that the PSA was undertaking a review of its performance reporting.

68.3. The Council noted the report.

69. **CHIEF EXECUTIVE & REGISTRAR’S REPORT**

69.1. DR introduced paper 09.13/C/09 by reporting that he and the Chair had attended a further Rebalancing Board meeting where more progress had been made regarding superintendents and responsible pharmacists.

69.2. DR informed the Council that the workshop arranged jointly with the RPS and aimed primarily at pharmacy organisations following the Which? report, would be used as the basis for discussions at the next GPhC Council workshop in October.

69.3. The Council noted the report.

70. **RENUMERATION OF INVESTIGATING COMMITTEE CHAIRS AND DEPUTY CHAIRS**

70.1. Viv Murch (VM) introduced paper 09.13/C/10 and reported that the matter had been omitted in error from a paper presented to Council in June. She reported that the Remuneration Committee had agreed the slight increase at its June meeting and that it was in line with changes to the fees of other associates.

70.2. The Council agreed that:

   i. the fee for Investigating Committee chairs and deputy chairs should be increased by £6 from £330 to £336; and

   ii. the effective date for the increase should be 1 June 2013.

71. **COUNCIL AND COMMITTEE SCHEDULE FOR 2014**

71.1. Paula Woodward confirmed that the chair designate had been given a list of the proposed dates set out in paper 09.13/C/11 and had indicated that he could meet them. She informed the Council that the Remuneration Committee shown as scheduled for October 2014 would in fact be held on the same date in September.

71.2. The Council agreed the schedule of 2014 Council, Audit and Risk Committee and Remuneration Committee meeting dates set out in the paper.
72. **DIRECT DEBIT INDEMNITY ARRANGEMENTS**

72.1. BK introduced paper 09.13/C/12 and informed the Council that the proposed arrangements removed the personal liability from four current Council members. The new indemnity, if agreed, would be undertaken by the GPhC as a corporate body and would therefore require the application of the seal.

72.2. **The Council agreed to:**

i. the replacement of the existing personal indemnities given by five members of Council, by a body corporate indemnity given by GPhC; and

ii. the application of GPhC’s seal to the new deed of indemnity.

73. **ANY OTHER PUBLIC BUSINESS**

73.1. The Chair confirmed that the meeting was moving into confidential business since some matters to be discussed named individuals and were commercially confidential.

73.2. There being no further business, the part of the meeting that was held in public closed at 2:25pm.

**DATE OF NEXT MEETING**

Thursday 14 November 2013
Strategic Risk

Purpose
To outline the development of a Strategic Risk Register and its integration into the Council's cycle of strategic and annual planning.

Recommendations
The Council is asked to discuss and approve the development of the Strategic Risk Register as outlined.

1. Introduction

1.1 The Audit and Risk Committee (ARC) is responsible for providing assurance to the Council on the effectiveness of the management of principal risks and monitoring those arrangements.

1.2 As part of this role the Committee received a paper on the development of a Strategic Risk Register and the integration and alignment of the risk and planning cycles. The Audit and Risk Committee is now recommending this approach to Council and this paper highlights the areas where the Committee made comments and suggestions.

2. Strategic Risk

2.1 The GPhC’s approach to risk management to date has been focused on the identification of operational risks that could impact on the establishment and the initial work of the organisation.

2.2 However, as the Council moves out of the establishment phase into the development phase the approach to risk management needs to align with the ambitious nature of the recently approved Strategic Plan.

2.3 Developing the risk management approach means taking a strategic view of risk and identifying the principal risks that could prevent the GPhC from achieving its objectives, both in the long and short term.
2.4 These risks are captured in the Strategic Risk Register (draft headings at Appendix 2 which will also be used to develop the existing directorate/programme risk registers) and, as well as providing a source of assurance to the Council that the principal risks have been identified and that mitigation is either in place or planned, becomes one of the drivers of activity for the organisation; influencing agendas and focusing resource allocation.

2.5 The Strategic Risk Register moves away from the amalgamation of red rated directorate and programme risks and reflects the internal and external risks to the delivery of the organisation’s strategy. However, the most significant operational risks may be escalated to the Strategic Risk Register if they impact on organisational objectives.

2.6 The Strategic Risk Register does not replace the operational risk registers as risk management at directorate and departmental level is an important part of ensuring effective and efficient day to day operations. The diagram below summarises the interrelation between the different risk registers:

![Diagram of risk interrelation]

2.7 However, this needs to be framed in the context of risk management as a cyclical process and that once risks are identified they are continuously managed and reassessed:

![Diagram of risk management cycle]
2.8 In order for risk management to be of most value it needs to be considered in the context of both long and short term planning. An organisation needs to be aware of the principal risks it faces in delivering its aims so that it can properly mitigate them, for example, through the deployment of resource, by insurance, etc. These risks may also play a part in shaping decisions about strategic direction as some inherent risks may require specific courses of action or constrain others.

2.9 The risk management cycle at Appendix 1 aligns the review of the strategic risks with key stages in the preparation and approval of the Council’s strategic plan, corporate plan and budget. To achieve this requires changes to the scheduled meetings of the Audit and Risk Committee which were approved at its meeting in October. Adopting the new cycle allows the Council four reviews of the Strategic Risk Register, sign off of the new Strategic Risk Register alongside the Strategic Plan, and an annual review of the GPhC’s overall risks.

3. Developing the Risk Register

3.1 As part of developing both the strategic and programme/directorate risk registers a number of changes are proposed, including:

- Implementing a standard form for describing risk using:
  - Key risk area, cause, effect
  - e.g.

<table>
<thead>
<tr>
<th>Key risk area</th>
<th>Cause</th>
<th>Effect</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget overspend</td>
<td>Unrealistic budget setting, poor systems of expenditure control, failure of staff to operate within Authority Framework and SFIs</td>
<td>Difficulty in paying suppliers on time, reduction of operational activities, political intervention, damage to reputation</td>
</tr>
</tbody>
</table>

- Adding Controls and Assurance – what do we currently have in place to mitigate the risk, how do we know it is working and where are the gaps
- Moving away from target completion dates for risk (some risks will always remain)
- Adding target dates for actions to address gaps in control and assurance to enable effective reporting
- Adding the source of risk so that over time it is possible to check whether the original risk has changed
3.2 The changes can be seen in the draft Strategic Risk Register headings at Appendix 2 and will also be introduced to the directorate/programme registers to ensure consistency and transferability.

4. **Next Steps**

4.1 The next steps in revising the GPhC’s approach to risk management are proposed as follows:

i. Completion of the Strategic Risk Register for approval by Council and adoption of the new risk management cycle

ii. Revision of the risk management policies and procedures to reflect the process described in this paper

iii. Support the development of directorate and programme risk registers in the new format.

iv. Undertake an audit of previous and new risk registers to ensure that all risks identified have been reviewed and recorded appropriately.

4.2 During the above stages audit colleagues will need to be involved to test the effectiveness of the new arrangements and check the transition of risks from one system to another.

4.3 Following the discussion at the Audit and Risk Committee, members made some useful suggestions for the development and implementation of the revised risk management arrangements:

- Time at a Council workshop would be usefully spent in explaining further the proposed approach to strategic risk and demonstrating it in detail
- Risk appetite, and changes in it stemming from the Strategic Plan, would need to be considered by the Audit and Risk Committee and the Council in the future
- As part of its assurance function the Audit and Risk Committee proposed that it would conduct a deep dive of the management of a particular strategic risk at each meeting
- It was important to note that risk management was not a linear process and that new risks could potentially be identified at any point in the cycle
- Training for staff and Council and Committee members would be important in ensuring that the new arrangements were embedded into the organisation’s culture
5. **Equality and diversity implications**

5.1 There are no implications for equality and diversity. The development process will include an audit to ensure that any risks in this area are not lost in translation to the new processes.

6. **Communications**

6.1 The changes in risk management will be communicated to staff via the launch of the revised policies and guidance as well as through facilitated learning and development sessions. A Council workshop will be held to ensure that Council Members are aware of the changes in risk management. Given the nature of the sensitive information held within the risk register it may limit or impact on decision making if it were to be widely available. Therefore it is proposed that it is subject to a deferment of 12 months before becoming publically available. Sensitivities around content will also need to be considered in relation to internal distribution.

7. **Resource implications**

7.1 The implementation of the Strategic Risk Register requires an additional meeting of the Audit and Risk Committee and organisation wide training during implementation.

8. **Risk implications**

8.1 The proposals contained within the paper would strengthen the GPhC’s risk management arrangements. Failing to adequately consider the risks to the Strategic Plan could delay the achievement of the organisation’s objectives.

**Recommendations**

The Council is asked to discuss and approve the development of the Strategic Risk Register as outlined.

David Prince, Chair of Audit and Risk Committee

Matthew Hayday, Head of Governance

*General Pharmaceutical Council*

*matthew.hayday@pharmacyregulation.org*

*Tel 020 3365 3450*

24 October 2013
Strategic Risk Cycle

**Exec:**
- April/May: Review of Strategic Risks
- 4th week May: Review Strategic Risks

**ARC:**
- 4th week July: Review new Strategic Risk Register

**Council:**
- June Workshop: Consider Outline Strategic Plan
- June Meeting: Review Strategic Risks
- July Workshop: Informal sign off Strategic Plan and identification of any new strategic risks resulting
- September Meeting: Approve Strategic Plan and Strategic Risk Register
- December workshop: Consider Corporate Plan and Budget and Strategic Risks
- February Meeting: Approve Corporate Plan and Budget and Strategic Risks
- March Workshop: Review of all risks (strategic and operational)
Revised Risk Register Headings

<table>
<thead>
<tr>
<th>ID</th>
<th>Linked Strategic Theme</th>
<th>Key risk area - CAUSES, EFFECTS</th>
<th>Source of Risk</th>
<th>Risk Lead</th>
<th>Consequence (1-5)</th>
<th>Likelihood (1-5)</th>
<th>Risk Rating (CxL)</th>
<th>Change since last review</th>
<th>Controls</th>
<th>Assurance on Controls</th>
<th>Gaps in Control</th>
<th>Gaps in Assurance</th>
<th>Action Plans</th>
<th>Action Due Date</th>
<th>Target Consequence (1-5)</th>
<th>Target Likelihood (1-5)</th>
<th>Target Risk (CxL)</th>
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Council meeting 14 November 2013 11.13/C/02

Public business

Revising the Education Procedures

Purpose
To revise the GPhC’s *Education Procedures*.

Recommendations
The Council is asked to agree to:

i. revise the GPhC’s *Education Procedures*, to strengthen the need for professional behaviour by pre-registration trainee pharmacists and to introduce a procedure for dealing with serious concerns about a trainee.

1. Introduction
1.1 We have identified a defect in the Education Procedures previously agreed by Council, which do not contain adequate provisions for dealing with serious concerns about a trainee. This paper proposes a change to address this.

2. Changes to the *Education Procedures*
2.1 The GPhC does not register or employ trainees so it has a limited contractual and regulatory relationship with them. Equally, our Fitness to Practise procedure is not applicable, because trainees are – by definition - not registered and are not legally practising as pharmacists. This makes it difficult, for example, to require a trainee to be suspended from training pending an investigation into serious allegations.

2.2 In the event of serious concerns or allegations being raised with respect to a trainee, we would expect the employing pharmacy to take appropriate steps to ensure adequate measures were put in place to protect the public and uphold public confidence. We would have expectations of the tutor, and also of the pharmacy owner and (where relevant) the Superintendent Pharmacist, in terms of the Standards for Registered Pharmacies. The relevant NHS authorities would have a role also and we would be working co-operatively...
with them. In most situations we can envisage this combination of oversight would be adequate. We are however concerned to ensure that – should the need arise – we can move quickly and directly to suspend a trainee from the scheme, if this is a necessary and proportionate measure. The changes proposed in this paper are designed to enable this.

2.3 The first substantive revision is to introduce an explicit requirement for pharmacist pre-registration trainees to be bound by the GPhC’s Standards of conduct, ethics and performance, to make it clear that trainees must behave as professionals, albeit professionals in training. Currently there is no such formal requirement.

2.4 The second substantive change is to introduce a policy on handling serious concerns about the conduct of a trainee.

3. Equality and diversity implications

3.1 The proposed policy changes would not be likely to affect persons with protect characteristics particularly or in any discriminatory way, provided the new procedure is applied fairly. We will of course monitor its use.

4. Communications

4.1 The revised procedures will be added to the Pre-registration Manual and the changes will be made clear to pre-registration trainees and tutors.

5. Resource implications

5.1 There are no resource implications.

6. Risk implications

6.1 The revision dealing with serious concerns mitigates a potential risk to patients and the public.

Recommendations

The Council is asked to agree to:

i. revise the GPhC’s *Education Procedures*, to strengthen the need for professional behaviour by pre-registration trainee pharmacists and to introduce a procedure for dealing with serious concerns about a trainee.

Damian Day, Head of Education & Registration Policy
General Pharmaceutical Council
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23 October 2013
Appendix 1

Procedures for the initial education and training of pharmacists and pharmacy technicians in Great Britain and Northern Ireland

Revised November 2013
(2) The conduct and performance of trainees in the scheme

(a) Pre-registration trainees in the scheme are bound by the GPhC’s Standards of conduct, ethics and performance.

....

(9) Serious concerns raised about a pre-registration trainee pharmacist

(a) If a serious concern is raised about a pre-registration trainee pharmacist, the GPhC will raise the serious concern with:

(i) the trainee; and
(ii) the trainee’s pre-registration tutor; and
(iii) the trainee’s employer and/or superintendent; and
(iv) the local area pharmacy team or Board.

(b) In order to ensure safe practice in a pharmacy and to protect patients and the public, the GPhC may require a trainee to sign an undertaking which restricts their activity or working conditions in a specified way and for a specified period.

(c) In order to ensure safe practice in a pharmacy and to protect patients and the public, the GPhC may require a trainee’s tutor and/or superintendent to sign an undertaking which will specify how the tutor and/or superintendent will ensure that patients and the public are fully safeguarded if a trainee in relation to whom a serious concern has been raised continues to train in a particular pharmacy.

(d) The GPhC will make it clear to trainees in relation to whom a serious concern has been made that the serious concern may be investigated when the trainee makes an application to register as a pharmacist.

(10) Removal from the pharmacist pre-registration scheme

If a pre-registration trainee pharmacist

(i) resigns from the scheme; or
(ii) is unable to complete the scheme for any reason; or

(iii) fails to provide or comply with an undertaking reasonably required of him or her by the GPhC under paragraph (9) above; or

(iii) cannot secure or ceases to have a pre-registration placement for any reason; or

(iv) is not signed off as competent by their pre-registration tutor; or

(v) was not eligible to be accepted onto the GPhC’s pre-registration scheme on or before noon on 12/11/2010 and has failed the GPhC’s Registration Assessment on three occasions; or

(v) exceeds the maximum period for completion of their training as set out in [G] below, they will be removed from the scheme.

(11) Appeals against removal from the scheme and re-instatement to the scheme

(a) Appeals against removal from the scheme must be submitted in the form and manner specified by the GPhC within 28 days of the trainee receiving notification of their removal.

(b) Appeals against removal from the scheme on any ground other than 10 (i)-(v) must be submitted in the form and manner specified by the GPhC within 28 days of the trainee receiving notification of their removal.

(c) The Registrar will determine any appeal on the basis of the written information submitted.

(d) If a pre-registration trainee pharmacist is re-instated to the scheme after successfully appealing against their removal they will have to comply with, and if necessary repeat, [B](2)–(5).
Public business

Performance Monitoring

Purpose
To report to the Council on operational and financial performance.

Recommendations
The Council is asked to comment on and note the performance report at Appendix 1.

1. Introduction
1.1 This paper reports on operational and financial performance to the end of September 2013 at Appendix 1

2. Equality & diversity implications
2.1 The purpose of this report is to report on operational and financial performance. There are no direct equality and diversity implications.

3. Communications implications
3.1 The development and publication of this report is reflective of our commitment to openness and transparency concerning our performance. We have undertaken, and will continue to develop, specific communications on each of the areas of reported performance. This includes information on our website, wider communications through the media and direct through our own publications and communications materials. These activities are designed to reach all our key interest groups including patients and their representatives, pharmacy professionals and their employees, education providers and others.

4. Resource implications
4.1 Resource implications are addressed within the report.
5. **Risk implications**

5.1 Failure to maintain an accurate register, and/or carry out our other regulatory functions efficiently and effectively could have implications on patient safety, and have a significant impact on the reputation of the GPhC.

5.2 Failure to accurately forecast / budget for revenues and expenditure could lead to inappropriate or inconsistent fee policies which could have an adverse impact on the GPhC’s reputation.

**Recommendations**

The Council is asked to comment on and note the performance report at Appendix 1.

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*Chief Executive & Registrar*  
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*25 October 2013*
Appendix 1

Performance Monitoring Report

Reporting period: end of September 2013
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1. Registration

This section provides an overview of key registration activity undertaken by the Customer Services Team.

1.1 The Register

<table>
<thead>
<tr>
<th></th>
<th>Additions</th>
<th>Removals</th>
<th>Sept-13</th>
<th>Budgeted numbers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Voluntary Removal</td>
<td>Non Renewal</td>
<td>FTP Comm</td>
</tr>
<tr>
<td>Pharmacists</td>
<td>375</td>
<td>34</td>
<td>28</td>
<td>0</td>
</tr>
<tr>
<td>Pharmacy Technicians</td>
<td>320</td>
<td>17</td>
<td>33</td>
<td>1</td>
</tr>
<tr>
<td>Premises</td>
<td>40</td>
<td>28</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Pre registration trainees</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Restoration and other register classification changes

1.1.1 The pharmacists actual versus budget reflects the low pass mark for the June registration assessment of 77.8%. The number sitting the September assessment increased to 760 and therefore, in view of the 69% pass mark (see report below), we should see an increase in new registrations of up to circa 525 by the end of the year, the majority being in November.

