Minutes of the Council Meeting held on 9 June 2011 at 129 Lambeth Road, London SE1 7BT at 10.00 am

Present

Bob Nicholls - Chair         Tina Funnell
Cathryn Brown                Ray Jobling
Sarah Brown                  Liz Kay
Celia Davies                 Keith Wilson
Soraya Dhillon               Peter Wilson
John Flook                   Judy Worthington

In attendance

Duncan Rudkin (Chief Executive & Registrar)
Christine Gray (Head of Governance)
Alison Readman (Council Secretary)
Bernard Kelly (Director of Resources and Corporate Development)
Hugh Simpson (Director of Policy and Communications)
Hilary Lloyd (Director of Regulatory Services)
Elaine Mulingani (Head of Private Office)
Damian Day (Head of Education & Quality Assurance) – minute 452 to 455
Gavin Perkins (Head of Finance) minute 441 to 451
Aidan Vaughan (Head of Communications) minute 441 to 455
Heather Walker (Business Planning & Improvement Lead) minute 464 to 465
Vanda Thomas (Patient & Public Involvement Manager) minute 448 to 449

ATTENDANCE AND CHAIR’S INTRODUCTORY REMARKS

441 The Chair welcomed everyone to the meeting including Gordon Dykes, who was joining the Council in September 2011, and Hilary Daniels, the external member of the Audit and Risk Committee, who were both observing the meeting. He noted apologies had been received from Kirstie Hepburn (KH) and from Lesley Morgan. He remarked that it would have been KH’s last meeting and asked that thanks should be conveyed to her on behalf of the Council for her effective contribution during her time as a member.
**DECLARATIONS OF INTEREST**

442 The Chair noted that all the registrant members of Council had an interest in item 7, Fees Rules 2011 – 2012 (paper 06.11/C/03). Keith Wilson (KW) and Soraya Dhillon (SD) declared that they had an interest in the education items (papers 06.1/C/04 and 06.11/C/05) and it was agreed that they would speak after the other Council members on these items. He noted that he and LK had an interest in item 15, GPhC associates and Remuneration Committee remit (paper 06.11/C/11), as members of the Remuneration Committee, so they would speak after the other Council members on this item. No other interests were declared.

**MINUTES OF THE LAST MEETING**

443 The minutes of the meeting held on 14 April 2011 were agreed as a true record of the meeting.

**MATTERS ARISING AND OUTSTANDING ACTION POINTS**

444 With regard to minutes 431.3 and 435.2, Judy Worthington (JW) enquired when the information about measures to prevent a GPhC fitness to practise backlog and the report on the just disposal of legacy cases policy would be considered. Hilary Lloyd (HL) confirmed that they would form part of item 13, Performance monitoring report (paper 06.11/C/09). She added a final review of the just disposal policy would come forward to the September 2011 meeting, including a review of the cases completed and lessons learnt.

445 The Council noted the outstanding actions log.

**ANNUAL REPORT; ANNUAL ACCOUNTS AND ANNUAL FITNESS TO PRACTISE REPORT**

446 DR introduced paper 06.11/C/01 and confirmed that the combined report containing the annual report, annual accounts and annual fitness to practise report had to be lodged with the Privy Council Office by 22 June 2011 in order to lay it before the Westminster and Scottish parliament summer recesses. Because of the tight timescales, work had continued on the narrative part of the document since the paper had been circulated to Council. Members’ comments had been incorporated during this time and improvements had been made to layout and style. It had been challenging to combine three reports in one but DR felt this was more useful to stakeholders than preparing separate documents. After the exercise had been completed, work would be done to reflect on the lessons learnt including the preparation timetable in readiness for the following year.
446.1 John Flook (JF) as chair of the Audit and Risk Committee confirmed that the Committee had reviewed the then draft of the report at its meeting on 13 May 2011; it had focussed on the financial statements, the two introductory messages from the Chair and Chief Executive & Registrar, and the statement on internal control. Details of the discussion could be seen in the unconfirmed minutes of the meeting. The Committee had also reviewed the narrative part at the front of the report, largely to check that there was no conflicting information between the narrative part and the formal content. He echoed the external auditors’ compliments to the finance team on a smooth first year audit and confirmed that the Committee recommended that the combined report be agreed. Bernard Kelly (BK) referred to a minor change to the auditors’ key issues memorandum, set out in their letter of 1 June 2011, noting that the treatment of regulatory income had not been formally confirmed with HMRC, which left a small residual risk that corporation tax could be payable if challenged by the HMRC. This point did not necessitate any change in the annual report itself: the key issues memorandum was annexed to the Council paper but did not itself form part of the annual report.

