General Pharmaceutical Council

Council meeting
13 June 2019
13:30 to 16:00 approx.
Council Room 1, 25 Canada Square, London E14 5LQ

Public business

1. Attendance and introductory remarks
   Nigel Clarke

2. Declarations of interest
   Public items
   All

3. Minutes of last meeting
   Public session on 16 May 2019
   Nigel Clarke

4. Workshop summary – 16 May 2019
   Nigel Clarke

5. Actions and matters arising
   Nigel Clarke

6. Annual Report, FtP report and accounts
   For approval
   19.06.C.01
   Duncan Rudkin

7. Performance monitoring report and annual plan progress report
   For noting
   19.06.C.02
   Duncan Rudkin

8. Engagement and communications report
   For noting
   19.06.C.03
   Rachael Oliver

9. Remuneration Committee minutes
   i. Minutes of the meeting on 8 February 2019
   ii. Minutes of the meeting on 30 April 2019 (unconfirmed)
      For noting
      19.06.C.04a
      19.06.C.04b
      Elizabeth Mailey

10. Remuneration Committee - annual report to Council
    For noting
    19.06.C.05
    Elizabeth Mailey

11. Audit and Risk Committee - Minutes of the meeting on 22 May 2019
    (unconfirmed)
    For noting
    19.06.C.06
    Digby Emson

12. Audit and Risk Committee - annual report to Council
    For noting
    19.06.C.07
    Digby Emson

13. Any other public business
    Nigel Clarke
Confidential business

14. Declarations of interest
   Confidential items
   All

15. Minutes of last meeting
   Confidential session on 16 May 2019
   Nigel Clarke

16. Confidential actions and matters arising
   Nigel Clarke

17. Remuneration Committee minutes (unconfirmed)
   Confidential session on 30 April 2019
   For noting
   Elizabeth Mailey

18. Audit and Risk Committee minutes (unconfirmed)
   Confidential session on 22 May 2019
   For noting
   19.06.C.09
   Digby Emson

19. Appointment of internal auditors
   For approval
   19.06.C.10
   Digby Emson

20. Finance and Planning Committee minutes (unconfirmed)
    Meeting on 22 May 2019
    19.06.C.11
    Mark Hammond

21. Any other confidential business
    Nigel Clarke

Date of next meeting

Thursday, 11 July 2019
Minutes of the public session

Present
Nigel Clarke (Chair)  Jo Kember
Neil Buckley  Alan Kershaw
Digby Emson  Elizabeth Mailey
Mark Hammond  Evelyn McPhail
Penny Hopkins  Aamer Safdar
Ann Jacklin  Jayne Salt

Apologies
Rima Makarem
Arun Midha

In attendance
Duncan Rudkin (Chief Executive and Registrar)
Carole Auchterlonie (Director of Fitness to Practise)
Claire Bryce-Smith (Director of Insight, Intelligence and Inspection)
Laura McClintock (Chief of Staff)
Francesca Okosi (Director of People)
Mark Voce (Director of Education and Standards)
Jonathan Bennetts (Associate Director of Finance and Procurement)
Janet Collins (Governance Manager)
10. Attendance and introductory remarks

10.1 The Chair welcomed all present to the meeting.

11. Declarations of interest

11.1 Council agreed that members would make any declarations of interest before each item.

12. Minutes of the last meeting

12.1 The minutes of the public session held on 11 April 2019 were confirmed as a fair and accurate record and signed by the Chair.

13. Actions and matters arising

13.1 Action 100.2 was underway and would be reported back to the June meeting. The projected date for beginning the publication of inspection reports was the end of June.

13.2 Action 113.6 – the work to scope and sequence the development of a fees policy had begun.

14. Workshop summary – 11 April 2019

14.1 Council noted the discussions from the March workshop.

15. Updates to policies and procedures

15.1 Laura McClintock (LM) introduced 19.05.C.01 which sought approval for a number of policies and procedures in relation to the governance of the Council and committees which fell within its remit and had recently been reviewed.

15.2 In the Standing Orders of the General Pharmaceutical Council, the requirement to dissolve a meeting if it was not quorate within 15 minutes (paragraph 12.2) was replaced with “If a quorum is not present within a reasonable time after the time appointed for the meeting to commence, the meeting may be dissolved ...”. The same change was made to the Standing Orders of the non-statutory committees of the General Pharmaceutical Council.

15.3 The Standard of attendance at meetings for Council members and GPhC associates policy prompted a discussion about whether participation in meetings via teleconference or
video call should constitute attendance and whether such participation was appropriate. It was agreed that remote participation should constitute attendance at committee meetings with the prior agreement of the chair of the committee but that attendance at Council should be in person, other than in exceptional circumstances.

15.4 With some minor alterations for clarification, the Council approved:
   i. the Standing Orders of the General Pharmaceutical Council;
   ii. the Standing Orders of the non-statutory committees of the General Pharmaceutical Council;
   iii. the Reappointment of Council members and Chair of Council procedure;
   iv. the Appointment of the deputy Chair of Council procedure;
   v. the Standard of attendance at meetings for Council members and GPhC associates policy;
   vi. the Standards of education and learning for Council members and GPhC associates policy; and
   vii. the Council member and Council Chair appraisal process.

16. Council recruitment 2020

16.1 Laura McClintock (LM) introduced 19.05.C.02, which set out recommendations for filling Council member vacancies arising in March 2020.

16.2 The selection criteria and competences would be updated following a skills audit of the current members and brought back to Council for discussion at a later meeting.

16.3 There was some discussion about the process and what could be done to support applicants. Feedback on the 2019 process had been sought from those who came for final interviews and had been positive, including that given by the candidates who had needed adjustments to be made. It was suggested that for the 2020 round a webinar describing the role, the requirements and giving information on the process would be a useful addition.

16.4 The Council:
   - agreed the process to be used for filling whatever number of Council member vacancies required open competition in March 2020;
   - noted the selection criteria and competencies for new Council member appointments at Appendix 1 and that these will be updated in discussion with Council; and
• noted the next steps in the appointments process and timetable.

17. Update on the Gosport Independent Panel Report and the Professor Sir Norman Williams Review of Gross Negligence Manslaughter in Healthcare

17.1 Laura McClintock (LM) presented 19.05.C.03, which provided Council with a progress update on the GPhC’s ongoing work following a number of developments in the external context throughout 2018/19.

17.2 The GPhC had led and taken part in a range of actions which were described in the paper, including the publication of joint reflection and learning resource to support the pharmacy profession in learning lessons from Gosport. The learning resource had received positive feedback. However, it was also important that the issues within the report were not considered in isolation but were embedded in regulatory and policy development work where possible. An example of this was new fitness to practice operational guidance on undertaking parallel investigations, allowing cases to proceed without undue delay which had been a key issue in the Gosport report and other recent reviews.

17.3 The Professional Standards Authority would be reviewing the outcomes of fitness to practise cases relating to similar incidents and circumstances but considered by different regulators. The review would seek to determine the extent and reasons for different fitness to practise outcomes in similar cases and, if appropriate, recommend changes to ensure greater consistency. The Council would be kept updated on further developments.

17.4 The Council noted the progress update and the ongoing work and collaboration in this area.

18. Any other business

18.1 This was the last meeting for Lynsey Cleland, the Director for Scotland. The Chair thanked Lynsey both on behalf of Council and personally for all her work and noted that it was largely due to her that the GPhC had such good working relationships in Scotland.

10.2 There being no further public business, the meeting closed at 14:20.

Date of the next meeting:
Thursday 13 June 2019
# Council actions log

<table>
<thead>
<tr>
<th>Meeting date</th>
<th>Ref.</th>
<th>Action</th>
<th>Owner</th>
<th>Due</th>
<th>Status</th>
<th>Comments/update</th>
</tr>
</thead>
<tbody>
<tr>
<td>7 February 2019</td>
<td>100.2</td>
<td>Further update on engagement with the public on the publication of inspection reports to be provided before publication begins</td>
<td>MV/RO</td>
<td>June 19</td>
<td>Closed</td>
<td>Covered in the communications and engagement update</td>
</tr>
<tr>
<td>April 2019</td>
<td>113.6</td>
<td>Develop clear policy around differential fees, with timelines</td>
<td>DR</td>
<td>June 19 for update</td>
<td>Closed</td>
<td>Update was provided in the workshop sessions</td>
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Meeting paper

Council on Thursday, 13 June 2019

Public business

Council Workshop Summary

Purpose
To provide an outline note of the discussions at the Council workshop on 11 April 2019.

Recommendations
The Council is asked to note the discussions from the workshop.

1. Introduction

1.1. The Council holds a workshop session alongside its regular Council meetings each month. The workshops give Council members the opportunity to:

- interact with and gain insights from staff responsible for delivering regulatory functions and projects;
- receive information on projects during the development stages;
- provide guidance on the direction of travel for work streams via feedback from group work or plenary discussion; and
- receive training and other updates.

1.2. The Council does not make decisions in the workshops. They are informal discussion sessions to assist the development of the Council’s views. A summary of the workshop discussions is presented at the subsequent Council meeting, making the development of work streams more visible to stakeholders. Some confidential items may not be reported on in full.

2. Summary of the May workshop

Early findings from the consultation on the revised standards for the initial education and training of pharmacists

2.1 Mark Voce (Director of Education and Standards) and Duncan Rudkin presented a session setting out the early findings from the consultation, which had run for 12 weeks and closed on 3 April 2019. There were 627 responses, 519 from individuals and 108 from organisations.
2.2 The key proposals were:

- one set of integrated standards and learning outcome for the full period of education and training;
- a stronger focus on communication and clinical skills;
- more clinical/patient work and more working with other healthcare professionals during training;
- strengthening the requirements for selection and admission; and
- strengthening requirements in relation to equality, diversity and inclusion.

2.3 Early analysis of the responses suggested strong support for the proposed learning outcomes and a positive response to the stronger emphasis placed on patient-centred care, communication and collaboration. There was overall support for integration, for assessing applicants’ values and professional attributes and for the proposals on experiential and inter-professional learning.

2.4 The consultation and associated stakeholder events had generated momentum and good levels of engagement. The full report would include more detailed analysis and more nuance.

2.5 The implementation of the new standards would be a significant change. While the GPhC would play an essential role in driving that change, it needed to have confidence that the standards could be implemented before finalising them. While there was considerable agreement on the ‘what’, the ‘how’ would take longer and would require further consensus building. Members discussed possible ways forward and made suggestions which would contribute to the development of the next phase of the work.

**Update on the development of the balanced scorecard**

2.6 Heather Walker (Head of Corporate Business Support and Development) presented the update. The balanced scorecard was now at the proof-of-concept stage and Council provided feedback on the further developments which were very promising.

**Barriers and enablers for the pharmacy technician profession**

2.7 Nicky Nardone (Pharmacy Technician Clinical Lead Fellow) presented a progress report on the work she was doing during her year with the GPhC on barriers and enablers for pharmacy technicians. Liz Fidler – President of the Association of Pharmacy Technicians UK (APTUK) joined the workshop for this session.
2.8 there was a discussion about the main barriers and enablers and members were asked to provide feedback on the areas in which the GPhC would be able to act, influence, or act and influence; and on what could be done and how.

2.9 The outcomes of the work would be presented to Council later in the year.

Recommendations

3.1 Council is asked to note the discussions from the workshop

Janet Collins, Governance Manager
General Pharmaceutical Council

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Tel 020 3713 8139
Meeting paper

Council on Thursday, 13 June 2019

Public business

Review of annual report and accounts 2018/19

Purpose
To approve the statutory annual report and accounts for 2018/19

Recommendations
Council is asked to:

I. approve the combined annual accounts, annual report and fitness to practise report for 2018/19 (Appendix 1)
II. note the report of the external auditors (Appendix 2)
III. authorise the Chair of Council to sign the letter of representation as required by the external auditors (Appendix 3)

1. Introduction

1.1. The Pharmacy Order 2010 requires the GPhC to publish annual reports and accounts, and to provide these to the Privy Council Office for laying before each House of Parliament and the Scottish Parliament. In summary, the GPhC must submit to the Privy Council Office each year:

- annual accounts, with the external auditors’ report;
- an annual report, including how we adhere to good practice on equality and diversity;
- an annual statistical fitness to practise report, with the Council’s observations; and
- a strategic plan.

1.2. The Privy Council Office has confirmed that it is content with Council’s schedule for publication of our statutory reports: the annual report, fitness to practise report and accounts following Council’s June meeting, and the strategic plan following its October meeting.

1.3. The Council must submit copies of the combined report and accounts (Appendix 1) to the Privy Council Office shortly after the Council meeting, so that it can be laid in both Houses of Parliament and the Scottish Parliament before the summer recess. A copy of the report will also be provided to the Welsh Assembly.
2. **Key considerations**

2.1. The annual accounts were independently audited by Crowe UK LLP. The financial reporting framework that has been applied in their preparation is the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standard and applicable laws) including Financial Reporting Standard 102. A copy of the external auditor’s report is at Appendix 2.

3. **Equality and diversity implications**

3.1. The annual report sets out the actions we have taken to ensure we are compliant with legislative requirements on equality as well as our commitment to equality, diversity and inclusion more widely. This includes information about how we have continued to build equality and diversity into the work we do as a health professions regulator, a public service provider and an employer.

3.2. The annual report be produced bilingually, in English and in Welsh, in accordance with the requirements of the Welsh Language Act 1993.

4. **Communications**

4.1. The combined report will be published on the GPhC website. In addition, a link to the report will be sent to key organisations covering the major stakeholders including, but not limited to, pharmacy and patient representative organisations across Great Britain.

4.2. A copy of the report will also be submitted to the Professional Standards Authority.

5. **Resource implications**

5.1. Publishing and communicating the annual report, accounts and fitness to practise report will be covered by existing budgets.

6. **Risk implications**

6.1. The GPhC is required by statute to submit the required reports to the Privy Council Office for laying before each House of Parliament and the Scottish Parliament.

7. **Monitoring and review**

7.1. The process for producing the annual report is reviewed annually to ensure that its content meets the relevant requirements, including financial reporting standards and other relevant external guidance.
Recommendations

Council is asked to:

I. approve the combined annual accounts, annual report and fitness to practise report for 2018/19
   (Appendix 1)
II. note the report of the external auditors (Appendix 2)
III. authorise the Chair of Council to sign the letter of representation as required by the external
     auditors (Appendix 3)

Duncan Rudkin, Chief Executive and Registrar
General Pharmaceutical Council
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Tel 020 3713 780
4 June 2019
Dear Committee Members

Audit for the year ended 31 March 2019

Following the completion of our audit fieldwork on the financial statements of the General Pharmaceutical Council ("GPhC") for the year ended 31 March 2019 we have pleasure in submitting our Audit Findings Report setting out the significant matters which have come to our attention during our audit of which we believe you need to be aware when considering the financial statements. The matters included in this report have been discussed with the GPhC’s management during our audit and at our closing meeting on 8 May 2019. Saleem Akuji and Jonathan Bennetts have seen a draft of this report and we have incorporated their comments and/or proposed actions where relevant. Tim Redwood will be attending your meeting on 22 May 2019 will be pleased to provide any further information or clarification you may require.

We would like to express our appreciation for the assistance provided to us by the finance team and the other staff at the GPhC during our audit.

Use of this report

This report has been provided to the Audit & Risk Committee to consider and ratify on behalf of the Council, in line with your governance structure. We accept no duty, responsibility or liability to any other parties, since this report has not been prepared, and is not intended, for any other purpose. It should not be made available to any other parties without our prior written consent.

Yours sincerely

Crowe U.K. LLP
## Contents

1. Audit overview ........................................ 1
2. Areas of Audit Focus ................................. 3
3. Fraud and error ....................................... 7

Appendix 1 - Systems and controls issues ........ 9
Appendix 2 - Draft representation letter .......... 10
Appendix 3 - External developments ............... 12
Appendix 4 - Non Profits events, courses and briefings 14
1. Audit overview

Audit scope and approach

Our audit work has been undertaken for the purposes of forming our audit opinion on the financial statements of the GPhC prepared by management with the oversight of the Council and has been carried out in accordance with International Standards on Auditing (UK) (‘ISAs’).

Our work combined substantive procedures (involving the direct verification of transactions and balances on a test basis and including obtaining confirmations from third parties where we considered this to be necessary) with a review of certain of your financial systems and controls where we considered that these were relevant to our audit. No restrictions or limitations were placed on our work.

Communicating significant findings from our audit

We are required by ISAs to communicate with the Council as “those charged with governance” various matters from our audit including:

- our views about significant qualitative aspects of the GPhC’s accounting practices, including accounting policies, accounting estimates and financial statement disclosures,
- significant difficulties, if any, encountered during the audit,
- any significant matters arising during the audit and written representations we are requesting,
- circumstances that affect the form and content of our auditor’s report, if any, and
- any other significant matters arising during the audit that, in our professional judgment, are relevant to the oversight of the financial reporting process.

We have included comments in relation to the above where relevant in the subsequent sections of this report.

We also report to you any significant deficiencies in internal control identified during our audit which, in our professional judgment, are of sufficient importance to merit your attention. We have reported matters relating to the GPhC’s systems and controls in Appendix 1.

You should note that our evaluation of the systems of control at GPhC was carried out for the purposes of our audit and accordingly it is not intended to be a comprehensive review of systems and processes. It would not necessarily reveal all weaknesses in accounting practice or internal controls which a special investigation might highlight, nor irregularities or errors not material in relation to the financial statements.

Audit completion

We have substantially completed our audit in accordance with our Audit Planning Report which was sent to you and the senior management team on 9 January 2019, subject to the matters set out below.

- Bank Letters (Lloyds)
- Conflict of interest forms
- Annual Report
- Completion of the post-Balance Sheet events review.
- Review of the final financial statements.
- Receipt of the signed letter of representation.

The final three items we have identified as outstanding are work we usually carry out just prior to us signing our audit report.

We will report to you orally in respect of any modifications to the findings or opinions contained in this report that arise on completion of the outstanding matters. On satisfactory completion of the outstanding matters, we anticipate issuing an unmodified audit opinion on the truth and fairness of the financial statements.

Areas of Audit Focus

In Section 2 we have discussed in detail the findings from our work in relation to this year’s audit.
Materiality and identified misstatements

As we explained in our Audit Planning Report, we do not seek to certify that the financial statements are 100% correct; rather we use the concept of "materiality" to plan our sample sizes and also to decide whether any errors or misstatements discovered during the audit (by you or us) require adjustment. The assessment of materiality is a matter of professional judgement but overall a matter is material if its omission or misstatement would reasonably influence the economic decisions of a user of the financial statements.

The audit materiality for the financial statements set as part of our audit planning took account of the level of activity of the GPhC and was set at approximately 1.5% of income. We have reviewed this level of materiality based on the draft financial statements for year ended 31 March 2019 and are satisfied that it continues to be appropriate.

We also report to you any unadjusted individual errors other than where we consider the amounts to be trivial, and for this purpose we have determined trivial to be approximately 5% of our audit materiality.

We are pleased to report that there are no remaining unadjusted items identified from our audit in excess of the above trivial limit.

Ethical Standards

We are required by the Revised Ethical Standard 2016 issued by the Financial Reporting Council ('FRC') to inform you of all significant facts and matters that may bear upon the integrity, objectivity and independence of our firm.

Crowe U.K. LLP has procedures in place to ensure that its partners and professional staff comply with both the Revised Ethical Standard 2016 and the Code of Ethics adopted by The Institute of Chartered Accountants in England and Wales.

As explained in our audit planning report, in our professional judgement there are no relationships between Crowe U.K. LLP and the GPhC or other matters that would compromise the integrity, objectivity and independence of our firm or of the audit partner and audit staff. We are not aware of any further developments which should be brought to your attention.

Legal and regulatory requirements

In undertaking our audit work we considered compliance with the following legal and regulatory requirements, where relevant.

- Financial Reporting Standard 102 (FRS 102)
- Pharmacy Order 2010

Financial statements

The Council of the GPhC are responsible for the preparation of the financial statements on a going concern basis (unless this basis is inappropriate). The Council are also responsible for ensuring that the financial statements give a true and fair view, that the process your management go through to arrive at the necessary estimates or judgements is appropriate, and that any disclosure on going concern is clear, balanced and proportionate.
2. Areas of Audit Focus

We reported in our Audit Planning Report a number of areas we identified as having specific audit risk including the potential risk from management override of controls which auditing standards deem to be a significant risk for all audits. We have commented below on the results of our work in these areas as well as on areas of the audit which are significant in terms of value and any key additional risks, judgements or other matters in relation to the financial statements of the GPhC.

2.1 Recognition of registration fees

Registration and pre-registration fees totalled £22.7m in the 2019 financial statements. The GPhC does not have a fixed renewal date for all registrants and instead the registration period commences on the date that their name was entered onto the register. As the GPhC’s registration fee covers a 12 month period it is necessary to pro rate each registration fee in order to recognise the correct proportion in each financial year.

During our audit fieldwork we carried out a mixture of substantive and analytical procedures, with the aim of obtaining assurance that registration fees are recognised appropriately and materially complete. Specifically we:

• Documented our understanding of registration fees including how they are received and how it is ensured that all fees are recorded and appropriately recognised;
• Developed and expectation over the level of fee income to be recorded in the financial statements taking into consideration the number of individuals on the register at each level and published registration fees; and
• Substantively tested a sample of fee income, ensuring that it is recorded in line with the individual’s registration date and at the correct level.

Our testing in this areas was satisfactory and we have no matters to bring to your attention.

2.2 Completeness of Liabilities in respect of Regulatory Cases

The GPhC’s activities include investigating and acting where concerns have been reported in respect of registrants. Legal costs are incurred by the GPhC as solicitors provide information to support decision making in respect of regulatory cases. In addition, there is a risk around a need to pay legal costs in respect of a registrant should a case be appealed. This may require the GPhC to provide for costs, in accordance with ‘FRS102 Section 21: Provisions and contingencies’. Under FRS 102 a liability should be recognised if there is an obligation as a result of a past (pre year-end) event at the reporting date, it is more likely than not that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably.

We held discussions with the Professionals Regulation Manager regarding cases outstanding at year end to understand if there were any potential liabilities. There was only one pending appeal outstanding which is due for a preliminary hearing, however it was confirmed that the applicant had not submitted evidence by the required deadline or given evidence to support the need for an extension. As a result any connected liability is considered remote.

We also reviewed records of hearings around the year end and the cut off applied to the main supplier for legal services. All legal costs reviewed had been recognised in the correct year.

We did not identify any issue from our work in this area.

2.3 Intangible Fixed Assets

During the year a total costs of £364k has been capitalised in relation to the Revalidation Portal and Registration Online Services within intangible fixed assets.

As per FRS102, an intangible asset shall be recognised if, and only:

(a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and

(b) the cost or value of the asset can be measured reliably.

FRS 102 does not specifically address the capitalisation of intangible fixed assets which relate to furthering a not for profits objectives rather than those which generate economic benefits through increasing future cash inflows or decreasing outflows. However, in common with ‘for profit’ entities an intangible fixed asset can either be separately acquired or internally generated.
For a separately acquired asset, the probability condition in (a) above is always considered to have been satisfied and it is rare in the sector that the cost or value of the asset cannot be reliably measured. As a result, the separately acquired asset is usually capitalised.

In the case of internally generated intangible fixed assets, FRS 102 states:

An entity may recognise an intangible asset arising from development (or from the development phase of an internal project) if, and only if, an entity can demonstrate all of the following:

(a) The technical feasibility of completing the intangible asset so that it will be available for use or sale.

(b) Its intention to complete the intangible asset and use or sell it.

(c) Its ability to use or sell the intangible asset.

(d) How the intangible asset will generate probable future economic benefits. Among other things, the entity can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset.