1.1.2 Pharmacy technician new registrations are higher by circa 50 from the equivalent period last year.

1.1.3 The pre-registration actual includes new entrants to the pre-registration scheme for 2013 – 2014, those currently on the scheme who have not yet registered, having been successful in their registration assessment and those awaiting results from the September assessment (this is estimated at circa 535 in total). Therefore at this time of year there is always an overlap of records.

1.2 Applications processing

1.2.1 Between January 2013 to end of July 2013 applications for registration were tracked to establish the processing turnover rate.

- Applications were tracked two ways
1.1.1 Application receipt to approval

<table>
<thead>
<tr>
<th>Days</th>
<th>Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum</td>
<td>Minimum</td>
</tr>
<tr>
<td>Average</td>
<td>Average</td>
</tr>
<tr>
<td>Median¹</td>
<td>Median</td>
</tr>
<tr>
<td>Maximum</td>
<td>Maximum</td>
</tr>
</tbody>
</table>

1.1.2 The outliers tend to be those applicants with FTP matters that need further investigation and consideration at the point of registration, applications where the payment fails and where there is more information or clarification required to validate the application.

1.1.3 Also applications from those previously on the register where a portfolio of evidence is now required to be independently assessed by external evaluators.

1.1.4 We have two entry points onto the register, the first and the fifteenth of the month.

¹ The median figure indicates the 50th percentile. In other words, 50% of the data falls between the minimum and median figure.
1.3 **Registration Assessment**

1.3.1 The registration assessments were sat on 27th September 2013, and were held at 3 centres spread across the country.

1.3.2 A breakdown of the main statistics for the day is shown in the table below. These statistics are prior to the Board of Assessors (BoA) results awarding meeting.

<table>
<thead>
<tr>
<th>Measure</th>
<th>London</th>
<th>Manchester</th>
<th>Edinburgh</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Trainees Eligible to Sit</td>
<td>565</td>
<td>244</td>
<td>58</td>
<td>867</td>
</tr>
<tr>
<td>Total Trainees Applied to Sit</td>
<td>514</td>
<td>234</td>
<td>57</td>
<td>805</td>
</tr>
<tr>
<td>No Withdrawals</td>
<td>13</td>
<td>7</td>
<td>1</td>
<td>21</td>
</tr>
<tr>
<td>No &quot;No Shows&quot; on the Day</td>
<td>17</td>
<td>3</td>
<td>2</td>
<td>22</td>
</tr>
<tr>
<td>Total No Trainees Sitting</td>
<td>484</td>
<td>224</td>
<td>54</td>
<td>762</td>
</tr>
<tr>
<td>No Adjustments (inc in figs)</td>
<td>42</td>
<td>15</td>
<td>3</td>
<td>60</td>
</tr>
<tr>
<td>No Requests to Nullify</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>2</td>
</tr>
</tbody>
</table>

1.4 **Nullification Requests**

1.4.1 A total of two nullification requests were received in relation to the September sitting. Both requests have been granted by the BoA.

1.5 **Statistics post BoA results awarding meeting**

1.5.1 With the above information taken into consideration the final numbers are:

- 760 candidates sat
- 526 candidates passed
- 234 candidates failed
1.6 Results by attempt number

<table>
<thead>
<tr>
<th>Attempt No</th>
<th>Total Sitting</th>
<th>Pass</th>
<th>Fail</th>
<th>Fail %</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st</td>
<td>271</td>
<td>182</td>
<td>89</td>
<td>32.8</td>
</tr>
<tr>
<td>2nd</td>
<td>453</td>
<td>334</td>
<td>119</td>
<td>26.3</td>
</tr>
<tr>
<td>3rd</td>
<td>34</td>
<td>10</td>
<td>24</td>
<td>70.6</td>
</tr>
<tr>
<td>4th</td>
<td>2</td>
<td>0</td>
<td>2</td>
<td>100</td>
</tr>
<tr>
<td>Total</td>
<td>760</td>
<td>526</td>
<td>234</td>
<td>30.8</td>
</tr>
</tbody>
</table>

1.7 Renewals December 2013 Cohort

1.7.1 As at the 18 October 2013 peak renewal statistics are as follows:

- Total registrant renewal percentage: 62.8% (pharmacist 63%, pharmacy technician 62%)

- The comparative percentage for last year (taken on the 19 October 2012) was 65.5%. However, a reminder letter was issued to all those yet to renew which should have had a positive impact on these figures.

- A reminder email is to be sent to those registrants yet to renew on the 18 October 2013 and where an email address is invalid or not held a letter will be issued. The benefit of emails is that we can insert direct links to either renew or to the voluntary removal application to encourage immediate action.

- We are currently receiving 1.5% of renewals per day and following the forthcoming weekend, plus the email reminder expect to see a 4 – 4.5% increase immediately. This will bring the results in line or slightly ahead of last year.

- We have received 429 applications from pharmacists and 94 applications from pharmacy technicians to voluntarily remove their entry, either immediately or at the end of the year. These figures are not included in the above results.

- Currently we have 52% of pharmacies (6589) renewed (represented by 62% of owners (2324)).

- It is worth noting that 29 pharmacy owners representing 4050 pharmacies currently have outstanding renewals.

- A reminder letter is being issued on the 18 October to circa 1400 small corporate and sole trader owners.
1.8 Quality Assurance

1.8.1 Quality checks are undertaken each month across all processing teams and the customer contact centre (CCC). The aim is to ensure that all processes and all individual staff are covered by these checks. However, as not all processes are performed each month, and not all staff cover all tasks, a matrix management approach is taken to ensure that, over the year, we have evidenced all processes covered by all staff that are involved in them, and that sufficient checks are performed on all staff.

1.8.2 Within the CCC, 5 calls and 5 e-mails are checked each month for each staff member. The KPI for the department overall and for each staff member is to achieve an average score of at least 80% across all quality checks, and for at least 80% of all checks to reach the pass mark.

1.8.3 For the applications teams, a minimum of 5 process checks per team member per month is required from the team managers from the tasks that they are undertaking during the period, with the monthly results plotted onto a grid to ensure that all tasks are checked for all staff over the year, and to identify where the gaps are for future QA checks.

1.8.4 In addition, specific checks are carried out on higher risk activities to ensure accuracy, especially around integrity of the Register – for example:

- Cases being handled by the hearings team are tracked and actioned immediately should removal or suspension be required. All cases are quality checked.
- All applications where new registrants are being added to the Register are quality checked.
- All EEA applications are subject to QA checks.
- All applications from previous registrants aiming to return to the Register are reviewed.
- All cases requiring a good character assessment or health assessment are reviewed.
- All potential cases of removal from the register are reviewed including non payment of renewal fees and CPD non-compliance.
1.8.5 A summary of results is as follows (YTD January to September 2013):

### Contact Centre

<table>
<thead>
<tr>
<th>Service</th>
<th>Number of QA checks</th>
<th>% passed</th>
<th>Average score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telephone calls</td>
<td>341</td>
<td>99.1%</td>
<td>96.4</td>
</tr>
<tr>
<td>Emails</td>
<td>323</td>
<td>95.0%</td>
<td>94.6</td>
</tr>
</tbody>
</table>

### Applications Teams

<table>
<thead>
<tr>
<th>Service</th>
<th>Total number of checks</th>
<th>% passed</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1,569</td>
<td>99.5%</td>
</tr>
</tbody>
</table>
2. Continuing Professional Development

The CPD section provides an overview of the CPD activity undertaken by the Customer Services Team.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Records Requested</td>
<td>2,539</td>
<td>1,601</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Records Reviewed</td>
<td>2,462</td>
<td>2,376</td>
<td>2,353</td>
<td>2,190</td>
<td>108</td>
<td>97</td>
</tr>
<tr>
<td>Reminders Sent</td>
<td>402</td>
<td>223</td>
<td>149</td>
<td>118</td>
<td>130</td>
<td>89</td>
</tr>
<tr>
<td>CPD Online Submissions</td>
<td>2,140</td>
<td>1,726</td>
<td>2,271</td>
<td>680</td>
<td>110</td>
<td>151</td>
</tr>
<tr>
<td>Paper Submissions</td>
<td>109</td>
<td>71</td>
<td>117</td>
<td>55</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Dual Submissions (online and paper entries)</td>
<td>3</td>
<td>19</td>
<td>4</td>
<td>10</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Feedback Sent</td>
<td>2,096</td>
<td>2,390</td>
<td>2,782</td>
<td>2,275</td>
<td>257</td>
<td>77</td>
</tr>
</tbody>
</table>

2.1 Overview

2.1.1 We are continuing to process non-compliance cases under the CPD Rules. Notices of intention to remove have been issued for all batches called under the CPD Framework including those called in the last call cycle which ran from November 2012 to May 2013.

2.1.2 We have issued 195 notices of intention to remove, 52 notices of removal and to date 11 registrants have been removed from the register for non-submission of their CPD record.

2.1.3 There may be further notices of removals issued depending on responses to the most recent notices of intention to remove this may result in further removals from the register for non-submission of CPD.

2.1.4 Remedial measures have been issued to registrants who submitted insufficient entries. This includes:

- 14 registrants who have scored below 50% and submitted an insufficient number of entries
- 41 registrants who have scored below 50%
• 281 registrants who have submitted an insufficient number of entries

2.1.5 These registrants are required to submit the outstanding entries and or improve the quality of their entries, within a given timescale.
3. **Fitness to Practise**

The fitness to practise data present the overall caseload for the reporting period.

### 3.1 Introduction

3.1.1 The focus of the commentary for this reporting period relates to Fitness to Practise performance in August to September 2013. Also included for this reporting period is a summary of the data set used by the Professional Standards Authority (PSA) to monitor the timeliness of the GPhC’s fitness to practice activity. This covers performance for the year, October 2012 to September 2013.

### 3.2 Total case load

Table 1 below sets out the overall case load from August 2013 to September 2013 and for the cases closed, a breakdown of the stage of the process they were closed.

<table>
<thead>
<tr>
<th>Table 1</th>
<th>Aug 13</th>
<th>New cases</th>
<th>Cases closed</th>
<th>Sep 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall case load</td>
<td>490</td>
<td>81</td>
<td>51</td>
<td>520</td>
</tr>
<tr>
<td>Stage closed</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>5 closed by Fitness to Practise Committee</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>11 closed by Investigating Committee</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>15 closed Outside Our Jurisdiction</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2 closed under threshold criteria</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>18 closed with advice</td>
<td></td>
</tr>
</tbody>
</table>
3.2.1 In summary:

- Our overall caseload has increased from 490 at the end of August to 520 at the end of September.
- 51 cases were closed in September against a monthly average of 64 cases closed over the last 12 months.
- 5 cases were closed by FtP Committee in September; one case involved two registrants that resulted in 1 being removed and the other given conditions, 1 further registrant was removed from the register, 1 registrant was suspended, 1 registrant was given a warning and in one case, the committee found that fitness to practise was not impaired.
- Of the 11 cases closed at Investigating Committee, 9 resulted in warning letters being issued to the registrants and 2 resulted in letters of advice being issued.

3.3 Age profile of overall case load

3.3.1 Table 2 below sets out the age profile of the overall case load at the end of September 2013.

<table>
<thead>
<tr>
<th>Age profile of overall case load</th>
<th>Sep-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under 6 months old</td>
<td>51.35%</td>
</tr>
<tr>
<td>6-12 months old</td>
<td>21.54%</td>
</tr>
<tr>
<td>12-15 months</td>
<td>7.50%</td>
</tr>
<tr>
<td>Over 15 months old</td>
<td>19.62%</td>
</tr>
</tbody>
</table>

3.3.2 These headline percentages summarise the following position:

- The volume of cases over 12 months old has decreased from 140 at the end of August to 139 at the end of September. These cases represent 27% of our overall caseload. Since August, we have closed 13 cases that were over 12 months old and 12 new cases have moved into this category.
- The number of cases over 15 months old has decreased from 103 at the end of August to 102 at the end of September. Since August we have closed 10 cases that were over 15 months old and 9 new cases have moved into this category.
Out of these 102 cases, 38 are now with the Hearings Team, 10 are with the Case Progression Team, 6 are with the Investigating Committee, and the remaining 48 are with the Investigation Team.

3.4 Performance against target to conclude 95% of cases within 12 months

3.4.1 In September 83% of cases that were closed, were closed within 12 months; this is the same as our annual performance; from October 2012 and September 2013 83% of cases that were closed, were closed within 12 months.

3.5 Cases over 15 months

3.5.1 Our oldest case is 46 months old. Of all cases over 15 months old, the average case age is 22 months, while the median is 20 months.

<table>
<thead>
<tr>
<th>Age profile of cases &gt; 15 months</th>
<th>Sep-13</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>15-19 months</td>
<td>44</td>
<td>43.14%</td>
</tr>
<tr>
<td>20-24 months</td>
<td>32</td>
<td>31.37%</td>
</tr>
<tr>
<td>25-29 months</td>
<td>11</td>
<td>10.78%</td>
</tr>
<tr>
<td>30-34 months</td>
<td>8</td>
<td>7.84%</td>
</tr>
<tr>
<td>35-39 months</td>
<td>3</td>
<td>2.94%</td>
</tr>
<tr>
<td>40-46 months</td>
<td>4</td>
<td>3.92%</td>
</tr>
</tbody>
</table>

3.5.2 We have five open legacy cases, down from 7 legacy cases since August; 2 of these cases are with the hearings team and are being canvassed to be listed for hearing. 2 cases are with the case progression team, one of these cases is awaiting disclosure while the other case is being considered for a direct referral to the Fitness to Practise Committee. 1 case is with the Investigating Team awaiting a coroner’s inquest to take place.

3.6 Fitness to Practise Activity October 2012 to September 2013

3.6.1 Table 3 below sets out a summary of the data set used by the Professional Standards Authority (PSA) to monitor the timeliness of the GPhC’s fitness to practice activity. This covers the performance for the year October 2012 to September 2013 and compares favourably with the performance delivered in 2011. Under all measures there has been continuous improvement, with reductions across the board in the timeliness of case handling in fitness to practise.
### Table 3 - Fitness to Practise Activity

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>October 2012 to September 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>The median time taken from receipt of initial complaint to final fitness to practise hearing determination</td>
<td>126 weeks</td>
<td>104 weeks</td>
</tr>
<tr>
<td>The median time taken from receipt of initial complaint to final investigating committee decision</td>
<td>65 weeks</td>
<td>52 Weeks</td>
</tr>
<tr>
<td>The median time taken from final investigating committee decision to final fitness to practise hearing decision</td>
<td>91 weeks</td>
<td>36 weeks</td>
</tr>
</tbody>
</table>

### 3.7 Interim Orders

3.7.1 This month the Fitness to Practise Committee issued 3 interim suspension orders. Since October 2012 the FtPC has heard 37 applications for interim orders and has made interim orders against all cases; there were 8 interim orders with conditions and 29 interim suspension orders.

### 3.8 Statutory Appeals

3.8.1 We presently have three outstanding appeals; two appeals are listed for hearing in the High Court whilst the other appeal will take place at the Court of Sessions in Edinburgh. All three appeals are listed for hearing during November 2013.

### 3.9 Disclosure and Barring Referrals

3.9.1 Since the introduction of the GPhC’s disclosure and barring Service / Disclosure Scotland referral policy and process, 3 cases from England and Wales have been referred to the Disclosure and Barring Service. In future Council reports it is our intention to report referrals on a regular basis.
4. Organisational Feedback

This section reports on the feedback received about the way in which the organisation carries out its work. It covers complaints made against the workings of the GPhC as an organisation (as opposed to complaints about registrants) and provides a summary of the positive feedback we’ve received.

4.1 Introduction

4.1.1 This section provides organisational feedback data for the period 1 July 2013 – 30 September 2013

4.2 Total number of complaints

4.2.1 Table 1 below shows the total number of complaints received for the last quarter. The figures in brackets show figures for the same reporting period last year which shows that the overall total number of complaints received has increased.

4.2.2 Table 2 provides a breakdown of the total number of formal complaints received against the three stages of the formal complaints process. It shows that there was a minor increase in the number of first stage and second stage complaints and a minor decrease in the number of third stage complaints.

<table>
<thead>
<tr>
<th>Table 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of complaints received</td>
</tr>
<tr>
<td>1 Jul - 30 Sept 2013</td>
</tr>
<tr>
<td>33 (24)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Table 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formal complaints received</td>
</tr>
<tr>
<td>1 Jul - 30 Sept 2013</td>
</tr>
<tr>
<td>Stage 1</td>
</tr>
<tr>
<td>5 (4)</td>
</tr>
<tr>
<td>Stage 2</td>
</tr>
<tr>
<td>1 (0)</td>
</tr>
<tr>
<td>Stage 3</td>
</tr>
<tr>
<td>0 (1)</td>
</tr>
</tbody>
</table>
4.3 Breakdown by theme/category

4.3.1 Table 3 below shoes a breakdown by complaint theme/category. Some complaints address more than one issue, these are split by theme/category and each issue is recorded.

<table>
<thead>
<tr>
<th>Table 3</th>
<th>1 Jul - 30 Sept 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other</td>
<td>11 (1)</td>
</tr>
<tr>
<td>Quality of communication/information</td>
<td>9 (9)</td>
</tr>
<tr>
<td>GPhC policy/process</td>
<td>5 (3)</td>
</tr>
<tr>
<td>Accuracy of recorded information</td>
<td>2 (1)</td>
</tr>
<tr>
<td>Delays</td>
<td>2 (2)</td>
</tr>
<tr>
<td>Failure to respond</td>
<td>2 (0)</td>
</tr>
<tr>
<td>Complaints handling</td>
<td>2 (2)</td>
</tr>
<tr>
<td>Outcome/GPhC decision</td>
<td>1 (0)</td>
</tr>
<tr>
<td>Staff conduct</td>
<td>0 (1)</td>
</tr>
</tbody>
</table>

4.3.2 Complaints under the heading ‘Other’ make up the single largest category of complaints received for the period July-September 2013. All of these complaints relate to an error on behalf of the mailing house who issued our renewal notices to registrants with no stamp. Of the 54,109 renewal notices sent to registrants over the last quarter we received 11 complaints in relation to this. Registrants had to travel to their nearest post office and pay £1.50 for their letter. We have asked the mailing house to investigate why this happened as a matter of urgency and to refund registrants who had to pay for their letters.

