Public business

Remuneration of Associate Workers

Purpose
To outline a review of associate workers’ remuneration and to make recommendations as agreed by the Remuneration Committee.

Action required:

The Council is asked to agree:

i. The proposal to not increase any associate worker remuneration rates at the current time;

ii. The proposal to introduce an hourly remuneration rate for Investigating Committee members equivalent to $1/7^{th}$ of the daily rate;

iii. The proposals for future review of associate workers’ remuneration at paragraph 2.6.

1.0 Introduction

1.1 The Remuneration Committee’s remit includes advising the Council on the remuneration rates for certain GPhC associate workers who help to fulfil its regulatory functions.

1.2 The current business cycle for the Remuneration Committee includes reviewing the remuneration rates for associate workers each September, for consideration by the Council in November.
1.3 In September 2011 the Committee reviewed the remuneration policies for certain associate groups. It agreed that, in future, the recommendations should become more transparent and objective rather than reflective of any historic practice as some of the current rates are. The Committee requested that a review of the current remuneration structure for associate workers be undertaken and options to be presented to the Committee at the September 2012 meeting.

1.4 Benchmarking research was conducted with other regulators to gain a picture of how the GPhC’s remuneration rates compared with those paid by other organisations, and also to understand better how other regulators review and set their rates. As not all the other regulators have comparison groups for each of our associate groups we used rates paid to individuals who perform roles akin to our statutory committee members as the basis for comparison.

1.5 Benchmarking research shows that the daily fee we pay our statutory committee lay and registrant members is comparatively lower than a number of other regulators including the NMC, GMC, GDC and GOsC (see appendix 1). It is however higher than that paid by the now HCPC and GOC.

1.6 Further research with some of the regulators suggests that although there may have been a different rationale behind the original fees when first set the current fees are reviewed and increased purely on the basis of benchmarking against other regulators.

1.7 The fees paid by the GMC and NMC have not been increased for 2 years. The NMC increased their chairs’ fees earlier this year and have no plans to review or increase their member fees in the near future. The GDC do not review their fees annually as a matter of course and these have not been increased this year as they are already higher than some other regulators. The HCPC also do not review their fees every year and there are currently no plans to increase them in 2013. The GOC will not review their fees for at least 12 months until a complete review of their complaints process is complete.

2.0 **Key Considerations**

2.1 The key factors to consider when reviewing and setting our associate worker fees are that they must be:
   - Fair and transparent;
   - Comparable and affordable;
   - Justifiable and understandable.

2.2 The Council should also take full account of the economic climate, the fees
payable by registrants and registered pharmacies, performance of the organisation as a whole and the Council’s continuing ability to attract the right calibre of associate worker to perform key regulator functions.

2.3 Recruitment of statutory committee members has not taken place since 2010 when we were successful in recruiting 2 new lay and 1 new registrant members as well as 11 new reserve members to the committees. Recent recruitment has taken place to increase the pool of visitors; they received over 65 applications, interviewed over 30 individuals and appointed 19 individuals. This suggests that we have no problem in attracting the right calibre of individuals to fulfil our associate roles at the current fee rates. Current terms for statutory committee members run until 2014 after which all members can be re-appointed for up to a further four years. It is likely therefore that we will not need to engage in a large recruitment exercise for statutory committee members for at least 2 years.

2.4 The Remuneration Committee considered all of the above information. They discussed the need to avoid the risk of our fees becoming too far out of line with those of other regulators in the future. The Committee agreed to recommend to Council that there should be no change to current associate worker fees.

2.5 The Committee also discussed the proposal to introduce an hourly fee for Investigating Committee members. This will give the Hearings Team the option to hold, where appropriate, meetings by telephone. The Committee recommends Council to introduce an hourly fee equivalent to 1/7th of the respective daily rate.

2.6 The current business cycle for the Remuneration Committee is to review associate worker fees annually at the September meeting. The Committee recommends to Council that it review associate worker fees at the September 2013 meeting and then every 2 years after this.

2.7 The Council may like to note that during the next review in addition to benchmarking the following factors will be investigated and considered:
- The role our lay and registrant statutory committee members play during hearings or meetings at the GPhC compared with other regulators;
- The option to separate the statutory committee member fees from fees paid to other lay and registrant associate workers;
- The need to completely refresh membership of the statutory committees by 2018.

3.0 Equality and diversity implications

3.1 The Remuneration Committee is proposing no change to associate workers’
fees and therefore there are no new equality and diversity implications to consider.

4.0 Communications implications

4.1 If the Council agrees to introduce an hourly fee for Investigating Committee members this must be effectively communicated with the Investigating Committee alongside information on how the process of holding meetings via telephone will work.

5.0 Resource implications

5.1 There are no resource implications as associate worker fees at the current rates are accounted for in current and future budgets.

6.0 Risk implications

6.1 There is a risk that keeping the fees the same will increase the disparity between fees paid by the GPhC and those paid by other regulators should the other regulators review and increase their fees in 2013. This could affect our competitiveness to attract the right calibre of individual in the future. It may also mean that any possible future increases will need to be disproportionately large in order to remain competitive.

6.2 The Remuneration Committee acknowledged this risk but took into account that recent recruitment of associates (new visitors) had been successful and that there was no imminent recruitment of statutory committee members planned. The Committee specified that the fees should be reviewed again in September 2013 with the view of alleviating such future risks.

Recommendations

The Council is asked to agree:

i. The proposal to not increase any associate worker remuneration rates at the current time;

ii. The proposal to introduce an hourly remuneration rate for the Investigating Committee members equivalent to $1/7^{th}$ of the daily rate;

iii. The proposals for future review of associate workers remuneration at paragraph 2.6.
Professor Liz Kay, Chair, Remuneration Committee

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19 October 2012
## Appendix 1

### Benchmarking

<table>
<thead>
<tr>
<th>Regulator</th>
<th>Chair</th>
<th>Lay/Registrant Member</th>
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<tr>
<td>General Chiropractic Council</td>
<td>£310.00</td>
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<tr>
<td>General Dental Council</td>
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</tr>
<tr>
<td>General Medical Council</td>
<td>£310.00-£350.00</td>
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</tr>
<tr>
<td>General Optical Council</td>
<td>£170.00</td>
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<tr>
<td>General Osteopathic Council</td>
<td>£306.00</td>
<td>£306.00</td>
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<tr>
<td>Health and Care Professions Council</td>
<td>£180.00</td>
<td>£180.00</td>
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<tr>
<td>Nursing &amp; Midwifery Council</td>
<td>£340.00</td>
<td>£310.00</td>
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<tr>
<td>Advertising Standards Authority</td>
<td>£15,000 honarium per annum (small pool of panel members)</td>
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<td>Council of the Inns of Court</td>
<td>£0</td>
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<td>BSB</td>
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<td>£300</td>
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<td>MoJ</td>
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<td>174-415</td>
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<td>Solicitors Disciplinary Tribunal</td>
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<td>£400.00</td>
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<tr>
<td>Competition Appeal Tribunal</td>
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<td>Employment Tribunal</td>
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