(e) The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.

(f) Its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Where an entity adopts a policy of capitalising expenditure in the development phase that meets the conditions of [(a) – (f) above] that policy shall be applied consistently.

In general, we see other regulators and not-for-profits we work with capitalising major IT developments although a distinction needs to be made between a new development and maintenance or updates to an existing systems which in general are written off.

As part of our work, we discussed the nature of the projects with management and reviewed a sample of invoices against the accounting standards and noted these had been correctly capitalised as an intangible.

Capitalisation threshold

We noted that the capitalisation threshold for intangibles had increased originally from £1,000 to £100,000. We discussed this change in policy with management and concluded it would be more appropriate to set the policy at a lower level. The capitalisation threshold has been revised down to £10,000 and management have reviewed costs incurred during the year and identified a further £59,100 that should be capitalised under the revised threshold.

We have carried out a further review and are satisfied that there are no further material cost that should have been capitalised.

2.4 Payroll

Payroll is the largest single expenditure item for the GPhC at £12.6m for the year ended 31 March 2019 (2018: £11.8m). We performed analytical procedures, which consider gross pay, deductions and staff numbers to ensure all trends and relationships appear reasonable and that the totals agree with the ledger. As part of our audit, we reviewed the systems in place over monthly processing including the reconciliation of the payroll to the nominal ledger.

We tested a sample of employees to supporting documentation to confirm that they are being paid at authorised levels. We confirmed that a selection of individuals starting or ending employment during the period has been correctly added or removed from the payroll. We also reviewed the basis for preparation of the disclosures around key management personnel and staff numbers and confirm that these are materially correct.

We did not note any issues to draw to Council’s attention in relation to this area.

2.5 Council and Committee allowances and expenses

The Council receive remuneration including honorariums and allowances as well as reimbursed expenses for travel and subsistence. Payments of this kind represent a significant expense for the GPhC. Council members are paid through the payroll and we therefore included a sample of members as part of our payroll testing. In respect of Council expenses, we selected a sample of payments to individuals and confirmed they were correctly authorised and that there was sufficient documentation to support the amount paid.
There were no issues to draw to the attention of the committed in this area.

2.6 Other expenditure

For other expenditure we reviewed a sample of transactions appearing in the financial statements and considered the controls operated by the GPhC to ensure that expenditure is appropriately authorised and recognised in the correct period. No issues arose during our work on expenditure.

2.7 Other balance sheet items

We carried out our standard audit procedures on the other material balance sheet position amounts. Our work included testing key control account reconciliations; testing bank reconciliations; reviewing post year end transactions where these help to confirm the year end position, and reviewing confirmation of assets held.

We reviewed the basis for the release of the lease incentive creditor included in the financial statements and confirmed that sufficient disclosures were included.

Dilapidation Provision

In 2018 the GPhC included a dilapidation provision for reinstatement costs of £1.4m which will need to be incurred when the Canada Square lease end. We sought an update from management as part of our 2019 audit and confirmed that no matters had arisen during the year which would change the assessment of the liability.

We have asked the Council to confirm in the letter of representation that they are satisfied that the current provision represents the best estimate of the GPhC’s liability under the lease as at 31 March 2019.

Business Rates

We noted on receipt of the draft accounts a provision for £210k had been included for business rates for 2017/18 and 2018/19. This provision related to a potential increase in rates for those years connected to the withdrawal of an element of rates relief previously enjoyed by the landlord and passed on to tenants. Although the legal position has not been confirmed, we discussed the potential liability with management and understand that the landlord has informally confirmed that the GPhC will not have a liability in respect of backdated rates.

The inclusion of a provision is only appropriate should the liability be considered more likely than not to materialise. We discussed this with management and confirmed that management’s view is that it is unlikely that a liability will materialise. As a result the provision has been reversed.

2.8 Internal audit

The GPhC have an internal audit function which reports to the Audit & Risk Committee. We communicated with the internal audit function regarding the work undertaken in the year including their report on Key Financial Controls. We considered the impact of their work on the audit process as part of our risk assessment.

2.9 Management override of controls

Auditing standards require us to consider as a significant audit risk areas of potential or actual management override of controls. In completing our audit we have therefore considered the following matters.

Significant accounting estimates and judgements

Management have made a number of necessary accounting estimates and judgements which impact the financial statements. We identified the assumptions adopted by management regarding provisions and capitalisation of intangible assets for specific review and the results are set out above.

Controls around journal entries and the financial reporting process

We reviewed and carried out sample testing on the GPhC’s controls around the processing of journal adjustments (how journals are initiated, authorised and processed) and the preparation of the annual financial statements. We also considered the risk of potential manipulation by journal entry to mask fraud.

We did not identify any instances of management override of controls or other issues from our sample testing of the GPhC journals. However, we have raised a minor control point regarding the controls surrounding the posting of journals in the accounting system in Appendix 1. We would emphasise the need to ensure that any changes to systems and controls around journals be risk-based and consider other mitigating controls so that the finance team are able to apply the right level of scrutiny to those transactions where there is the highest risk of an issue arising.
**Significant transactions outside the normal course of business**

We are required to consider the impact on the financial statements if there are any significant transactions occurring outside of the normal course of the GPhC’s business.

No such transactions were notified to us by management, nor did any such transactions come to our attention during the course of our work.
### 3. Fraud and error

In our Audit Planning Report, we explained that the responsibility for safeguarding the assets and for the prevention and detection of fraud, error and non-compliance with law or regulations rests with the Council of the GPhC.

The Council should be aware that the Charity Commission provides guidance (updated in January 2018) on how to protect such organisations as the GPhC from fraud including information about fraud, how to spot it and what you can do to protect against it - [https://www.gov.uk/guidance/protect-your-charity-from-fraud](https://www.gov.uk/guidance/protect-your-charity-from-fraud).

In accordance with International Auditing Standards, we planned our audit so that we have a reasonable expectation of detecting material misstatements in the financial statements or accounting records (including any material misstatements resulting from fraud, error or non-compliance with law or regulations).

However, no internal control structure, no matter how effective, can eliminate the possibility that errors or irregularities may occur and remain undetected. In addition, because we use selective testing in our audit, we cannot guarantee that errors or irregularities, if present, will be detected. Accordingly our audit should not be relied upon to disclose all such misstatements or frauds, errors or instances of non-compliance as may exist.

As part of our audit procedures we made enquiries of management to obtain their assessment of the risk that fraud may cause a significant account balance to contain a material misstatement. Usually fraud in the non-profit sector is not carried out by falsifying the financial statements. Falsifying statutory financial statements usually provides little financial benefit, as compared to say a plc where showing a higher profit could lead to artificial share prices or unearned bonuses. However falsifying financial statements can be used to permit a fraud or to avoid detection. As a generality non-profits represented by its management and its Council do not actively try to falsify financial statements as there are not the same incentives to do so. In the Non Profit world fraud is usually carried out through misappropriation or theft.

We have reviewed and discussed the accounting and internal controls systems management has put in place to address these risks and to prevent and detect error. However, we emphasise that the Council, Audit and Risk Committee and management should ensure that these matters are considered and reviewed on a regular basis.

We have included the following statements in the letter of representation which we require from the Council when the financial statements are approved.

- The Council acknowledge their responsibility for the design and implementation of internal control to prevent and detect fraud and errors.
- The Council have assessed that there is no significant risk that the financial statements are materially misstated as a result of fraud.
- The Council are not aware of any fraud or suspected fraud affecting the organisation involving management, those charged with governance or employees who have a significant role in internal control or who could have a material effect on the financial statements.
- The Council are not aware of any allegations by employees, former employees, regulators or others of fraud, or suspected fraud, affecting the GPhC’s financial statements.

We draw your attention to bullet point 2 above which presupposes that an assessment has been made. We have not been made aware of any actual or potential frauds which could affect the 2019 financial statements, or in the period since the previous year end.

We emphasise that this section is provided to explain our approach to fraud and error, but the responsibility to make and consider your own assessment rests with yourselves.

**Considering risks of fraud**

The following provides further information on the three kinds of fraud that non-profits such as the GPhC should consider.

a) **Frauds of extraction**

This is where funds or assets in possession of the non-profit are misappropriated. Such frauds can involve own staff, intermediaries or partner organisations since they require assets that are already in the possession of...
the entity being extracted fraudulently. This could be by false invoices, overcharging or making unauthorised grant payments.

Essentially such frauds are carried out due to weaknesses in physical controls over assets and system weaknesses in the purchases, creditors and payments cycle. The cycle can be evaluated by considering questions such as who authorises incurring a liability and making a payment. On what evidence? Who records liabilities and payments? Who pays them and who checks them?

The close monitoring of management accounts, ledger entries and strict budgetary controls are also generally seen as an effective way of detecting and deterring frauds in this area.

Staff should be made aware of the increasing use of mandate fraud. This is where when the fraudster gets the organisation to change a direct debit, standing order or bank transfer mandate by purporting to be a supplier or organisation to which the non-profit make regular payments.

Insufficient due diligence around requests to amend supplier or payroll details has led to payments to unauthorised individuals so the importance of sufficient checks in these areas is of increasing importance.

Some non-profits have also been victims of what is being termed CEO fraud, although it does not involve the CEO. In this case cyber criminals spoof company email accounts and impersonate executives to try and fool an employee in accounting or HR into executing unauthorised wire transfers or sending out confidential information.

This type of phishing scam is a sophisticated scam targeting businesses working with foreign suppliers and/or businesses that regularly perform wire transfer payments. The scam is carried out by compromising legitimate business e-mail accounts through social engineering or computer intrusion techniques to conduct unauthorised transfers of funds. Action Fraud, the UK's national fraud and cyber-crime reporting centre’s website explains:

“CEO fraud will typically start with an email being sent from a fraudster to a member of staff in a company’s finance department. The member of staff will be told by the fraudster who is purporting to be a company director or CEO that they need to quickly transfer money to a certain bank account for a specific reason. The member of staff will do as their boss has instructed, only to find that they have sent money to a fraudster’s bank account.

The fraudster will normally redistribute this money into other mule accounts and then close down the bank account to make it untraceable. Out of the £32 million reported to be lost by businesses to CEO fraud only £1 million has been able to be recovered by the victims. This is due to businesses taking too long to discover that they have been the victim of fraud and the lost money already being moved by fraudsters into mule accounts. Most businesses reported initially being contacted via emails with gmail.com and yahoo.com suffixes. (Note that: in some cases the email comes from a hacked email account).

How can businesses protect themselves?

- Ensure all staff, not just finance teams, know about this fraud.
- Have a system in place which allows staff to properly verify contact from their CEO or senior members of staff; for example having two points of contact so that the staff can check that the instruction which they have received from their CEO is legitimate.
- Always review financial transactions to check for inconsistencies/errors, such as a misspelt company name.
- Consider what information is publicly available about the business and whether it needs to be public.
- Ensure computer systems are secure and that antivirus software is up to date."

All employees should exercise real scepticism and not make any payments which are not properly supported and outside the normal payment mechanisms.

b) Backhanders and inducements

There is also an inherent risk that individuals who are able to authorise expenditure or influence the selection of suppliers can receive inducements to select one supplier over the other. This risk can be mitigated by robust supplier selection and tendering procedures.

c) Frauds of diversion

This is where income or other assets due to the GPhC are diverted before they are entered into the accounting records or control data. Essentially, it is easy to check what is there but very difficult to establish that it is all there. Therefore ensuring the completeness of income provided to a non-profit becomes difficult.
Appendix 1 - Systems and controls issues

We have set out below certain potential improvements to the GPhC’s processes and controls which we noted during our audit work and which we believe merit being reported to you. Our evaluation of the systems of control at the GPhC was carried out for the purposes of our audit and accordingly it is not intended to be a comprehensive review of your business processes. It would not necessarily reveal all weaknesses in accounting practice or internal controls which a special investigation might highlight, nor irregularities or errors not material in relation to the financial statements.

In order to provide you with a clearer picture of the significance of issues raised, we have graded the issues raised by significance/priority before any corrective actions are taken.

<table>
<thead>
<tr>
<th>Priority</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>These findings are significant and require urgent action.</td>
</tr>
<tr>
<td>Medium</td>
<td>These findings are of a less urgent nature, but still require reasonably prompt action.</td>
</tr>
<tr>
<td>Low</td>
<td>These findings merit attention within an agreed timescale.</td>
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<table>
<thead>
<tr>
<th>Audit finding and recommendation</th>
<th>Priority</th>
<th>Management response</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Independent review of journals</td>
<td></td>
<td></td>
</tr>
<tr>
<td>During our audit we noted that the finance system allows anyone with access to post a journal without it being subject to an independent review until the month end process is complete. At this point a full transaction listing is downloaded and a sample of journals checked by the Head of Finance. We understand that this listing can run to 5,000 journal entries.</td>
<td></td>
<td>Due to a small number of people in the Finance team, segregation of duties around access control is not possible. As part of the upgrade to Business Central (accounting system) currently taking place and due to go live at the end of Q2, we have added a requirement to produce a report that can be given to the Associate Director of Finance to review for any user/permission changes for sign-off.</td>
</tr>
<tr>
<td>It was noted by internal audit that user access controls are maintained by the Financial Controller who also has administrative access rights to the system and thus, can add, remove or modify user access rights.</td>
<td></td>
<td>As part of the upgrade to Business Central, we will be creating workflows to authorise journals before they are posted on the system, however the rules around which journals are authorised on the system will need to be developed over time to ensure they are risk-based and consider other mitigating controls.</td>
</tr>
<tr>
<td>This increases the risk of potential of fraud through manipulation of journals entries or incorrect journals being posted.</td>
<td></td>
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<tr>
<td>From discussions with management we understand this will be addressed as part of the finance system upgrade due to take place in 19/20. We would emphasise the need to ensure that any changes to systems and controls around journals be risk-based and consider other mitigating controls so that the finance team are able to apply the right level of scrutiny to those transactions where there is the highest risk of an issue arising.</td>
<td></td>
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</tr>
</tbody>
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Appendix 2 - Draft representation letter

Crowe U.K. LLP
St. Bride’s House
10 Salisbury Square
London
EC4Y 8EH

Dear Sirs

We provide this letter in connection with your audit of the financial statements of the General Pharmaceutical Council (the GPhC) for the year ended 31 March 2019 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view its financial position as at 31 March 2019 and of the results of its operations for the year then ended in accordance with UK Generally Accepted Accounting Practice (“UK GAAP”).

We confirm that the following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience and, where appropriate, of inspection of supporting documentation sufficient to satisfy ourselves that, to the best of our knowledge and belief, we can properly make each of the following representations to you.

1. We have fulfilled our responsibility for the fair presentation of the financial statements in accordance with UK GAAP.
2. We acknowledge as council members our responsibility for making accurate representations to you and for the financial statements of the GPhC.
3. We acknowledge our responsibility for the design and implementation of internal controls to prevent and detect fraud and errors.
4. We have provided you with all accounting records and relevant information, and granted you unrestricted access to persons within the entity, for the purposes of your audit.
5. All the transactions undertaken by the GPhC have been properly reflected and recorded in the accounting records or other information provided to you.
6. We are not aware of any actual or possible litigation or claims against the GPhC whose effects should be considered when preparing the financial statements.
7. There have been no events since the balance sheet date which require disclosure or which would materially affect the amounts in the financial statements. Should any material events occur which may necessitate revision of the figures in the financial statements, or inclusion in a note thereto, we will advise you accordingly.
8. We confirm that we have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud. We have assessed that there is no significant risk that the financial statements are materially misstated as a result of fraud.
9. We are not aware of any fraud or suspected fraud affecting the GPhC involving management, those charged with governance or employees who have a significant role in internal control or who could have a material effect on the financial statements.
10. We are not aware of any allegations by employees, former employees, analysts, regulators or others of fraud, or suspected fraud, affecting the GPhC’s financial statements.
11. We confirm that we are not aware of any known or suspected instances of non-compliance with those laws and regulations which provide a legal framework within which the GPhC conducts its business.

12. We confirm that complete information has been provided to you regarding the identification of related parties and that we are not aware of any significant transactions with related parties.

13. We confirm we have appropriately accounted for and disclosed related party relationships and transactions in accordance with the requirements of applicable accounting standards.

14. In respect of accounting estimates and judgements, we confirm our belief that the significant assumptions used are reasonable.

15. In the event that we publish the council’s report, independent auditor’s report and financial statements electronically, we acknowledge our responsibility for ensuring that controls over the maintenance and integrity of the entity’s web site are adequate for this purpose.

16. We confirm that, having considered our expectations and intentions for at least the next twelve months and the availability of working capital, the GPhC is a going concern. We are not aware of any events, conditions, or business risks beyond the period of assessment that might cast significant doubt on the GPhC’s ability to continue as a going concern.

17. We confirm that the provision included in the financial statements for dilapidations represents our best estimate of the final liability that will be realised at the end of the lease.

18. We do not consider that a contingent liability is required to be included in the financial statements in respect of the potential business rates liability of £210k as we consider the risk of a material liability arising is remote.

Yours faithfully,

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Council Member
Signed on behalf of the Council

On ____________________
Appendix 3 - External developments

We have summarised below some of the developments and changes in the non-profit sector over the recent period which we believe may be of interest and relevant to you. Please note that this information is provided as a summary only and that you should seek further advice if you believe that you have any specific related issues or intend to take or not take action based on any of the comments below.

We issue a regular technical briefing for non profits by email. If you would like to receive this please email your details to nonprofits@crowecw.co.uk. Alternatively, these briefings are available in the resource library on our website.

Brexit and GDPR

One issue that Trustees may need to consider going forward will be the impact of Brexit on the GDPR requirements, particularly if there is no Brexit deal. The government recognised this issue and in September 2018 published guidance on “Data protection if there’s no Brexit deal”.

However this guidance was withdrawn on 1 March 2019 and the Government website now states that “When the UK leaves the EU there may be changes to the rules governing the use of personal data”.

We therefore recommend that trustees will need to monitor the government guidance on this to ensure that any necessary action to ensure continuing GDPR compliance is taken by the charity. The latest announcement is on the GOV.UK website https://www.gov.uk/guidance/using-personal-data-after-brexit .

The ICO website also has a separate page which they update monthly to highlight and link to what’s new in their Guide to the GDPR and we recommend that charities should also monitor this to ensure they are aware of any updates to the guidance https://ico.org.uk/for-organisations/guide-to-data-protection/whats-new .

The Institute of Fundraising (IoF) and the Fundraising Regulator have published some charity guidance on the GDPR which has been reviewed and co-badged by the ICO. This provides information on various areas including understanding what the GDPR means for charities and fundraising as well as giving some tools and templates to help charities put GDPR into practice http://www.fundraisingregulator.org.uk/more-from-us/resources/gdpr-briefing-introduction .

Off payroll workers

It is already important for charities to establish whether or not a worker is employed or is working in a self-employed capacity (“off payroll) for tax purposes as well as employment law. For employment law they may be classified as a worker and entitled to national minimum wage, holiday pay and may also be auto enrolled.

However, medium and large charities (based on the Companies Act size criteria) will have an additional responsibility from April 2020 when the IR35 ‘off payroll’ rules (which have applied to public sector bodies since 2017) are extended to the private sector.

Under the new rules instead of contractors themselves being responsible for determining their IR35 status, this obligation has been handed to the engager of each contractor, i.e. the charity. Where a contractor is deemed to be ‘inside’ IR35, the client must deduct employees’ NICs and income tax from the contractor’s pay, as well as paying employers’ NICs.

Charities with off payroll workers can make use of the Check Employment Status for Tax (CEST) service developed by HMRC to help businesses determine whether the off-payroll working rules apply, although there has been a significant level of comment that the CEST results are not accurate.

Making Tax Digital

Making Tax Digital (‘MTD’) is expected to be the most fundamental change to the tax administration system for at least 20 years.

From 1 April 2019 most VAT registered businesses, including charities, with a taxable turnover above the VAT threshold (currently £85,000) are required to keep digital VAT business records and send their VAT returns using MTD.
compatible software. Any businesses with a taxable turnover below the VAT threshold can also sign up for MTD for VAT voluntarily.

The only exceptions to this will be a small minority of VAT registered businesses with more complex requirements for which HMRC have recently announced a deferral until 1 October 2019. Businesses given this six month deferral include ‘not for profit’ organisations that are not set up as a company and VAT groups. Charitable companies, unless they form part of a VAT group, are still required to use the MTD service from 1 April 2019.

To be ready to sign up for MTD you will need to keep your business records digitally from the start of your accounting period. If you already use software to keep your business records you should check your software provider’s plans to introduce MTD-compatible software.

MTD does not require you to keep additional records for VAT, but to record data and information digitally. Your digital records will need to include, for each supply, the time of supply (tax point), the value of the supply (net excluding VAT) and the rate of VAT charged. They should also include information about your business, including business name and principle business address, as well as your VAT registration number and details of any VAT accounting schemes you use.

Crowe have published the questions we are asked most frequently on MTD together with responses to help you through the changes and these are also on our website [https://www.crowe.com/uk/croweuk/insights/making-tax-digital-for-vat](https://www.crowe.com/uk/croweuk/insights/making-tax-digital-for-vat).

**VAT grouping of non-corporate entities**

Legislation has been introduced in the Finance Act 2019 amending Section 43A of VAT Act 1994 to allow a non-corporate entity which has a business establishment in the UK to join a VAT group with its body corporate subsidiaries if it controls all of the members of the VAT group.

VAT group treatment is a business facilitation measure to simplify VAT administration for business and HMRC. The effect of a VAT group is that its members account for tax on a single return and supplies between them are disregarded for VAT purposes.

Although this change will not change the overall VAT burden on charities, it may allow some charity groups headed by an unincorporated charity to simplify their VAT reporting and also allow supplies between the charity and its subsidiaries to be made without a requirement to account for VAT.


**Review of HMRC VAT guidance on Grants and Contracts**

HMRC in January 2018 updated the guidance in their internal manual on the often problematic question about whether a payment described as a grant is consideration for a supply or not.

The manual records that HMRC commonly understand a grant to be a freely given payment in return for which no specific services (or goods) are received. Such a payment is therefore not a supply for VAT purposes. However there is no one definition of a grant and the guidance recognises that payments which are described as grants may really be payments for supplies.

In response they have set out indicators derived from case law to help determine whether a payment is consideration for a supply. Although the conclusion will still be judgemental, the manual lists nine factors that may suggest that a payment is outside the scope of VAT and ten factors that suggest that it is more likely that the payment is a consideration for a supply.

Clearly the VAT position for “grants” both received and paid can have a material impact on a charity. It will therefore be important that charities adequately review the structure and wording of their grant agreements and take appropriate advice where the position may be uncertain.

The HMRC internal manual is available on the GOV.UK website [https://www.gov.uk/hmrc-internal-manuals/vat-supply-and-consideration/vatsc06300](https://www.gov.uk/hmrc-internal-manuals/vat-supply-and-consideration/vatsc06300).
Appendix 4 - Non Profits events, courses and briefings

We believe it is important to keep our clients up to date on the issues that affect them. As a part of our ongoing communication we regularly hold seminars and courses and listed below are details of some of the events in 2019. Please visit our website or register to our mailing list to stay updated on these.

Breakfast briefings
These briefings are run by experts from our Non Profits team on topical issues as they emerge. Registration and breakfast at these briefings is from 8:30, the sessions commence at 9:00 and aim to end at 10:15.

- Culture and behaviour 12 Sep 2019
- Managing investments 24 Sep 2019
- The innovation revolution or evolution 3 Oct 2019
- Refreshing risk management 12 Nov 2019

Tax training courses

- Charity VAT update 26 Sep 2019
- Introduction to charity VAT 30 Oct 2019
- Charity VAT reliefs 21 Nov 2019

Trustee essentials
Our Trustee essentials seminars have been developed to consider the issues facing trustees. We take an in-depth look at the key areas of responsibility which will provide trustees with useful information, tools and techniques. These sessions are full day seminars and cost only £50 per delegate.