4.3.3 Complaints relating to our quality of communication/information make up next largest single category of complaints received for this period. These ranged from registrants and members of the public not being able to get through to the team they required to dissatisfaction with our quality of response. There were some complaints from registrants regarding our
communication around registration/renewal administration as well as complaints about our registration/renewal process.

4.3.4 In the reporting period, we also received 13 compliments about our work which were for the comprehensiveness of the advice provided by the standards advisory team and helpful approach by staff in the customer contact centre.
5. **Financial Performance**

The financial data provide an overview of the financial performance of the GPhC as at 30 September 2013.

5.1 **Comparative data**

5.1.1 The actual results are compared against the reforecast completed at the end of the 1st quarter.

5.2 **Year to date**

5.2.1 The operating surplus (after tax and interest) for the six months to 30 September was £1,1443k, which was £500k above reforecast. Total income was £10,454k and total expenditure was £9,160k.

5.2.2 Income was £60k (1%) above reforecast, mainly owing to the number of technicians and pharmacies being above the reforecast. Expenditure was £439k (5%) below reforecast, as a result of savings on Employee Costs (posts not filled and training delayed until later in the year) and Professional Fees (delays in appointing IT consultants and savings on legal fees).

5.3 **Balance sheet**

5.3.1 As at 30 September the total assets / funds of the GPhC amounted to £16.1m. The target reserve level for the GPhC is £12.5m.

5.3.2 Net Current Assets were £15.9m, an increase of £3.3m since 30 September 2012.
## General Pharmaceutical Council

### Management Accounts September 2013

<table>
<thead>
<tr>
<th></th>
<th>September 2013</th>
<th>Year to date</th>
<th>Forecast to 31/03/14</th>
<th>Budget to 31/03/14</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Forecast</td>
<td>Variance</td>
<td>Actual</td>
</tr>
<tr>
<td>Income</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Pharmacist Income</td>
<td>1,009,187</td>
<td>1,020,305</td>
<td>(11,118)</td>
<td>6,162,638</td>
</tr>
<tr>
<td>Premises Income</td>
<td>288,244</td>
<td>267,629</td>
<td>20,614</td>
<td>1,737,070</td>
</tr>
<tr>
<td>Technician Income</td>
<td>226,841</td>
<td>207,843</td>
<td>18,998</td>
<td>1,295,133</td>
</tr>
<tr>
<td>Pre-Registration Income</td>
<td>170,195</td>
<td>178,932</td>
<td>(8,737)</td>
<td>812,233</td>
</tr>
<tr>
<td>Other Fee Income</td>
<td>14,648</td>
<td>8,167</td>
<td>6,481</td>
<td>49,451</td>
</tr>
<tr>
<td>DH Grant Income</td>
<td>57,197</td>
<td>90,452</td>
<td>(33,255)</td>
<td>330,563</td>
</tr>
<tr>
<td>Other Income</td>
<td>4,495</td>
<td>10,658</td>
<td>(6,163)</td>
<td>67,383</td>
</tr>
<tr>
<td>Total Income</td>
<td>1,770,806</td>
<td>1,783,986</td>
<td>(13,181)</td>
<td>10,454,471</td>
</tr>
<tr>
<td>Expenditure</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Chief Executive</td>
<td>(131,185)</td>
<td>(123,028)</td>
<td>(8,157)</td>
<td>(606,083)</td>
</tr>
<tr>
<td>Policy &amp; Communications</td>
<td>(294,434)</td>
<td>(443,163)</td>
<td>148,729</td>
<td>(1,518,844)</td>
</tr>
<tr>
<td>Inspections &amp; Fitness to Practise</td>
<td>(523,164)</td>
<td>(532,501)</td>
<td>9,337</td>
<td>(2,640,927)</td>
</tr>
<tr>
<td>Resources &amp; Corporate Development</td>
<td>(659,763)</td>
<td>(650,409)</td>
<td>(9,355)</td>
<td>(3,446,580)</td>
</tr>
<tr>
<td>Council &amp; Governance</td>
<td>(57,332)</td>
<td>(60,899)</td>
<td>3,567</td>
<td>(394,168)</td>
</tr>
<tr>
<td>Total Directorate Costs</td>
<td>(1,665,879)</td>
<td>(1,810,000)</td>
<td>144,121</td>
<td>(8,606,602)</td>
</tr>
<tr>
<td>- Rent</td>
<td>(41,108)</td>
<td>(45,712)</td>
<td>4,604</td>
<td>(273,869)</td>
</tr>
<tr>
<td>- Service Charge</td>
<td>(19,321)</td>
<td>(21,500)</td>
<td>2,179</td>
<td>(128,071)</td>
</tr>
<tr>
<td>- Rates</td>
<td>(17,158)</td>
<td>(17,200)</td>
<td>42</td>
<td>(102,948)</td>
</tr>
<tr>
<td>- Utilities</td>
<td>(5,647)</td>
<td>(7,000)</td>
<td>1,353</td>
<td>(38,233)</td>
</tr>
<tr>
<td>- Insurance</td>
<td>(1,708)</td>
<td>(1,748)</td>
<td>40</td>
<td>(10,164)</td>
</tr>
<tr>
<td>Total Occupancy Costs</td>
<td>(84,941)</td>
<td>(93,160)</td>
<td>8,219</td>
<td>(553,285)</td>
</tr>
<tr>
<td>Total Expenditure</td>
<td>(1,750,820)</td>
<td>(1,903,160)</td>
<td>152,340</td>
<td>(9,159,887)</td>
</tr>
<tr>
<td>Net Operating Surplus/(Deficit) before interest &amp; tax</td>
<td>19,985</td>
<td>(119,174)</td>
<td>139,159</td>
<td>1,294,584</td>
</tr>
<tr>
<td>- Interest Receivable</td>
<td>30,437</td>
<td>31,500</td>
<td>(1,063)</td>
<td>187,429</td>
</tr>
<tr>
<td>Net Operating Surplus/(Deficit) before tax</td>
<td>50,423</td>
<td>(87,674)</td>
<td>138,097</td>
<td>1,482,012</td>
</tr>
<tr>
<td>- Corporation Tax Payable</td>
<td>(6,247)</td>
<td>(6,393)</td>
<td>146</td>
<td>(38,472)</td>
</tr>
<tr>
<td>Net Operating Surplus/(Deficit) after tax</td>
<td>44,175</td>
<td>(94,067)</td>
<td>138,243</td>
<td>1,443,540</td>
</tr>
</tbody>
</table>
## General Pharmaceutical Council

### Management Information Report 2013/14

<table>
<thead>
<tr>
<th>Revenue</th>
<th>6 months to September</th>
<th>March for year</th>
<th>Budget</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No.</td>
<td>£’000</td>
<td>Var £’000</td>
<td>Var %</td>
</tr>
<tr>
<td><strong>Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pharmacists</td>
<td>49,243</td>
<td>6,163</td>
<td>8</td>
<td>0.1</td>
</tr>
<tr>
<td>Technicians</td>
<td>22,272</td>
<td>1,295</td>
<td>32</td>
<td>2.5</td>
</tr>
<tr>
<td>Premises</td>
<td>14,282</td>
<td>1,737</td>
<td>55</td>
<td>3.3</td>
</tr>
<tr>
<td>Pre-registrants</td>
<td>812</td>
<td>1</td>
<td>0.1</td>
<td></td>
</tr>
<tr>
<td>Other income</td>
<td>447</td>
<td>(36)</td>
<td>-7.5</td>
<td></td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>10,454</td>
<td>60</td>
<td>0.6</td>
<td></td>
</tr>
<tr>
<td><strong>Expenditure</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Policy &amp; Communications</td>
<td>(1,519)</td>
<td>205</td>
<td>12.0</td>
<td></td>
</tr>
<tr>
<td>Regulatory Services</td>
<td>(3,960)</td>
<td>166</td>
<td>4.0</td>
<td></td>
</tr>
<tr>
<td>Support Costs</td>
<td>(3,681)</td>
<td>68</td>
<td>1.8</td>
<td></td>
</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td>(9,160)</td>
<td>439</td>
<td>4.6</td>
<td></td>
</tr>
<tr>
<td>Interest net of Corporation Tax</td>
<td>149</td>
<td>1</td>
<td>0.6</td>
<td>300</td>
</tr>
<tr>
<td><strong>Net Surplus after tax</strong></td>
<td>1,443</td>
<td>500</td>
<td>53.0</td>
<td>1,493</td>
</tr>
<tr>
<td>Support costs as a percentage of total income</td>
<td>35.2</td>
<td>0.7</td>
<td>37.3</td>
<td>1.0</td>
</tr>
</tbody>
</table>

### Balance Sheet

<table>
<thead>
<tr>
<th></th>
<th>£’000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Expenditure</td>
<td>84</td>
</tr>
<tr>
<td>Bank &amp; Cash</td>
<td>29,854</td>
</tr>
<tr>
<td>Deferred Income</td>
<td>(13,161)</td>
</tr>
<tr>
<td>Net Current Assets</td>
<td>15,858</td>
</tr>
<tr>
<td>Reserves</td>
<td>16,073</td>
</tr>
</tbody>
</table>

22/10/2013
### GPhC Balance Sheet as at 30 September 2013

<table>
<thead>
<tr>
<th></th>
<th>September 2013</th>
<th>March 2013</th>
<th>September 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible Assets</td>
<td>215</td>
<td>206</td>
<td>179</td>
</tr>
<tr>
<td></td>
<td>215</td>
<td>206</td>
<td>179</td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade Debtors</td>
<td>4</td>
<td>29</td>
<td>3</td>
</tr>
<tr>
<td>Other Debtors</td>
<td>9</td>
<td>417</td>
<td>34</td>
</tr>
<tr>
<td>Prepayments</td>
<td>363</td>
<td>574</td>
<td>210</td>
</tr>
<tr>
<td>Accrued Income</td>
<td>207</td>
<td>40</td>
<td>119</td>
</tr>
<tr>
<td>Bank &amp; Cash</td>
<td>29,854</td>
<td>28,868</td>
<td>27,421</td>
</tr>
<tr>
<td></td>
<td>30,438</td>
<td>29,928</td>
<td>27,787</td>
</tr>
<tr>
<td><strong>Current Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade Creditors</td>
<td>401</td>
<td>584</td>
<td>298</td>
</tr>
<tr>
<td>Corporation Tax</td>
<td>83</td>
<td>45</td>
<td>62</td>
</tr>
<tr>
<td>Other Creditors</td>
<td>0</td>
<td>56</td>
<td>0</td>
</tr>
<tr>
<td>Other Taxes &amp; Social Security</td>
<td>212</td>
<td>198</td>
<td>0</td>
</tr>
<tr>
<td>Deferred Income :-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Grants</td>
<td>1,323</td>
<td>1,640</td>
<td>2,030</td>
</tr>
<tr>
<td>- Ring Fenced Grant</td>
<td>76</td>
<td>76</td>
<td>76</td>
</tr>
<tr>
<td>- DH Grants</td>
<td>7</td>
<td>7</td>
<td>21.57</td>
</tr>
<tr>
<td>- Fee Income</td>
<td>11,751</td>
<td>12,368</td>
<td>11,997</td>
</tr>
<tr>
<td>- Other Income</td>
<td>4</td>
<td>7</td>
<td>4</td>
</tr>
<tr>
<td>Accruals</td>
<td>723</td>
<td>511</td>
<td>781</td>
</tr>
<tr>
<td></td>
<td>14,580</td>
<td>15,492</td>
<td>15,270</td>
</tr>
<tr>
<td><strong>Net Current Assets / (Liabilities)</strong></td>
<td>15,858</td>
<td>14,436</td>
<td>12,518</td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td>16,073</td>
<td>14,642</td>
<td>12,696</td>
</tr>
<tr>
<td><strong>Funds Employed</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accumulated Fund b/fwd.</td>
<td>14,642</td>
<td>9,845</td>
<td>9,846</td>
</tr>
<tr>
<td>Surplus/(Deficit) in Year</td>
<td>1,444</td>
<td>4,797</td>
<td>2,850</td>
</tr>
<tr>
<td>Prior Year Adjustment</td>
<td>(13)</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>Total Funds</strong></td>
<td>16,073</td>
<td>14,642</td>
<td>12,696</td>
</tr>
</tbody>
</table>
Appendix 2 - Board of Assessors Report

Report to the General Pharmaceutical Council
Registration Assessment September 2013

1. Introduction

1.1 The initial education and training of pharmacists in Great Britain is:
- an accredited four-year MPharm degree\(^2\) then
- 52 weeks of pre-registration training; and
- the GPhC’s Registration Assessment.

1.2 During pre-registration training, trainees are signed-off on four occasions by their tutor – at 13, 26, 39 and 52 weeks. Trainees must have been signed off as ‘satisfactory’ or better at 39 weeks to be eligible to enter for a sitting of the Registration Assessment.

1.3 The Registration Assessment is a multiple choice questions examination with two papers: a morning closed book paper and an afternoon open book paper. In the closed book paper, no reference sources can be used; in the open book paper, specified reference sources can be used. Calculators are not permitted.

1.4 There are 90 questions in the closed book paper, to be answered in 1 hour 30 minutes, and 80 questions in the open book paper, to be answered in 2 hours 30 minutes. The open book paper includes 20 designated calculations questions.

1.5 Candidates with a specific need may ask for a reasonable adjustment to be made to the conduct of the assessment. Candidates with specific needs usually sit the assessment in a separate adjustments room.

2. Reporting to Council

2.1 The Board of Assessors produces two reports for Council annually, one after each sitting of the Registration Assessment.

2.2 This is the report of the September 2013 sitting.

\(^2\) Non-EEA pharmacists study on a 1-year Overseas Pharmacists’ Assessment Programme (OSPAP), not an MPharm degree.
3. September 2013 statistics

1. Candidate numbers

<table>
<thead>
<tr>
<th>No. of candidates</th>
<th>(No. of candidates in June 2013)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of candidates entered</td>
<td>762</td>
</tr>
<tr>
<td>Number of 1st sitting candidates</td>
<td>271</td>
</tr>
<tr>
<td>Number of 2nd sitting candidates</td>
<td>453</td>
</tr>
<tr>
<td>Number of 3rd sitting candidates</td>
<td>34</td>
</tr>
<tr>
<td>Number of 4th sitting candidates</td>
<td>2</td>
</tr>
<tr>
<td>Nullifications</td>
<td>2</td>
</tr>
</tbody>
</table>

While the majority of candidates in June were 1st attempt candidates, in September the majority were sitting for the second time, as can be seen from the comparative table above.

An emerging trend in September sittings is an increase in the number of 1st attempt candidates, who are unable to begin pre-registration training at the usual time for a variety of reasons.

2. Candidate performance 1 - % pass/fail

- 69.2% sits within the historic pass range for September sittings (58.2%-83.9%).
3. **Candidate performance 2 – pass rate by attempt**

- 2nd attempt candidates performed better than 1st attempt candidates. Our hypothesis is that this is because candidates improved after failing their first attempt in June (note that further work needs to be done to verify this comment).

- Prior to the GPhC becoming the regulator for pharmacy, candidates could request an additional, exceptional 4th attempt at the Registration Assessment. This has been phased out and September 2013 is the last sitting at which fourth attempts will be permitted.
4. Candidate performance 3 – 1st attempt home students vs OSPAP students

As was the case in June, there is little difference between 1st attempt candidates who studied wholly in GB ('Home' candidates) and candidates whose primary pharmacy qualification was gained outside the EEA ('OSPAP' candidates).

5. Candidate performance 4 – 1st attempt performance by gender

As was the case in June, female candidates performed better than male candidates (but by 2% in September compared to 5% in June).
142 1st attempt candidates were female and 129 were male.

6. Candidate performance 5 – 1st attempt performance by country of training

As was the case in June, there is a notable difference in performance between countries. These data should be treated with caution, however, because while there were 246 1st attempt candidates from England, there were only 22 from Scotland and 2 from Wales, making the pass rates in the latter two countries less reliable as comparators.

7. Candidate performance 6 – 1st attempt performance by training sector

As was the case in June, there is a notable difference in performance between countries. These data should be treated with caution, however, because while there were 246 1st attempt candidates from England, there were only 22 from Scotland and 2 from Wales, making the pass rates in the latter two countries less reliable as comparators.
- There were 239 candidates in community practice, 31 in hospital and 1 in a joint hospital/community setting. Due to low numbers in the latter two categories, the pass rates for those categories are less reliable as comparators.

<table>
<thead>
<tr>
<th>1. Candidates by centre</th>
<th>No. of candidates</th>
</tr>
</thead>
<tbody>
<tr>
<td>London (main)</td>
<td>446</td>
</tr>
<tr>
<td>London (adjustments)</td>
<td>38</td>
</tr>
<tr>
<td>Manchester (main)</td>
<td>210</td>
</tr>
<tr>
<td>Manchester (adjustments)</td>
<td>14</td>
</tr>
<tr>
<td>Edinburgh (main)</td>
<td>51</td>
</tr>
<tr>
<td>Edinburgh (adjustments)</td>
<td>3</td>
</tr>
</tbody>
</table>

2. Reasonable adjustments for specific needs
- 68 adjustments were received by the Board and 64 were granted. Four were rejected because candidates presented insufficient evidence to justify an adjustment.
- 10 adjustments candidates withdrew before the sitting.
- As with previous sittings, requests for extra time by dyslexic students were the most common. There were five requests for adjustments from pregnant candidates and the remainder were requests linked to a variety of mental and physical specific needs.

3. Candidate performance by ethnicity
- As there are significantly fewer candidates in September than in June, it is not possible to draw conclusions about performance by ethnicity.
- After June’s findings, the GPhC has opened a dialogue with schools about the comparatively poor performance of ‘Black – African’ candidates and will report back to Council about this in 2014.