446.2 DR reported that a shorter, more accessible document using the key information from the combined report would be prepared to help with the GPhC’s communications messages.

446.3 Council members considered the combined report and requested that in future the process begin earlier. This would have the dual advantage of enabling the Council to have an earlier input to the structure and overall approach to be followed and improve the prospect of having a final version circulated before the Council meeting scheduled to approve the report. They welcomed plans for a separate document highlighting the key messages and noted that it would be a stand-alone document rather than merely a truncated version of the combined report. There was a desire for part of this to be forward-looking. DR confirmed it should be possible to give a flavour of the GPhC’s future strategic direction.

446.4 A question was asked about the laying of the strategic plan and DR confirmed it would be brought to the September 2011 meeting for approval.

447 The Council:

i. approved the combined annual report; annual accounts (financial statements) and annual fitness to practise report as recommended in paper 06.11/C/01 subject to previously notified and ongoing drafting and layout improvements;

ii. authorised the Chair and the Chief Executive & Registrar to sign the accounts on behalf of the Council;
iii. authorised the Chief Executive and Registrar to produce a key highlights document to assist with communications messages.

**Equality Scheme**

448 DR said that Elaine Mulingani (EM), Head of Private Office, was providing the senior management oversight for the equality scheme project on his behalf so as to ensure that equality and diversity was central to the GPhC’s work. The organisation’s equality and diversity lead, Vanda Thomas, had joined the meeting to assist with questions.

448.1 EM introduced paper 06.11/C/02 and reminded the Council that it had approved an interim scheme in September 2010. The draft scheme which was now being proposed for consultation covered what the GPhC would do to promote equality, diversity and inclusion, building on the Equality Act 2010. She confirmed that the equality scheme would be brought back to the Council in November 2011 for approval following consultation.

448.2 A number of members asked questions and made comments on the paper and the draft scheme. EM confirmed that working with statutory committee members was recognised as a priority. She also confirmed that feedback had been received from the staff and the equality, diversity and inclusion leadership group that had been formed. She noted that it would be a good idea to ask the consultees what they considered the GPhC’s priorities should be at this stage; to consult with equality and diversity bodies and with groups from each protected characteristic; to include national patient groups as a separate category and to include the monitoring of pre-registration tutoring and the registration assessment. DR agreed that it was appropriate to compare the demographics of registrants with that of the general public and that information was available through published studies. He also agreed that it was important to be opportunistic about gathering external input relevant to the scheme that might emerge, in an unplanned but useful way, from events which in GPhC terms were focused on other topics. Some Council members questioned whether their own role was sufficiently prominent in the action plan and referred to the need for more training for themselves so that they stayed up to date. EM confirmed that the draft scheme would be updated to take account of these comments.
449  **The Council approved:**

i.  **the draft Equality Scheme at Appendix 1 of paper 06.11/C/02 for consultation, subject to the incorporation of the points raised in the previous minute;**

ii.  **the Equality Scheme consultation document at Appendix 2 of the paper.**

**FEES RULES 2011 - 2012**

450  Christine Gray (CG) presented paper 06.11/C/03 and declared an interest in this item as a registrant. She set out the context of the paper, including the 4% increase in pharmacist and premises renewal fees consulted on and the consultation responses received. She went on to explain the timetable for making the fees rules and when any revision to the current fees would take place.

450.1  DR referred to the three options at paras 3.3 to 3.5 of the paper. The three options all proposed a 15.5% decrease in the pharmacist technician renewal fee and in respect of pharmacists and pharmacy premises the renewal fee varied between a nil increase, 2% increase and 4% increase. He emphasised that, whilst there were more options in theory, the three options set out in the paper had been identified for the discussion to be manageable in practice. He added that no one option had been recommended since it was a matter for the Council’s judgement. However, he did refer to the likely impact on the organisation’s finances of each option, as summarised in the paper.