- Trustee essentials (Manchester) 17/24 Sep 2019
- Trustee essentials 18 Oct 2019
- Trustee essentials 6 Dec 2019

Other seminars and conferences

- Charity Conference (Oxfordshire) 18 Sep 2019
- INGO conference 2019  tba Nov 2019

For further information on or to register for any of the above events, please visit our website
https://www.crowe.com/uk/croweuk/industries/non-profits
or email nonprofits@crowe.co.uk
6 June 2019

Dear Sirs

We provide this letter in connection with your audit of the financial statements of the General Pharmaceutical Council (the GPhC) for the year ended 31 March 2019 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view its financial position as at 31 March 2019 and of the results of its operations for the year then ended in accordance with UK Generally Accepted Accounting Practice (“UK GAAP”).

We confirm that the following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience and, where appropriate, of inspection of supporting documentation sufficient to satisfy ourselves that, to the best of our knowledge and belief, we can properly make each of the following representations to you.

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2. We acknowledge as council members our responsibility for making accurate representations to you and for the financial statements of the GPhC.

3. We acknowledge our responsibility for the design and implementation of internal controls to prevent and detect fraud and errors.

4. We have provided you with all accounting records and relevant information, and granted you unrestricted access to persons within the entity, for the purposes of your audit.

5. All the transactions undertaken by the GPhC have been properly reflected and recorded in the accounting records or other information provided to you.

6. We are not aware of any actual or possible litigation or claims against the GPhC whose effects should be considered when preparing the financial statements.

7. There have been no events since the balance sheet date which require disclosure or which would materially affect the amounts in the financial statements. Should any material events occur which may necessitate revision of the figures in the financial statements, or inclusion in a note thereto, we will advise you accordingly.
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14. In respect of accounting estimates and judgements, we confirm our belief that the significant assumptions used are reasonable.

15. In the event that we publish the councils’ report, independent auditor’s report and financial statements electronically, we acknowledge our responsibility for ensuring that controls over the maintenance and integrity of the entity’s web site are adequate for this purpose.

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Yours faithfully

........................................

Council Member

Signed on behalf of the Council

On ................................
Meeting paper

Council on Thursday, 13 June 2019

Public business

Performance Monitoring and Annual Plan Progress Report

Purpose
To report to Council on operational and financial performance and progress against the annual plan from January to March 2019, as well as providing an overview of progress as part of year-end reporting for 2018/19.

Recommendations
The Council is asked to note and comment on:

i. the performance information provided at appendix 1; and

ii. the report on progress against the 2018/19 annual plan at appendix 2.

1. Introduction

1.1. This paper reports on operational and financial performance and progress for quarter 4 (covering January to March 2019) against the annual plan, as part of our business report. In addition, as this marks the end of the reporting year, a high-level overview of the key headlines on achievements for 2018/19 has been added.

1.2. Prior to submission to Council, the content of these reports is reviewed by the Senior Leadership Group (SLG) operating as a Performance and Delivery (P&D) Board with a focus on monitoring the operational performance of the organisation and delivery against agreed plans. This allows a more pro-active and collective approach to be taken to emerging issues and supports a closer link to be made between delivering our regulatory responsibilities and dealing with operational challenges whilst continuing to deliver on strategic priorities. It also provides an opportunity to acknowledge where good progress is being made.

1.3. The section below provides an executive summary of key areas to note for quarter 4.
2. Quarter 4, performance monitoring report 2018/19

2.1 Appendix 1 reports on the operational and financial performance of the organisation. It is the final progress report to Council for 2018/19 and includes retrospective updates to some reporting in previous quarters. This follows the end of year review and reconciliation procedure of relevant data in line with our policy. As a result, there are minor differences to some statistics that have been reported in previous quarters. Two more significant changes relate to fitness to practise data (table 2.1) in quarter 3 and reporting on inspections (table 3.2) in quarter 1. An explanatory note is included in the report.

2.2 Key areas to note in the reporting over this quarter include:

- A reduction in numbers of new registration activity (new joiners and restorations) for pharmacists and pharmacy premises compared to the same quarter last year, but an increase for pharmacy technicians.
- An increase in the number of fitness to practice concerns triaged.
- A continued positive reduction in the number of pharmacies not inspected for over 54 months, but a reduction in the number of routine inspection visits undertaken.
- An increase in the voluntary turnover rate for permanent staff from the previous quarter, but a continued slight increase in the stability rate (related to headcount) since the last quarter.

2.3 The following paragraphs provide some further narrative around the key areas to note highlighted above.

2.4 Compared to quarter 4 last year, we have seen a decrease in the number of pharmacists joining and restoring to the register from 243 to 195 and an increase in pharmacy technicians from 211 to 367. The number of pharmacies registering reduced from 82 to 78. In quarter 4, for revalidation, 4,324 pharmacists were required to renew their registration and submit revalidation records. 93% of registrants in this cohort successfully renewed their registration. 98% of registrants who renewed also successfully submitted complete revalidation submissions; this was in line with expectations.

2.5 In quarter 4, there was a reduction in the number of concerns received compared to the last quarter when we received a record number of concerns. This meant an increase in the number of concerns triaged in quarter 4 as we looked to address the high-level of concerns received in the previous quarter. As an effect of both the increased number of concerns received and the introduction of additional senior oversight into the triage process, as anticipated, the time taken to triage concerns has increased.

2.6 There has been a continued positive decrease in the number of pharmacies not inspected for over 54 months (the oldest category) from 53 in quarter 3 to 39 in quarter 4. This is as a result of the continued focus of inspectors on pharmacies in their areas which have not been inspected for the longest period. The age profile will continue to fluctuate due to historical spikes in inspection activity in geographical areas but we are deploying our inspectors in a flexible way to manage this variation. The number of routine inspections over the period decreased overall from 958 in the last quarter to 883 this quarter. Performance was impacted due to preparations for go-live of the refinements to the inspection model scheduled for April 2019. These included training and user testing on the new systems.

2.7 The voluntary turnover rate for permanent staff has increased from the previous quarter (September to December 2018) from 4.5% to 7.4%. Career progression, pay and workload were the key reasons cited for leaving. With regard to headcount, the stability rate (based on the number of permanent employees with
more than 12 months employment at the GPhC) has continued to increase slightly for the last 3 consecutive quarters from 79%, 83% to 84%.

2.8 At the end of 31 March 2019, the organisation reported a £941K deficit for the year, with a positive variance of £689K (41.5%) when compared to the forecast. The main driver behind the positive variance is the expenditure being much lower than expected; this has been marginally offset by income being slightly behind forecast levels.

3 Quarter 4, annual plan progress report 2018/19

3.1 Appendix 2 reports on progress against the Annual Plan 2018/19. This is the fourth progress report to Council this year. Whilst activities may have progressed since quarter 3, reporting remains focused on this period as part of good governance and so that this aligns with reporting mechanisms and timescales elsewhere.

3.2 The content of this report sets out progress made against our strategic priorities. It also reflects our work in taking a longer-term view of our priorities, planning and resources as we look at our vision and strategy moving forwards.

3.3 The RAG status of each of the strategic priorities is reviewed and collectively agreed by the Senior Leadership Group, when operating in a Performance and Delivery Board mode.

3.4 Status of work in this quarter is as follows:

<table>
<thead>
<tr>
<th>Strategic Priorities</th>
<th>Status</th>
<th>Direction of travel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building our data, information, intelligence and insight capability</td>
<td>A</td>
<td>▶️</td>
</tr>
<tr>
<td>Developing our approach to fitness to practise</td>
<td>A</td>
<td>▲</td>
</tr>
<tr>
<td>Securing assurance and promoting improvement in registered pharmacies</td>
<td>G</td>
<td>▶️</td>
</tr>
<tr>
<td>Improving standards of care through regulation of education and training</td>
<td>G</td>
<td>▶️</td>
</tr>
<tr>
<td>Transforming our organisation, our services and processes</td>
<td>A</td>
<td>▶️</td>
</tr>
</tbody>
</table>

3.5 The following paragraphs provide further explanation on the RAG statuses above.

3.6 Building our data, information, intelligence and insight capability – this status remains the same, amber, from the previous quarter due predominantly to delays in completing some scheduled GDPR related activities that have been carried forward from the previous quarter. Limited capacity within the team to do
this work, while dealing with business as usual activities and recruitment has been the cause. The roles have now been filled and resources for project work will be available from June.

3.7 Developing our approach to fitness to practise – this status has seen an upward turn to amber from the previous quarter and reflects the progress made in progressing work on the development of the fitness to practise strategy and to prepare for delivery of a reformulated plan in 2019/20, in light of the development of a new organisational strategy and change in leadership for fitness to practise.

3.8 Securing assurance and promoting improvement in registered pharmacies – this status remains the same, green, from the previous quarter reflecting the direction of travel for the key pieces of work associated with the delivery of this priority area. There are three areas highlighted in amber in the outline timetable in the report where most of the work has been completed but final delivery will take place in the next quarter (quarter 1 2019/20).

3.9 Improving standards of care through regulation of education and training – this status remains the same, green, from the previous quarter reflecting the fact that whilst the complexity, nature and volume of work remains high, good progress is being made.

3.10 Transforming our organisation, our services and processes – this status remains the same, amber, from the previous quarter and reflects that the scope and objectives covering this area of work were initially ill defined. In the immediate future, these issues are being addressed by the current planning process. In addition, senior management have begun the process of introducing new oversight arrangements to agree IT and business systems priorities which will continue to feed into planning in 2019/20.

4. **Year-end summary 2018/19**

4.1 The table below sets out the trend in performance over the year against the key strategic priorities in our Annual Plan, providing an overview of the year.

<table>
<thead>
<tr>
<th>Strategic Priorities</th>
<th>Status</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Building our data, information, intelligence and insight capability</td>
<td>G</td>
<td>A</td>
<td>A</td>
<td>A</td>
</tr>
<tr>
<td>Developing our approach to fitness to practise</td>
<td>A</td>
<td>R</td>
<td>R</td>
<td>A</td>
</tr>
<tr>
<td>Securing assurance and promoting improvement in registered pharmacies</td>
<td>G</td>
<td>G</td>
<td>G</td>
<td>G</td>
</tr>
<tr>
<td>Improving standards of care through regulation or education and training</td>
<td>A</td>
<td>G</td>
<td>G</td>
<td>G</td>
</tr>
</tbody>
</table>
4.2 Overall, it has been a busy year with significant progress in key strategic priority areas that underpin our aim to support continuous improvement and assure the quality and safety of pharmacy. In line with our culture statement of knowing what success looks like, there have been a number of external and internal facing achievements and outcomes of note this year, summarised below.

4.3 Externally, we made good progress on our programme of work to review the standards for the education and training of the pharmacy team to reflect how roles are evolving in response to the current health and social care landscape. This work included:

- Consulting on new standards for the initial education and training of pharmacists.
- Publishing new standards for the education and training of pharmacist independent prescribers, with a draft evidence framework for providers.
- Engaging with commissioners, education and training providers and employers across Great Britain to develop new courses that will meet the standards for the initial education and training of pharmacy technicians introduced in 2017.
- Publishing new guidance on ensuring a safe and effective pharmacy team. In addition, we updated our guidance on providing pharmacy services at a distance, including on the internet. This set out clearly our expectations for owners on how our standards should be met in this setting.
- We successfully introduced revalidation for pharmacy professionals which helps to show that the trust members of the public have in pharmacy professionals is well placed. Over 49,000 registrants were expected to renew their registration and submit revalidation records in quarter 3 and 4. So far, over 47,300, 95% of registrants in this cohort successfully renewed their registration. Over 47,000, 99% of pharmacy professionals who renewed also successfully submitted complete revalidation submissions.
- Following a major consultation, our refined approach to regulating registered pharmacies was approved and on track for implementation in April 2019.
- And, finally of note, this year pharmacy professionals were able to use the new on-line services through myGPhC to renew their registration and to record and submit their revalidation. Pharmacist pre-registration trainees are also able to submit their initial registration applications on-line. The introduction of registrant online services has made a positive improvement on the processing times for approval of new registration applications, where we now process complete applications on the same day. The new system has also helped us to manage our data more efficiently, by improving the quality of information we hold, and making is collection more secure. Supporting us in keeping to the new General Data Protection Regulation (GDPR) requirements.

4.5 Achievements more internally focused during the course of 2018/19 have ranged from significant investments in the development of a draft 10-year vision for the organisation in light of the increasing pace of change in pharmacy, to ensure we can remain agile, responsive, relevant and impactful going forward.
Having progressed its development sufficiently, we are currently seeking external feedback. Our business and financial planning and reporting is also more closely aligned and linked with our approach to risk.

4.6 We’ve made good progress in the more efficient and effective generation of key governance performance monitoring as a result of the development of the new operational data reporting warehouse. In addition, the progression of the programme of investment in our IT infrastructure and applications in moving to cloud-based solutions has helped to ensure we are have a flexible and robust foundation for future needs.

4.7 During this year we have also importantly developed and published a culture statement and refreshed our values and behaviour framework, continuing with our work to ensure these are embedded in every part of the GPhC. And, we have continued to build on previous work to integrate equality and diversity into the way we work so that we continue to meet our equality obligations and our commitment to diversity and inclusion as a regulator and employer, from regular EDI training through to establishing networks to help to promote an inclusive workplace.

4.8 There have been areas of our annual plan where progress has been slower than we would have wanted, including our work to develop a fitness to practise strategy. This has been due to operational challenges and a change in leadership for fitness to practise, but we are confident that work towards the end of this year will ensure we are in a good place to pick up pace in this area and progress in 2019/20.

4.9 Transforming our organisation, our services and processes is the other strategic priority area where the scope and objectives were initially less well defined as explained previously. Nevertheless, good progress has been made on the various activities that were initially included in this area of work as can be seen from the section on internal successes above.

4.10 The inclusion of success measures for the annual plan this year represented progress in this area and an indication of intent moving forwards. We also recognise that this is not just about management process but a wider change in culture as well, with everyone knowing what success looks like (as outlined previously in this report). We recognise we have more to do in this area and we will continue to develop it as part of all the work that we do, including progressing the development of a balanced scorecard approach and a refreshed approach to key performance indicators, as well a better understanding of our cost base.

5 Equality and diversity implications

5.1 Our aim is to embed equality, diversity and inclusion in both our role as a regulator and an employer. We will continue to look at how we can monitor and demonstrate our progress towards this aim and work is underway to refresh and update our strategic approach to Equality, Diversity and Inclusion, which will be reported separately to Council.

6 Communications

6.1 The development and publication of this report is reflective of our commitment to openness and transparency concerning our performance. We continue to carry out specific communications on each of the areas of reported performance. This includes information on our website, wider communications through the media and directly 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.
6.2 Internal communications on our annual plan including the detail that sits underneath it continues to be important as we go through a period of change. There have been transparent and specific communications around key stages of activities within the plan to inform and engage with staff, including relevant content on the staff intranet. This will continue into this next planning and performance year.

7 Resource implications

7.1 Resource implications are addressed within the report.

7.2 The allocation of resources required to progress with the annual plan this year as well as normal operational delivery was a key consideration in developing our budget and fee setting proposals.

8 Risk implications

8.1 The strategic risk register will continue to be reviewed as part of our management framework and risks will be recorded and reviewed in relation to our work.

8.2 Main risks associated with the delivery of the annual plan are included as part of regular annual plan progress reporting.

8.3 With regards to operational performance, failure to maintain an accurate register and/or carry out our other regulatory functions efficiently and effectively could have implications on patient safety, and a significant impact on the GPhC's reputation.

8.4 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.

9 Monitoring and review

9.1 Council will continue to receive regular reporting on performance and delivery of the GPhC’s regulatory functions on a quarterly basis. As outlined previously in this report, moving forwards, this will link with the work to develop a balanced scorecard and key performance indicators.

9.2 As highlighted earlier in this paper, the Senior Leadership Group now convenes as a Performance and Delivery Board reviewing the content of both the performance monitoring report and annual plan progress report, on a quarterly basis prior to Council.

9.3 We continue to be mindful of and look to feed in learning from planning and reporting previously as part of our commitment to continuous learning and improvement. The Senior Leadership Group will shortly be undertaking a ‘lessons learned’ exercise from last year’s planning and budgeting activities in order to inform and improve the process for this year.

Recommendations

The Council is asked to note and comment on:

i. the performance information provided at appendix 1; and

ii. the report on progress against the annual plan at appendix 2
Duncan Rudkin, Chief Executive
General Pharmaceutical Council
duncan.rudkin@pharmacyregulation.org
Tel 020 3713 7805
Performance Monitoring Report: end March 2019
This is the final progress report to Council for 2018/19 and includes retrospective updates to some reporting in previous quarters. This follows the end of year review and reconciliation procedure of relevant data in line with our policy. As a result, there are minor differences to some statistics that have been reported in previous quarters. Two more significant changes relate to reporting on fitness to practise data in quarter 3 (table 2.1) and inspections in quarter 1 (table 3.2). An explanatory note is included for these. Whilst good progress has been made in improving our data quality and sustainability, work will continue on this as part of our strategic priorities for 2019/20.

1. Customer services

1.1 Registrations

<table>
<thead>
<tr>
<th>Route to Register</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pharmacists</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>83</td>
<td>2,334</td>
<td>727</td>
<td>195</td>
</tr>
<tr>
<td>UK</td>
<td>54</td>
<td>2,257</td>
<td>654</td>
<td>165</td>
</tr>
<tr>
<td>EEA</td>
<td>24</td>
<td>29</td>
<td>37</td>
<td>23</td>
</tr>
<tr>
<td>Non-EU/EEA</td>
<td>5</td>
<td>48</td>
<td>36</td>
<td>7</td>
</tr>
<tr>
<td>Pharmacy technicians</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>208</td>
<td>336</td>
<td>473</td>
<td>367</td>
</tr>
<tr>
<td>UK</td>
<td>208</td>
<td>333</td>
<td>472</td>
<td>365</td>
</tr>
<tr>
<td>EEA</td>
<td>0</td>
<td>3</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Non-EU/EEA</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Registered pharmacies</td>
<td>73</td>
<td>81</td>
<td>70</td>
<td>78</td>
</tr>
</tbody>
</table>

Includes new joiners and restorations up to 31stMarch 2019

Compared to Q4 last year, we have seen a decrease in the number of pharmacists joining and restoring to the register from 243 to 195 and an increase in pharmacy technicians from 211 to 367. The number of pharmacies registering reduced from 82 to 78.

The numbers of pharmacists joining the register for quarter 2 and 3 increases after the summer (June) and autumn (September) assessments. Pre-registration trainees were able to apply for registration using the new online services for the first time in quarter 2. There is an increase in pharmacy technicians joining the register from quarter 2 onwards as course completion periods are in the summer.

Overall there are more joiners to the register in 2018/2019 than in 2017/2018 for pharmacists (from 3,255 to 3,339) and pharmacy technicians (1,181 to 1,384). There has been a decrease in the number of pharmacy premises being registered in 2018/2019 compared to last year (390 to 302).
1.2 Registration Totals

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Budgeted</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pharmacists</td>
<td>56,288</td>
<td>56,468</td>
<td>-180</td>
</tr>
<tr>
<td>Pharmacy technicians</td>
<td>23,387</td>
<td>23,556</td>
<td>-169</td>
</tr>
<tr>
<td>Registered pharmacies</td>
<td>14,314</td>
<td>14,324</td>
<td>-10</td>
</tr>
</tbody>
</table>

Register totals as at 31st March 2019

Following the introduction of revalidation for last year’s peak renewal cohort, we have received an increase in applications for voluntary removal from registrants and an overall increase in removals for the year.

The number of pharmacists, pharmacy technicians and registered premises are broadly in line with budget forecasts, although each shows a small reduction.

1.3 Median application processing times for pharmacists

<table>
<thead>
<tr>
<th>Median application processing times for pharmacists (working days)</th>
<th>Median application processing times for pharmacy technicians (working days)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application receipt to approval</td>
<td>Application receipt to approval</td>
</tr>
<tr>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Application receipt to entry</td>
<td>Application receipt to entry</td>
</tr>
<tr>
<td>7.0</td>
<td>10.0</td>
</tr>
</tbody>
</table>

Medians calculated for applications during the period 1st January to 31st March 2019

The application receipt to approval is the time from the date the application was received to the date of the decision to approve the application.
The application receipt to entry is the time from the date the application was received to the date it was entered onto our register as we currently have two entry points to the register a month.

Pharmacist application turnover for the period remains consistent. The median time for processing the applications for pharmacists has improved following the summer peak and completed applications are now processed as ready for registration on the same day. This is a continued positive improvement following the introduction of the new Registrant Online Services process for pharmacists where we measure from the date the application is complete.

Pharmacy technician applications are currently paper-based and require manual processing upon receipt. The median processing times for pharmacy technicians for both receipt to approval and receipt to entry is higher than for the pharmacist's application due to this and due to the receipt of incomplete applications which require further enquiries to be made. Pharmacy technician applications are due to go online later this year and we expect to see quicker decisions as a result.

### 1.4 Contact Centre

<table>
<thead>
<tr>
<th></th>
<th>2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q1</td>
</tr>
<tr>
<td>Calls made to GPhC</td>
<td>24,005</td>
</tr>
<tr>
<td>Calls answered within 20 seconds (KPI &gt; 80%)</td>
<td>23.5%</td>
</tr>
<tr>
<td>Calls abandoned (KPI &lt; 5%)</td>
<td>38.0%</td>
</tr>
</tbody>
</table>

- All KPI's were met over the quarter
- A total of 82.9% of calls were answered within 20 seconds. A further breakdown below shows the percentage of calls answered where callers had to wait for longer (more than a minute);
This quarter was dominated by the aftermath of the peak renewals period – those who missed the deadline for payment and/or revalidation. In early January, restoration applications were processed for those registrants who had missed the payment deadline. In addition, approximately 150 registrants were sent a Notice to Remove letter for non-submission of their revalidation records, many of whom subsequently contacted the CCC seeking advice on how to comply with the revalidation requirements.

Pre-registration queries are increasing as we move through the usual yearly cycle, with new candidates applying to join the scheme for 2019-20, and existing trainees preparing to take the June assessment.

The CCC are currently preparing for the imminent implementation of online services for pre-registration training applications, and the roll out of revalidation review and feedback to registrants later in the year.