5. Discussion of the papers by the Board
- Routine quality assurance of the paper: The Board considered the performance of all questions and both papers after the sitting. No questions were withdrawn and the Board noted that new questions had performed well. In the case of two questions, two answers were accepted, which elevated 13 candidates from a fail to a pass.
- **Pass mark:** The Board considered the pass mark for the Assessment as a whole and also the calculations pass mark and agreed that there was no justification for adjusting either.

- **Completing answer sheets:** The Board was informed of discrepancies in marks between manually and electronically marked papers and of the likely causes of these discrepancies, which appeared to arise from some candidates marking the answer sheets in ways that deviated from the instructions given. As a result the Board identified some actions to ensure that they could be confident in the marks produced and decided to issue further guidance for candidates on the requirements for completion of the answer sheet.

- **Candidate feedback:** The Board received no negative feedback from candidates and one comment on the presentation of dosage ranges, which the Board noted.

- **Learning points:** After a preliminary discussion in June, the Board firmed up its policy on issuing learning points for trainees and tutors. One set of learning points will be issued annually in January, following a June and a September sitting in the previous year. January is a logical time to do this because it is in the middle of the pre-registration training year when most trainees are beginning to revise for Registration Assessment in earnest.

Board of Assessors
16 October 2013
Modernising pharmacy regulation: implementation update

Purpose

To update Council on progress to implement our new model of regulation for registered pharmacies

Recommendations

The Council is asked to note the update on Modernising Pharmacy Regulation.

1. Introduction

1.1 When Council approved new Standards for Registered Pharmacies in September 2012 it also considered a transition plan to move us from publication of standards to full implementation including publication of supplementary guidance, the development of a new inspection model and introduction of enforcement powers provided for in the Pharmacy Order 2010. These steps were set out in Council Paper, Managing the transition (09.12/C/04).

1.2 We have made significant progress on the steps outlined in this paper. We have:

- Published and promoted the new standards with owners and all registrants, particularly superintendent pharmacists.
- Established a range of formal and informal engagement channels including regular stakeholder meetings, sounding boards to support testing of key features, products and principles within the new inspection model
- Launched our new prototype inspection model following an extensive period of testing, training of the inspection team and refinement of the model
• Carried out extensive development and testing of the ‘GPhC inspection decision framework’ to be published alongside implementation of the new inspection model

• Developed draft guidance for pharmacies preparing (manufacturing) medicines which we will publish once we have received feedback on practical issues relating to our joint work with the MHRA

• Established project teams internally to develop guidance and other regulatory tools to support our work to regulate pharmacies supplying medicines over the internet

2. Further developments

2.1 Although this marks very significant progress, there are some areas where we have not yet made as much progress as originally planned on our published timeline.

2.2 We have not yet drafted guidance for pharmacies carrying out distance selling of medicines. The reasons for this delay are in part due to prioritisation of related initiatives, the decision to seek further legal clarification in relation to complex matters of European law, as well as awaiting transposition and implementation of the Falsified Medicines Directive which remains a matter for the MHRA.

2.3 To mitigate the risks of further delays we are planning additional recruitment of within our regulatory development policy team and have established a cross directorate project. We are also seeking external advice in relation to the complex legal issues. In relation to some of the interfaces with other regulatory bodies, including MHRA and CQC (and equivalent bodies in Scotland and Wales) we will consider opportunities for further joint working through development of MOUs.

2.4 Council made a commitment to publish guidance in relation to the supply of Pharmacy medicines. The intention was to publish this guidance around the time that our full enforcement powers were implemented following consultation on the Rules. As this timetable has now changed, we intend to undertake a number of further initiatives to ensure this issue which is a key quality indicator within community pharmacy, is considered further and addressed by the GPhC. With this in mind we are planning the following:

i. To publish a background paper on the supply of P medicines which sets out, in the context of existing legal requirements, what the regulator expects from registered pharmacies and the responsibilities of owners and superintendents, including counter staff training and supervision issues identified in the Which? report and other evidence
ii. To develop research proposals which will consider issues in relation to education and training of support staff as well as communications skills of registrants

iii. To consider further initiatives to ensure all those with an interest in this topic are able to provide feedback on the issues set out in the background note.

3. Update on Rules

3.1 The implementation of Rules was identified as a key risk in the Council paper, managing the transition. Unfortunately this has proved to be an accurate assessment.

3.2 As previously reported to Council we have been working iteratively on the draft registered pharmacies rules, in discussion with Scottish Government and DH officials and solicitors, who have the role of advising the Privy Council on whether to approve rules made by regulators. This form of clearance is essential if rules are to progress.

3.3 Our drafter and DH and Scottish Government colleagues have encountered a number of challenges with the rules. A key issue is the very unusual requirement (in the Pharmacy Order) for the standards themselves to be set in the rules. Normally regulators’ standards are not incorporated into rules, which are more suited to defining process and procedure. This is particularly challenging with outcomes-focused standards, such as the registered pharmacies standards. Rules by their statutory nature are required to be specific and detailed; they do not readily accommodate principles-based standards describing outcomes. We had been aiming to bring draft rules to Council, to approve the consultation in November. This has not been possible. We hope to be able to provide a further verbal update at the 14 November Council meeting.

3.4 Our ongoing issue with the rules highlights for us the need to be as clear as we are able about our approach to enforcement in this interim period, including disclosure and publication of inspection reports.

4. Disclosure, Publication and Enforcement

4.1 As Council will be aware the new inspection model based on the Standards for Registered Pharmacies went live as a prototype on 4 November 2013. The prototype is expected to last for at least six months and during this phase there will be no routine publication of inspection reports. This reflects that during the prototype the inspection methodology will still be under calibration and therefore reports may not be consistent from pharmacy to pharmacy. The final public report format has not been finalised and this will be reviewed during the pilot.
4.2 Reports will be disclosed to the owner or superintendent in confidence during the prototype and the reports will be marked with a suitable warning, the content based on external advice, making it clear that it is not for publication by the pharmacy.

4.3 As the Standards for Registered Pharmacies are not yet in rules there can be no enforcement measures based upon them. However, this means that the situation with regard to enforcement remains effectively the same as prior to the publication of the Standards. The GPhC continues to have a range of options that it can consider utilising. These include:

- our Inspectors encouraging and working with pharmacies to improve standards;
- consideration of Fitness to Practise action against individuals, where appropriate;
- the setting of conditions for the purpose of securing the safe and effective practice of pharmacy at a specific premises under provisions set out in s74D of Medicines Act

4.4 It is our intention to develop a specific policy to describe the process and circumstances in which these Medicines Act provisions might be used as an interim option available to us in advance of our full powers being in place.

4.5 In addition, where appropriate, information would be urgently shared with commissioning authorities and other appropriate bodies. Our current Memorandums of Understanding project will help on this front.

4.6 As a regulator committed to being open and transparent, the intention is to publish inspection reports post successful completion of the prototype phase. Currently, research is ongoing into the practicalities and legalities of publishing reports based on standards that are not within rules.

5. Equality and diversity implications

5.1 We have developed draft equality impact analysis which we had intended to publish as part of the consultation on Rules for feedback. This work will be used to inform further assessment of the prototype inspection model.

6. Communications

6.1 We continue to engage with both key representative bodies as well as pharmacy professionals at a local level. We have developed a resource page on our website to ensure up to date information is shared in a timely fashion [http://www.pharmacyregulation.org/pharmacystandardsguide](http://www.pharmacyregulation.org/pharmacystandardsguide).

6.2 Specific communications plans will be developed for each of the guidance and background information documentation.
7. Resource implications

7.1 There are no additional resources, not already allocated within budgets, required as a result of issues raised in this paper.

8. Risk implications

8.1 Delays to the implementation of Rules had previously been identified as a risk. We have taken mitigating action to ensure that any further delays in implementing our full range of enforcement powers do not put patients and the public at risk.

8.2 We will communicate in full the reasons for the delay in the Rules and the impact on our implementation work to key stakeholders as well as owners and Superintendents to mitigate the risk of further confusion.

Recommendations

The Council is asked to note the update on Modernising Pharmacy Regulation.

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7 November 2013
Public business

Review of GPhC prosecution policy

Purpose
To ask the Council to defer the review of the GPhC’s prosecution policy.

Recommendations
The Council is asked to defer the review of the GPhC’s prosecution policy to November 2014.

1. Introduction
1.1 The Pharmacy Order 2010 creates a number of criminal offences, most of which relate to the register, with the remainder relating to inspection of premises.
1.2 In November 2011, the Council agreed a GPhC prosecution policy (appendix 1) which substantively incorporated the Code for Crown Prosecutors, subject to an appropriate framework in the light of our regulatory role.

2. Proposal
2.1 The prosecution policy is scheduled for review by Council at this meeting. However, in October, the Crown Prosecution Service (CPS) published new guidance for prosecutors about cases involving the Medicines Act 1968 and the Human Medicines Regulations 2012.
2.2 In light of that development, Council is asked to agree that the policy remains in place for a further year (to November 2014) so as to allow the CPS guidance to be taken into account during the review.

3. Equality and diversity implications
3.1 As part of the review, an equality impact assessment will be carried out to identify the potential impact – positive or adverse - of the policy on different groups of people.
4. Communications

4.1 Following the review, the new version will be published on the GPhC website and reported in Regulate.

5. Resource implications

5.1 There are no additional resource implications.

6. Risk implications

6.1 Ensuring that any revision of the prosecution policy takes into account the latest CPS guidance will help to reduce the risk of inconsistency and of legal challenge to prosecution decisions.

Recommendations

The Council is asked to defer the review of the GPhC’s prosecution policy to November 2014.

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24 October 2013
Appendix 1

GPhC Prosecution Policy

1. Introduction
1.1 The Pharmacy Order 2010 creates a number of criminal offences, most of which relate to the register, with the remainder relating to the inspection of premises.

2. Purpose of policy
2.1 The GPhC is a public authority with express statutory powers to institute criminal proceedings under the Pharmacy Order 2010 (and has a duty of enforcement under medicines legislation). A prosecution policy is required for the purposes of:

- informing affected parties of the GPhC’s approach
- guiding decision-makers as to the approach which the governing Council wishes them to take
- enabling prosecution decisions to be taken in a consistent, fair and accountable way.

3. Policy statement
3.1 The GPhC Prosecution Policy can be found at Appendix 1

4. Application of policy
4.1 The prosecution policy will be applied in all cases where the GPhC has reason to believe that a relevant offence may have been committed.

5. Measurement and evaluation
5.1 To be kept under continual review however formal review to take place within two years from effective date.

Gerard McEvilly, Head of Legal Advice and Hearings Management

Reference: GP/2011/21
Effective date: 10/11/2011
Review date: November 2014
Agreed by: Council 14 November 2014
Appendix 1

GPhC Prosecution Policy

1. Alternatives to prosecution

1.1 Consistent with the GPhC’s values and regulatory principles, we always aim to select the most proportionate and cost-effective approach to addressing problems. In the case of criminal matters within our remit this usually means seeking alternatives to prosecution, including securing voluntary compliance and non-criminal regulatory interventions for example fitness to practise proceedings where appropriate.

1.2 GPhC standards and regulatory proceedings are specifically designed as effective mechanisms for regulating the conduct and standards of pharmacy professionals. Where it appears that a relevant offence may have been committed by a GPhC registrant, regulatory proceedings are more likely in most cases to provide an effective and proportionate mechanism for challenging that behaviour than criminal prosecution.

1.3 Exceptions to this general approach are possible and should be considered where a registrant’s conduct demonstrates that in their particular case a regulatory intervention may not be an effective and adequate response (which could be the case for example if a registrant commits an offence by practising whilst suspended from the register, thereby demonstrating a disregard for regulatory decisions).

1.4 In the case of a relevant offence which appears to have been committed by a non-GPhC registrant, then the institution of criminal proceedings may be the only enforcement tool available to the GPhC. By definition, a person who is not registered with the GPhC is beyond the reach of GPhC regulation, including fitness to practise proceedings. This is equally true whether or not the person has ever been a registrant; a person who is removed from the register and then commits an offence by continuing to practise is just as beyond the GPhC’s reach as a person who masquerades as a registrant. In both cases the GPhC has a role in upholding the integrity of the register by challenging this behaviour and seeking to stop it. A criminal prosecution may be the only option – and therefore the right and proportionate response – in such circumstances.

2. Deciding whether to prosecute

2.1 In cases in which it appears that a criminal prosecution may be an effective and proportionate response to alleged criminal behaviour, in England and Wales we apply the Code for Crown Prosecutors, which involves a two stage test examining firstly a review of all of the relevant evidence to decide whether there is a ‘realistic prospect of conviction’ and, if there is, a second
stage to determine whether prosecution is in the public interest. In cases in which it appears that a criminal prosecution in Scotland may be an effective and proportionate response to alleged criminal behaviour we use the Scottish Prosecution Code to help us decide whether to refer a matter to the Crown Office and Procurator Fiscal Service, for them to consider whether to initiate a prosecution.

2.2 In cases in which a relevant offence appears to have been committed as part of a wider course or episode of criminality involving more serious offences, we liaise with the police and prosecution authorities to determine the best course of GPhC action in order to secure public and patient safety and to facilitate the prevention, investigation and detection of serious crime by the relevant authorities.

3. **Sentencing**

3.1 When acting as a prosecutor, the GPhC, has a duty to assist the court in relation to sentencing and in particular should, where possible, be in a position to provide the court with all relevant information relating to the facts of the case and the individual defendant’s personal circumstances, including (but not limited to) the following:

- The defendant’s age, background, present circumstances and previous convictions
- All relevant aggravating and mitigating factors
- Any relevant statutory sentencing provisions and sentencing guidelines and/or guideline cases
- Ancillary orders, such as compensation
- The views of any victim through the Victim Personal Statement
- The impact of the offending on a community.

3.2 This policy is to be reviewed at regular intervals.

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1 An offence under the Pharmacy Order 2010 or an offence under the Medicines Act or the Poisons Act within the GPhC’s enforcement remit
Public business

Developing memoranda of understanding

Purpose
To update on our response to the recent ministerial announcement that the General Pharmaceutical Council should become “the principal regulator with responsibility for pharmacy inspections” in England.

Recommendations
The Council is asked to note this paper.

1. Introduction

1.1 In early September, Earl Howe, Parliamentary Under Secretary of State for Quality, announced an initiative which will see the GPhC become the principal regulator with responsibility for pharmacy inspections in England. The initiative emerged from the government’s red tape challenge, which seeks ideas from the public on how the burden of regulation might be reduced.

1.2 The government’s proposals centre on the potential to reduce inspection activity in community pharmacies. In order to achieve this, the GPhC has been asked to agree memoranda of understanding (MoUs) with MHRA, CQC, NHS England, NHS Protect, Home Office Drug Licensing and Compliance, the Health and Safety Executive and local authority trading standards and environmental health inspectors.

1.3 While creating opportunities for information sharing and joined-up working, it has been proposed that the MoUs should also describe the circumstances in which the respective organisations might act independently.

1.4 The scope of the initiative announced by the government covers England only and community pharmacies specifically.

1.5 The deadline for introducing the MoUs is 31 March 2014.
1.6 The government’s announcement acknowledges the progress the GPhC has made previously on memoranda of understanding and joint working with other organisations. For example:

i. MoUs with MHRA, CQC and NHS England have been drafted.

ii. Relevant contact points have been shared and regular meetings are held with key stakeholders, including CQC and MHRA.

2. Approach

2.1 The approach we are taking will seek to identify each organisation’s responses to intelligence (such as through whistle blowing, or public concerns raised about a pharmacy service), requirements for information, responsibilities for inspection and powers to investigate and take enforcement actions. We will then look for areas of potential overlap or duplication, alongside identifying gaps which may have a detrimental impact on patient safety. Thereafter we will seek to negotiate agreements that mitigate the impact of unnecessary duplication and address any gaps in regulatory oversight.

2.2 The organisations highlighted by the government are just some of those with which closer working relationship would be beneficial. Consequently, we will also look at the government’s proposals in the wider context of securing working agreements with other organisations who share an interest in the safety of pharmacies. This will be progressed in parallel to delivering the government’s proposal, but within a longer timeline. While we are clear that any changes to the wider inspection regime for pharmacies in Scotland and Wales will fall within the purview of their respective administrations, this widening of the scope allows us to take a more consistent approach to partnership working across Great Britain.

2.3 It is anticipated that outcomes of this work will include:

i. Increasing the information about the safety of pharmacies that is shared between organisations

ii. Enhancing understand of the respective responsibilities of different organisations among those who are involved in inspection activities

iii. Creating the potential to reduce inspection activities in community pharmacies.

2.4 This initiative comes at a time when the GPhC’s new inspection model is being implemented, and any potential changes arising from the implementation of MoUs will be clearly identified and carefully managed.

2.5 We expect that we will be asked report on the progress of this initiative to Cabinet Office and the Department of Health in January 2014, and a further update will be provided to Council at that stage.
3. **Equality and diversity implications**

3.1 There are no specific equality and diversity implications arising from this paper.

4. **Communications**

4.1 As this work progresses, we will provide information updates to organisations that are party to the agreements, and also ensure that other organisations who have a stake in the effectiveness of pharmacy regulation are kept informed.

5. **Resource implications**

5.1 A consultant has been engaged within the Regulatory Policy Team to deliver this piece of work. The research process for each MoU will also seek to identify any resource implications arising from each agreement.

6. **Risk implications**

6.1 The principal risk related to this work is the imposed timescale of 31 March for the conclusion of the MoUs. This risk has already been mitigated through the addition of resource, and will be further managed by clear prioritisation and a focus on simple workable agreements with room for future development.

**Recommendations**

The Council is asked to note this paper.

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*23 October 2013*
Public business

Developing a framework for assuring the continuing fitness to practise of pharmacy professionals

Purpose
To agree a means of implementing a framework for assuring the continuing fitness to practise of pharmacy professionals.

Recommendations
The Council is asked to agree:

i. the development of a draft framework for assuring the continuing fitness to practise of pharmacy professionals;
ii. a timetable for developing the draft framework;
iii. a related review of the current CPD ‘Call and Review’ process.