450.2  Council members asked questions and raised comments on the paper. In response to them, BK confirmed that inflation was difficult to forecast but current forecasts were that it would stay at 4 to 5% for at least the remainder of this year then slowly fall towards the Bank of England’s 2% target. The management team confirmed that the estimate of 20,000 pharmacy technicians on the register seemed realistic given that a total of nearly 17,000 registrations and applications had already been received. CG reported that the other regulators differed widely in the fee variations agreed. Some members noted that they did not feel entirely comfortable discussing fees when they had not agreed the next business plan and did not have detailed information on the cost of systems development work and the level of reserves that it was prudent to build up. They also noted that efficiency savings would take time to be implemented.
450.3 The Council members gave their views on each of the options proposed. The Council’s overall view was decisively that option 2 (2% increase) was the favoured option since it:

- reduced the possibility of a large fluctuation in the following year
- minimised the burden on registrants and pharmacy owners without prejudicing the GPhC’s statutory purpose
- enabled reserves to be built up so that cases could be brought or legal action could be taken if it was appropriate in the public interest and
- ensured that the GPhC could perform its functions and begin to tackle some of its longer term objectives.

450.4 DR and BK confirmed that the executive did not have any points to make in relation to option 2 that had not already been made in their paper or in the preceding discussion. CG confirmed the figures to be inserted in the fees rules ie pharmacists’ renewal fees - £267; pharmacy technicians’ renewal fees - £120 and pharmacy premises renewal fee - £221.

451 The Council:

i. approved the draft report of the 2011-12 fees consultation at Appendix 1 of the paper, including the principles to underpin fee-setting, for publication;

ii. agreed option 2 for the 2011-12 fees;

iii. made The General Pharmaceutical Council (2012 Registration and Renewal Fees) Rules 2011 with the inclusion of the fees for option 2; and

iv. agreed that the GPhC’s corporate seal be affixed to the rules.

DEVELOPING A REGULATORY STRATEGY FOR PHARMACY EDUCATION AND TRAINING

452 DR presented paper 06.11/C/04 and said that the paper, which discussed the need for a regulatory strategy for pharmacy education and training, had replaced the planned item on pre-registration tutor standards. This was because it had become apparent that it would be beneficial to take a more wide-ranging approach rather than continue to tackle the inherited problems piecemeal. DR and Hugh Simpson (HS) outlined some of the benefits of having a strategy such as Council’s wish to look beyond the immediate planning horizon. They also referred to the challenges in developing it such as making sure the strategy was based on sound evidence and research, including research on where the current problems lay. DR said that at this stage he was seeking comments on the draft education principles at paragraph 4.1 of the paper, rather than firm agreement of the principles. He added that some work
had been done on guidance for pre-registration tutors but it was not yet ready for distribution to Council members.

452.1 The Council gave their views on the paper. The issues raised included:

- the need for pre-registration tutor standards in the short to medium term
- whether any guidance offered in the short term would set an unwelcome precedent
- how the strategy review would dovetail with the work of Modernising Pharmacy Careers
- the best way to handle the divergence of the different administrations in the countries in GB
- a lack of clarity where the boundaries of the strategy review lay; did it for example include post-registration education, such as the MScs that some hospital pharmacists studied for, and advanced and specialist practice
- what the overlap with revalidation was
- the danger of ‘consultation fatigue’
- the concern that a comprehensive strategy review would impede the GPhC from keeping up with day-to-day regulatory reform
- what the projected timings and costs were.

453 The Council agreed that a scoping exercise should be prepared including a methodology for developing the strategy, for further discussion with Council members and in due course with Council formally.

EDUCATION-RELATED FEES FOR 2011-2012

454 DR presented paper 06.11/C/05 proposing that there be no change to the current level of education-related fees for 2012 but that there should be a charge for reprocessing payments or for returning applications where additional information had been sought more than once. BK also requested that the same credit card payment charges should apply as for registrants’ renewal fees.

455 The Council agreed:

i. to make no change to the current levels of education-related fees for 2012;

ii. to charge for (1) reprocessing payments that had not been honoured by a bank or card issuer and (2) returning applications to an applicant for additional information more than once, in relation to education-related fees;

iii. that a 2% charge would apply to payments by credit card.
FUTURE APPOINTMENT OF COUNCIL MEMBERS

456 CG introduced paper 06.11/C/06, which asked the Council to agree to submit comments to the Council for Healthcare Regulatory Excellence (CHRE) and the Department of Health on the future arrangements for appointment of Council members now that the Appointments Commission was being abolished.