<table>
<thead>
<tr>
<th>Reporting Period</th>
<th>1-2 mins</th>
<th>2-5 mins</th>
<th>5-10 mins</th>
<th>&gt; 10 mins</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 2018-19</td>
<td>4.1%</td>
<td>4.5%</td>
<td>2.5%</td>
<td>0.2%</td>
</tr>
</tbody>
</table>
### 1.5 Revalidation for pharmacy professionals

<table>
<thead>
<tr>
<th>Revalidation activities</th>
<th>2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q3</td>
</tr>
<tr>
<td><strong>Renewal cohort</strong></td>
<td></td>
</tr>
<tr>
<td>Numbers expected to renew</td>
<td>45,495</td>
</tr>
<tr>
<td>Numbers of renewals</td>
<td>43,270</td>
</tr>
<tr>
<td>% renewals (all expected to renew)</td>
<td>95.1%</td>
</tr>
<tr>
<td>Number of voluntary removals</td>
<td>1,523</td>
</tr>
<tr>
<td>% voluntary removal (all expected to renew)</td>
<td>3.3%</td>
</tr>
<tr>
<td>Number of lapsed registrants</td>
<td>581</td>
</tr>
<tr>
<td>% lapsed registered (all expected to renew)</td>
<td>1.3%</td>
</tr>
<tr>
<td><strong>Complete revalidation submissions</strong></td>
<td></td>
</tr>
<tr>
<td>Number of revalidation submissions</td>
<td>43,155</td>
</tr>
<tr>
<td>% revalidation submissions (all expected to renew)</td>
<td>94.9%</td>
</tr>
<tr>
<td>Number of revalidation and renewal</td>
<td>43,031</td>
</tr>
<tr>
<td>% revalidation and renewal (all expected to renew)</td>
<td>94.6%</td>
</tr>
<tr>
<td>% revalidation and renewal (all renewals)</td>
<td>99.4%</td>
</tr>
<tr>
<td><strong>Remediation</strong></td>
<td></td>
</tr>
<tr>
<td>Number entered into revalidation remediation</td>
<td>2,696</td>
</tr>
<tr>
<td>% entered into revalidation remediation (all renewals)</td>
<td>6.2%</td>
</tr>
<tr>
<td><strong>Removal</strong></td>
<td></td>
</tr>
<tr>
<td>Number notified of intent to remove</td>
<td>1,805</td>
</tr>
<tr>
<td>Number notified of removal</td>
<td>171</td>
</tr>
<tr>
<td>Number administratively removed</td>
<td>67</td>
</tr>
<tr>
<td><strong>Appeals</strong></td>
<td></td>
</tr>
<tr>
<td>Number of appeals received</td>
<td>Process not started yet – no data</td>
</tr>
<tr>
<td>Number of appeals upheld</td>
<td>Process not started yet – no data</td>
</tr>
</tbody>
</table>

*Revalidation totals as at 17th May 2019 – Please note that the Q3 figures have been updated to show the most up to date Revalidation activities for the Q3 renewal cohort*
The revalidation process intends to provide assurance to members of the public that the people on our register are reflecting on their practice. It provides an annual opportunity for our registrants to demonstrate professional learning and reflection and can act as a prompt for some to consider their registration.

This is the second performance monitoring report to contain information on outcomes for revalidation for pharmacy professionals following its launch in April 2018. The data was collected on 17 May 2019. The revalidation process takes time to complete and this snapshot of data is only representative of the submission of revalidation records in Q3 and Q4. September 2019's report will contain information from review of revalidation records for the first time.

Owing to the length of time it takes to provide registrants with opportunities to remediate and provide representations it is not possible to report on the number of administrative removals until the following quarter. In Q3 there were 67 administrative removals (less than 1% of all registrants expected to renew). We report our data based on the expected renewal date for registrants, but because of extensions granted to registrants we may still make changes to the Q3 data and receive appeals for decisions related to registrants expected to renew in this quarter.

During Q4, 4,324 were required to renew their registration and submit revalidation records. 93% of registrants in this cohort successfully renewed their registration. 98% of registrants who renewed also successfully submitted complete revalidation submissions.

We have processed 118 requests for voluntary removal during this quarter which is a similar proportion as last quarter, at around 3% of all registrants expected to renew. We have also had 47 registrants (1%) take no action in response to reminders of their renewal deadline and so their registration has lapsed. We will be examining evidence about reasons for voluntary removals as part of evaluation activities for revalidation, but it is both expected and understood that revalidation may have been a factor for some to make the decision to leave the register, particularly if a registrant had been maintaining registration but no longer practising.

458 registrants (11%) have been placed into remediation because they either submitted partial or no revalidation records, which is higher than last quarter. 269 of these registrants went on to submit complete records and so only 189 letters stating an intent to remove registration were sent (4%). We have now seen the majority of the remaining registrants take appropriate action to submit records. Only 19 letters of notice of removal (less than 1%) have been sent which is a lower proportion than the previous quarter which was 4%.
2. Fitness to Practise (FtP)

2.1 Fitness to Practise performance standards

<table>
<thead>
<tr>
<th></th>
<th>2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q1</td>
</tr>
<tr>
<td>All concerns received during this period</td>
<td>No.</td>
</tr>
<tr>
<td>All cases triaged during this period</td>
<td>No.</td>
</tr>
<tr>
<td>Of which cases triaged within 3 working days</td>
<td>No.</td>
</tr>
<tr>
<td></td>
<td>%</td>
</tr>
<tr>
<td>Of which cases triaged within 5 working days</td>
<td>No.</td>
</tr>
<tr>
<td></td>
<td>%</td>
</tr>
<tr>
<td>Of which cases were closed at triage</td>
<td>No.</td>
</tr>
<tr>
<td></td>
<td>%</td>
</tr>
</tbody>
</table>

The number of concerns received remained elevated compared to 2017/18. In quarter 4 there has been a reduction in the number of concerns received compared to quarter 3, which was a record high. The number of concerns triaged in the quarter has increased compared to the last quarter as a result of the increased number of concerns received.

The time taken to triage concerns has increased as we anticipated. This is the effect of both an increased number of concerns and additional senior oversight introduced into the triage process. This oversight has had positive impacts in providing further assurance before cases are closed and in ensuring cases are progressed promptly beyond triage. The additional time spent triaging cases has affected our ability to meet the 3 and 5 day targets, which has declined. There has been an increase in the number and proportion of concerns closed at triage which is up to 47% compared to 38% in the previous quarter.
2.1 Fitness to Practise performance standards (cont.)

<table>
<thead>
<tr>
<th></th>
<th>2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q1</td>
</tr>
<tr>
<td>All stream 1 cases closed pre-IC</td>
<td>No.</td>
</tr>
<tr>
<td>Of which closed within 3 months</td>
<td>No.</td>
</tr>
<tr>
<td>(13 weeks)</td>
<td>%</td>
</tr>
<tr>
<td>All stream 2 cases closed pre-IC</td>
<td>No.</td>
</tr>
<tr>
<td>or referred to the IC</td>
<td>%</td>
</tr>
<tr>
<td>Of which closed or referred within</td>
<td>No.</td>
</tr>
<tr>
<td>10 months (44 weeks)</td>
<td>%</td>
</tr>
<tr>
<td>All cases closed or referred at IC</td>
<td>No.</td>
</tr>
<tr>
<td>Of which reach IC within 12 months</td>
<td>No.</td>
</tr>
<tr>
<td>(52 weeks)</td>
<td>%</td>
</tr>
</tbody>
</table>

Our work continues to focus on our oldest cases while not losing sight of newer cases. In Q4 we saw an increase in cases closed through stream 1 and stream 2 pre-IC or referred to the IC. For stream 1 cases the proportion closed or referred within 13 weeks has increased slightly, while for stream 2 the proportion closed or referred within 44 weeks has decreased slightly.

In Q4 the number of cases closed or referred at IC has decreased and there has been a slight increase in the proportion of cases reaching the IC within 52 weeks. There has been a slight reduction in the number of cases closed at the FtP committee but a significant improvement in the proportion closed within 104 weeks.

1 The data reported for Q3 in the last report had errors and was verbally noted at the Council meeting to be incorrect. Q3 data has been updated in this report to correct these figures.
2.2 Caseload age profile

<table>
<thead>
<tr>
<th>Age profile</th>
<th>2018/19</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q1</td>
<td>Q2</td>
<td>Q3</td>
<td>Q4</td>
</tr>
<tr>
<td>Under 6 months (Under 26 weeks)</td>
<td>No.</td>
<td>453</td>
<td>498</td>
<td>516</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>60.2%</td>
<td>61.6%</td>
<td>60.8%</td>
</tr>
<tr>
<td>6-12 months (26 - 52 weeks)</td>
<td>No.</td>
<td>150</td>
<td>148</td>
<td>171</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>19.9%</td>
<td>18.3%</td>
<td>20.1%</td>
</tr>
<tr>
<td>12-14 months (52 - 65 weeks)</td>
<td>No.</td>
<td>40</td>
<td>50</td>
<td>43</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>5.3%</td>
<td>6.2%</td>
<td>5.1%</td>
</tr>
<tr>
<td>15 months old and over (65 weeks old and over)</td>
<td>No.</td>
<td>109</td>
<td>113</td>
<td>119</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>14.5%</td>
<td>14.0%</td>
<td>14.0%</td>
</tr>
<tr>
<td>Total</td>
<td>No.</td>
<td>752</td>
<td>809</td>
<td>849</td>
</tr>
<tr>
<td></td>
<td>%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

The total of active cases reduced significantly in Q4 compared to Q3 from 849 to 750. Generally, this means the number of cases at each age category is lower than the previous quarter apart from in the case of cases aged 26-52 weeks where there are nine more cases.

The proportion of those cases aged under 26 weeks has decreased by around 6% compared to Q3. And the proportion of cases aged under 52 weeks has increased by around 4%. Cases under 65 weeks in age are a marginally higher proportion of the of the total case load. And the proportion of cases 65 weeks or over has also increased by around 1%.
### 2.3 Cases over 12 months/52 weeks

<table>
<thead>
<tr>
<th>Status</th>
<th>2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q1</td>
</tr>
<tr>
<td>On Hold</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>%</td>
</tr>
<tr>
<td>Post-IC</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>%</td>
</tr>
<tr>
<td>Pre-IC</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>%</td>
</tr>
<tr>
<td>Total</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td>%</td>
</tr>
</tbody>
</table>

The total number of on hold cases older than 52 weeks has remained consistent over the last three quarters. There is currently a multi-agency investigation being led by the MHRA which accounts for a proportion of all the on-hold cases. As the investigation continues additional cases are opened and then placed on hold.

We continue to progress cases subject to investigations by other organisations whenever possible through application of our parallel investigations guidance.
## 2.4 Cases over 15 months

<table>
<thead>
<tr>
<th>Age profile</th>
<th>2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q1</td>
</tr>
<tr>
<td>15-19 months (65 – 86 weeks)</td>
<td>No. 41</td>
</tr>
<tr>
<td></td>
<td>% 37.6%</td>
</tr>
<tr>
<td>20-24 months (86 - 108 weeks)</td>
<td>No. 32</td>
</tr>
<tr>
<td></td>
<td>% 29.4%</td>
</tr>
<tr>
<td>25-29 months (108 - 130 weeks)</td>
<td>No. 13</td>
</tr>
<tr>
<td></td>
<td>% 11.9%</td>
</tr>
<tr>
<td>30-34 months (130 - 152 weeks)</td>
<td>No. 12</td>
</tr>
<tr>
<td></td>
<td>% 11.0%</td>
</tr>
<tr>
<td>35-39 months (152 - 173 weeks)</td>
<td>No. 5</td>
</tr>
<tr>
<td></td>
<td>% 4.6%</td>
</tr>
<tr>
<td>40-42 months (173 - 186 weeks)</td>
<td>No. 1</td>
</tr>
<tr>
<td></td>
<td>% 0.9%</td>
</tr>
<tr>
<td>43-49 months (186 - 217 weeks)</td>
<td>No. 4</td>
</tr>
<tr>
<td></td>
<td>% 3.7%</td>
</tr>
<tr>
<td>50 months or more (217 weeks old or over)</td>
<td>No. 1</td>
</tr>
<tr>
<td></td>
<td>% 0.9%</td>
</tr>
</tbody>
</table>

Our oldest cases are either on hold pending an ongoing investigation by another organisation or are due to be heard/will already have been heard at a Fitness to Practise hearing. The number of cases over 15 months has decreased by 4 in this quarter (119 to 115 cases) and accounts for approximately 74% of all cases over the age of 12 months.
2.5 Cases closed by stage

The graph shows closures only. This excludes cases referred to IC as they are not deemed to be closed for the purposes of this graph.
For this quarter the average number of cases closed by a statutory committee has changed. There is a slight increase for the FtPC with an average of 6 cases closed each month. For IC there has been a reduction in the average from 6 per month in Q3 to 3 in Q4.

The number of concerns closed at triage remains elevated in line with the rising volume of concerns received but stabilised in Q4 at an average of 109 cases closed per month. Stream 2 closures have fluctuated significantly in Q4 with maximum of 65 in two months and 39 in one month, leaving an average of 56 cases closed per month. Stream 1 closures peaked once again in January and declined in number over the remaining two months of the quarter giving an average of 83 cases closed each month.

2.6 DBS referrals

There were 4 DBS or DS referrals in this quarter.

2.7 Appeals

No appeals were brought in this quarter.

2.8 Interim Orders

The Fitness to Practise Committee considered 1 application for an interim order during this quarter. There were no adjournments. One interim suspension order was imposed for 10 months. No applications were refused in the quarter.
3. Inspection

3.1 Inspections undertaken

<table>
<thead>
<tr>
<th></th>
<th>Routine inspections</th>
<th>Follow up inspections</th>
<th>Visits before registration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pharmacies</td>
<td>883</td>
<td>64</td>
<td>56</td>
</tr>
</tbody>
</table>

Figures above relate to inspection activity between 1st January 2019 and 31st March 2019.

The number of routine inspections over the period decreased from 958 to 883. The number of inspections completed decreased from an average of 319 a month in Q3 to 294 a month in Q4. This was due to implementation activities to deliver the refined approach to inspection in early April, to include training for inspectors and user testing on the new systems and an increased number of closures of fitness to practise cases at Stream 1.

3.2 Pharmacy premises not inspected

<table>
<thead>
<tr>
<th>Months since previous inspection</th>
<th>Q1³</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>36-38 months (156 - 169 weeks)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No.</td>
<td>706</td>
<td>677</td>
<td>721</td>
<td>866</td>
</tr>
<tr>
<td>%</td>
<td>21.8%</td>
<td>21.4%</td>
<td>23.3%</td>
<td>27.1%</td>
</tr>
<tr>
<td>39-41 months (169 - 182 weeks)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No.</td>
<td>728</td>
<td>670</td>
<td>636</td>
<td>672</td>
</tr>
<tr>
<td>%</td>
<td>22.5%</td>
<td>21.2%</td>
<td>20.5%</td>
<td>21.0%</td>
</tr>
<tr>
<td>42-47 months (182 – 208 weeks)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No.</td>
<td>1,114</td>
<td>1,157</td>
<td>1,144</td>
<td>1,072</td>
</tr>
<tr>
<td>%</td>
<td>34.4%</td>
<td>36.6%</td>
<td>36.9%</td>
<td>33.5%</td>
</tr>
<tr>
<td>48 months or more (208 weeks or more)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No.</td>
<td>694</td>
<td>659</td>
<td>596</td>
<td>590</td>
</tr>
<tr>
<td>%</td>
<td>21.4%</td>
<td>20.8%</td>
<td>19.2%</td>
<td>18.4%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No.</td>
<td>3,242</td>
<td>3,163</td>
<td>3,097</td>
<td>3,200</td>
</tr>
<tr>
<td>%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Of all registered pharmacies</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No.</td>
<td>14,334</td>
<td>14,329</td>
<td>14,316</td>
<td>14,314</td>
</tr>
<tr>
<td>%</td>
<td>22.6%</td>
<td>22.1%</td>
<td>21.6%</td>
<td>22.4%</td>
</tr>
</tbody>
</table>

³ The calculation was updated from Q2 to change from months to weeks, we have updated the Q1 data using the new calculation.
For the eighth quarter in a row, there are no pharmacies not inspected for 60 months. There has been an increase in the number of pharmacies not inspected for 36 to 38 months from 3,097 to 3,200, although this represents a relatively small increase overall. This results from several factors including a lower number of routine inspections undertaken in this quarter as we prepared to implement the refined approach to inspection and fluctuations each quarter due to historical spikes in inspection activity.

### 3.3 Age profile of pharmacies not inspected for 48 months and over

<table>
<thead>
<tr>
<th>Weeks/Months since previous inspection</th>
<th>East</th>
<th>North</th>
<th>South</th>
<th>West</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>208 - 221 weeks (48 – 50 months)</td>
<td>No. 67</td>
<td>117</td>
<td>138</td>
<td>85</td>
<td>407</td>
</tr>
<tr>
<td></td>
<td>% 64.4%</td>
<td>61.9%</td>
<td>74.6%</td>
<td>75.9%</td>
<td>69.0%</td>
</tr>
<tr>
<td>221 - 234 weeks (51 – 53 months)</td>
<td>No. 32</td>
<td>49</td>
<td>41</td>
<td>22</td>
<td>144</td>
</tr>
<tr>
<td></td>
<td>% 30.8%</td>
<td>25.9%</td>
<td>22.2%</td>
<td>19.6%</td>
<td>24.4%</td>
</tr>
<tr>
<td>234 - 260 weeks (54 – 59 months)</td>
<td>No. 5</td>
<td>23</td>
<td>6</td>
<td>5</td>
<td>39</td>
</tr>
<tr>
<td></td>
<td>% 4.8%</td>
<td>12.2%</td>
<td>3.2%</td>
<td>4.5%</td>
<td>6.6%</td>
</tr>
<tr>
<td>260 weeks or more (+60 months)</td>
<td>No. 0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>% -</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>No. 104</td>
<td>189</td>
<td>185</td>
<td>112</td>
<td>590</td>
</tr>
<tr>
<td></td>
<td>% 100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

In this quarter, the number of pharmacies not inspected for over 54 months/234 weeks decreased from 53 in Q3 to 39 in Q4. Our inspectors have continued to focus on pharmacies in their area which have not been inspected for the longest period. The age profile will continue to fluctuate month by month due to previous historical spikes in inspection activity in geographical areas. To help manage this variation, we continue to deploy our inspectors in a flexible way, using inspectors within regions to assist colleagues in different areas, as well as across regions.
3.4 Top 5 standards ranked as not met

<table>
<thead>
<tr>
<th>Standard no.</th>
<th>Description</th>
<th>Inspections</th>
<th>Q3 Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.3</td>
<td>Medicines and medical devices are: obtained from a reputable source; safe and fit for purpose; stored securely; safeguarded from unauthorised access; supplied to the patient safely; and disposed of safely and securely</td>
<td>45</td>
<td>1</td>
</tr>
<tr>
<td>1.1</td>
<td>The risks associated with providing pharmacy services are identified and managed</td>
<td>30</td>
<td>2</td>
</tr>
<tr>
<td>4.2</td>
<td>Pharmacy services are managed and delivered safely and effectively</td>
<td>24</td>
<td>5</td>
</tr>
<tr>
<td>1.2</td>
<td>The safety and quality of pharmacy services are regularly reviewed and monitored</td>
<td>23</td>
<td>4</td>
</tr>
<tr>
<td>1.6</td>
<td>All necessary records for the safe provision of pharmacy services are kept and maintained</td>
<td>22</td>
<td>3</td>
</tr>
</tbody>
</table>

The above rankings relate to inspections carried out between 1 Jan 2019 and 31 March 2019, where reports are complete as at 17 April 2019.

In this quarter, the top 5 standards ranked as ‘not met’ have changed slightly with Standard 4.2 moving up to 3rd place ranking and standard 1.6 dropping two places to fifth. This reflects their respective positions in Q2. Standard 2.1, which we continue to monitor closely, and relates to staffing, remains outside the top 5 standards ‘not met’ for the second quarter in a row, and is ranked 7th with 17 occurrences.

Standard 4.3 remains the highest ranked standard not met. This relates to medicine and medical devices. We have previously provided Council with further details on which aspects of this broad standard were typically the main reasons for failure during the previous quarters. Typical issues relate to:

- Monitoring of fridge temperatures
- Adequacy of date checking processes
- Inadequately labelled medicines
- Controlled drugs not stored securely
- Controlled drugs not safeguarded from unauthorised access

We will ensure that we continue to raise awareness of these issues and what is required to meet our standards through generation of notable practice case studies for publication on the knowledge hub this summer and through an article in the July edition of Regulation.
### 3.5 Top 5 standards ranked as good

<table>
<thead>
<tr>
<th>Standard no.</th>
<th>Description</th>
<th>Inspections</th>
<th>Q3 Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.2</td>
<td>Staff have the appropriate skills, qualifications and competence for their role and the tasks they carry out, or are working under the supervision of another person while they are in training</td>
<td>247</td>
<td>1</td>
</tr>
<tr>
<td>2.4</td>
<td>There is a culture of openness, honesty and learning</td>
<td>207</td>
<td>2</td>
</tr>
<tr>
<td>1.2</td>
<td>The safety and quality of pharmacy services are regularly reviewed and monitored</td>
<td>201</td>
<td>3</td>
</tr>
<tr>
<td>2.5</td>
<td>Staff are empowered to provide feedback and raise concerns about meeting these standards and other aspects of pharmacy services</td>
<td>139</td>
<td>7</td>
</tr>
<tr>
<td>4.2</td>
<td>Pharmacy services are managed and delivered safely and effectively</td>
<td>135</td>
<td>6</td>
</tr>
</tbody>
</table>

*The above rankings relate to inspections carried out between 1 January 2019 and 31 March 2019, where reports are complete as at 17 Apr 2019.*

The top five ‘good’ standards have remained relatively stable apart from Standard 2.5 (which was previously ranked 7th) and Standard 4.2 (which was previously ranked 6th) entering the top five ‘good standards’.
4. Complaints

4.1 Formal complaints by category

<table>
<thead>
<tr>
<th>Category</th>
<th>2018/19 Q4</th>
<th>2018/19 Q3</th>
<th>2018/19 Q2</th>
<th>2018/19 Q1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equality &amp; Diversity</td>
<td>4</td>
<td>1</td>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td>Fees</td>
<td>2</td>
<td>9</td>
<td>15</td>
<td>3</td>
</tr>
<tr>
<td>GPhC Process</td>
<td>3</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td>Information &amp; Data</td>
<td>5</td>
<td>1</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>myGPhC</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Other</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td>Outcome of a Decision</td>
<td>1</td>
<td>1</td>
<td>11</td>
<td>6</td>
</tr>
<tr>
<td>Staff Conduct</td>
<td></td>
<td></td>
<td>6</td>
<td>5</td>
</tr>
<tr>
<td>Standards &amp; Assessment</td>
<td></td>
<td></td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

![Bar chart](image-url)

Figures correct as at 9th April 2019
4.1 Formal complaints by category (cont.)

General trends in direction of travel noted in previous reports are again apparent in looking at complaints received in quarter 4. The annual cycle in which there are less complaints in quarter 4 than quarter 3 continues, as well as a reduction in the number of complaints from year to year. In 2018/19, the GPhC received 80 complaints in total, a 24% reduction from the 106 in 2017/18.

For the first time since quarterly reporting was introduced, in quarter 4 GPhC Processes do not represent the largest category of complaints. Instead, ‘Other’ was the most common complaint category, followed by ‘Fees’ and ‘myGPhC’. There is no clear pattern to complaints categorised as ‘Other’, with all five relating to the work of different teams. One complaint was received about the fees consultation, while the other three in that category were complainants seeking reimbursement due to alleged errors by the GPhC. Following a 10 quarter absence, complaints about fees have now been received for three consecutive quarters. While the overall numbers remain small, we will monitor to ascertain if a specific focus to these complaints emerges. All the ‘myGPhC’ complaints alleged functionality issues with the system, though none were upheld.

Of the 15 complaints received in quarter 4, 13 were not upheld and one each was upheld (Other) and partially upheld (Fees). The upheld complaint related to a request for reimbursement of costs incurred for a changed hearing date. The partially-upheld complaint stemmed from costs incurred from an incomplete registration application, and portion of which were reimbursed.