1. Introduction
1.1 As a preamble to this topic, it is worthwhile reminding Council why revalidation/continuing fitness to practise is being proposed for pharmacy professionals. The idea of revalidation for healthcare professionals dates from the 90s but it is best summed up in the white paper *Trust assurance and safety – the regulation of healthcare professionals in the 21st Century* (2007):

- ‘there has been long debate about whether health professionals … should be required to demonstrate objectively that they have kept up to date with professional and clinical developments and that they continue to apply, through their practice, the values that they committed themselves to when their names were first placed on their professional register. Revalidation is a mechanism that allows health professionals to demonstrate that they remain up-to-date and fit to practise…. public and professional opinion has moved on in the course of [the] debate [about revalidation], from a position where trust alone was sufficient guarantee of fitness to practise, to one
where that trust needs to be underpinned by objective assurance. Public opinion surveys suggest that people expect health professionals to participate in the revalidation of their registration and that many believe that this already takes place every year.’

1.2 This paper proposes a means of providing the necessary public assurance about the practice of pharmacy professionals through a framework for revalidation/fitness to practise, which will look at both competence and professionalism.

1.3 The early development of revalidation/continuing fitness to practise for pharmacy professionals. Work on what was then revalidation for pharmacists was begun in 2007 by the RPSGB. In 2009/2010 the DH funded research commissioned by the RPSGB and, latterly, the GPhC: the outputs of the research can be found at [http://www.pharmacyregulation.org/resources/research](http://www.pharmacyregulation.org/resources/research).

1.4 The research focused on risk, sources of evidence for revalidation and implementation models. After evaluating the research, the GPhC’s Council set up a task and finish group to take further work forward, which resulted in the development of principles for revalidation.

1.5 GPhC Principles of revalidation/continuing fitness to practise. Principles were agreed in 2012. They are:

- the focus should be assurance of continuing fitness to practise and not a fixed point assessment;
- the model should be consistent with the generic principles agreed by the (Department of Health’s) Non-Medical Revalidation Working Group (see Appendix A);
- the model will need to consider more than one source of information;
- some form of assessment will be required and will need to be made against a standard;
- that standard should be based on the standards of conduct, ethics and performance which apply to all registrants;
- the model must take full account of the structure of the pharmacy workforce;
- any model would need to be appropriately costed and subject to testing, including piloting.

1.6 The GPhC remains committed to building proposals based on these principles.

1.7 Revalidation or continuing fitness to practise? The terms ‘revalidation’ and ‘continuing fitness to practise’ are subtly different. In the GPhC’s view
‘revalidation’ implies a fixed point assessment whereas ‘continuing fitness to practise’ suggests a review of practice viewed on a continuum. The latter better describes the thinking outlined in this proposal, so that term will be used from now on.

2. **A framework for continuing fitness to practise (CFTP)**

2.1 *A model or a framework?* Rather than suggesting a single model for CFTP, what is proposed is to develop a framework which is sufficiently flexible to accommodate both professional groups – pharmacists and pharmacy technicians - and all sectors of practice.

Note: In developing these proposals, the GPhC has taken account of the Professional Standards Authority’s position paper *An approach to assuring continuing fitness to practise based on right-touch regulation principles* (2012).

2.2 *The standard for continuing fitness to practise.* The framework must test a standard, on the basis of evidence. As the core practice standard for all pharmacy professionals is the GPhC’s *Standards of conduct, ethics and performance*, it follows that it must also be the standard tested for continuing fitness to practise. The standards are due for review in 2014 and will be reviewed in the context of the requirements of CFTP, among other things.

2.3 The revised standards will be supplemented by advice and guidance on how they should be interpreted from a CFTP perspective.

2.4 *The three components of the framework.* The framework will have three components: (1) a peer review process, (2) review of CPD and (3) the use of external performance indicators.

1. **Peer review.** The core activity in the process will be the review of a registrant’s work. The review activity will be conducted by a professional peer and will be based on a registrant’s scope of practice. For the purposes of continuing fitness to practice, scope will be defined by a registrant and verified by a peer as part of the review process.

2. **CPD review.** The current CPD ‘Call and Review’ process is primarily quantitative: in contrast, the proposed framework will focus clearly on the relevance of CPD entries to a registrant’s scope of practice.

3. **External performance indicators.** In addition to reviewing CPD, the process will involve a review of external performance measures, which will vary according to the scope of a registrant’s practice. Menus of indicators will be developed in consultation with the profession.

2.5 **Collaboration.** It is neither practical nor desirable for the GPhC to run the peer review process, therefore the GPhC proposes that it will accredit partner organisations to do this. Wherever possible, peer review will build on existing processes, such as appraisals. Realistically, some existing processes may
need to be modified so that they deal with professional issues and engage directly with the standard for continuing fitness to practise.

2.6 A draft timetable for developing the framework. The suggested timetable for developing the framework is:

- November 2013: Council agrees the development of a framework;
- Q1-3 2014: Review the Standards of conduct, ethics and performance and develop the framework for CFTP;
- Q2-3: Review of CPD ‘Call and Review’;
- September 2014: Interim signoff of the standard and framework by Council;
- Q4 2014 and Q1 2015: Test the components of the framework;
- Q2-4 2015 and Q1-2 2016: Pilot the framework;
- Q3-4 2016 and Q1 2017: Evaluate the pilot and report to Council;
- April 2017: GPhC launches a full consultation on a CFTP framework;
- Autumn 2017: Council considers the outcome of the consultation and agrees a Framework for Continuing Fitness to Practice for Pharmacy Professionals.
- 2018: CFTP begins.

2.7 A related activity – reviewing the current CPD ‘Call and Review’ process. The CPD ‘Call and Review’ process began in July 2009 and by July 2014 a planned five year cycle will be complete. At >99%, the compliance rate is extremely high – clearly registrants are engaging with CPD. What is less clear is the impact CPD is having on practice. The GPhC expects that CFTP peer review will be able to explore the impact CPD has had on practice in a way the current scheme cannot. Given that (1) compliance is clearly not an issue and (2) continuing fitness to practice should look at qualitative aspects of CPD, it may not be necessary to call records from every registrant in the future. Moving to a sampling model may be more proportionate, cheaper and should still allow the GPhC to check compliance. Therefore, alongside developing the CFTP framework, the GPhC proposes to evaluate the current CPD scheme and to introduce a modified version of it in parallel with the framework.

2.8 Moving work forward: The governance and project management structure for this work is yet to be decided but it is anticipated there will be a need for:

- a CFTP Oversight Group;
- a CFTP Management Group; and, in due course,
implementation boards in each country.

3. **Equality and diversity implications**

3.1 The proposals will be subject to a full equality impact assessment.

4. **Communications**

4.1 Clearly communication will be key to the success of this project and the Communication team in the Policy and Communications Directorate will be developing a dedicated and comprehensive communications strategy for this piece of work.

5. **Resource implications**

5.1 The GPhC does not have the resources necessary to run this project at the moment. The Executive is aware of this and has begun to identify the resources it will be necessary to put in place for the project to be implemented.

6. **Risk implications**

6.1 The biggest risk to continuing fitness to practise is that it will not have a clear purpose and that pharmacy professionals will not engage with it meaningfully. To mitigate this risk, at every stage in the development process the proposals will be interrogated to ensure that they are clear and purposeful.

6.2 CFTP is unlikely to be cost neutral. Cost must not be a barrier to implementation, however, and will be reviewed regularly as proposals are developed.

**Recommendations**

The Council is asked to agree:

- i. the development of a draft framework for assuring the continuing fitness to practise of pharmacy professionals;
- ii. a timetable for developing the draft framework;
- iii. a related review of the current CPD ‘Call and Review’ process.

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23 October 2013
Appendix A

Non Medical Revalidation Working Group – Principles of revalidation

Principle 1 - Consistency: Models should be consistent with the Better Regulation Executive’s five principles of good regulation.

Principle 2 - Professional Standards: The regulatory body for each profession should set out the contemporary professional standards, which registrants will have to meet in order to maintain registration.

Principle 3 – Remediation: Where revalidation processes highlight performance concerns there should be scope for remediation of the professional but measures to secure public safety must remain paramount.

Principle 4 - Patient and public involvement: A successful revalidation process must have the confidence of the public that it is appropriate, relevant and fit for purpose.

Principle 5 - Continuing Professional Development (CPD): This is the process by which individual registrants keep themselves up to date in order to maintain the highest standards of professional practice.

Principle 6 - Quality Assurance: Quality assurance mechanisms must be built into revalidation processes.

Principle 7 – Equality: Equality and diversity considerations must be evident in the development of systems and processes for revalidation.

Principle 8 – Integration: Clinical governance frameworks yield information on professionals’ performance and practice. Where appropriate, effective connections need to be made between them and the system of revalidation.

Principle 9 - UK-wide: Revalidation arrangements should be consistent in outcome across the United Kingdom.

Principle 10 - Demonstrating Benefits: The structures and processes of revalidation should be effective in confirming fitness to practise.

Principle 11 – Information: The nature of the information required by each regulatory body will be based on their risk profiling of their registrant groups.

Principle 12 - Incremental Introduction: The introduction of revalidation should be incremental.

Department of Health, 2008
Council meeting 14 November 2013 11.13/C/08

Public business

Recognition of Professional Qualifications Directive

Purpose
To update Council
- on the main changes in the new Recognition of Professional Qualifications (RPQ) Directive; and
- when these changes are likely to be implemented.

Recommendations
The Council is asked to note this paper.

1. Introduction
1.1 The RPQ Directive sets out the rules and procedures which apply to European nationals who wish to practice in a European country other than where they qualified.

1.2 The European Commission (EC) carried out a review of the RPQ Directive and published its initial proposals in December 2011. Following negotiations some of the EC’s original proposals have been amended and clarified.

1.3 During negotiations at European level the General Pharmaceutical Council (GPhC) has been working closely with other healthcare regulators via the Alliance of UK Healthcare Regulators on Europe (AURE) to ensure that the amendments finally adopted would benefit patients and the public and improve safety and transparency.

1.4 Political agreement on the new RPQ Directive was reached in July 2013 and the text was adopted, unchanged by the European Parliament on 9 October 2013.

1 European includes countries of the European Economic Area and Switzerland.
1.5 The Council of Ministers now needs to approve the agreement. This is likely to happen in the next weeks. The new RPQ Directive will then be officially adopted and published in the Official Journal of the European Union.

1.6 Member states will have 2 years in which to transpose the new rules into national legislation. Most of the changes are therefore unlikely to be implemented before 2015.

2. The main changes in the new RPQ Directive

2.1 Assurance of language competency.

*What the new Directive says*

i. All healthcare regulators will be able to assess the language competence of professionals after recognition of their qualifications but before granting access to the profession.

ii. The changes to the language requirements will be implemented as part of the transposition process.

*What we think*

iii. This is a major improvement. It means that European pharmacists and pharmacy technicians, just like international non-European applicants, would have to provide evidence of their ability to speak and communicate in English if they want to register and practice as pharmacy professionals in Great Britain.

*Our policy position*

iv. During the 3 year review process we consistently lobbied for the language provisions to be clarified.

v. We continued to share our view that although in the UK the healthcare regulators are the competent authority for both ‘recognition of qualifications’ and for ‘registration’ purposes this should not prevent us from administratively separating the application process into two distinct operational stages.

vi. We provided colleagues at the Department of Health (DH) with details of how we have administratively separated the European application process into a recognition of qualification stage (stage 1) followed by an application for registration stage (stage 2).

vii. We suggested to DH that the check of language competency could take place at the registration stage as additional evidence of an applicant’s fitness to practise.
2.2 A pro-active fitness to practise alert mechanism

**What the new Directive says**

i. Health regulators across Europe will have to pro-actively inform other member states within 3 days of taking a decision to remove or restrict a health professional’s ability to practise their profession, even if the restriction is temporary.

ii. This alert mechanism is to be facilitated via the EC’s Internal Market Information (IMI) system.

iii. How the alert mechanism will work in practice will be set out in additional implementing legislation. The time scale for introducing implementing legislation is not yet known.

**What we think**

iv. The alert mechanism is a major step forward in safeguarding patients and the public from rogue professionals.

**Our policy position**

v. During the 3 year review process we consistently lobbied for a legal duty on competent authorities to pro-actively exchange fitness to practise information concerning healthcare professionals to prevent individuals from moving to other jurisdictions to avoid the consequences of disciplinary sanctions imposed by their home member state.

vi. We re-iterated our concern that although the current Directive required member state regulators to ‘work in close collaboration’ and exchange information regarding disciplinary action or criminal sanctions taken, we rarely received such information from our European counterparts.

vii. We also argued that the alert mechanism should apply to all healthcare professionals not just to those who have rights to automatic recognition and this position has been accepted.

viii. We already pro-actively inform other member states of all our fitness to practise decisions that affect registrants’ ability to practise in Great Britain.

2.3 A European Professional Card

**What the new Directive says**

i. The stated purpose of the European Professional Card (EPC) is to simplify and speed up the existing recognition and registration
process for individuals wishing to practise their profession in another member state.

ii. It is intended that the EPC will be an electronic certificate created in the IMI system by the home member state on the basis of information and documents provided by the applicant and verified by the home member state.

iii. The host member state is to make a professional’s electronic certificate in IMI available to employers, patients and the public.

iv. The creation of the EPC by the home member state is to replace the ‘recognition’ stage of an application process but it will not provide an automatic right to practise a particular profession if there are registration requirements already in place in the host member state before an EPC is introduced.

v. Before introducing the EPC for a particular profession the EC will seek and take into account the views of individual national and European professional associations and regulators.

vi. The exact process and format in which documents are to be provided by an applicant to their home competent authority is yet to be determined and will be the subject of future implementing legislation. The time scale for introducing implementing legislation is not yet known.

What we think

vii. The provisions on the EPC are of major concern to us.

Our policy position

viii. We regard the recognition stage of our application process as an important opportunity for us to cross-check information on qualifications and work experience provided directly to us by applicants against information provided in certificates from the competent authority. This is fundamental to our role in safeguarding public health and safety. This stage in the application process should not be the responsibility of a competent authority in an applicant’s home member state.

ix. All UK healthcare regulators have real-time web-based searchable registers of professionals who are registered and entitled to practise. The requirement to make the electronic EPC available to employers, patients and the public via the IMI system could therefore duplicate information we already provide on registration and risk confusion.
x. These concerns have been raised with colleagues in DH and we will continue to work with AURE, to ensure that we engage in any preliminary work that the EC is planning on the EPC.

2.4 Continuing Professional Development (CPD)

What the new Directive says

i. The new RPQ Directive places a duty on member states to encourage doctors, nurses, midwives, pharmacists and dentists to complete CPD to ensure that they maintain safe and effective practice and keep abreast of professional developments.

ii. Member states will be required to inform the EC of their CPD requirements.

What we think

iii. This strengthens the current provisions but does not address our concerns.

Our policy position

iv. We lobbied for changes to the Directive to enable us to require evidence of the current competence of European pharmacists who qualified with Directive compliant qualifications many years ago but who have no evidence of any recent professional practice. Such individuals are currently and under the new RPQ Directive will continue to be entitled to automatic recognition of their qualification and registration with us without needing to provide evidence of current competence.

3. Immediate and future action

3.1 We will continue to meet regularly with colleagues in AURE and work together with the DH and the Department for Business, Innovation and Skills (BIS) over the next 2 years to transpose the new RPQ into national legislation. We will also engage with colleagues to influence the EC’s implementing legislation for the alert mechanism and EPC.

3.2 We will provide Council with updates as this work progresses.

4. Equality and diversity implications

4.1 Introducing an English language competency requirement for European applicants will bring the European registration requirements in line with our requirements for international applicants.
4.2 We will work with our regulatory colleagues to ensure that the evidence required from European applicants will be proportionate and in line with our international requirement so that no equality and diversity issues should arise.

5. Communications

5.1 There will be significant communications implications, especially in relation to changes to the language requirements once the new RPQ Directive is published and the position becomes clearer as transposition into national legislation and consultation on various implementing legislation progresses.

6. Resource implications

6.1 Work with colleagues in AURE, DH and BIS to influence the transposition of the new RPQ Directive into national legislation and the EC's implementing legislation for the alert mechanism and EPC will be met from within existing resources.

7. Risk implications

7.1 Any delay in transposition of the new RPQ Directive provisions especially those concerning language requirements would expose patients and the public to continuing risk of harm. We will continue to work with the DH to mitigate any risk of delay.

7.2 If the EPC were to be introduced for pharmacy professionals the requirement to make the electronic EPC available to employers, patients and the public via the IMI system would duplicate information we already provide on our online register search facility and risk confusion.

7.3 The EPC will also remove the ‘recognition’ stage from our European application process which we regard as fundamental to our role in safeguarding public health and safety. Introduction of an EPC would necessitate a complete overhaul of our application procedures to ensure that robust registration checks could still be made.

Recommendations

The Council is asked to note this paper.

Martha Pawluczyk, Registration and International Policy manager
General Pharmaceutical Council
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25 October 2013
Public business

Review of the Council’s performance as a governing body

Purpose
To update the Council on the process for performance review

Recommendations
The Council is asked to note the update on the performance review.

1. Introduction
1.1 The Council has made a formal commitment to annually review its performance.

1.2 In previous years this has been undertaken through independent observation of a Council meeting, through workshop discussion and via feedback forms.

2. Council performance Review 2013/14
2.1 As part of the overview of the governance processes and in discussion with the Chair and Chief Executive and Registrar, the Council’s performance review for 2013/14 will take place towards the end of the financial year or immediately following it. This aligns the review with the cycle of business such as the annual report and the reviews carried out by Audit and Risk and Remuneration Committees.

2.2 The format of the review will be agreed with the Chair of Council and is likely to reflect the relevant content from the revised Audit and Risk and Remuneration Committees’ performance reviews, such as a web based survey of Council Members. The review will include the opportunity to seek the views of external stakeholders.

2.3 The review will also address progress against the “next steps” identified in last year’s performance review (Council 11.12/C/04).
2.4 On a related point, a review of the individual Council Member appraisal process will also be undertaken between now and the next cycle.