457 The Council considered the proposed comments at Appendix 1 of the paper. A discussion took place on the implications of the Appointments Commission being abolished. The consensus was that it gave the GPhC an opportunity to influence the way Council members were appointed in future, while retaining the regulators’ independence and the formal appointment of members by the Privy Council. CG confirmed that the GPhC would need to consider its own processes once the CHRE guidance was in place. It was noted that, although the involvement of an independent assessor was important, the Appointments Commission had not always been able to assist in finding them because it operated only in England whereas the GPhC was GB-wide.

458 The Council agreed that the comments on future arrangements for appointment of Council members at Appendix 1 of the paper be submitted to the Council for Healthcare Regulatory Excellence and the Department of Health for consideration.

CHIEF EXECUTIVE AND REGISTRAR REPORT

459 DR presented the Chief Executive and Registrar’s report (paper 06.11/C/07) and drew attention to a number of matters. He confirmed that a response had been submitted to the General Medical Council (GMC) consultation on good practice in prescribing and managing medicines and devices, which would be circulated to the Council members. HS summarised the discussions that had taken place with the GMC and agreed it would be helpful for other regulators to share their plans prior to a formal consultation.

460 The CHRE commission on effectiveness and efficiency was discussed; the Council noted that the Chair and Chief Executive & Registrar would seek to ensure that CHRE took account of GPhC views and would keep the Council updated.

461 HS confirmed that he would ensure a GPhC observer was present at the Health Select Committee meeting on 14 June 2011 which was focussing on some aspects of the activities of regulators, and at which the GMC and the Nursing and Midwifery Council were giving evidence.
The Council noted the report.

**BUSINESS PLAN PROGRESS REPORT**

463 DR presented the business plan progress report (paper 06.11/C/08). He said that one of the aims of the report was to improve the business plan’s accessibility and therefore Council’s ability to monitor delivery of the plan.

464 The Council considered the report. A member felt that the Council did not know enough about the work being done on the premises standards and therefore did not have sufficient opportunity to help shape them. HS undertook to circulate an update of the premises standards work and confirmed that the standards could be agreed for consultation later than September 2011 if that was the wish of Council. A discussion followed about keeping members informed between meetings and it was agreed that this would be considered as part of the September review on how the Council was working. Dates and locations of engagement events on premises standards would be circulated to members so that they could attend if they wished.

The Council noted the report.

**PERFORMANCE MONITORING REPORT**

466 DR presented the performance monitoring report (paper 06.11/C/09). He confirmed that work was continuing on developing a set of comprehensive performance indicators. He agreed that the danger of overlapping reports needed to be avoided and that use of a system such as a balanced score card could be helpful.

466.1 The Council discussed the report and noted that additional resources were being devoted to registration because of the larger than expected number of pharmacy technician applications received. However, the extra staffing could not be made available instantaneously, because of the training needed, so there would be some slippage on the target of registering all applications received by the end of June 2011 within two months. Council requested further information on this before the next business report.

The Council noted the report.

**INVESTIGATING COMMITTEE REPORT**

468 HL introduced paper 06.11/C/10, which contained the Investigating Committee report for the period from 27 September 2010 to 31 March 2011. She confirmed it was a statutory requirement under GPhC rules for the Investigating Committee to report to Council every year, although the work of the Committee was
encompassed within the annual fitness to practise report.

469 The Council noted the report.

GPhC ASSOCIATES AND REMUNERATION COMMITTEE REMIT

470 CG presented paper 06.11/C/11 proposing that the remit of the Remuneration Committee be clarified in relation to GPhC associates. She reported that it had emerged that there were more groups of associates than had previously been thought. Because they were of different types, for example some were committee members or established under legislation whereas others were more akin to consultants or contractors, it was not appropriate for their remuneration to be decided in the same way. She added that the proposal in the paper had been developed in correspondence with the Remuneration Committee.

471 The Council:

i. agreed that the remit of the Remuneration Committee in relation to GPhC associates should be to advise the Council on remuneration policy for the Council’s non-statutory committees and those associate groups established under legislation;

ii. agreed to amend the Scheme of Delegation to clarify that the Chief Executive & Registrar has authority to determine remuneration packages for non-employees who are not covered by the Remuneration Committee’s remit; and

iii. affirmed the principle that there should be a single GPhC expenses policy.

ANY OTHER NOTIFIED BUSINESS

472 The Chair noted that the reason for going into confidential session was that the meeting would discuss matters relating to staff.

473 There being no further business, the meeting closed at 3.30 pm.

Date of next meeting – 15 September 2011 - London