Council will note that there has been an update to the number of complaints received in quarter 3 of this year. At the last reporting period, three complaints were classified as ‘Other’, while the current report adjusts this figure to two. The difference is the result of adopting an automated approach to producing the complaints infographic for the PMR. The one complaint that has been removed from quarter 3 is now captured in the quarter 4 numbers.
## 5. Education

### 5.1 Accreditation and recognition activity

<table>
<thead>
<tr>
<th>Course</th>
<th>Type</th>
<th>Academic year</th>
<th>2017-18</th>
<th>2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Q3</td>
<td>Q4</td>
</tr>
<tr>
<td>Master of Pharmacy (MPharm) degree 4-year</td>
<td>Accreditation</td>
<td></td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Reaccreditation</td>
<td></td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Interim visit</td>
<td></td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Master of Pharmacy (MPharm) degree 5-year integrated</td>
<td>Accreditation</td>
<td></td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Reaccreditation</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Interim visit</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Master of Pharmacy (MPharm) degree 2+2 Overseas</td>
<td>Accreditation</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Reaccreditation</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Overseas pharmacist assessment programme (OSPAP)</td>
<td>Reaccreditation</td>
<td></td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Independent prescribing</td>
<td>Accreditation</td>
<td></td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Reaccreditation</td>
<td></td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Monitoring visit</td>
<td></td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>Level 3 Pharmacy technician knowledge/competence</td>
<td>Approval/Accreditation</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Reaccreditation</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Level 2 medicines counter assistant and dispensing assistant</td>
<td>Accreditation</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Reaccreditation</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
5.1 Accreditation and recognition activity (cont.)

All events went ahead as scheduled.

There was a fairly small number of events in this quarter. There are a larger number planned for the forthcoming quarter, when we will begin accreditation/recognition to the new education and training standards for pharmacy technicians and for pharmacist independent prescribers.
6. **Human Resources**

6.1 **Headcount Overview**

<table>
<thead>
<tr>
<th>Description</th>
<th>31st March 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Headcount</td>
<td>234</td>
</tr>
<tr>
<td>Permanent</td>
<td>216</td>
</tr>
<tr>
<td>Fixed Term Contract</td>
<td>18</td>
</tr>
<tr>
<td><strong>Total Leavers</strong></td>
<td>20</td>
</tr>
<tr>
<td>Permanent leavers</td>
<td>16</td>
</tr>
<tr>
<td><strong>Voluntary Turnover – Permanent (Jan 2019 – Mar 2019)</strong></td>
<td>7.4%</td>
</tr>
<tr>
<td><strong>Voluntary Turnover – Permanent (Year to Date) (April 2018 – March 2019)</strong></td>
<td>22%</td>
</tr>
<tr>
<td>Stability – Permanent staff</td>
<td>84%</td>
</tr>
</tbody>
</table>

The data above summarises the headcount position during the period of 1 January to 31 March 2019. The total number of leavers for this period was 16 permanent employees. The turnover rate for permanent staff excludes those employees who were on a fixed term contract.

The total number of voluntary permanent leavers for this specific period equates to a turnover rate of 7.4%. A rather lower turnover rate of 4.5% was reported in quarter 3 of 2018. The voluntary turnover rate for the 12-month period from 1 April 2018 to 31 March 2019 is 22%. This turnover is broadly comparable with benchmarking4. The actual number of resignations between 1 April 2018 and 31 March 2019 was 52 and the overall number of leavers in that period was 69.

The stability rate has been calculated based upon the number of permanent employees with more than 12 months employment at GPhC. On the 31 March 2019, there were 181 permanent employees who had more than a 12-month employment at GPhC. The stability percentage has increased from the previous reporting figure of 83%.

New insights into the reasons for turnover have been gained from a review of exit interviews undertaken in the last 12 months. This shows that there are three key reasons given by leavers for their decision: 1.) Career progression, 2.) Pay and 3.) Workload.

The majority of the voluntary leavers for the period Jan-March 2019 (16 people) left for another role. This data is much higher to those leaving in the same quarter last year.

---

4 Survey data suggests average turnover for organisations of less than 250 employees is 21.6% (xperthr.co.uk/survey-analysis/labour-turnover-rates-2017/162496/?keywords=labour+turnover+rates+2017 last accessed 12/04/19)
Wider analysis shows that voluntary turnover is highest for middle manager/specialist roles in Grade C (£37 – £55k pa) and lowest for the most senior (A & B) and for entry level roles. High turnover in Grade C may not be a surprise. This group is career-minded, have management skills and see opportunities in a buoyant labour market. Whilst the GPhC only employs less than 250 people, with all that means for career progression, the Reward and Recognition Review is addressing these issues by the introduction of career pathway options. Also, by the introduction of the matrix, a pay award that offers greater progression for those on the beginning point of their grades.

6.2 Organisational Absence – Absence (Jan 2019 – Mar 2019)

<table>
<thead>
<tr>
<th>Directorate (average headcount)</th>
<th>Absence %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisation (234)</td>
<td>3.0%</td>
</tr>
<tr>
<td>Corporate Resources (40)</td>
<td>2.8%</td>
</tr>
<tr>
<td>Education &amp; Standards (50)</td>
<td>2.8%</td>
</tr>
<tr>
<td>Fitness to Practise (56)</td>
<td>6.4%</td>
</tr>
<tr>
<td>Insight, Intelligence &amp; Inspection (55)</td>
<td>0.5%</td>
</tr>
<tr>
<td>People (32)</td>
<td>2.1%</td>
</tr>
</tbody>
</table>

The table above details the absence percentages for the organisation and the individual Directorates at GPhC. The overall absence percentage has once again increased from 2.8% to 3.0%. The Fitness to Practice (FtP) Directorate represents the highest absence percentage. Meetings are taking place where the focal point is to reduce absence through a formalised plan and action.
6.2.1 Organisational Absence – Absence (April 2018 – Mar 2019)

<table>
<thead>
<tr>
<th>Directorate (average headcount)</th>
<th>Absence %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisation (234)</td>
<td>2.8%</td>
</tr>
<tr>
<td>Corporate Resources (40)</td>
<td>3.6%</td>
</tr>
<tr>
<td>Education &amp; Standards (50)</td>
<td>2.6%</td>
</tr>
<tr>
<td>Fitness to Practise (56)</td>
<td>4.6%</td>
</tr>
<tr>
<td>Insight, Intelligence &amp; Inspection (55)</td>
<td>0.8%</td>
</tr>
<tr>
<td>People (32)</td>
<td>2.8%</td>
</tr>
</tbody>
</table>

It is also worth noting that the top 5 reasons for sickness absence are: 1) Stress, Anxiety Depression, followed by 2) Infections, and then 3) headaches & migraines, then 4) cough & cold and lastly 5) musculoskeletal. Where members of staff have been off sick due to stress, counselling has been offered. The GPhC also has a group of staff that can provide mental health first aid – posters have been placed around the GPhC Offices. Information is also online for those who work from home.

Data cleansing of absence records has occurred. Training for managers using HR Information System to capture absence is routinely offered. Monthly emails are sent to all managers requesting an update of their staff absences. Human Resources Business Partners (HRBP’s) provide detailed absence information to their respective Directors. Through Directorate Management Team and other individual HR meetings, the HRBP’s are encouraging managers to take management actions in accordance with the Managing Attendance Policy. Through the formal route of managing absence, employees are formally supported throughout their absence by being offered access to the Employee Assistance Programme, Occupational Health Services, work place adjustments and so on.

In the last quarter absenteeism was a combination of both short and long-term sickness absence. All cases reported on have been actively managed. This report sets out our approach in terms of supporting managers and employees to enforce our policy and to offer training. For understandable reasons, the report does not set out where, despite active consideration being given for a range of alternatives, employment termination is determined to be the most appropriate and lawful course of action. Prior to reaching this point of course, a great deal of work takes place to support resolution. Importantly, preventative action such as adopting a range of values-based employment practices, can reduce both short and long-term sickness absence.
6.3 Employee Relations

The table below is a summary of the employee relation cases by case type which are live during the specified period:

<table>
<thead>
<tr>
<th>Case Type</th>
<th>No. of cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Cases</td>
<td>11</td>
</tr>
<tr>
<td>Absence</td>
<td>6</td>
</tr>
<tr>
<td>Grievance</td>
<td>1</td>
</tr>
<tr>
<td>Disciplinary</td>
<td>3</td>
</tr>
<tr>
<td>Performance</td>
<td>0</td>
</tr>
<tr>
<td>Other</td>
<td>1</td>
</tr>
</tbody>
</table>

There was an unexpected large increase in the number of employee relations issues in the last quarter, from six cases in the previous period to eleven. The category that saw the largest increase was absence, but the number of disciplinary matters increased also.

At the end of an employee relations case an informal review is undertaken to understand what, if any, underlying causes there were and what learning can be drawn.

It is anticipated that the performance element will change following the end of year review that have recently taken place as there are staff who have not met their expectations will be placed on a performance improvement plan.

6.4 Learning & Development
Activity Report

L&D continued to support all directorates to ensure timely delivery of effective customised learning solutions. This quarter we managed the delivery of five different workshops:

- ‘Effective Policy Implementation’ for the Education and Standards team,
- ‘Committee Secretary training’ for the Hearings team,
- ‘Employment Law’ for HR colleagues,
- ‘Reward and Performance Evaluation’ for all people managers, and
- ‘Disability Awareness’ training for colleagues across different teams.

L&D also focused on two ongoing projects:

- Engaging with all teams on upcoming 2019 L&D initiatives, and
- Supporting HR and people managers in preparing for the final PDR evaluation process.

As part of the Learning Needs Analysis project that was conducted in the previous quarter, the focus in January was to engage with teams to share L&D updates. L&D met with every team in GPhC and presented the following:

- An overview of team and organisational LNA findings
- Proposed 2019-2020 learning plan
- A feature on the new behaviour competency framework
- Reinforcement of the value and importance of our online PDR process
L&D received very good feedback from teams around better transparency with initiatives for the upcoming year and having more visibility on potential learning offerings from the 2019-2020 learning plan.

With the introduction of the new Pay and Reward strategy, L&D designed a workshop ‘Reward and Performance Evaluation’ for people managers and co-facilitated the sessions with the HRBPs. The aim of the mandatory workshop was to provide people managers more guidance and support when conducting the Final PDR evaluation. The session covered:

- Role and responsibility of line manager
- The reward and recognition process
- Pay award timetable
- Effective performance evaluation and feedback
- Conducting conversations to support pay decisions

A total of five workshops were delivered positive feedback around the usefulness of the session, and a fairer and more consistent approach. Feedback was that it enabled managers to share challenges and facilitators or peers to offer solutions. The workshops also highlighted areas / issues for L&D and HR to consider for future performance evaluation processes.

Following on our inclusion initiative and to support GPhC’s commitment to promoting equality, L&D worked with EDI to provide customised ‘Disability Awareness’ workshops for colleagues across different departments. The aim of the workshop was to have a better understanding of the Equality Act 2010 definition, how it supports people with disabilities and understand GPhC’s reasonable adjustments regulatory policy. The interactive workshops received excellent feedback. Attendees found the sessions useful. They learnt common barriers disabled people face in the workplace, a greater understanding of reasonable adjustments, and felt more confident when interacting with people with disabilities. An additional workshop will be provided in Q1 this year due to high levels of interest.
Management Accounts to 31 March 2019

Overview

1. As at **31 March 2019**, the organisation reported a **£941K** deficit for the year, with a positive variance of **£689K (41.5%)** when compared to forecast. The main driver behind the positive variance is the expenditure being much lower than expected; this has been marginally offset by income being slightly behind forecast levels.

- The actual deficit for the year is **£941K** versus **£1.6M** forecast deficit
- Actual income for the year is **£22.7M, (£145K)** adverse variance
- Actual expenditure is **£23.8M, £770K** favourable variance

Income

2. The overall income for the year shows a minimal adverse variance of **£145K (0.6%)** compared to forecast.

3. The graph below illustrates overall actual income trends which are closely aligned to budget and forecast.

Graph A

![Total Income by Month £000](chart.png)
4. The table below compares the forecast vs actual registrant numbers for the financial year 2018-19. The table also includes similar analysis for income from renewal fees to demonstrate how the two are related. There will always be an element of variance when comparing the registrant numbers with income, due to timing differences.

<table>
<thead>
<tr>
<th>Registrant Numbers</th>
<th>Pharmacists</th>
<th>Pharmacy Technicians</th>
<th>Pharmacy Premises</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget (£)</td>
<td>56,468</td>
<td>23,556</td>
<td>14,324</td>
</tr>
<tr>
<td>Actual (£)</td>
<td>56,288</td>
<td>23,387</td>
<td>14,314</td>
</tr>
<tr>
<td>Variance (£)</td>
<td>180</td>
<td>169</td>
<td>10</td>
</tr>
<tr>
<td>Variance (%)</td>
<td>0.3</td>
<td>0.7</td>
<td>0.1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fee Income</th>
<th>Pharmacists</th>
<th>Pharmacy Technicians</th>
<th>Pharmacy Premises</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget (£)</td>
<td>14,057,777</td>
<td>2,736,175</td>
<td>3,487,153</td>
</tr>
<tr>
<td>Actual (£)</td>
<td>13,956,721</td>
<td>2,738,726</td>
<td>3,489,603</td>
</tr>
<tr>
<td>Variance (£)</td>
<td>101,056</td>
<td>2,551</td>
<td>2,450</td>
</tr>
<tr>
<td>Variance (%)</td>
<td>0.7</td>
<td>0.1</td>
<td>0.1</td>
</tr>
</tbody>
</table>

**Pharmacists income** for the year are £14.6M, **£152K (1.0%)** below forecast. The main reason for the adverse variance is the increase in the number of pharmacists’ leaving the register. There was an increase in the level of voluntary removals which equated to just under 1% of the register.

5. **Pharmacy Technicians income** for the year is £2.9M, **£17K (0.5%)**, which is higher than forecast with a **£21K** favourable variance in application fees. This was offset by a lower than anticipated amount of income from restorations fees of **£6K**. This suggests that we had an increased number of applicants but at the same time an increased number of leavers.

6. **Premises income** for the year is £3.7M, **£6K (0.1%)** below the forecast, which is an insignificant variance. Premises renewal fee are above forecast by **£3K** but application and restoration fees are below forecast by **£5K** and **£2K**, respectively.

7. **Pre-Registration income** is **£10K** higher than anticipated at the end of the year. This is because there has been higher than expected number of Pre-Registration training applications.

8. **Other income** includes cost recovery from accreditation events, prison inspections and data subscription are £274K for the year to date, which has a **£15K** adverse variance due to planned accreditation event being postponed.
9. **Expenditure**

Expenditure year-to-date is £23.8M, **£711K (2.8%)** below forecast.

10. **Employee costs: Payroll and Other** for the year is £13.9M, **£295K (2.1%)** below forecast which suggest a favourable variance of (2.1%). **Employee payroll costs** are £13M for the year and shows a favourable variance of **£334K (2.6%)**. The variance relates to several permanent and fixed term roles that have not been recruited. **Temporary staff costs** show an adverse variance of **£109K** and relates purely to temporary staff covering permanent roles, the favourable variance in employee costs offsets against the increased spend in temporary staff costs, which produces a net saving of £225K. **Staff training** for the end of year remains underspent by **£54K (27.0%)**. This is partly due to several training events that have not taken place as planned across the organisation.

11. **Council and Associates costs** show a **£119K (6.2%)** favourable variance compared to forecast for the year. **Attendance fees** are **£105K** below forecast. The largest variance is in FtP committee days at **£99K**, actual number of hearing days where 372 compared to 428 forecasted days. It was expected that there would be an increase in the number of hearing days this financial, however this has not been the case. **Cancelled hearings** costed approximately **£69K** (52 days) for the year. There has been a 57% reduction in costs when compared to the prior year. This illustrates that efforts have been made to minimise the number of cancelled days and is within our control.

12. **Professional costs** overall are **£155K, (6.9%)** below forecast at the end of the year. **Consultancy costs** show an **£147K** favourable variance to forecast. This is due to a small number of work streams which have been delayed or no longer going ahead. Small underspends were also achieved due to some works costing less than expected. **Legal costs** are overspent by **£14K** due to a higher number of cases being referred to panel firms than expected. **High Court Legal costs** at the end of the year remain **£43K** below forecast which is a saving due to minimal number of FtP hearing appeals. Minimal costs have been incurred to date and have been offset against reimbursements from cases won. **Transcription costs** are **£10K (6.4%)** overspent when compared to forecast. This is due to requests made by the PSA to review the transcript after reading the determination of cases. Also, there has been an increase in the number of part-heard hearings which require transcripts when they reconvene.
13. **Event costs** are **£52K** below the forecast at the end of the year, which is a favourable variance. Savings have been made in venue costs because the Education and Standards directorate away day did not take place and External stakeholder costs were lower than expected.

14. **IT costs** cost are **£1.3M** with a variance of **£205K** against reforecast for the year. There has been an underspend in IT development costs, with a few projects not going ahead this year. A few projects have been postponed or delayed such as the Navision upgrade, which has been pushed back due to financial year-end. Lastly a small number of projects were deemed to fall within the intangible asset criteria, such as the development of the Inspection Publication site and the costs have been capitalised.

15. **Occupancy costs** are **£2.1M** for the year with an overspend of **£26K** for the year. This is the second largest area of cost after employee costs. Increasing utilities costs make up **£14K** of the variance along with higher than expected increases in Service charges and Buildings insurance.
### 16. Statement of Financial Position to 31 March 2019

<table>
<thead>
<tr>
<th></th>
<th>31-Mar-19</th>
<th>31 Mar 18</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td><strong>Fixed assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible assets</td>
<td>3,133</td>
<td>3,804</td>
</tr>
<tr>
<td>Intangible Assets</td>
<td>746</td>
<td>483</td>
</tr>
<tr>
<td>Investments</td>
<td>12,500</td>
<td>12,500</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>16,379</td>
<td>16,787</td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>1,248</td>
<td>1,737</td>
</tr>
<tr>
<td>Bank and Cash</td>
<td>12,610</td>
<td>13,814</td>
</tr>
<tr>
<td><strong>Net current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total assets less current liabilities</strong></td>
<td>15,009</td>
<td>16,373</td>
</tr>
<tr>
<td><strong>Creditors</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amounts failing due within one year</td>
<td>(15,229)</td>
<td>(15,964)</td>
</tr>
<tr>
<td><strong>Net current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Net assets</strong></td>
<td>11,133</td>
<td>12,075</td>
</tr>
<tr>
<td><strong>Funds employed</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General</td>
<td>7,254</td>
<td>7,788</td>
</tr>
<tr>
<td>Fixed Asset Reserve</td>
<td>3,879</td>
<td>4,287</td>
</tr>
<tr>
<td><strong>Total funds employed</strong></td>
<td>11,133</td>
<td>12,075</td>
</tr>
</tbody>
</table>

Number of months expenditure represented by General reserve is 3.7 4.1
17. **Fixed Assets** at the end of the year are **£16.3M**, of which **£3.1M (19.1%)** relates to Tangible Assets for works carried out to the Canada Square office and upgrading laptops for office-based workers. Intangible Assets such as Information Technology Development projects (Cloud Strategy, Revalidation, Case Tracker and Registrant Online Services) equates to **£746K**. Intangible assets are increasing gradually due to expenditure on current projects which are not yet live.

18. **Investments** equate to approximately six months of expenditure **£12.5M (76.3%)** and relates to funds that have been invested in long term deposits with various banks.

19. **Current Assets** at the end of the year are **£13.8M**, which includes cash held in bank accounts, most of which relates primarily to registrants’ income. The debtors’ figures include the cost of recovery for high court appeals as well as prepayments. The high court debtors balance has been adjusted at the end of the financial year to include a bad debt provision. The prepayment figure includes amounts paid in advance for rent, annual licences and subscriptions.

20. **Current Liabilities** include deferred income in relation to fees paid in advance for all registrant groups and grant income for the building which will be released over the remaining term of the lease.

21. **Provision for liabilities** include the landlord’s contribution to the office fit-out which has been offset by the provision for future rent increases. A dilapidation provision was added at the end of the last financial year due to a review of the lease.

22. **Cash Balance**

![Cash Balance 2018-19 vs 2017-18](image)

23. Over the course of the current financial year the cash balances have reduced each month when compared to the same period last year. This is in line with the organisation’s intention to increase expenditure to deliver strategic objectives. The cash balance has reached its highest point for the financial year over the quarter 3 as we have passed the registration peak renewal.

24. The level of general reserves is just under four months at the end- of the financial year, which is above the agreed minimum reserves level of 2-3 months, of operating expenditure.

**Note:** As from next quarter, the presentation of this report will change.
Annual plan progress report 2018/19
Quarter 4: January – March 2019
**Introduction**

This report provides an update on the key strategic priorities in our Annual plan 2018/19.

The reporting period covers quarter 4, January to March 2019.