3. **Equality and diversity implications**

3.1 The GPhC is committed to assessing the Council’s and individual Council members’ learning & development needs, ensuring they receive appropriate, relevant, equality and diversity training and enabling them to put the equality scheme into practice.

4. **Communications**

4.1 The GPhC is committed to openness and transparency and this includes reviewing the Council’s performance as a governing body and identifying areas for improvement as they arise. This paper on Council performance will continue to be published on the GPhC’s website as part of the Council papers.

5. **Resource implications**

5.1 The resource implications of the review process will need to be covered within agreed budgets.

6. **Risk implications**

6.1 The Council’s review of its performance as a governing body is integral to mitigating risk relating to the oversight and strategy of the GPhC. It is therefore of significance that the Council reviews its performance regularly and takes action to identify and address areas for improvement.

**Recommendations**

The Council is asked to note the update on the Council performance review.

Matthew Hayday, Head of Governance

*General Pharmaceutical Council*

*matt.hayday@pharmacyregulation.org*

*Tel 020 3365 3450*

24 October 2013
Chief Executive & Registrar’s report

Purpose
To keep the Council abreast of significant recent meetings and developments.

Recommendations
The Council is asked to note this paper.

1. Recent meetings
1.1 Listed in Appendix 1 is a non-exhaustive selection of significant meetings held during the two months since the last Council meeting.

1.2 Council members are reminded to liaise with the office before accepting external invitations to speak on behalf of the GPhC, in order to minimise overlap and to ensure they have the most up-to-date supporting material.

2. Stakeholder event
2.1 The GPhC held a meeting for key stakeholders on 14 October. This was the third such meeting since September 2012. The overarching aim of this event was to inform stakeholders of developments in relation to our registered pharmacies workstream, to get their feedback on key issues and to remind them of the role they can play.

2.2 The objectives of the meeting were:

- To promote awareness of the standards for registered pharmacies
- To provide accurate and up to date information to key interest groups on our position, particularly in relation to high profile issues
- To inform and reassure in relation to inspection and enforcement
- Listening and receiving feedback from the group to inform further operation and policy work
• Hear feedback to enable us to consider what further communications are required

• To enhance confidence in relation to implementation by establishing partnership working

• To identify any myths or misconceptions and provide an opportunity for reassurance

• To debunk any major myths or misconceptions

• Encourage others to consider the role they should play in adoption of the standards and improvements in practice

2.3 Participants received an update on the development of the new approach to inspection, including headlines from what we’ve found from testing so far. There was also an update on guidance and next steps.

2.4 The meeting was part of a wider programme of stakeholder engagement and will be followed up with a further session in six months.

3. Rebalancing update

3.1 The Chair and Chief Executive attended the latest meeting of the Rebalancing Programme Board on 10 September. The Programme Board office has issued the following update about discussions at that meeting:

"Good progress is being made to reach a consensus on proposals that will address the issue of dispensing errors - these will be taken forward for discussion at the first Partners Forum meeting on 1st October. The Board was pleased to note that the proposed approach is consistent with recommendations made in the recent Berwick review into patient safety in the NHS.

The main item for discussion at this meeting was the role of the Superintendent Pharmacist and the need to clarify and distinguish this role from the Responsible Pharmacist. A number of proposals were put forward and discussions will continue at the next meeting.

Other items on the agenda included an update on hospital pharmacy and communications.

The Board wishes to maintain the momentum on this work, therefore an additional Board meeting has been put in place for 29th October."

3.2 As indicated above, the first Rebalancing Board Partners' Forum took place on 1 October. The Forum comprises patient/public representatives and representatives from a wide range of pharmacy and other healthcare interests.
3.3 Discussions focused on dispensing errors and consideration was given to the Programme Board's proposed approach of an exemption from criminal sanction for inadvertent errors, where certain conditions applied.

3.4 Outcomes from the meeting will be reported to the Programme Board at its next meeting on 29th October. The next meeting of the Partners' Forum will take place in early December.

4. **PSA advice on encouraging candour**

4.1 In response to recommendations about candour, openness and transparency in the *Report of the Mid Staffordshire NHS Foundations Trust Public Inquiry* the Secretary of State for Health asked the Professional Standards Authority for advice on how professional regulation could encourage candour among health and social care professionals.

4.2 The GPhC, along with other regulators, provided information to the PSA about our standards and guidance, declarations required of registrants on registration/renewal and some information about fitness to practise cases.

4.3 The resulting report 'Can professional regulation do more to encourage professionals to be candid when healthcare or social work goes wrong?' identifies a number of areas where professional regulation could be improved to encourage more candour and advises the Secretary of State in respect of these. [http://professionalstandards.org.uk/library/document-detail?id=6d855358-c724-416b-9172-17c5b06fec35](http://professionalstandards.org.uk/library/document-detail?id=6d855358-c724-416b-9172-17c5b06fec35)

4.4 Published alongside the report is a supporting literature review which explores the factors that encourage and discourage health professionals and social workers from disclosing mistakes and reporting safety concerns and considers what this could mean for professional regulation.

5. **Prescription for Excellence**

5.1 The Scottish Government has published *Prescription for Excellence* which sets out the Government's response to the Wilson Review that was published on 14 August 2013. The document is in two parts: a vision for delivering pharmaceutical care and an action plan setting out what needs to happen to make the vision a reality. [http://www.scotland.gov.uk/Publications/2013/09/3025](http://www.scotland.gov.uk/Publications/2013/09/3025)

5.2 The action plan proposes that pharmacists will have a greater clinical role, working more closely with GPs, have a greater role in prescribing and delivering more health care services directly to patients. It also sets out the intention to introduce more innovative technologies such as tele-healthcare and the use of robots in dispensing medicines to give pharmacists more time to spend on direct patient care.
5.3 As with the Wilson Review, the vision and action plan have been positively received by all the main pharmacy organisations in Scotland. Scottish Government now plan to provide a more detailed work programme and delivery plans of how they will take things forward and have stated their commitment to working in partnership with NHS Scotland, health and social care professionals, patients and professional and regulatory bodies.

6. Council workshop

6.1 A Council workshop session was held in October at which we discussed:

- an update on rebalancing
- how the GPhC should follow up on its work so far in response to the Which? report on the advice given from community pharmacies
- updates on developments in Scotland and Wales
- the capacity and capability to implement the strategic plan

6.2 The latter session provided an opportunity for Council input to the ongoing thinking about what the organisation needs to do in order to be able to deliver on the strategic plan for 2014-17.

7. Consultations

7.1 A list of active consultations with which the organisation is or is not engaging is included at Appendix 2.

Recommendations

The Council is asked to note this paper.

Duncan Rudkin, Chief Executive & Registrar
General Pharmaceutical Council
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18 October 2013
Appendix 1

List of Meetings

Listed below is a non-exhaustive selection of significant meetings held during the two months since the last Council meeting. Initials are as follows: Bob Nicholls (RMN), Duncan Rudkin (DR), Bernard Kelly (BK), Hugh Simpson (HS), Lyn Wibberley (LW), Claire Bryce-Smith (CBS):

**Chair:**
- Director of Education and Quality, Health Education England (HEE) & Associate Director, London and East, Higher Education Funding Council for England (HEFCE) - meeting
- The Pharmacy Show - speaking
- Department of Health (DH) Rebalancing Partners’ Forum event (with DR)
- The Association of Independent Multiple Pharmacies (AIMp) Annual Dinner
- Royal Pharmaceutical Society (RPS) Scottish Pharmacy Board - meeting
- Director of Pharmacy, NHS Education for Scotland - meeting
- Chief Pharmaceutical Officer, Scottish Government Health Department - update meeting
- Chief Pharmaceutical Officer, Welsh Assembly Government - update meeting
- RPS Welsh Pharmacy Board
- DH Rebalancing Medicines Legislation & Pharmacy Regulation Programme Board Meeting (with DR)
- Chair, Nursing and Midwifery Council (NMC) - update meeting
- Healthcare Regulators’ Chairs meeting
- RPS Commission on future models of care – report launch

**Staff:**
- Chair, Nursing and Midwifery Council (NMC) - meeting (DR)
- Director of Professional Standards & Superintendent Pharmacist and Professional Regulation & Clinical Governance Senior Manager, Boots UK, meeting (DR)
- Chief Executives’ Steering Group (DR)
- Chief Pharmaceutical Officer, NHS England - update meeting (DR)
- Department of Health (DH) Professional Standards liaison meeting, (DR, HS, CBS, LW)
- The Pharmacy Show - speaking (DR), attending (CBS, HS)
- The Association of Independent Multiple Pharmacies (AIMp) Superintendents Forum at the Pharmacy Show - speaking (DR)
- Department of Health (DH) Rebalancing Partners' Forum event (DR with RMN, HS)
- Council on Licensure, Enforcement & Regulation (CLEAR) Conference - speaking (DR)
- Pharmaceutical Services Negotiating Committee (PSNC) - 2013 Community Pharmacy Policy Seminar and Annual Dinner (DR)
- Pharmacy and Public Health Forum (DR)
- Standards for Registered Pharmacies Key Stakeholder Meeting (DR, HS, CBS)
- AIMp Annual General Meeting - speaking (DR)
- Pharmacy Business Awards (DR)
- Chief Executive, Medicines and Healthcare products Regulatory Agency (MHRA), introductory meeting (DR)
- Department of Health (DH) Rebalancing Medicines Legislation & Pharmacy Regulation Programme Board Meeting (DR with RMN)
- Chair, English Pharmacy Board and Director for England, Royal Pharmaceutical Society (RPS), meeting (DR with RMN)
- Care Quality Commission (CQC), Raising Standards, Putting People First, discussion breakfast (DR)
- Chief Executives' Health and Social Care Regulatory Forum (DR)
- Chief Executive, RPS – update meeting (DR)
- Boots Pharmacists' Association 40th Anniversary and retirement of CEO Lunch (DR)
- Chief Executive, Professional Standards Authority (PSA) - update meeting (DR)
- Chief Executive, National Pharmacy Association (NPA) – update meeting (DR)
- Chief Executive, Health Education England (HEE), meeting (DR)
- Royal Society of Medicine, New Models for healthcare provision: transformation or just more transactional change seminar (DR)
- Regulators Directors of Resources meeting (BK)
- National Pharmacy Manager, Care Quality Commission (CQC), meeting (CBS with HS)
- Pharmacy Superintendent, Co-operative Pharmacy, meeting (CBS)
- Head of NHS Services, PSNC - meeting (HS)
- Director for England, RPS - meeting (HS)
- RPS Surrey Local Practice Forum (HS)
- RPS Birmingham and Solihull Local Practice Forum (HS)
• Associate Director, Higher Education Funding Council for England (HEFCE), meeting (HS)
• Welsh Pharmaceutical Committee (HS)
• RPS Commission on future models of care – report launch (with RMN)
• King’s Fund Annual Conference (HS)
## Active and new consultations

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<thead>
<tr>
<th>Title</th>
<th>By</th>
<th>Summary</th>
<th>Deadline</th>
<th>Response</th>
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<tbody>
<tr>
<td>Data Sharing between Public Bodies.</td>
<td>Law Commission</td>
<td>The Law Commission published a consultation paper on the subject of data sharing between public bodies. Public bodies report that they cannot always share the data they need to share and as a result, miss out on opportunities to provide better services. Is there a problem with the law? Is it too complex to understand? This consultation aims to establish whether these obstacles are embedded in practice or to do with the substance of the law.</td>
<td>16/12/13</td>
<td>Responding: Matthew Hayday lead.</td>
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<tr>
<td>Ensuring a sustainable supply of pharmacy graduates</td>
<td>HEFCE</td>
<td>This consultation concerns a potential over-supply of graduates from GPhC regulated MPharm degree courses. HEFCE and HEE believe that it is important to secure a sustainable supply of MPharm graduates, balancing the needs of patients, students, universities and employers.</td>
<td>15/11/13</td>
<td>Responding: Damian Day lead.</td>
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<tr>
<td>Consultation on the Royal Pharmaceutical Society's Professional Standards for Public Health Practise for Pharmacy</td>
<td>RPS</td>
<td>The professional standards are intended to provide a framework to help pharmacy teams, and those who contract or commission services, to design, implement, deliver and monitor high quality public health practise through pharmacy and ensure people receive a consistently high quality of public health services and interventions across all pharmacy settings.</td>
<td>11/10/13</td>
<td>Response sent: see here</td>
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<td>Consultation on the profession-specific standards of proficiency for operating department practitioners</td>
<td>HCPC</td>
<td>HCPC are consulting on proposed changes to the profession-specific standards of proficiency for operating department practitioners. The standards of proficiency explain the key obligations that the HCPC expects of registered health, psychological and social care professionals</td>
<td>18/10/13</td>
<td>Reviewed by Priya Warner: Decision not to respond</td>
</tr>
<tr>
<td>Consultation on open access in the post-2014 Research Excellence Framework</td>
<td>HEFCE</td>
<td>This consultation seeks comments on the proposed criteria for open access in the post-2013 Research Excellence Framework (REF), the definition of the research outputs to which the criteria will apply, and the proposed approaches to allowing exceptions from the open access requirement.</td>
<td>30/10/13</td>
<td>Reviewed by Joanne Martin: Decision not to respond.</td>
</tr>
<tr>
<td>Consultation on changes to the way we inspect, regulate and monitor care services</td>
<td>CQC</td>
<td>This consultation is an important step towards making the changes needed to deliver the CQC’s purpose. To ensure sure health and social care services provide people with safe, effective, compassionate, high-quality care and to encourage care services to make improvements. <a href="http://www.cqc.org.uk/public/sharing-your-experience/consultations/consultation-changes-way-we-inspect-regulate-and-monitor">http://www.cqc.org.uk/public/sharing-your-experience/consultations/consultation-changes-way-we-inspect-regulate-and-monitor</a></td>
<td>12/08/13</td>
<td>Response sent: see here</td>
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<tr>
<td>Consultation on strengthening corporate accountability in health and social care</td>
<td>DH</td>
<td>The consultation document sets out proposals to introduce a new registration requirement covering the fitness of directors of boards and to improve the way that existing sanctions are used to prosecute providers for failings in the quality and safety of care. The consultation will inform the new draft regulations which will be set out by the Department in the autumn. <a href="https://www.gov.uk/government/consultations/improving-corporate-accountability-in-health-and-social-care">https://www.gov.uk/government/consultations/improving-corporate-accountability-in-health-and-social-care</a></td>
<td>06/09/13</td>
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<td>Commission on Future Models of Care</td>
<td>RPS</td>
<td>Commission on Future Models of Care is looking at models of care delivery that involve pharmacy. The Commission is keen to identify and understand innovative examples of good practice in pharmacy care, and to determine how such examples could become more widespread in the NHS. <a href="http://www.rpharms.com/leading-on-nhs-reforms-for-pharmacy/models-of-care.asp">http://www.rpharms.com/leading-on-nhs-reforms-for-pharmacy/models-of-care.asp</a></td>
<td></td>
<td>Response sent see here</td>
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Minutes of the Remuneration Committee meeting held on 9 October 2013 at 129 Lambeth Road, London SE1 7BT at 12.00 noon

Present
Liz Kay (Chair)
Gordon Dykes
Mary Elford
Paul Hart

Apologies
Bob Nicholls

In attendance
Duncan Rudkin (Chief Executive and Registrar)
Bernard Kelly (Director of Resources & Customer Services)
Viv Murch (Head of Organisational Development & People Strategy)
Matthew Hayday (Head of Governance)
Paula Woodward (Committee Secretary)

10. ATTENDANCE AND INTRODUCTORY REMARKS
10.1. The Chair welcomed everyone to the meeting and introduced Matthew Hayday, the new Head of Governance.
10.2. Apologies were received from Bob Nicholls.

11. DECLARATIONS OF INTEREST
11.1. The following interests were declared:
   - Item 9 - Council members’ remuneration
     Liz Kay, Mary Elford, Gordon Dykes
   - Item 11 – Expenses policy review
     All staff and members present
11.2. The staff present also declared interests in the following items:
   - Item 4 - Auto-enrolment and an alternative defined contribution pension
   - Item 5 - Pay benchmarking and total remuneration analysis
   - Item 6 – Strategic plan: remuneration and related issues
   - Item 8 - Pay review and performance development review process
12. MINUTES OF THE MEETING OF 25 JUNE 2013 AND MATTERS ARISING

12.1. The minutes of the meeting held on 25 June 2013 were agreed as a true record of the meeting.

13. ACTIONS

13.1. In relation to the review of reading fees (minute 5.4), scheduled for the meeting in April, the Committee noted that there would be no major impact on the budget or recruitment in the interim period.

13.2. The Committee noted that the remaining actions would be covered by items on the agenda.

14. AUTO-ENROLMENT AND AN ALTERNATIVE DEFINED CONTRIBUTION PENSION

14.1. Bernard Kelly (BK) outlined the reasons behind the proposal for introducing a defined contribution (DC) pension scheme in addition to the NHS scheme currently offered. BK assured the committee that the proposed DC pension would not replace the NHS scheme and that there would be no bar to staff joining one scheme over the other. The GPhC staging date for auto-enrolment would begin in February 2014.

14.2. BK reported that a recent staff survey had found that affordability was a key issue with regard to joining the NHS scheme. The proposed DC scheme would allow the GPhC to comply with its statutory duty to provide an auto-enrolment pension scheme for staff while enabling staff to contribute to a pension at a lower rate than that required for the NHS scheme. As a good employer, the GPhC would contribute more generously to the DC scheme than the statutory requirements for auto-enrolment pensions. The level of contribution would not exceed that possible under the NHS scheme.

14.3. Members discussed the details of the proposal. The Committee noted that there were significant differences between the two schemes, particularly with regard to the long-term benefits. It was therefore important that the information provided to staff about the risks and benefits of both schemes should be as clear as possible. BK informed the Committee that information regarding the scheme would be available at the forthcoming all staff away day.

14.4. In response to members’ questions, BK informed the Committee that only those paid through the payroll would be eligible to join either scheme, and that over-time payments (of which there were few) would not be included.

14.5. The Committee were also informed that both schemes would be open to all staff employed for more than 3 months, regardless of earnings or part-time status, although only those earning at least the statutory minimum of £18,000 would be affected by auto-enrolment itself. The Committee noted that contributions could continue to be made to the new DC scheme during maternity leave, unlike the NHS pension scheme.

14.6. On the matter of take-up rates, BK reported that employers who had already introduced auto-enrolment had found that fewer staff opted out than had
been anticipated. The Committee were assured that the impact on the
budget would be no greater than that already possible under the NHS
pension scheme. However, it was difficult to predict the budget impact
precisely at this stage.

14.7. The Committee asked for a report on the introduction of the new scheme to
be presented at its first convenient meeting after its introduction February
2014.

14.8. The Committee approved the provision of a defined contribution pension
arrangement with matched employer and employee contribution rates in a
ratio of 2 to 1 for those members of staff who contribute 6% or more with a
maximum employer contribution of 14%, as an alternative to the NHS
pension scheme when auto-enrolment is introduced.

15. **Pay Review and Performance Development Review Process**

15.1. Viv Murch introduced the paper by summarising the findings of staff
feedback about the staff pay reviews and performance development reviews
(PDR) that had taken place over the summer.

15.2. VM reported that many of the issues raised were the result of both staff and
managers getting used to a new system. She informed the Committee that
some small changes could be considered to improve the process. However,
many of the concerns could be addressed by improving the quality of line
manager’ communication with their staff. Consequently further training and
support would be provided for managers.

15.3. Duncan Rudkin (DR) drew members’ attention to the need for the GPhC to
renegotiate its ‘psychological contract’ with staff, and reported that the pay
review and PDR processes played a part in developing the organisation’s
evolving relationship with its staff.

15.4. The Committee noted that while some disparity could be expected when
introducing a new system, it was important for managers to be as consistent
as possible. The Committee also noted that where staff were paid at the top
of their grade, efforts should be made to ensure that they continued to be
well-motivated to secure their retention within the organisation.

15.5. In response to a question regarding the pay increase for grade B roles, VM
reported that while this was lower than for other grades, one of the main
aims of this year's pay review was to transfer individuals onto the
appropriate part of the pay scale for their performance. At the time of the
pay review there were few grade B roles and those individuals were already
sat high within the grade scale. However since the review the number of
individuals on grade B had grown.

15.6. The Committee noted the paper. For its next meeting, the Committee asked
that a further paper be presented reporting on progress, including a
breakdown of the equalities data.
16. **STRATEGIC PLAN: REMUNERATION AND RELATED ISSUES**

16.1. DR introduced the paper and reported that a key challenge had been how to address the various external factors that would have a significant impact on the GPhC and its work in the coming years.

16.2. During the discussion, the Committee noted that as the GPhC was to be the ‘principal regulator’ for pharmacy, it would most likely lead to an increased workload that could not be carried out without an increase in capacity and the appropriate financial support. The Committee commented that while this was a helpful simplification, GPhC fee payers should not be expected to fund the work that was the responsibility of others.

16.3. DR informed the Committee that specialist staff were being recruited during the transition period to help the organisation better understand what it needed to carry out the work envisaged under the new strategy, for example in the better use of data collection and analysis.

16.4. In response to a question about pay differentiation (para 3.1d of the paper), DR responded that the GPhC had made a conscious choice not to provide bonuses or ‘perks’ to certain grades of staff, e.g. removing the car allowance for directors. However, the lack of a bonus could mean that, for some types of role, the pay offered by the organisation may not always be competitive with the private sector.

16.5. VM reported that it could be difficult to recruit for certain roles and that pay policy required careful and continuous review to ensure that the GPhC was able to recruit staff with the right skills.

16.6. DR reported that different forms of compensation were being considered for staff as part of the relocation project but these would require careful thought, particularly as regards staff recruited on an interim basis. He also reported that different sorts of approaches were being adopted to improve the organisation’s use of skills and capacity already available within the current workforce, such as the recently established Corporate Plan Team.

16.7. VM reported that exit interviews with staff leaving the organisation had highlighted career progression as a major reason for leaving. Although, to some degree, that was inevitable given the size of the organisation, the GPhC was investing in its staff learning and development opportunities and encouraging a ‘coaching ethos’ across the organisation.

16.8. The Committee welcomed the paper and noted that it provided a comprehensive summary of the issues faced by the organisation in pursuit of the ambitions set out in the strategic plan.

16.9. The Committee noted the paper and asked that a general update be provided at each meeting.

17. **PREVIEW OF BUDGETING ASSUMPTIONS**

17.1. BK summarised the work to prepare the budget that was already under way, with particular regard to:

- the existing workforce plus planned recruitment.
- when that recruitment would take place within the budget period
- general pay increases during the year.

17.2. This would be based on discussions with managers and directors, taking into account the mid-point of the grade of the role being recruited.

17.3. In response to a member’s question, BK reported that proposals from managers would be challenged during individual discussions with directors and by the executive team in order to ensure value for money. Managers would be asked to be clear about whether they have the skills and resources in their teams and how any gaps would be realistically addressed. BK reminded the Committee that while, historically, the organisation had underspent, and this was likely to become more challenging given the ambition of the strategic plan.

17.4. DR reminded the Committee that while the budget planning was still at a very early stage, it was already clear that an overall increase in expenditure would be required.

17.5. The Committee thanked BK for the update.

18. **PAY BENCHMARKING AND TOTAL REMUNERATION ANALYSIS**

18.1. VM introduced the paper by drawing members’ attention to the methods used to benchmark pay.

18.2. During the discussion, the Committee asked whether pay indicators from the pharmacy industry could be taken into account. VM responded saying that there were no benchmarks for pharmacy specifically, but that the larger employers, such as some of the larger pharmacy companies, were included in the overall benchmark.

18.3. DR commented that while the GPhC recruited some pharmacy professionals, the organisation’s main competitors as regards recruitment for most roles were, in fact, other regulators and similar bodies. In communications terms it was important to be mindful of pay rates in pharmacy, but these should not be used as a benchmark.

18.4. The Committee noted that while comparison data from other organisations was helpful, the roles described could vary in scope from job to job. The Committee also noted that, while the pay for different grades was pitched to be slightly above the median of the market, it did not mean new staff would necessarily be recruited at that level.

18.5. The Committee noted the content of the benchmarking review and the total remuneration analysis.

18.6. **The Committee also agreed that:**

   i. the Hay data from the Industrial and Service Sector (Inner London) remains an appropriate anchor for GPhC staff pay positioning;

   ii. data from other Regulatory Bodies should be sought as an additional comparator where possible;
iii. bespoke pay benchmarking surveys should be commissioned periodically;
iv. recruitment and retention data should be used to determine functional hotspots and that focused function pay comparisons should be undertaken when these are indentified;
v. staff surveys should continue to be used to find out how staff perceive their reward package.

19. COUNCIL MEMBERS’ REMUNERATION

19.1. The following members reiterated their declarations of interest in this item: Liz Kay, Mary Elford, Gordon Dykes.

19.2. Matthew Hayday (MH) informed the Committee that while the options set out in the paper took into account the pay rates of other regulators, there was no way of knowing for certain whether the time commitment and workload was truly comparable.

19.3. The Committee discussed the current time commitment of Council members and, on the basis of a review of activity, that the attendance policy should be changed to 36 days per annum, with the expectation that members should attend a minimum 80% of meetings and workshops over a year. Overall the Committee was supportive of the review of time commitment for Council Members.

19.4. With regard to Council members’ remuneration, the external member said he would prefer no change to the current pay rates, particularly with regard to the current economic situation.

19.5. The Committee discussed how Council members’ pay was seen by those working for the organisation and by those it regulated. The Committee noted that it was important to recognise the status of the role and the size of the organisation within the pay policy as well as ensuring that good value for money was achieved. However, on balance, the Committee felt that in anticipation of the potential changes to the health care professions regulatory sector, following the government's final response to the Francis Inquiry and the publication of the Law Commission's proposals in the next few months, this was not an appropriate time to propose an increase. The Committee also discussed the different discretionary payments for chairs.

19.6. DR suggested that staff would investigate whether guidance could be developed to aid the Committee in their thinking about Council member remuneration in future.

19.7. The Committee recommended to Council that:
  i. there should be no change to the remuneration rates for the Chair and members of the GPhC’s Council;
  ii. there should be no change to the discretionary payments for the chairs of the Audit & Risk and Remuneration Committees.
19.8. The Committee also recommended that the amendments to the Council Member time commitment and attendance policy should be approved, subject to some fine tuning of the wording to be agreed by the Chair.

20. **Remuneration Policy for Associates**

20.1. The Committee noted that a review of the Associate fee structure was being undertaken and that the results of this review would be brought to the Committee’s April meeting.

21. **Expenses Policy Review**

21.1. All those present declared an interest in this item.

21.2. MH introduced the paper by highlighting the proposed main changes to the policy:
   i. the addition of a reminder about the use of Oyster Cards to the general section;
   ii. strengthening of the wording regarding the use of taxis to ensure that they are only used in exceptional circumstances;
   iii. the addition of specific times and journey duration to the requirements for accommodation and expenses claims.

21.3. During the discussion, the Committee noted that the policy applied to all those incurring expenses while carrying out work for the GPhC, including staff, Council members and Associates. BK informed the Committee that the policy was a very helpful tool to ensure that expenses were paid only for reasonable costs and to help staff query claims when necessary.

21.4. However, the Committee discussed whether a single policy for all was appropriate and asked that, in future, the possibility of separate policies be investigated to see if they would be more effective.

21.5. The Committee recommended the proposed amendments to the Expenses Policy, subject to some fine tuning of the wording to be agreed by the Chair.

22. **Process for Committee Performance Review**

22.1. MH presented a proposal to streamline the Committee review process and reported that the Audit and Risk Committee (ARC) would be asked to use the same process. He informed the Committee that the ‘self’ assessment element of the review would be a short online questionnaire that could be easily analysed.

22.2. The Committee commented that the process should be robust and informative without being overly complicated or burdensome.

22.3. The Committee discussed the advantages of including some element of external review. Following a suggestion by DR, it was agreed that it would be helpful for the Chair of the ARC to be invited to provide that external perspective, and vice versa.
22.4. MH undertook to revise the proposal in light of the Committee’s comments and to report the outcome of the discussions with the ARC in due course.

22.5. The Committee noted the proposed review process.

23. **Clarification of Associates who fall within the Committee’s remit**

23.1. The Committee discussed the paper which provided clarification as to the groups which fell within the Committee’s remit and those which did not.

23.2. The Committee noted that, in order to provide further clarity, the collective term ‘Associate’ would only be used to refer to those groups within the Committee’s remit. For those groups outside the Committee’s remit the collective term of ‘Partner’ would be used.

23.3. The Committee commented that the paper provided a helpful clarification.

23.4. The Committee noted the paper.

24. **Committee business schedule and 2014 meeting dates**

24.1. Paula Woodward (PW) informed members that while the Committee was obliged to meet only twice a year, at least one additional meeting had been required for the past two years. Therefore, to aid planning, an additional meeting had been scheduled for February.

24.2. The Committee noted that although the dates had been agreed, it would be helpful to reschedule them to better accommodate members’ needs.

24.3. The Committee agreed that the preferred time for meetings would be Fridays, 10am to 1pm. PW undertook to contact members to find more suitable dates.

25. **Any other business**

25.1. There being no further business, the meeting closed at 3:00pm.

26. **Date of next meeting**

February 2014, date to be confirmed.
Council meeting 14 November 2013 11.13/C/12a

Public business

Council Members’ remuneration

Purpose
To propose remuneration rates for the Chair and members of the GPhC’s Council.

Recommendations

The Council is asked to approve:

i. no change in the remuneration rates for the Chair and members of the GPhC’s Council; and

ii. no change in the discretionary payments for the chairs of the Audit & Risk and Remuneration Committees

iii. amendments to the Council Member time commitment and attendance policy.

1. Introduction

1.1 The Remuneration Committee’s remit includes advising the Council on remuneration for Council members, including the Chair. The Committee reviews Council remuneration annually in September/October, for consideration by the Council in November. This paper presents the recommendations of the Committee to Council.

1.2 Earlier this year, following a recommendation by the Committee, the Council made no changes in remuneration for Council Members, the Chair or to the discretionary payments to the chairs of Audit and Risk and Remuneration Committees.

2. Remuneration

2.1 The main factors influencing remuneration for all groups considered by the Committee were:

• Fairness and transparency;
- Comparability and affordability;
- Market conditions, retention and motivation.

2.2 To achieve fairness, the remuneration structure should be clear and justifiable. Levels of remuneration should be: comparable with competitor bodies; affordable within GPhC budgets; sufficient to recruit good quality members and maintain motivation, and value for money.

3. Key Considerations

3.1 In order to ensure fairness, benchmarking data from other healthcare professions’ regulators was gathered and shared with the members of the Remuneration Committee.

3.2 Mapped against the most relevant competitor regulators GPhC remains broadly in line in terms of overall pay for both the Chair and Council Members. However, two points emerge from the benchmarking. Firstly, the time commitment for GPhC Council Members is higher than that of its competitors and as such reduces the equivalent daily rate. Secondly, the General Dental Council remuneration for Council Members is £15,000 compared to £12,000 at the GPhC and for the Chair £54,000 compared to £48,000.

3.3 In terms of broader benchmarking, Gatenby Sanderson has recently reported that in a recent salary survey of 44 NHS Trusts, Non-Executive Directors were awarded a median salary of £12,500 for a similar time commitment to that of GPhC Council Members.

3.4 The recent Council Member recruitment exercise attracted 143 completed applications. This is less than the previous campaign which attracted 251 applications but from discussion with the recruitment consultants, Gatenby Sanderson, it is not thought that remuneration was the major factor. It is felt that the reduction in applications was due to the fact that Member recruitment followed the Chair process and in effect the advertisement for the roles went out in March and closed in September. Experience suggests that campaigns over the summer months are more difficult.

3.5 Other factors that the Committee considered included:
- the Council has not increased its level of remuneration for Members since formation
- the Council has recently completed a very successful recruitment process for the Chair-designate and the current Council Member recruitment process is at the preliminary interview stage.
- GPhC Staff and Associates have received pay rises in 2013/14
- The latest indicators for inflation are CPI at 2.7% and RPI at 3.3% (August 2013)
• Public sector pay rises remain capped at 1% though incremental pay progression continues

4. Proposal

4.1 The Remuneration Committee considered the background information on the Council Member remuneration and concluded that its recommendation to Council would be for no change in the level of remuneration. The Committee noted that the concerns of the Executive Team about ensuring that the GPhC remained able to attract the best applicants as Council Members in future. However, on balance the Committee felt that in anticipation of the potential changes to the health care professions regulatory sector, following the government’s final response to the Francis Inquiry and the publication of the Law Commission’s proposals in the next few months, that this was not an appropriate time to propose an increase.

4.2 The Committee does propose that the time commitment for Council Members is reduced from 40 to 36 days annually. This brings the time commitment in line with competitor regulators and brings the equivalent daily rate in line with the median amongst the competitor regulators.

4.3 In the preparation of this report the current version (agreed by Council in April 2013) of the “Standard of attendance at meetings for Council members and GPhC associates” was reviewed (Appendix 1). This states “Members or associates must attend at least 60% of meetings which they are expected to attend in any one year.” This seems a low attendance requirement and does not sit comfortably with the Code of Conduct.

4.4 It is proposed that the statement is reworded to read: “Members and associates should attend at least 80% of meetings of Council and of each committee or forum, including workshops, task and finish groups and other arrangements on behalf of the organisation, they are expected to attend in any one year.” The policy has also been clarified to make allowance for exceptional circumstances such as long term sickness.

4.5 Consistent with previous papers on remuneration a section on the pros and cons for implementing these proposals follows:

Pros

• Affordable within the current budget and does not create a cost pressure.

• Aligned with the wider economic and political context, which favours containing the cost of regulation.

• Moves remuneration in line with median of the competitor regulators

Cons
• GPhC could be seen as falling further behind its competitors and may increase the impact of changes in the future.
• Does not reflect the rises across the GPhC staff and associates
• Does not account for the impact of inflation

5. Discretionary payments for the chairs of non-statutory committees

5.1 The Council’s remuneration policy states that an exceptional additional provision, no greater than £2,500 p.a., may be payable on the recommendation of the Remuneration Committee to Council members taking on significant extra responsibility as part of their role. In November 2011 the Council agreed that the chairs of the Audit & Risk and Remuneration Committees should each receive an additional payment of £2,000 p.a. in recognition of the significant additional responsibilities the chairs carry, the significance of the committees’ functions to the reputation of the GPhC, and the additional work involved.

5.2 The level of additional payment has not changed since 2011 and the Committee proposes that there is no change again, as the extra responsibility has remained fairly constant.

6. Equality and diversity implications

6.1 Remuneration should be set at a fair rate. Ensuring a fair rate of remuneration for the contribution of the groups covered by this paper will help ensure that the GPhC promotes equality and diversity.

7. Communications

7.1 The decisions arising out of this paper will be communicated to those directly affected. The Council’s remuneration including that of the Chair will also be made available on the website.

8. Resource implications

8.1 Council remuneration would need to be covered within the 2014-15 budget planning.

9. Risk implications

9.1 The risks for the GPhC in setting its remuneration policy are those of continuing to attract and retain high quality membership of the Council and its committees and task groups. At the same time both ensuring value for money and being able to respond to any adverse comments from stakeholders.
Recommendations

The Council is asked to approve:

i. no change in the remuneration rates for the Chair and members of the GPhC's Council; and
ii. no change in the discretionary payments for the chairs of the Audit & Risk and Remuneration Committees
iii. amendments to the Council Member time commitment and attendance policy.

Liz Kay, Chair of Remuneration Committee

Matthew Hayday, Head of Governance
General Pharmaceutical Council
matthew.hayday@pharmacyregulation.org,
Tel 020 3365 3450

25 October 2013
Appendix 1

Standard of attendance at meetings for Council members and GPhC associates

Introduction

1.1 Attendance at meetings is a fundamental requirement of good governance. Apart from the necessity for a quorum to be present before any business can be transacted by the Council or a committee, non-attendance can have repercussions relating to the breadth of input to decisions, members' awareness of current issues, and members' commitment to the successful fulfilment of the GPhC's purpose and functions.