**Overview**

<table>
<thead>
<tr>
<th>Strategic Priorities</th>
<th>Status</th>
<th>Direction of travel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building our data, information, intelligence and insight capability</td>
<td>A</td>
<td>➙</td>
</tr>
<tr>
<td>Developing our approach to fitness to practise</td>
<td>A</td>
<td>➙</td>
</tr>
<tr>
<td>Securing assurance and promoting improvement in registered pharmacies</td>
<td>G</td>
<td>➙</td>
</tr>
<tr>
<td>Improving standards of care through regulation of education and training</td>
<td>G</td>
<td>➙</td>
</tr>
<tr>
<td>Transforming our organisation, our services and processes</td>
<td>A</td>
<td>➙</td>
</tr>
</tbody>
</table>

**Key**

<table>
<thead>
<tr>
<th>Status/direction of travel</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>R</td>
<td>Significant issues, aims may not be met to time/budget</td>
</tr>
<tr>
<td>A</td>
<td>Some issues emerging, aims still achievable</td>
</tr>
<tr>
<td>G</td>
<td>On track/completed</td>
</tr>
<tr>
<td>B</td>
<td>Not started</td>
</tr>
<tr>
<td>➙</td>
<td>Rating improved from last period</td>
</tr>
<tr>
<td>➔</td>
<td>Rating worsened from last period</td>
</tr>
<tr>
<td>➙</td>
<td>Rating from last period unchanged</td>
</tr>
</tbody>
</table>
**Building on our data, information, intelligence and insight capability**

<table>
<thead>
<tr>
<th>Strategic aim:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• The pharmacy team have the necessary knowledge, attitudes and behaviours</td>
</tr>
<tr>
<td>• Registered pharmacies deliver safe, effective care and services</td>
</tr>
<tr>
<td>• Pharmacy regulation is efficient and effective</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>RAG</th>
<th>Direction of travel</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>→</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>In 2018/19 we will:</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Develop a phased insights and intelligence strategy to improve our capacity and capability to report, learn from and act on our work more efficiently</td>
</tr>
<tr>
<td>• Improve the quality and consistency of the data that we hold for key statutory and governance performance reports and the supporting data infrastructure</td>
</tr>
<tr>
<td>• Share the insights from what we have learned from inspections of registered pharmacies to date</td>
</tr>
<tr>
<td>• Conduct a registrant workforce survey to inform our work and that of stakeholders</td>
</tr>
<tr>
<td>• Continue to update our data approach and procedures to ensure compliance with the General Data Protection Regulation (GDPR)</td>
</tr>
<tr>
<td>• Create the development framework for a pilot organisation wide enquiry hub to receive, co-ordinate and analyse all incoming information and concerns to inform more proactive and tailored regulatory responses at an earlier stage</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>What does success look like?</th>
</tr>
</thead>
<tbody>
<tr>
<td>• A clear insights and intelligence strategy in place guiding our priority areas for action</td>
</tr>
<tr>
<td>• Standardised and automated reporting of statutory and governance performance reports</td>
</tr>
<tr>
<td>• Published insights from inspections of registered pharmacies are being used to inform and drive improvements in pharmacy practice</td>
</tr>
<tr>
<td>• Up to date baseline established of what pharmacy professionals are doing and where</td>
</tr>
<tr>
<td>• No personal data breaches reportable to the Information Commissioner’s Office</td>
</tr>
<tr>
<td>• Information rights requests responded to appropriately and within time limits</td>
</tr>
<tr>
<td>• Overall development framework in place with phase one of the enhanced triage oversight in fitness to practise up and running (reported under ‘Developing our approach to fitness to practise’)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Key links and assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Resources for all business teams are available to do this work and teams will work collaboratively with support from senior leaders and managers</td>
</tr>
<tr>
<td>• The volume of data and information requests remains stable so that there is capacity to do this work</td>
</tr>
<tr>
<td>• Partner organisations must be engaged and have resources</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Main risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>• If resources (capacity and capability) are not available, work will take longer to complete. Capacity is reduced in this quarter while we recruit to find suitable candidates to fill two vacancies.</td>
</tr>
</tbody>
</table>
### Outline timetable:

<table>
<thead>
<tr>
<th>April-June 2018</th>
<th>July-September 2018</th>
<th>October-December 2018</th>
<th>January-March 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Complete baseline mapping of existing data sources across the organisation to inform the Insights and Intelligence strategy</td>
<td>• Complete standardisation and automation of Professional Standards Authority (PSA) data sets</td>
<td>• Insights and intelligence strategy presented to Council including priority areas of focus with plan</td>
<td>• Continued standardisation and consolidation activities for data</td>
</tr>
<tr>
<td>• Commence end to end review and design for the automation of the production of key statutory and governance reports</td>
<td>• Commence development of automated Council Performance Monitoring Reports</td>
<td>• Operational data warehouse developed to include addition of datasets</td>
<td>• Conduct registrant survey</td>
</tr>
<tr>
<td>• Commission research on what we have learned from our current approach to inspecting registered pharmacies</td>
<td>• Begin research on learning from our inspections of registered pharmacies to date</td>
<td>• Research on learning from inspections finalised</td>
<td>• GDPR compliant information sharing agreements in place for key Memorandum of Understanding (MoU) partners</td>
</tr>
<tr>
<td>• GDPR e-learning training sourced and implemented</td>
<td>• Scope requirements for a registrant survey</td>
<td>• Identify options to conduct and analyse registrant survey</td>
<td>• Tailored GDPR training continues</td>
</tr>
<tr>
<td>• Internal data protection policies and procedures updated</td>
<td>• Supplier contract GDPR variations completed</td>
<td>• Publication and disclosure policy finalised</td>
<td></td>
</tr>
<tr>
<td>• Website and myGPhC privacy policies updated</td>
<td>• Further tailored GDPR training for key functional areas developed and dates planned</td>
<td>• Personal data processing records reviewed and updated</td>
<td></td>
</tr>
<tr>
<td>• Consultation on publication and disclosure policy begins</td>
<td></td>
<td>• Further GDPR tailored training launched</td>
<td></td>
</tr>
<tr>
<td>• New data protection contract clauses and schedules sent to suppliers of priority contracts</td>
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</tbody>
</table>

### Commentary for Q4:

**Data, Insights and Intelligence**

All data sets required to generate our key governance performance monitoring reports through the new operational data reporting warehouse are now in place. Additional work has also been done to refine the exception reports available to service areas to improve data quality in line with the key building block of the data and insight’s framework to secure sustainable good quality data sources.
Council received summary insights headlines from the learning from inspections research this quarter. The final report is being internally reviewed and is scheduled for publication alongside the commencement of the publication of inspection reports in Summer 2019.

Following continued work with key stakeholders, the registrant workforce survey was successfully put out to tender and is on track to start later in Q1 of 2019/20.

**GDPR Compliance**

Training on data protection requirements in procurement contracts has been delivered to buyers and other specialist training is being planned for 2019/20. E-learning products for the 2019/20 annual data protection and information security refresher training have been reviewed and planning for a launch in July is well under way. The annual review of the information security policy manual took place in March and an updated version was published in April. Discussions on information sharing arrangements are under way with key partner organisations. Work remains to be completed on these activities and they are included in the plan for 2019/20, which includes a broader plan for records management work. The risk attached to the delay in completing outstanding work is low and once the team is back to capacity, good progress can be made.

**The overall RAG status** is amber due to continued delays to completing some scheduled GDPR related activities that have carried forward from the previous quarter. This has been due to limited capacity within the team to do this work while dealing with business as usual activities and recruitment. The roles have now been filled and resources for project work will be available from June.
## Developing our approach to fitness to practise

### Strategic aim: The pharmacy team have the necessary knowledge, attitudes and behaviours

### In 2018/19 we will:

- Develop a strategy for the future of fitness to practise (FtP) that is focused on protecting the public whilst being more restorative and less adversarial in our approach. We will draft a consultation document to support this.
- Undertake and evaluate pilots to inform the development of the strategy including an enquiry stage (enhanced triage) and the use of pre-Investigating Committee undertakings.
- Improve how we categorise the concerns we receive to better understand our caseload and draw out any insights for the strategy development.
- Ensure that the future FtP strategy reflects the learning from the health professions sector and recent inquiries and reports.
- Undertake the planning for an external review which will look at the links between our fitness to practise processes and the mental health implications for those involved, including registrants, complainants and witnesses. The review will be carried out in 2019/20.

### What does success look like?

- The draft future FtP strategy is drafted and ready for consultation.
- The draft strategy clearly sets out our ambition; always taking prompt action on serious concerns and being proportionate, fair and timely in the use of regulatory powers.
- Our developing draft fitness to practise (FtP) strategy is informed by wider sector learning, including from the Williams review, Gosport inquiry, other regulatory reviews and other regulators as well as from our own internal pilots and developments.
- We will have a clear plan for the delivery of the external review. The plan will include how pharmacy sector stakeholders are to be involved and some of the activities.

### Key links and assumptions

- We will have a public consultation on the future fitness to practise strategy which will incorporate aspects of the work on assessing the impact on mental health.
- The new director of FtP will take an overview of the development of the strategy during Q4 2018/19.

### Main risks

- Limited resources in terms of capacity to complete the ongoing work as well as challenges in delivering the regulatory function due to the volume of concerns received and turnover of some senior staff.
Outline timetable:

<table>
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</tr>
</thead>
<tbody>
<tr>
<td>• Develop draft strategy and key associated initiatives</td>
<td>• Consultation approach agreed with Senior Leadership Group</td>
<td>• Review process and identify key changes that can be made in-house</td>
<td></td>
</tr>
<tr>
<td>• Background work on mental health and FtP including reviewing work undertaken by other regulators</td>
<td>• Enquiry and Pre-Investigating Committee undertakings pilot launched</td>
<td>• Launch revised categories</td>
<td>• Implement any internal recommendations</td>
</tr>
<tr>
<td>• Research and planning on planned pilots and improvements to categorisation</td>
<td>• Agree terms of reference and glossary for mental health and FtP</td>
<td>• Evaluation of pilots and strategy development</td>
<td>• Plan consultation for launch in early 2019/20</td>
</tr>
<tr>
<td></td>
<td>• Appoint review panel for mental health and FtP</td>
<td>• Plan stakeholder event for mental health and FtP</td>
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</table>

Commentary for Q4:

In Q4 we progressed work that contributes to the development of the fitness to practise strategy while we have been reformulating our plans for 2019-20 in light of the development of a new organisational strategy and change in leadership for fitness to practise.

Areas in which there has been activity include:

- Planning for the internal and external engagement activities that support the development of the strategy has been phased to take place in 2019-20, taking into account the wider engagement required for the development of the 10-year vision. Preparation for an FtP directorate event in Q1 has begun this quarter given the importance of engaging staff in developing the strategy from the outset.

- Additional senior oversight in triage of concerns has been operating effectively in Q4. This has had positive impacts on early case handling, such as improved use of organisational resources to seek assurances before concerns are closed or to obtain information so that investigations can move forward without delay. Although it is taking a little longer to consider concerns at the triage stage, it appears that this investment of time at the earliest stages of a case improves our capability to resolve cases using the right regulatory tools. We need more data to evaluate the effectiveness of additional oversight at triage so this approach to considering concerns at their earliest stages will continue in 2019-20. Findings from the evaluation will be used to inform the development of the strategy.
• The pilot to streamline how we collect and review health information for pharmacy professionals has been operating over this quarter. This builds on what is already a considerably streamlined process where on average the process takes 6-8 weeks compared to the older version which could sometimes take many months. The pilot has improved our performance in this area even further with health information being collected and reviewed on average in four weeks. This presents a significant improvement to the experience of pharmacy professionals as well as our capability to progress health cases efficiently.

• The customer service project is in its first phase which is focused on surfacing recommendations that can be implemented in 2019-20 to improve the experience of pharmacy professionals, people raising concerns, witnesses and any others involved in fitness to practise. This work is influenced by the emerging strategy and will be a key method of delivery of the practical and cultural changes required to embed the new strategy.

**Our business plan for 2019-20** is primarily focused on the development of the fitness to practise strategy. Work undertaken in 2018-19 will be used to inform the development of the strategy and embed it into practice. Key features of the 2019-20 work programme are to:

• Develop and engage on a strategy for a proportionate and restorative approach to fitness to practise
• Design an approach to managing health issues that supports registrants back into practice where appropriate
• Improve the way we communicate with everyone involved throughout the fitness to practise process
• Improve our understanding of the unintended impact of the fitness to practise process on everyone involved in the process

The overall RAG status is amber to reflect the progress made to prepare for delivery of the reformulated plan in 2019/20.
## Securing assurance and promoting improvement in registered pharmacies

### Strategic aim: The pharmacy team have the necessary knowledge, attitudes and behaviours

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<tr>
<th>RAG</th>
<th>Direction of travel</th>
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### In 2018/19 we will:

- Agree with government a timetable for commencing new powers to publish inspection reports, and share learning to promote improvement
- Consult on and implement our approach to publication of inspection reports and our updated proposals on pharmacy inspection
- Implement new enforcement powers to ensure our standards are met in registered pharmacies
- Build understanding among our stakeholders of our powers and tools for regulating both individual members of professions and pharmacy owners
- Issue guidance to pharmacy owners to support safe and effective care by all staff within the pharmacy team

### What does success look like?

- Outcomes of inspections of registered pharmacies are easily accessible and transparent to members of the public, the pharmacy sector and other stakeholders, providing assurance and driving continuous improvements in the quality of pharmacy practice
- Stakeholders are clear on how their views informed the approved approach to regulating registered pharmacies
- The sharing of insights from inspections of registered pharmacies are used to inform improvements in the sector
- Pharmacy owners are clear on how our enforcement powers will be applied when standards are not met
- Pharmacy owners are clear what the regulator’s expectations are for a safe and effective pharmacy team
- Key stakeholders have a basic understanding of our role, powers and tools for regulating professionals and owners

### Key links and assumptions

- Publication of inspection reports by the end of March 2019 is dependent upon approval of the refined inspection approach in December 2018 and the build of the reporting website with supporting infrastructure

### Main risks

- The development of the IT infrastructure is the key building block for the publication and implementation of the refined inspection approach within the current timelines
- Limited external interest in, or engagement with, our work among key stakeholders at a time of significant challenge within pharmacy, health and government
- Publication of inspection reports exposes us to greater scrutiny relating to consistency of our decisions on inspection, factual accuracy of reports and potential legal challenge
Outline timetable:

<table>
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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>• Worked closely with the Government to agree the timetable for commencing the Pharmacy (Premises Standards, Information Obligations etc) Order 2016</td>
<td>• Consultation on developing our approach to regulating registered pharmacies closes</td>
<td>• Analysis of data and publication of research on what we have learned from our current approach to inspecting registered pharmacies. Research promoted to all key stakeholders</td>
<td>• Design approved and build of reporting site for publication of inspection reports and notable practice and supporting IT infrastructure completed for testing</td>
</tr>
<tr>
<td>• Guidance for pharmacy owners to ensure a safe and effective pharmacy team published and promoted to all owners and pharmacy professionals, to raise awareness of what is expected of pharmacy owners</td>
<td>• Research begins on what we have learned from our current approach to inspecting registered pharmacies</td>
<td>• Analysis report of our approach to regulating registered pharmacies shared with Council and published. Communications activity to highlight what we have heard through consultation activity’</td>
<td>• Start implementation activities for the publication of inspection reports and agreed refinements to our approach to inspection</td>
</tr>
<tr>
<td>• Consultation on developing our approach to regulating registered pharmacies published</td>
<td>• Develop new enforcement policy, engaging with key stakeholders to help inform the policy and increase their awareness of our powers and tools</td>
<td>• Approach to publication and the way we inspect registered pharmacies agreed with Council; promotion of new approach to all key stakeholders to build understanding and awareness</td>
<td>• Promote publication of inspection reports to all key stakeholders to help increase awareness of our role in inspecting pharmacies and new publication powers</td>
</tr>
<tr>
<td>• The consultation included a summary of our new enforcement powers and the principles of our approach to enforcement which will help increase stakeholder understanding of our powers and tools</td>
<td>• Publish discussion paper on new proposals to protect people trying to obtain medicines online, setting out our powers and tools to regulate online pharmacies</td>
<td>• Publish our new enforcement policy and communicate this to all key stakeholders</td>
<td></td>
</tr>
<tr>
<td>• Commissioned research to inform our approach to registered pharmacies and drive improvement in the sector</td>
<td>• Hold meetings with ministers and other key parliamentarians in three countries of GB, and with leading patient organisations, to explain our role, powers and tools for regulation</td>
<td>• Publish updated guidance on supplying medicines at a distance and use publication as an opportunity to explain our role and how we work with other regulators in this area</td>
<td></td>
</tr>
</tbody>
</table>
Commentary for Q4:

Start implementation activities for the publication of inspection reports and agreed refinements to our approach to inspection
In this quarter, we have held two further sessions with an operational reference group to help us test and refine some of the practical operational changes that support the revised approach to inspection and publication of reports. These meetings brought together various stakeholders including responsible pharmacists, superintendent pharmacists and representatives from pharmacy bodies from across the pharmacy sector in England, Scotland and Wales. We also made changes to our internal systems that support the inspection of registered pharmacies and we completed training to upskill our inspectors to ensure that we were fully prepared to start inspecting under the refined approach, to include unannounced inspections from the start of April 2019. The design of the site for publication of inspection reports has been agreed.

Promote publication of inspection reports to all key stakeholders to help increase awareness of our role in inspecting pharmacies and new publication powers
We have been engaging directly with pharmacy owners, pharmacy professionals and representative organisations across pharmacy to make them aware of the implementation of our updated approach to regulating registered pharmacies and what this may mean for them. Our communications activity has included presentations at over 20 events, meetings and conferences across Great Britain. We also organised a webinar, which has been viewed by over 1000 people, and participated in webinars organised by the NPA and Sigma Pharmaceuticals. Articles in Regulate (which is sent to all registrants), regular posts across our social media accounts, media coverage across the trade press and updated content on our website have also helped to inform our key stakeholders about the key changes to our approach.

Implement new enforcement powers to ensure our standards are met in registered pharmacies
The work to implement our new enforcement powers to ensure standards are met in registered pharmacies has progressed well this quarter. We have published our enforcement policy that explains how we will use our powers to ensure proportionate and consistent decision-making and we have shared the policy with key stakeholders. Inspectors and staff have been trained on the new powers and procedures.

Discussion paper on making sure patients can obtain medicines and other pharmacy services safely online
In this quarter, we prepared final versions of the report summarising responses to the discussion paper, and the updated guidance for pharmacy owners on providing pharmacy services at a distance, including on the internet, for review and approval by the Council at the April 2019 meeting.
**Implementation of guidance for pharmacy owners on ensuring a safe and effective pharmacy team**

In this quarter, we organised a meeting with trade associations, trade unions and professional bodies within pharmacy to discuss challenges that pharmacy professionals, pharmacy teams and pharmacy owners are experiencing that could increase the risk of our standards and guidance not being met. This followed the publication in June 2018 of our new guidance setting out what pharmacy owners are expected to do to ensure a safe and effective pharmacy team and meet the standards set out under Principle 2 of the standards for registered pharmacies.

The aim of the meeting was to identify further actions that could be taken by employers, professional bodies, trade associations, unions, regulators and other organisations to help ensure a safe and effective pharmacy team. We published a report on our website summarising the discussions at the meeting and our next steps, which include bringing a paper to a Council meeting in Summer 2019 with proposed responses to the suggestions made.

**The overall RAG status** for the key pieces of work associated with the delivery of this priority area is the same as the previous quarter (green). There are three areas highlighted (in the outline timetable above) where most of the work has been completed but final delivery is on schedule for completion in the next quarter (quarter 1 2019/20).
Improving standards of care through regulation of education and training

Strategic aim: The pharmacy team have the necessary knowledge, attitudes and behaviours

In 2018/19 we will:

- Implement our new revalidation framework to provide assurance that pharmacy professionals continue to meet the required standards of professionalism throughout their careers
- Implement new standards for the initial education and training for pharmacy technicians working with course developers and providers
- Consult on, review and agree new standards for pharmacist independent prescribers followed by implementation activities with course developers and providers
- Initiate our work to review and consult on initial education and training for pharmacists so that initial education provided will meet the future needs of the public in relation to pharmacy services

What does success look like?

- Registrants will be able to renew and submit their revalidation records to demonstrate more effectively they are keeping up-to-date and reflecting on the benefit of their learning and practice on the people who use their services
- Revised standards for education and training for pharmacy technicians, pharmacist independent prescribers and pharmacists provide assurance that pharmacy professionals are fully equipped to play a leading role in the future of multi-professional healthcare
- Course providers for pharmacy technicians, pharmacist independent prescribers and pharmacists meet our new standards effectively through our accreditation or recognition processes

Key links and assumptions

- Stakeholders will support direction of travel for new pharmacist initial education training standards
- Courses based on new initial education and training standards for pharmacy technicians will be ready for accreditation at the end of 2018/start of 2019 so they are ready for delivery in September 2019
- Courses based on new education and training standards for pharmacist independent prescribers are ready for accreditation in early 2019

Main risks

- The short delay to the commencement of revalidation reviews will mean the first review cycle will close slightly later than in following years, however, this is partly mitigated because reviews will be based upon four rather than six revalidation records owing to the phased implementation of revalidation
- Our proposals for pharmacist IET standards cannot be delivered due to opposition from stakeholders
Outline timetable:

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>• Revalidation: Further revalidation guidance and examples published</td>
<td>• Revalidation: The next phase of revalidation development to go live</td>
<td>• Revalidation: Recruitment and selection of revalidation reviewers</td>
<td>• Revalidation: Preparation for first revalidation reviews</td>
</tr>
<tr>
<td>• Education: Analyse responses to pharmacist independent prescribing standards consultation</td>
<td>• Education: Workshops on elements of pharmacist IET standards</td>
<td>• Education: Launch pharmacist IET standards consultation</td>
<td>• Revalidation: The next phase of revalidation goes live.</td>
</tr>
<tr>
<td>• Education: Engagement with pharmacy technician course developers and providers</td>
<td>• Education: Prepare papers for Council on pharmacist independent prescribing</td>
<td>• Education: Agree policy for the education and training of unregistered staff</td>
<td>• Revalidation: Council review of evaluation approach for revalidation</td>
</tr>
<tr>
<td>• Education: Engagement with three new working groups for the development of the pharmacist IET standards</td>
<td>• Education: Continued engagement with pharmacy technician course developers and providers</td>
<td>• Education: Accredit new courses based on pharmacy technician IET standards</td>
<td>• Education: Begin analysis of pharmacist IET standards consultation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Education: Agree revised IET standards for pharmacist independent prescribers following consultation</td>
<td>• Education: Begin accreditation of courses based on new Education and Training (ET) standards for pharmacist independent prescribers</td>
</tr>
</tbody>
</table>

Commentary for Q4:

Revalidation

Revalidation reviewers have been trained to undertake their role commencing in Q1 of 2019/20. Commencement of reviews has been delayed slightly but will still begin in Q1 to allow more time for development of the reviewer portal function in myGPhC alongside other online service development projects, which is the rationale for the amber rating for remaining activities for the implementation of revalidation.

Pharmacy technician initial education and training (IET) standards

The standards and evidence framework are available for use. We organised a workshop with the awarding bodies in April (just after this reporting period) to discuss the new standards and requirements. The first meeting to accredit an education provider under the revised standards will take place in May 2019.

We are in close contact with the English Pharmacy Technician Trailblazer Development Group who have submitted a proposal to the Institute for Apprenticeships and received feedback on the proposal. They have mapped their own learning outcomes to the ones we developed in the standards for the IET of pharmacy technicians.
**Pharmacist Independent prescriber (IP) ET standards**

The pharmacist independent prescriber ET standards were published in January 2019.

We developed an evidence framework to support programme providers as they design programmes for the education and training of pharmacist independent prescribers. To develop the guidance, we analysed feedback provided during the consultation on the IP standards, published the draft evidence framework on our website and asked IP course leads and IP accreditation members for their views and sense checked the evidence framework with five IP course leads.

Course providers put forward courses for accreditation. The first accreditation events will take place in May 2019.

The Royal Pharmaceutical Society (RPS) will provide guidance on the competencies of Designated Prescribing Practitioners (DPPs) during the course of 2019. Provision has been made for course providers who wish to make use of DPPs prior to the publication of this guidance.

**Education and training of non-registered pharmacy staff**

Council indicated their agreement to continue to set requirements and accredit courses for pharmacy support staff at a workshop in February 2019. A document setting out the requirements and a model for how these courses will be designed and accredited in future has been produced and we will carry out focussed engagement with the relevant stakeholders to test the following areas:

- Policy related to the continuation or not of exemptions to the requirement
- Future arrangements/models for:
  - Course content
  - Accreditation

Main stakeholders include: Course providers, employers and their representative organisations, accreditation panellists, the RPS and the Pharmacy Technician Trailblazer Group (which includes a number of employers). Meetings are planned for May-June 2019 with final requirements anticipated by October.

**Pharmacist IET standards**

We consulted on proposed standards for the IET of pharmacists from 9 January to 3 April 2019. We engaged on our proposal with patients, members of the public and stakeholders in England, Wales and Scotland. We also organised a meeting of the Education Advisory Group to focus on admission and selection requirements and integration.

We have started coding consultation responses and analysing event notes. We will present the key themes raised by stakeholders during the consultation to Council during a workshop in May and ask them for their views. The consultation report will be presented to Council in July 2019.
Student FtP guidance
As we have widened the scope of the student FtP guidance to IP and PT providers, we developed a questionnaire to gather the views, difficulties encountered and guidance needs of IP and PT providers. We analysed questionnaire responses and organised a phase of stakeholder engagement to discuss in further detail the themes raised by questionnaire respondents. Stakeholders invited included education providers, commissioning bodies, employers of PTs and PIPs, RPS, APTUK, BPSA, CCA, NPA, PDA and Pharmacist Support.

We will review the guidance taking into consideration the feedback provided by stakeholders, during the next reporting period.

The overall RAG status is green reflecting the fact that whilst the complexity, nature and volume of work remains high, good progress is being made.
### Transforming our organisation, our services and processes

**Strategic aim:** Pharmacy regulation is efficient and effective

#### In 2018/19 we will:
- Improve online services to enable registrants to complete and review their revalidation records online
- Improve online services for registration, renewal and application functions in phases throughout the year
- Embed equality, diversity and inclusion (EDI) in both our role as a regulator and employer
- Conduct a survey of our registrant’s views of the GPhC’s services and communications in order to identify areas for further improvement
- Invest in updating our culture, ways of working and means of holding ourselves to account so that we have the right staff with the right skills and attitudes to adapt to the evolving world of regulation and pharmacy professionals
- Continue to invest in our IT infrastructure and applications by moving to cloud based solutions in order to provide a flexible and robust foundation for future needs
- Align our risk management approach to the ISO31000 standard

#### What does success look like?
- Registrants can complete and submit their revalidation records online and we can review their records online
- Registrant services are improved with new online services for registration, renewal and application functions
- The GPhC will progress commitments to EDI. For one of our key priority areas, disability, we will have started the implementation of the formal disability standard
- The registrant survey findings inform the baseline against which we measure any improvement in our communications and services
- The culture statement, refreshed values, and behaviours are embedded in every part of the GPhC and used by managers and staff to underpin the Performance Development Review (PDR) process
- IT infrastructure and applications are moved to a cloud based solution
- We can demonstrate how risk has been actively managed to support objectives being achieved.