Scope of application of the standard

2.1 As well as Council members, there are a number of non-employee groups who help the GPhC to fulfil its regulatory functions. We use the broad term 'associate' to describe these groups. Associates fill a variety of roles, providing a wide range of knowledge and skills to support the GPhC's work. These include: external members of non-statutory committees and working groups; statutory committee members, including fitness to practise panellists; visitors; CPD reviewers; assessors; evaluators & overseas panel members for registration applications; legal & clinical advisers, and medical assessors.

2.2 The standard of attendance at meetings applies to Council members and GPhC associates. If you are not sure whether this standard applies to you, please contact the Head of Corporate Governance for information and advice.

Standard of attendance

3.1 Members or associates must be present for at least half of the duration of a meeting to be considered to have attended that meeting.

3.2 Members or associates must attend at least 60% of meetings of Council and of each committee or forum, including workshops, task and finish groups and other arrangements on behalf of the organisation, which they are expected to attend in any one year. Further provisions on attendance which apply to members of statutory committees appear in the GPhC's Statutory Committees and their Advisers Rules 2010 (rule 10).

3.3 Members or associates must send their apologies to the team that supports them as soon as practicable if they are unable to attend a meeting.
3.4 Failure to attend the required number of meetings in any one year will be deemed a breach of the code of conduct, unless an explanation of the member’s or associate’s reasonable cause exceptional circumstance for non-attendance, such as long term sickness, has been provided to their Chair. A breach of the code of conduct will be considered in line with the GPhC’s governance framework and may be dealt with in accordance with the GPhC’s ability to suspend or remove its members and associates.

3.5 Attendance records of Council members will be published annually.

3.6 Attendance records will form part of the appraisal of members and associates.

Alison Readman Matthew Hayday, Interim Head of Corporate Governance
Reference: GG/2013/38
Effective date: 11 April 2013
Review date: 11 April 2015
Agreed by: Council 11 April 2013
Expenses Policy review

Purpose
To propose amendments to the Expenses Policy for approval by the Council.

Recommendations
The Council is asked to agree the proposed amendments to the Expenses Policy following their consideration by the Remuneration Committee.

1. Introduction
1.1 In line with the Scheme of Delegation, the Remuneration Committee has undertaken the annual review of the Expenses and makes a number of recommendations to the Council.
1.2 Following consultation with a broad range of colleagues within GPhC four amendments are recommended to the policy.

2. Proposed Amendments
2.1 The proposed amendments to the policy can be seen at Appendix 1 and are summarised below:
   - A reminder about the use of Oyster Cards has been added to the general section
   - The wording for the use of taxis has been amended to ensure that they are only used in exceptional circumstances
   - Specific times and journey duration have been added to the requirements for accommodation and expenses claims
2.2 During the course of the Remuneration Committee’s discussion, as can be seen in the Minutes, it became apparent that it was difficult to achieve the correct balance within a single expenses policy for staff, Council Members and associates. Further thought will need to be given to whether additional, separate policies are required.
3. **Equality and diversity implications**

3.1 The Expenses Policy should be equitable and inclusive, signalling that the GPhC values diversity and is keen to recruit people from a broad range of backgrounds. The proposed amendments do not impact on this intention.

4. **Communications**

4.1 Changes to the policy will be announced following Council approval. Staff will receive notification via the intranet and Council Members and associates will be emailed a revised copy of the policy.

5. **Resource implications**

5.1 The Expenses Policy ensures that only legitimate business expenses are claimed in relation to the work of GPhC.

6. **Risk implications**

6.1 Without clear guidance claims for out of pocket expenses have the potential to be either inadvertently or deliberately misused.

**Recommendations**

The Council is asked to agree the proposed amendments to the Expenses Policy following their consideration by the Remuneration Committee.

*Matthew Hayday, Head of Governance*
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25 October 2013
Appendix 1

Expenses Policy

General
This policy applies to GPhC Council members and associates. Individuals should make travel and accommodation bookings at the earliest reasonable opportunity in order to obtain the best rates. Charges for late alterations or cancellations should be avoided as far as possible.

Expense claims should be supported by receipts in all cases other than for bus and tube travel or parking meters.

Individuals should purchase and use an Oyster card to enable the most cost effective travel on bus and tube in London.

No out-of-pocket expenses other than those detailed below will normally be payable.

Individuals are expected to act honourably and sensibly within the spirit of this policy. Any questions about whether a particular expense is payable should be raised with the Head of Finance, who will seek advice from the Director of Resources & Customer Services or Chief Executive & Registrar if necessary.

All claims must be made within 3 months of the expenditure being incurred or the claim may be forfeited.

This policy will be adjusted and re-issued in line with any changes agreed by the GPhC Council.

Travel
Individuals should use the most cost-effective means of travel.

Train and air travel
Individuals travelling by air and rail while on GPhC business should travel standard/economy class. Where the total time spent on a train or plane on a single leg of a journey is in excess of 5 hours, an upgrade to the next class of travel will be allowed only with the Chief Executive & Registrar’s or Director of Resources & Customer Services’ agreement.

Tube and Bus
It is not always practical to obtain a receipt for tube or bus travel, particularly when using a cost-effective means of payment such as an Oyster card. Tube and bus fares may therefore be claimed without a receipt.

Taxis
Taxis are only to be used in exceptional circumstances and require an explanatory note to be submitted with the receipt when making a claim. Taxi fares may be claimed on the basis of receipts up to a maximum of £30. Taxis should be used for short journeys when no other mode of transport is practicable, for example, when carrying heavy bags or under time constraints.
Car
Mileage may be claimed in line with HM Revenue & Customs rates, where the use of a car is the most cost-effective means of travel. Costs of car parking may be claimed on the basis of receipts (costs of parking meters may be claimed without a receipt).

No payment will be made for the congestion charge, charges for fixed penalty notices or charges where a vehicle has been clamped or towed away.

Overseas travel
No overseas travel may be claimed unless prior approval has been given by the Chief Executive & Registrar or Director of Resources & Customer Services.

Accommodation & breakfast
The costs of accommodation and breakfast may be claimed when it is impractical to travel home after a meeting, or to travel from home to a morning meeting. This means where journeys are longer than 3 hours and require individuals to leave home before 6.30am for a meeting or depart after 7.30pm from a meeting to return home.

If a claimant chooses instead to stay overnight with friends or family, an allowance of £35 may be claimed.

For Council members, the GPhC will negotiate rates for hotels that are convenient to the location of its meetings. These will be updated regularly and communicated to members. It may occasionally be necessary to exceed the maximum negotiated rates for accommodation after checking with the office, e.g. if a late booking is necessary.

Subsistence
The cost of lunch or dinner, when required, may be claimed up to the following limits. The cost of alcoholic drinks will not be reimbursed:

Breakfast: £10. This allowance is available when no overnight stay is involved, provided the start time for the meeting / activity means that the individual would have to leave home before 6.30am. This allowance is not applicable to staff travelling to their normal place of work.

Lunch: £10 maximum


Childcare or carer’s costs
The reasonableness of any claims for childcare or carer’s expenses must be determined on a case by case basis by the Chief Executive & Registrar or Director of Resources & Customer Services. Subject to this, reasonable childcare and carer’s expenses will be met, on production of a receipt.

People with disabilities
Expenses may be adjusted to cover the requirements of people with disabilities e.g. taxis instead of public transport where necessary.
Minutes of the **Audit and Risk Committee** meeting held on
**17 October 2013** at 129 Lambeth Road, London SE1 7BT at 2.00pm

**Present**
- David Prince (Chair)
- Soraya Dhillon
- Mohammed Hussain
- Judy Worthington
- Hilary Daniels

**In attendance**
- Duncan Rudkin (Chief Executive & Registrar)
- Bernard Kelly (Director of Resources & Customer Services)
- Bob Nicholls (Council chair) *by invitation from minute 5 to 6.1*
- Paula Woodward (Council Secretary)
- Matthew Hayday (Head of Governance)
- Joseph Hall (Interim Head of Finance)
- Morag Childs (Deloitte, Internal Auditor)
- Martin Lewis (Deloitte, Internal Auditor)
- Tom Davies (Grant Thornton, External Auditor)

1. **ATTENDANCE AND INTRODUCTORY REMARKS**
1.1. The Chair welcomed everyone to the meeting and introduced Matthew Hayday, the new Head of Governance.
1.2. There were no apologies.

2. **DECLARATIONS OF INTEREST**
2.1. David Prince and Hilary Daniels declared an interest in item 10, CIPFA membership, as they were members of that organisation.

3. **MINUTES OF THE PREVIOUS MEETING AND MATTERS ARISING**
3.1. The minutes of the meeting held on 30 May 2013 were agreed as a true record of the meeting.
4. **ACTIONS**

4.1. Duncan Rudkin (DR) gave a verbal update in relation to the risks relating to quality assurance of pre-registration training and the registration training assessment (minute 2012/132.4). He reported that the Education Policy Advisory group was continuing its work to address and strengthen the GPhC’s role in this area. He also reported that a survey of pre-registration trainee pharmacists would be launched shortly to improve the organisation’s understanding of their experience and needs, and that an independent review of the registration assessment, including pre-registration, was being commissioned.

4.2. DR updated the Committee on the matter of the external review of statutory committee performance. At its meeting in June, the Council had asked that the ARC Committee be kept informed of the implementation of the review’s recommendations. DR reported that work was underway, such as review of procedures for feedback and appraisal.

4.3. The Committee noted that implementation required some careful thought and asked that a more detailed report be presented in due course.

4.4. The Committee noted that the remaining actions would be covered by items on the agenda.

5. **STRATEGIC RISK**

5.1. Matthew Hayday (MH) introduced the paper by saying that the new approach aimed to develop the organisation’s approach to managing risk, particularly in regard to aligning the process with the strategic and business planning processes. The aim was to ensure that the organisation fully understood the risks it faced in achieving its objectives and reassessed them regularly. MH informed the Committee that the process was based on that commonly used by other public sector bodies.

5.2. In relation to the proposed process, the Committee welcomed the new approach as it would help the Council focus its attention on the management of strategic risks. The Committee noted that it would be difficult to map some of the organisation’s principal risks on to the strategic plan in all cases. It was therefore important to ensure that these were included in the process.

5.3. In relation to the draft principal risks outlined in the paper, the Committee discussed those listed and made a number of suggestions for amendment and inclusion. The Committee also suggested that Council should discuss its risk appetite, particularly in light of the new approaches and ambitions set out in the new strategic plan. The Committee noted that it would be helpful to receive more detailed reports on specific strategic risks at its meetings.
5.4. In relation to the risk register headings, the Committee noted that these should ensure that the risks were properly captured. The Committee also commented that the risk register should be a live document, used and updated regularly by staff. The risk register should be used to inform and support the organisation’s work and should not be seen as simply a tick-box exercise.

5.5. **The Audit and Risk Committee**

   i. noted the new risk cycle, including the need to amend the Committee’s agreed meeting dates;

   ii. noted the suggested principal risks, subject to amendments outlined during the discussion;

   iii. agreed that periodic reports on the management and mitigation of specific strategic risks should be scheduled into the Committee’s work programme, and that these should inform a rolling programme of deep-dives to provide greater assurance on the management and effective mitigation of major risks.

6. **INFORMATION SECURITY UPDATE**

6.1. Bob Nicholls left the meeting.

6.2. Bernard Kelly (BK) introduced the paper by reporting that while a final decision on whether to apply for accreditation under ISO27001 had not been made, the organisation was on track to meet many if not all the criteria. To illustrate the progress being made, BK described the work carried out with the Fitness to Practise team to identify information security risks and measures being introduced to reduce those risks.

6.3. The Committee discussed the priority risk treatments set out in the paper and asked some detailed questions about the work being done and planned. The Committee noted that significant progress had been made since the report presented in May.

6.4. The Committee noted that while much of the work had focused on developing the information technology (the software and hardware), the work being carried out to improve information security across the board was of equal importance. DR reported that one of the measures being undertaken was to recruit an information specialist to improve the way the organisation managed the information it collected and used.

6.5. In response to a question regarding payment cards, BK reported that the vast majority of payments were dealt with by a card processing company. BK undertook to send further details of the issue to the Committee via email.
6.6. In response to a question regarding the status of many of the priority risk treatments which showed a completion date at the end of 2013, BK assured the Committee that these were achievable. BK undertook to email the Committee early in the new year to outline progress on tasks due for completion by December and that a further report would be prepared for the next meeting.

6.7. The Audit and Risk Committee noted the progress of Information Security activities within the GPhC.

7. IT PROJECTS AND DISASTER RECOVERY RISK MANAGEMENT

7.1. BK reported that the issues set out in the paper were being addressed in order to ensure that the organisation was fully prepared for the increase in information collected, used and stored.

7.2. The Committee discussed the work outlined in the paper and asked some detailed questions about the measures being taken to mitigate the risks of the various IT projects.

7.3. In relation to the introduction of MS Dynamics, BK drew members’ attention to the fact that the implementation date had been changed in order to allow more time for quality assurance, enable a wider suite of application to be introduced at the same time and avoid a particularly busy period. The Committee noted that, while not ideal, the benefits of changing the schedule outweighed the risks of delay.

7.4. In relation to disaster recovery testing, BK reported that the option of carrying out a full disaster recovery test had been discussed with the IT support contractor. However, such a test would cause significant disruption to the organisation. Instead, a rolling plan of smaller tests was taking place to check the various systems.

7.5. In relation to assurance around the robustness of this approach, the Committee noted that the outcome of each test was reported to BK within a few days, and that disaster recovery would be examined by the internal auditors in April 2014.

7.6. The Committee suggested that the new internal audit plan should include an examination of the organisation’s IT systems including security testing and disaster recover.

7.7. The Committee noted:

   i. the risk mitigation measures in place as applied to the portfolio of IT development projects;

   ii. the current operational procedures for disaster recovery and the status of disaster recovery testing;
iii. that the new internal audit plan should include an examination of the organisation’s IT systems.

8. INTERNAL AUDIT REPORTS

8.1. Martin Lewis (ML) of Deloitte introduced the audit reports by outlining the areas which had been examined in recent months as part of the audit plan.

8.2. The Committee discussed the reports and welcomed the new format of the progress report which had improved its readability.

8.3. In relation to the internal auditors’ limited assurance mark for register data integrity, the Committee asked that, in future, the report should distinguish between those improvements that could be made to the current system and those that would be addressed by the introduction of MS Dynamics.

8.4. With regard to the progress report, the Committee suggested that, if possible, it would be helpful for interim reports on the four items marked as ‘in progress’ to be provided to members via email.

8.5. The Committee discussed the status of the various actions, and asked detailed questions around those highlighted as being behind schedule. The Committee noted that for a number of these, the management response was very detailed and may be disproportionate to the problem highlighted.

8.6. The Committee approved the changes to the 2013/14 audit plan and implementation deadlines, and noted the internal audit reports.

9. COMMITTEE’S PERFORMANCE REVIEW

9.1. Matthew Hayday (MH) tabled a brief presentation outlining a new process for reviewing Committee performance. He reported that the Remuneration Committee had been asked to comment on the proposal at its recent meeting and made a number of suggestions which had been included.

9.2. The Committee welcomed the proposals and noted that the proposal was more ‘outcome focussed’ than that used previously. The Committee also suggested that while it was helpful to have a consistent approach, the process should accommodate the differences between the two committees.

9.3. MH undertook to revise the proposal in light of the Committee’s comments and to report via email in due course.

9.4. The Committee noted the proposed review process.

10. COMMITTEE ANNUAL REPORT TEMPLATE

10.1. The Committee discussed the proposed report template, focussing on whether it would provide an appropriate level of assurance to Council.
10.2. The Committee agreed the proposed template for its annual report, subject to a number of minor amendments suggested during the discussion.

11. **CIPFA MEMBERSHIP**

11.1. David Prince and Hilary Daniels declared their interest in this item as members of CIPFA. Judy Worthington chaired discussion of this item.

11.2. During the discussion, the Committee noted that the benefits of membership had been extended to both the Council and staff. The Committee also suggested that it would be helpful for members to see a list of forthcoming events and training opportunities.

11.3. Two members reported that they had recently booked a CIPFA event on risk management later this year. The Committee agreed that it would be helpful to hear feedback from them about that event before making a decision, particularly as membership would continue to March 2015 on renewal.

11.4. **The Committee agreed to review membership of CIPFA at its February meeting.**

12. **COMMITTEE BUSINESS SCHEDULE AND 2014 MEETING DATES**

12.1. The Committee noted that the new risk cycle would require the agreed Committee meeting dates to be revised. Specific dates would be agreed via email.

13. **TENDERING AND REAPPOINTMENT OF INTERNAL AUDITORS**

13.1. The internal auditors and external auditors left the meeting. For reasons of confidentiality, the minutes for this item are held separately.

14. **ANY OTHER BUSINESS**

14.1. There being no further business, the meeting closed at 4:50pm.

**DATE OF NEXT MEETING**

February 2014, date to be confirmed.
Council business schedule and Committee dates

Purpose
To update the Council on changes to the Committee business schedule.

Recommendations
The Council is asked to note the paper.

1. Council business schedule

1.1 The committee business schedule is normally presented at this meeting. However, items on the agenda for this meeting, such as the strategic risk paper, are likely to have an impact on the schedule. A full schedule will be circulated to members before the February Council meeting.

2. Committee dates

2.1 In September, the Council agreed dates for Audit and Risk Committee (ARC) and the Remuneration Committee (RemCom), alongside its own meetings. Both Committees met in October and have asked for some dates for to be revised.

2.2 The changes, which are yet to be agreed, will include an additional meeting for the ARC to accommodate its role in reviewing risk, as outlined in the Strategic Risk paper presented at this meeting. For the Remuneration Committee, there will be a slight adjustment to ensure full attendance.

Recommendations
The Council is asked to note the paper.

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24 October 2013