#### Key links and assumptions
- The refreshed values and behaviours will be incorporated into the new way of recruiting which will have a values based focus
- Objectives will be clearly articulated and success defined at all levels in the organisation

#### Main risks
- Capacity and resources to implement change across the different pieces of work that make up this strategic priority
- Effectiveness of senior decision making
- Interdependencies between multiple pieces of work
- Cynicism/frustration at the pace of change
**Outline timetable:**

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</tr>
</thead>
</table>
| ● Revalidation: Launch of myGPhC during April. Registrants start recording their revalidation records. | ● Revalidation: Testing and release of second phase of revalidation services. Registrants start to submit their revalidation records online from September. | ● Revalidation: Further development of revalidation and registrant online services.  
  ● Finalisation on approach, to move SharePoint and infrastructure services to the cloud.  
  ● Phased migration of SharePoint and infrastructure services to the cloud.  
  ● Registrant survey: Share and discuss key findings internally and identify learnings and actions.  
  ● Registrant survey: Approve and publish report. | ● Testing and release of new online services for registrants.  
  ● Phased migration of SharePoint and infrastructure services to the cloud.  
  ● Re-setting the culture: March 2019, carry out the third of 4 pulse surveys.  
  ● Re-setting the culture: Work with the Learning and Development Manager to support the integration and rollout of the new behaviour framework into the new PDR process.  
  ● Risk: Develop risk appetite statement(s).  
  ● Risk: Launch updated framework.  
  ● EDI: Develop further guidance supporting EIAs to ensure that the ‘circle’ of impact assessment is completed.  
  ● EDI: Draft health and wellbeing strategy produced. |
| ● Revalidation: Second phase of revalidation development covering record submission and exceptional circumstances. | ● Initial scoping for moving SharePoint and infrastructure services to the cloud.  
  ● Registrant survey: Analyse results of survey and prepare draft report.  
  ● Re-setting the culture: Carry out research to establish how the cultural element of the GPhC benchmarks against similar sized organisations or an inter-regulatory group within the sector.  
  ● Risk: Complete internal context which describes how the organisation works.  
  ● Risk: Develop guidance document to assist coaching of risk owners.  
  ● Risk: Fully develop register of new strategic risks.  
  ● Risk: Provide update on ISO work to Council.  
  ● EDI: Produce a transgender policy to ensure that the GPhC is able to provide access, adjustments and | | |
| ● Development, testing and release of online registration applications for pharmacists. | ● Risk: Complete internal context which describes how the organisation works.  
  ● Risk: Develop guidance document to assist coaching of risk owners.  
  ● Risk: Fully develop register of new strategic risks.  
  ● Risk: Provide update on ISO work to Council.  
  ● EDI: Produce a transgender policy to ensure that the GPhC is able to provide access, adjustments and | | |
| ● Stabilisation of new Azure infrastructure. | ● Revalidation: Further development of revalidation and registrant online services.  
  ● Finalisation on approach, to move SharePoint and infrastructure services to the cloud.  
  ● Phased migration of SharePoint and infrastructure services to the cloud.  
  ● Registrant survey: Share and discuss key findings internally and identify learnings and actions.  
  ● Registrant survey: Approve and publish report.  
  ● Re-setting the culture: Work with the Learning and Development Manager to support the integration and rollout of the new behaviour framework into the new PDR process.  
  ● Risk: Develop risk appetite statement(s).  
  ● Risk: Launch updated framework.  
  ● EDI: Develop further guidance supporting EIAs to ensure that the ‘circle’ of impact assessment is completed.  
  ● EDI: Draft health and wellbeing strategy produced. | | |
| ● Re-setting the culture: Schedule workshop sessions with the heads of function to present the new culture statement and collate their feedback. | ● Re-setting the culture: Further development of revalidation and registrant online services.  
  ● Finalisation on approach, to move SharePoint and infrastructure services to the cloud.  
  ● Phased migration of SharePoint and infrastructure services to the cloud.  
  ● Registrant survey: Share and discuss key findings internally and identify learnings and actions.  
  ● Registrant survey: Approve and publish report.  
  ● Re-setting the culture: Work with the Learning and Development Manager to support the integration and rollout of the new behaviour framework into the new PDR process.  
  ● Risk: Develop risk appetite statement(s).  
  ● Risk: Launch updated framework.  
  ● EDI: Develop further guidance supporting EIAs to ensure that the ‘circle’ of impact assessment is completed.  
  ● EDI: Draft health and wellbeing strategy produced. | | |
| ● Re-setting the culture: Agree the refreshed values with SLG and communicate to all employees. | ● Re-setting the culture: March 2019, carry out the third of 4 pulse surveys.  
  ● Re-setting the culture: Work with the Learning and Development Manager to support the integration and rollout of the new behaviour framework into the new PDR process.  
  ● Risk: Develop risk appetite statement(s).  
  ● Risk: Launch updated framework.  
  ● EDI: Develop further guidance supporting EIAs to ensure that the ‘circle’ of impact assessment is completed.  
  ● EDI: Draft health and wellbeing strategy produced. | | |
| ● Re-setting the culture: Monitor and evaluate if there has been an increase / decrease / stabilising of staff turnover during the period of implementing the cultural re-design. | ● Risk: Further develop risks that sit below strategic level.  
  ● Risk: Launch updated framework.  
  ● EDI: Develop further guidance supporting EIAs to ensure that the ‘circle’ of impact assessment is completed.  
  ● EDI: Draft health and wellbeing strategy produced. | | |
| ● Risk: Strategic risks have been refreshed and mapped against current strategic aims to ensure they represent current objectives. | | | |

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Page 18 of 22
Commentary for Q4:

**Improve online services including enabling registrants to complete and review their revalidation records online**
During Q4 2018/19 myGPhC (our online service provision) was enhanced to allow students to apply for their pre-registration training year online. Existing registrants are now able to view their renewal letters within their myGPhC account with email reminders at appropriate stages during the renewal window if the renewal is incomplete. Development is underway on the functionality that will enable the selection and review of revalidation records in time for reviews to commence in Q1 of 2019/20, including automated publishing of feedback reports to registrants.

Work has begun on development of the online application to enable pharmacy technicians to apply to be registered as a pharmacy professional.

The new system and improved online functionality will help us to manage our data more efficiently, by improving the quality of the information we hold and making its collection more secure. It will also help us to keep to the new General Data Protection Regulation (GDPR) requirements which applied from May 2018.

**IT infrastructure**
During January to March we have moved the purchase order, Performance Development Review (PDR) and inspection systems to SharePoint online and work is underway on the remaining SharePoint intranet and extranet sites. Work has also started on the network design to allow us to move our remaining infrastructure services to the cloud. The first phase of this work, to move our Active Directory, to the cloud is in progress. Overall this work remains around three months behind the initial schedule resulting from the additional time to review the business case and approve the project.

**Survey of registrants**
The report from the survey of registrants’ views of our services and communications was finalised in February 2019, following approval by SLG, and published on the GPhC website on 5 March 2019. The report includes a section on how we are using the feedback received to improve our work, and referenced our plans to repeat the survey at a future date so we can analyse how perceptions of our services and communications may have changed.
**Culture**

Research to establish how the cultural element of the GPhC benchmarks against similar sized organisations was completed in January 2019 and will be used to inform future work.

Work to integrate the mapped culture, values and behaviour framework into the new PDR process is complete. The learning and development manager and HR business partners have held workshops for all people managers briefing them on the new behaviour framework and how to apply it in the PDR process for 2019/20.

Work with heads of function to support the integration of the mapped culture, values and behaviour information into a value-based recruitment process is complete and will be rolled out later in 2019.

A third of four pulse surveys has been postponed due to feedback from staff about the frequency of surveys. The next full survey will take place in Q2 of 2019/20.

**Embed equality, diversity and inclusion (EDI) in both our role as a regulator and employer**

Our staff networks are progressing well. We launched the new Women’s Network in March with an internal consultation. Staff were asked several questions about the role and proposed aims of the group going forward. A report of outcomes of the consultation will be available to staff. In addition, the overall Networks – BAME, Women and Culture and Inclusion Committee – have been refreshed with new leads and draft governance guidance produced.

Links have been reinforced and newly developed across GB regulators resulting in regular engagement meetings including joint BME and LGBT+ networks; in addition to a regulator’s group on equality and diversity. We are currently working together to engage respective staff in a new cross-regulatory disability network.

A draft gender diversity policy has been developed, with input from the EDI Leadership Group, Senior Leadership Group (SLG) and Staff Engagement Forum. A general staff consultation will commence in May.

A draft Health and Wellbeing strategy has been produced. The strategy recommends attaining the Workplace Wellbeing Charter and therefore a full rollout plan needs to be developed with colleagues in HR and Learning and Development. However, there is a risk that the strategy may require resources which may not be available until 2020/21.

A draft Tailored Adjustment Agreement has been produced in time for the rollout of the disability awareness training that took place in February and March. The final document will be updated with further observations and be published in May. The disability awareness training was provided across the organisation. Additional training will be rolled out in May. The training will be followed up to identify the impact and changes made across the organisation as a result.
Discussions have been held in an effort to offer future support for Equality Impact Assessments development. IT and project planning teams were consulted about an in-house app, however, the proposal proved costly and time-consuming. However, research will continue into existing online applications.

Progress has been made on supporting EDI data collection across the organisation. Plans are being made to include registrant data collection in the continuing GPhC online work. Improving our collection of EDI data for the purposes of enhancing our approach to regulation will continue to be reviewed by the EDI Leadership Group during the 2019/20 period.

**Risk Management**

Analysis has been produced and shared with the Senior Leadership Group and Audit & Risk Committee (ARC) to describe the organisation’s risk profile and provide insight into how risk is being managed. Work is in progress to review risk at all levels, ensuring a continued connection to the themes and success measures described in the 2019/20 Annual Plan. Staff availability has slowed the production of risk management documentation. Outstanding actions will be captured in the 2019/20 Risk Management Implementation Plan, a draft of which will be presented to ARC at its July meeting.

**Business planning**

As reported previously work continues on our financial strategy, reviewing our wider regulatory strategy and approach, including making sure this is more grounded in operational reality.

The 2019/20 Annual Plan and budget were approved by Council in February 2019. The approach to the development of the annual plan and budget for 2019/20 was to align these activities more closely with enhanced engagement with Heads of Function and staff across the organisation.

How we will measure our success is now included as an integral part of the annual plan upfront which supports a wider change in our culture towards all being clear what success will look like, in line with our culture statement. Also, accompanying the annual plan is a draft 2019/20 annual reporting template. This sets out the detail of what activities underpin the delivery of the key areas of work, mapped out across the four reporting quarters of the year. Setting this out in this detail at an earlier stage increased cross-working between teams and a better understanding of organisational wide capacity, linkages and sequencing of work. The content of the planning was then underpinned by a more detailed understanding of the wider costs for each activity which informed the 2019/20 budget. The Senior Leadership Group will be undertaking a lessons-learned exercise reviewing the approach to developing the plan and budget for 2019/20 to recognise the things that worked well, identify areas for improvement, and to inform the next cycle of annual planning.

In light of the increasing pace of change in pharmacy, we signalled our work to develop a 10-year vision. This will enable us to take a longer-term view to make sure we are fit to deliver efficient and effective regulation which is responsive to the changing healthcare environment and to changes in how pharmacy services are delivered, including through new technologies. The draft vision was presented to Council in March 2019 at which approval was given for a programme of engagement to commence.

With a view to this, in the third year of our Strategic Plan 2017/20, the Annual Plan 2019/20 represents a transitional period as we continue to set our longer-term goals and develop our plans to achieve these.
The overall RAG status is amber and reflects that the scope and objectives covering this area of work were initially ill defined. In the immediate future, these issues are being addressed by the current planning process. In addition, senior management have begun the process of introducing new oversight arrangements to agree IT and business systems priorities which will feed into planning in 2019/20.
Engagement and communications report

Meeting paper for Council meeting on 13 June 2019

Public business

Purpose

To update the Council on engagement and communications with stakeholders through a quarterly report.

Recommendations

The Council is asked to note this paper.

1. Introduction

1.1 This report outlines key communications and engagement activities since February 2019 and highlights upcoming events and activities.

2. Consultation on standards for the initial education and training of pharmacists

2.1 Our consultation on standards for the initial education and training of pharmacists ran from 9 January to 3 April 2019.

2.2 During the consultation, we used a wide range of methods and channels to reach the different audiences impacted by the proposals, including:

- 3 engagement events with stakeholders held across Great Britain, reaching 86 individuals
- 3 patient focus groups across Great Britain, attended by 58 patients and members of the public
- 33 speaking engagements across Great Britain, reaching 1310 stakeholders including pharmacy professionals, educators, employers, students and pre-registration trainees
- a webinar, which was also recorded and has been viewed over 1000 times on YouTube
- a toolkit of materials on our website for other organisations to use, which included presentations, social media posts and newsletter copy
- social media and direct email campaigns
press release, interviews and comment piece from Nigel Clarke placed within the pharmacy trade media

Feedback about our engagement and consultation activities during the consultation was positive overall; for example, 86% of delegates at our pharmacy stakeholder events and 98% of delegates at our patient focus groups thought the events gave them the opportunity to explore the key issues raised.

These consultation activities helped to generate significant momentum about our proposals and to encourage over 650 individuals and organisations to submit a written response to the consultation.

Since the consultation closed, we have continued to engage with key stakeholders, including Universities UK, the Pharmacy Schools Council and Health Education England, to take forward discussions, and this ongoing engagement will continue in the next quarter.

Once the consultation report is published, we will be sharing it with consultation respondents and stakeholders through a range of channels, to help build understanding of the feedback we received.

3. Our approach to inspecting and regulating registered pharmacies

Our focus over the last quarter has been on building understanding of the updated approach to inspecting and regulating registered pharmacies, and what this means in practice, particularly among pharmacy owners, pharmacy professionals and other members of the pharmacy team.

We have achieved this through a series of engagement activities, including presentations and Q&A sessions at over 30 external events (including at the Sigma conference and Pharmacy Law and Ethics Association seminar) and through webinars held by us and by the National Pharmacy Association.

We have also shared information about the updated approach through articles in Regulate, our e-bulletin, and through updating the content on the ‘Inspections’ section of our website.

On 15 March 2019, we also published our enforcement policy for registered pharmacies on our website and highlighted it to key stakeholders and to the pharmacy trade media.

Our focus in the next quarter will be on preparing for the introduction of the publication of inspection reports and the launch of the new inspection publication website. We have begun work to develop further resources, including a video, to help the pharmacy sector and patients and the public understand the changes we are making.

When we launch the inspection publication website in Summer 2019, we will be briefing all key stakeholders and encouraging them to promote the new website and knowledge hub to those they represent.

In particular, we will be taking forward communications activities to raise awareness of the publication of inspection reports and the new website to patients and the public and organisations that represent them. This will include through media coverage in consumer and local media, a social media campaign and targeted briefings to organisations such as local Healthwatch in England, Community Health Councils in Wales and ALLIANCE in Scotland, as well as consumer bodies such as Which?
We are also planning to develop a short guide for patients and the public about what they can expect from pharmacies, which will be available on the website when it launches. We will encourage pharmacy businesses and patient organisations to actively share this guide with patients and the public using pharmacy services.

We anticipate that pharmacy inspection reports will also be of interest to MPs and their teams and are planning to contact every MP when the website goes live with a tailored email highlighting the inspection reports available so far for pharmacies within their constituencies.

Once we have successfully delivered this first phase of engagement, we will develop plans for further engagement on an ongoing basis with the pharmacy sector and patients and the public.

4. Updated guidance on providing pharmacy services at a distance, including on the internet

On 16 April 2019, we launched our updated guidance on providing pharmacy services at a distance, including on the internet. The updated guidance was produced after considering feedback from more than 800 individuals and organisations responding to a discussion paper published last year.

We worked with the BBC national news team to secure positive coverage across the BBC network about the new guidance, including BBC Radio 4’s Today programme, BBC Breakfast and the BBC news website. The new guidance was also covered extensively in national and trade media, including the Daily Mail, Guardian, Pulse and the Pharmaceutical Journal.

Key stakeholders were pre-briefed ahead of the launch of the guidance, and the Medicines and Healthcare Products Regulatory Agency, General Medical Council, Care Quality Commission and Royal Pharmaceutical Society all issued statements welcoming the updated guidance.

On the day of launch, we contacted all pharmacy professionals and pharmacy owners via email to make them aware that the updated guidance had been published. Pharmacy owners with pharmacies displaying the internet logo received a tailored email asking them to review the guidance and give feedback to us about steps they will take to follow it within their online pharmacies.

We have also updated our advice for patients and the public on how to buy medicines safely online, available via our website, and have encouraged a large number of organisations representing patients and the public to share this advice through their networks.

We are currently in discussions with other health regulators to explore opportunities to develop a joint resource for patients and the public about how to use online primary care services safely.

5. Consultation on guidance for pharmacist prescribers

On 29 March 2019, we launched a 12-week consultation on guidance for pharmacist prescribers, which is open until 21 June 2019.
5.2 Pharmacy professionals have been invited to participate in the consultation via direct emails, articles in Regulate and a social media campaign. We have also specifically targeted pharmacist prescribers on our register with tailored emails to encourage them to share their views on the guidance they will be expected to follow once finalised.

5.3 We held a roundtable meeting at our offices on 4 June with key stakeholders, including employers, course providers and pharmacist prescribers, to seek their views on the guidance. We are also discussing the consultation with delegates at a session at the Clinical Pharmacy Congress in London.


6.1 We joined together with the Royal Pharmaceutical Society and Association of Pharmacy Technicians to publish a reflection and learning resource in February to support everyone across the pharmacy sector to learn the lessons from the Gosport Independent Panel report.

6.2 We have promoted this new reflection and learning resource through a range of channels, including the pharmacy trade media, social media and Regulate. In all our communications, we have called on pharmacists, pharmacy technicians and employers in all sectors to share and discuss the presentation and have already received some positive feedback from pharmacy professionals about the new resource.

7. Meeting on safe and effective pharmacy teams

7.1 On 14 February 2019, we organised a meeting with trade associations, trade unions and professional bodies within pharmacy to discuss challenges that pharmacy professionals, pharmacy teams and pharmacy owners are experiencing that could increase the risk of our standards and guidance on ensuring a safe and effective pharmacy team not being met.

7.2 The aim of the meeting was to identify further actions that could be taken by employers, professional bodies, trade associations, unions, regulators and other organisations to help ensure a safe and effective pharmacy team.

7.3 We have published a report summarising the constructive discussions at the meeting and our next steps following the meeting.

8. Decision on fees levels for 2019-20

8.1 We communicated the Council’s decision to increase entry and renewal fees from July 2019 to pharmacists, pharmacy technicians and pharmacy owners through direct emails, an article in Regulate and social media posts. The decision was also covered by the trade press in several articles.

8.2 We responded directly to the small number of responses (fewer than 35) from registrants to our emails and social media posts, explaining why the increases were necessary and signposting them to the full consultation report for further information.
9. **Revalidation: further communications and engagement**

9.1 Our process for selecting and reviewing revalidation records is being implemented in June, with the first group of pharmacy professionals who had submitted their revalidation records being selected for review.

9.2 Ahead of the implementation of our review process, we explained the process to pharmacy professionals through an article in Regulate and adding ‘Frequently asked questions’ on our website.

9.3 We have also continued to raise awareness of the requirements of revalidation and share resources to support pharmacy professionals to meet the requirements. This has included taking part in a range of events, including leading workshops organised by the RPS and a session at the Clinical Pharmacy Congress.

10. **Pharmacy registrant survey 2019**

10.1 We are currently working with Enventure Research to encourage all registered pharmacy professionals to take part in a major survey about their roles and responsibilities.

10.2 Pharmacists and pharmacy technicians have until 19 July to respond to the survey, which asks them a series of questions about their roles, practice and responsibilities.

10.3 We are promoting the survey through our own channels, including Regulate, the website and social media. We are also engaging with pharmacy employers and the representative bodies to ask them to use their channels of engagement with pharmacy professionals to increase response rates.

10.4 A number of stakeholders have agreed to promote the survey including NHS Education for Scotland, Health Education and Improvement Wales and Health Education England.

11. **Engagement on education and training requirements for pharmacy support staff**

11.1 On 11 June 2019, we held a roundtable for key stakeholders, including employers and course providers, on our regulatory requirements for the education and training of pharmacy support staff.

11.2 We are now taking forward a programme of 1-2-1 meetings with key stakeholders and will be seeking views on our proposed revised requirements using a variety of different methods of engagement from later this month.

12. **Recent events and meetings**

12.1 Please see appendix 1 for a list of key events and meetings that have taken place since February 2019.

12.2 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 ensure they have the most up-to-date supporting material.
13. **Upcoming events and activities**

13.1 Please contact Laura Oakley, Stakeholder Engagement Manager, at [laura.oakley@pharmacyregulation.org](mailto:laura.oakley@pharmacyregulation.org) if you would like to attend any of these events:

**Avon Local Pharmaceutical Committee, 19/06/19, Bristol.**
Deborah Hylands (Inspector) presentation on regulating registered pharmacies. Event 19:30-21:30

**Avon Local Pharmaceutical Committee, 26/06/19, Bristol.**
Deborah Hylands (Inspector) presentation on regulating registered pharmacies. Event 19:30-21:30

**Community Pharmacy Surrey and Sussex, 10/07/19, Crawley.**
Martin Packham (Inspector) presentation on regulating registered pharmacies. Event 09:30-16:00.

**Keele University ‘Making the most of your pre-reg year’, 13/08/19, Birmingham,**
Lisa Gilbert, Pre-Registration Training Facilitator, speaking about pre reg year. 10:45-11:30

**Association of Pharmacy Technicians UK conference, 13/09/19-14/09/19, Birmingham.**

**Leicester, Leicestershire & Rutland Local Pharmaceutical Committee, 23/09/19.**
Richard Chapman (Inspector) presentation on regulating registered pharmacies.

**The Pharmacy Show, 06/10/19-07/10/19, Birmingham.**

**Royal Pharmaceutical Society conference, 17/11/19, London.**

14. **Consultations**

14.1 Please see appendix 2 for the grid of active and new external consultations to which we have considered responding.

15. **Equality and diversity implications**

15.1 We have now successfully implemented ReciteMe on the main GPhC website and are working with the developers of the inspection publication website to make sure it is implemented ready for launch. ReciteMe is a cloud-based web accessibility solution which allows visitors to customise these websites to the way they need it to work for them. The award-winning software includes text to speech functionality, dyslexia software, an interactive dictionary, a translation tool with over 100 languages and many other features. ReciteMe also makes all of the content on our webpages available in the Welsh language, helping us to meet commitments in our Welsh Language Scheme.

15.2 We are commissioning the Shaw Trust to test our new inspection publication website ahead of its launch, to help make sure it is accessible for all audiences. The Shaw Trust is a charity which employs people with a wide range of disabilities and accessibility needs in its Accessibility Services team and supports organisations in checking their websites are accessible for all users.
15.3 We have now introduced new templates for corporate documents (including these Council papers) to make sure that the documents and presentations we produce can be easily made into fully accessible PDFs. We are currently training staff across the organisation to use the new features so that we can ensure any documents we produce are accessible to all.

16. Recommendations

The Council is asked to note this paper.

Rachael Oliver, Head of Communications
General Pharmaceutical Council

06 June 2019
Appendix 1

Events from 7 February- 13 June 2019

**UCL School of Pharmacy, 11/02/19**, London. Susan Melvin (Inspector) presentation on regulating registered pharmacies.

**University of Central Lancashire, 11/02/19**, Preston. Craig Whitelock-Wainwright (Inspector) and Damian Day (Head of Education), presentation on initial education and training standards for pharmacists consultation, and update on regulating registered pharmacies.

**Community Pharmacy Wales contractor meeting, 11/02/19**, Cardiff. Damian Day, Head of Education, presentation on initial education and training standards for pharmacists consultation, and update on regulating registered pharmacies.

**Community Pharmacy Technician focus group, 11/02/19**, Glasgow. Focus group to explore the barriers and enablers to professionalism for pharmacy technicians led by Nicky Nardone, Pharmacy Technician Clinical Leadership Fellow.

**Community Pharmacy Wales contractor meeting, 12/01/19**, Swansea. Darren Hughes, Director for Wales, presentation on initial education and training standards for pharmacists consultation, and update on regulating registered pharmacies.

**South Staffordshire Local Pharmaceutical Committee, 13/02/19**. Stephanie Jackson (Inspector) and Juliette Becuwe, (Policy Manager Education) presentation on initial education and training standards for pharmacists consultation, and update on regulating registered pharmacies.

**Preston College, 14/02/19**. Craig Whitelock-Wainwright (Inspector) and Damian Day (Head of Education) presentation to 2nd year pharmacy technician trainees.

**GPhC safe and effective pharmacy team roundtable, 14/02/19**

**Sigma Conference, 19/02/19**. Claire Bryce-Smith (Director of Insight, Intelligence and Inspection) presentation on regulating registered pharmacies (via video link).

**Community Pharmacy Technician focus group, 21/02/19**, London. Focus group to explore the barriers and enablers to professionalism for pharmacy technicians led by Nicky Nardone, Pharmacy Technician Clinical Leadership Fellow.

**University of Manchester, 25/02/19**. Craig Whitelock-Wainwright (Inspector) and Damian Day (Head of Education) presentation to 2nd year pharmacy technician trainees.

**GPhC webinar, 25/02/19**. On initial education and training standards for pharmacists consultation, and update on regulating registered pharmacies.

**Greater Manchester Local Pharmaceutical Committee, 26/02/19**, Manchester. Damian Day (Head of Education) and Akhtar Malik (Inspector) presentation on initial education and training standards for pharmacists consultation, and update on regulating registered pharmacies.
Association of Independent Multiple Pharmacies Superintendents Forum, 04/03/19, Hinckley. Mark Voce (Director of Education and Standards) presentation on initial education and training standards for pharmacists consultation.

Patient Advice and Support Service Scotland, 04/03/19. Lynsey Cleland (Director for Scotland) presentation about the GPhC.

University of Strathclyde, 04/03/19, Glasgow. Lynsey Cleland (Director for Scotland) presentation about the GPhC.

GPhC focus group with patients and the public on the consultation on the initial education and training standards for pharmacists, 05/03/18 Cardiff.

GPhC stakeholder event on the consultation on the initial education and training standards for pharmacists, 05/03/18 Cardiff.

Community Pharmacy Humber, 06/03/19, Cottingham. Helen Jackson (Inspector) presentation on initial education and training standards for pharmacists consultation, and update on regulating registered pharmacies.

Sefton Local Pharmaceutical Committee, 06/03/19, Liverpool. Lisa McCreesh (Deputy Regional Manager) presentation on initial education and training standards for pharmacists consultation, and update on regulating registered pharmacies.

Royal Pharmaceutical Society event, 06/03/19, London. Mark Voce (Director of Education and Standards) presentation on revalidation.

Coventry Local Pharmaceutical Committee, 07/03/19, Coventry. Shahzad Ahmad (Inspector) presentation on initial education and training standards for pharmacists consultation, and update on regulating registered pharmacies.

University of Brighton, 08/03/19. Simon Denton (Inspector) presentation to 4th year students.

GPhC focus group with patients and the public on consultation on initial education and training standards for pharmacists, 12/03/18 London.

Suffolk Local Pharmaceutical Committee, 12/03/19, Ipswich. Peter Gibbs (Inspector) presentation on initial education and training standards for pharmacists consultation, and update on regulating registered pharmacies.

GPhC stakeholder event for consultation on initial education and training standards for pharmacists, 13/03/18 London.

Dorset Local Pharmaceutical Committee, 14/03/19, Wimborne. Damian Day (Head of Education) and Liam Mason, Inspector, presentation on initial education and training standards for pharmacists consultation, and update on regulating registered pharmacies.

Royal Pharmaceutical Society event, 15/03/19, Edinburgh. Lynsey Cleland (Director for Scotland) presentation on revalidation.
Liverpool John Moores University, 18/03/19. Craig Whitelock-Wainwright (Inspector) and Damian Day (Head of Education) presentation on initial education and training standards for pharmacists consultation, and update on regulating registered pharmacies.

GPhC stakeholder event for consultation on initial education and training standards for pharmacists, 18/03/18 Aberdeen.

Robert Gordon University, 19/03/19, Aberdeen. Lynsey Cleland, Director for Scotland, presentation to students.

National Pharmacy Association webinar, 19/03/19. Claire Bryce-Smith (Director of Insight, Intelligence and Inspection) presentation on regulating registered pharmacies.

GPhC stakeholder event on consultation on initial education and training standards for pharmacists, 20/03/19 Edinburgh.

GPhC focus group with patients and the public on consultation on initial education and training standards for pharmacists, 21/03/19 Glasgow.

Royal Pharmaceutical Society event, 27/03/19, Pontyclun. Darren Hughes (Director for Wales) presentation on revalidation.

Sefton Local Pharmaceutical Committee, 03/04/19, Liverpool. Craig Whitelock-Wainwright (Inspector) presentation on initial education and training standards for pharmacists consultation, and update on regulating registered pharmacies.

Health Education and Improvement Wales, 08/04/19, Cardiff. Darren Hughes (Director for Wales) presentation to pre-registration trainees.

Pharmacy Law & Ethics Association seminar, 09/04/19, London. Claire Bryce-Smith (Director for Insight, Intelligence and Inspection) presentation on regulating registered pharmacies.

British Pharmaceutical Students Association Annual Conference, 16/04/19-17/04/19, Nottingham. Mark Voce (Director of Education and Standards) presentation on initial education and training standards for pharmacists consultation. Plus stand at exhibition.

NHS Greater Glasgow and Clyde, 17/04/19. Lynsey Cleland, Director for Scotland, presentation on revalidation.

Cambridgeshire and Peterborough Local Pharmaceutical Committee, 12/05/19. Susan Melvin (Inspector) presentation on regulating registered pharmacies.

RPS event on raising concerns, 14/05/19, Newport. Darren Hughes, Director for Wales, presentation on raising concerns.

NHS Scotland conference, 30/05/19-31/05/19, Glasgow. Joint regulators stand at exhibition.

NHS England / Improvement Midlands, 31/05/19. Nottingham. Shahzad Ahmad (Inspector) presentation on how pharmacists can raise concerns with the GPhC.

GPhC Prescribing guidance consultation workshop, 04/06/19, London.
Clinical Pharmacy Congress, 07/08/19-08/08/19, London. Damian Day (Head of Education) participated in panel in discussion on current and future role of prescribing in the profession of Pharmacy. Os Ammar (Head of Revalidation) presentation on preparing for revalidation peer discussion and reflective account. Nicky Nardone (CPhO Clinical Fellow) presentation on professionalism, regulation and education: learning from the first pharmacy technician CPhO Clinical Fellow. Damian Day (Head of Education) and Neha Ramaiya (CPhO Clinical Fellow) presentation on supporting safe prescribing. Plus stand at exhibition.

GPhC Education and training requirements for support staff roundtable, 11/06/19, London.

Royal Pharmaceutical Society event, 12/06/19, London. Mark Voce (Director of Education and Standards) presentation on revalidation.

Meetings from 7 February- 13 June 2019

Listed below is a non-exhaustive selection of significant meetings since the last engagement and communications report to Council.

Initials are as follows: Nigel Clarke (NC), Duncan Rudkin (DR), Carole Auchterlonie (CA), Claire Bryce-Smith (CBS), Mark Voce (MV), Lynsey Cleland (LC), Darren Hughes (DH)

Chair (Nigel Clarke):

- Meeting with Chair, RPS English Pharmacy Board and Director for England, Royal Pharmaceutical Society (with DR)
- Meeting with President, Royal Pharmaceutical Society
- Pharmacy and Public Health Forum meeting
- Visit to Bedminster Pharmacy
- Meeting with Chair, Health and Care Professions Council
- Visit to Cadham Pharmacy
- Celtic Conference (with LC)
- Pharmacy Schools Council Meeting (with MV)
- Meeting with Chief Executive Officer and Clinical Standards Director and Superintendent Pharmacist, McKesson UK (with DR)
- UK Human Health Antimicrobial Resistance (AMR) Stakeholder event
- RPS Education Governance Oversight Board Meeting (with DR)
- PSA Kark Review Seminar
- Meeting with Chair, All Party Pharmacy Group
- Meeting with Chair and Chief Executive, Health Education England (with DR)
• Meeting with Chair, Health Policy Network and Assistant Director of Policy, Universities UK (with DR)
• Meeting with Vice Chancellor, University of London (with DR)
• Odgers Berndtson Seminar - Technology in Healthcare - what the future holds

Staff:

• Meeting with Chair, RPS English Pharmacy Board and Director for England, Royal Pharmaceutical Society (DR with NC)
• Meeting with Community Pharmacy Wales (DH)
• PSA Conference - Regulatory Developments in the Welsh context 2019 (DR, DH)
• Meeting of Welsh Pharmaceutical Committee Ministerial Advisory Committee (DH)
• Presentation to Sigma Conference (via videolink) (CBS)
• Disclosure Scotland Stakeholder Advisory Board (LC)
• Meeting with Chief Pharmacist of ABM Health Board (DH)
• Meeting with Chief Executive Officer, Community Pharmacy Scotland (LC, MV)
• Meeting with Scottish Government Officials, Directors of Pharmacy and NHS Education for Scotland (LC, MV)
• Presentation to Patient Advice and Support Service (LC)
• Presentation to AIM Superintendents Forum (MV)
• Professional update presentation for final year students at Strathclyde University (LC)
• Meeting with Chief Pharmaceutical Officer Scotland (LC)
• Meeting with INFACT (DR, CA)
• Meeting with President, BAPIO and Treasurer, Royal Pharmaceutical Society (DR, MV)
• Wales Concordat of regulatory and inspection bodies (DH)
• Health Education and Improvement Wales Pharmacy Advisory Group (DH)
• IETP consultation events Cardiff (DH)
• Meeting with Chief Executive and Marketing Manager, Pharmacist Support (CA, DR, MV)
• RPS Scotland Revalidation event (LC)
• Meeting with Wales Pharmacy Dean at Health Education and Improvement Wales (DH)
• IET consultation event at RGU (LC)
• Meeting with Chief Executive, Care Quality Commission (CBS, DR)
• Joint workshops with RPS Scotland for RGU 2nd year students (LC)
• Meeting with Senior Lecturer and Director of Learning and Teaching and Professor of Experimental Therapeutics and Head of School, Cardiff School of Pharmacy (DH)
• PSA Conference for Fitness to Practise Chairs (CA)
• Chief Executives Steering Group (DR)
• Celtic Conference (LC with NC)
• Meeting with RPS Wales Director (DH)
• Presentation at RPS Wales members event on Revalidation (DH)
• GMC Conference - Together - Supporting a profession under pressure in delivering good care (DR)
• Meeting with Chief Executive Officer and Clinical Standards Director and Superintendent Pharmacist, McKesson UK (DR with NC)
• Welsh Government Controlled Drugs Legislation Review Group (DH)
• Presentation at PLEA Annual Seminar (CBS)
• Quarterly meeting with NHS Education for Scotland (LC with Jim Duggan)
• Presentation at BPSA Annual Conference (MV)
• Revalidation presentation for Greater Glasgow and Clyde Health Board Pharmacists (LC)
• Programme development meeting for 5 year integrated IET for pharmacists in Scotland (LC)
• Meeting with Chief Executive and Registrar, General Chiropractic Council (DR)
• Health Inter-regulatory group on Welsh Language (DH)
• Meeting with Welsh Language Minister (DH)
• NHS Education for Scotland Pharmacy Conference (LC)
• CQC Primary Care at Scale Co-production Event (CBS)
• Meeting with Chief Executive, Company Chemists Association (DR)
• Meeting with the Care Inspectorate (LC with Jim Duggan)
• Chief Pharmaceutical Officers Conference (CBS)
• RPS Education Governance Oversight Board Meeting (DR with NC)
• PSA Seminar on the role and functions of the PSA and the use of the PSA’s powers under section 29 (LC with Os Ammar)
• Health Education and Improvement Wales Pharmacy Advisory Board Meeting (DH)
• Presentation to RPS Members meeting on whistleblowing and raising concerns (DH)
• Meeting with Chair and Chief Executive, Health Education England (DR with NC)
• Meeting with Chair, Health Policy Network and Assistant Director of Policy, Universities UK (DR with NC)
• Meeting with Vice Chancellor, University of London (DR with NC)
• Royal College of General Practitioners launch event for Fit for the Future: a Vision for General Practice (CBS)
• NPA Board reception in Edinburgh (LC)
• Quarterly meeting with HIS (LC)
• Meeting with NPA Scotland Representation Manager (LC)
• Welsh Pharmacy Conference and awards dinner (DH)
• DHSC Online primary care working group (CBS)
• Health and Social Care Regulators Forum (DR)
• NHS Scotland event (LC)
• Meeting with Chief Pharmaceutical Officer England (DR)
• Meeting with Chief Executive and Director of Strategy, Nursing & Midwifery Council (DR)
### Appendix 2

#### Active and new consultations

The table below lists all the consultations by other organisations that we have reviewed. Consultations we have provided responses to are listed first, those currently being responded to appear next; the table ends with the list of consultations to which we have not provided responses.

<table>
<thead>
<tr>
<th>Consultation title and org.</th>
<th>Description</th>
<th>Deadline</th>
<th>Response status</th>
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<th>GPhC lead</th>
<th>Reasoning</th>
<th>Link to GPhC response</th>
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<tbody>
<tr>
<td><strong>Developing a patient safety strategy for the NHS</strong></td>
<td>NHS Improvement is consulting on proposals for a new national patient safety strategy to support the NHS to be the safest healthcare system in the world. The strategy is being developed alongside the NHS Long Term Plan and will be relevant to all parts of the NHS, be that physical or mental health care, in or out of hospital and primary care.</td>
<td>15/02/2019</td>
<td>Responded to</td>
<td>Formal written response</td>
<td>AA, CG (Policy and Standards)</td>
<td></td>
<td><a href="https://bit.ly/2WpAHNN">https://bit.ly/2WpAHNN</a></td>
</tr>
<tr>
<td><strong>Consultation on Independent Healthcare Regulation</strong></td>
<td>HIS are consulting on a proposed draft complaints procedure</td>
<td>15/02/2018</td>
<td>Responded to</td>
<td>Informal response (letter, email, LC (Director, Scotland)</td>
<td>We provided a brief email response to say that we support the proposals in the draft</td>
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<tr>
<td>Consultation title and org.</td>
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<tr>
<td>Complaints Procedure: January 2019 Healthcare Improvement Scotland (HIS)</td>
<td>which sets out three proposals: • reducing the timescale in which they consider complaints from 12 months to 6 months from the date of the event • introducing a post-investigation review stage in certain circumstances where a provider or complainant disagrees with an outcome decision, and • publishing complaint outcome decisions on the Healthcare Improvement Scotland website</td>
<td></td>
<td></td>
<td>other engagement)</td>
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</tr>
<tr>
<td>Fitness to practise</td>
<td>The Professional Standards Authority is working on four projects</td>
<td>15/02/2018</td>
<td>Responded to</td>
<td>Formal written response</td>
<td>LM (Executive Office)</td>
<td>We provided information to the PSA by responding to</td>
<td>N/A</td>
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</table>
### Consultation title and org.

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<tr>
<th>Description</th>
<th>Deadline</th>
<th>Response status</th>
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<th>GPhC lead</th>
<th>Reasoning</th>
<th>Link to GPhC response</th>
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<tr>
<td>Projects questionnaire on fitness to practise and is requesting information on these from regulators:</td>
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<td>the questionnaire. However, this was not a typical consultation, but rather an information-gathering tool for one of the authority's projects. We have therefore not published our response.</td>
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<td>PSA</td>
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<td>• Examining how public confidence is assessed across the regulators in reaching final fitness to practise (FtP) decisions about individual healthcare practitioners.</td>
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<td>• Creating an evaluation framework to review the consistency of FtP outcomes across regulators, working with an academic partner.</td>
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<td>• Looking at regulators’ initial thresholds/criteria for deciding which cases proceed</td>
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<td>National Data Guardian: a consultation on priorities</td>
<td>In December 2018 Parliament passed a law to place the role of the National Data Guardian for Health and Social Care (NDG) on a statutory footing. This law gives the NDG the ability to issue guidance about the processing of health and adult social care data. Public bodies, such as hospitals, GPs, care homes, planners and commissioners of services, will have to take note of guidance through the FtP process up to but excluding decisions made by investigating committee or case examiners. • Reviewing the use of undertakings by those regulators that have these powers.</td>
<td>22/03/2019</td>
<td>Responded to</td>
<td>Formal written response</td>
<td>CG (Governance)</td>
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that is relevant to them. So, will organisations such as private companies or charities which are delivering services for the NHS or publicly funded adult social care. This consultation sets out four proposed priorities and potential areas of interest for the NDG within each of these.

<table>
<thead>
<tr>
<th>Proposal to develop an apprenticeship standard L7: Pharmacist</th>
<th>Description</th>
<th>Deadline</th>
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<th>Reasoning</th>
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<tr>
<td>The Institute for Apprenticeships and Technical Education – an employer-led public body – carried out a 10-day consultation on a proposal for a Level 7 apprenticeship standard for pharmacists.</td>
<td>14/04/2019</td>
<td>Responded to</td>
<td>Informal response (letter, email, other engagement)</td>
<td>MV (Director, Education and Standards)</td>
<td><a href="https://bit.ly/2Gnhwum">https://bit.ly/2Gnhwum</a></td>
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<tr>
<td>Professional Record Standards Body</td>
<td>NHS England to define a core information standard for local health and care records, which will be piloted before roll-out across the UK. The draft standard in this survey was developed following consultation with patients, carers and other citizens, health and care professionals and industry representatives. The survey aimed to help define a core set of information about a person that needs to be shared to support safe, high quality joined-up care and help people take greater control of their health and care.</td>
<td>22/05/2019</td>
<td>Responded to</td>
<td>other engagement)</td>
<td>LC (Director for Scotland)</td>
<td>It wasn't for the GPhC as a regulator to address the specific survey questions. However, we have submitted a short letter to welcome this work and to express our interest in the outcome of the consultation and the finalised core information standard and its application.</td>
<td><a href="https://bit.ly/2MxRNvK">https://bit.ly/2MxRNvK</a></td>
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</table>

**Consultation on the proposals for new Independent National** The Committee has launched a consultation on the Scottish Government proposal for the role of a new Independent National | 22/05/2019 | Responded to | Formal written response | LC (Director for Scotland) | https://bit.ly/2MxRNvK |
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<tr>
<td><strong>Whistleblowing Officer role</strong></td>
<td>Whistleblowing Officer role. The Committee is also considering the Scottish Public Services Ombudsman (SPSO) proposals for new standards for health services handling whistleblower concerns. These proposals relate to the extension of the jurisdiction to include whistleblowing concerns for NHS Scotland’s services. This would mean that the Ombudsman would become the Independent National Whistleblowing Officer (INWO) for Scotland.</td>
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<td><strong>Consultation on the Public Services Reform (the Scottish Public Services Ombudsman) (Healthcare)</strong></td>
<td>This consultation seeks views on the draft order to amend the Scottish Public Services Ombudsman Act 2002, to allow the Scottish Public Services</td>
<td>28/06/2019</td>
<td>Reviewed and being responded to</td>
<td></td>
<td>AA, MS (Policy and Standards)</td>
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<td>Whistleblowing Order 2019</td>
<td>Ombudsman (the SPSO) to investigate complaints in relation to the handling of whistleblowing cases in NHS settings in Scotland.</td>
<td>28/06/2019</td>
<td>Reviewed and being responded to</td>
<td></td>
<td>AA, TD (Policy and Standards)</td>
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<tr>
<td>Scottish Government</td>
<td>This consultation runs concurrently with the Scottish Government’s consultation on the Scottish Public Services Ombudsman (NHS Whistleblowing) Order 2019 that would introduce the role and functions of the Independent National Whistleblowing Officer (INWO). The Standards will be revised to take into account any changes in the draft legislation made by the Scottish Government prior to publication.</td>
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<td><strong>NHS Financial Sustainability inquiry</strong></td>
<td>The Public Accounts Committee is calling for written submissions on the financial sustainability of the NHS.</td>
<td>19/02/2019</td>
<td>Reviewed but not responding</td>
<td>No response</td>
<td>Policy and Standards team</td>
<td>It is not appropriate for the GPhC to submit evidence to this inquiry. We will however follow any developments that might impact on our role and functions as the regulator for pharmacy professionals and registered pharmacies in Great Britain.</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Appropriate clinical negligence cover</strong></td>
<td>This consultation is about indemnity cover for healthcare professionals who purchase their own indemnity cover because they are not covered by existing or proposed state-backed schemes. It seeks views on 2 options: 1. leave arrangements as they are 2. change legislation to require healthcare</td>
<td>28/02/2019</td>
<td>Reviewed but not responding</td>
<td>No response</td>
<td>OA (Revalidation)</td>
<td>Analysis was conducted of major insurers for pharmacy and dialogue opened between other statutory regulators. Impact of the proposals on pharmacy insurers and pharmacy professionals is minimal because schemes are either state-backed or regulated by the FCA</td>
<td>N/A</td>
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</table>
professionals who are not covered by any state-backed scheme to hold cover that is regulated

and our response was similar to that of other regulators who were able to provide more data to support their assertions (GMC / NMC). A decision was made not to respond to the consultation and focus resources in other areas.

Set out in the consultation document are proposals for a review and update of *Items which should not routinely be prescribed in primary care: Guidance for CCGs, published in Nov 2017*. The commissioning guidance that is being consulted on is intended to support CCGs to fulfil their duties around appropriate use of prescribing resources. This will need to be

28/02/2019 Reviewed but not responding No response Policy and Standards team It is not appropriate for the GPhC as an organisation to comment on which items should or should not be prescribed in primary care. N/A
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<tbody>
<tr>
<td>Community and district nursing services</td>
<td>The Health, Social Care and Sport Committee is calling for evidence about whether community nursing services are likely to play a greater role in the future delivery of healthcare in Wales.</td>
<td>08/03/2019</td>
<td>Reviewed but not responding</td>
<td>No response</td>
<td>DH (Director for Wales)</td>
<td>The issue of community and district nursing services in Wales is not of direct relevance to the GPhC and to our statutory role and functions.</td>
<td>N/A</td>
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<tr>
<td>National Assembly for Wales</td>
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<tr>
<td>SCR Additional Information Pharmacy Survey v2</td>
<td>The Summary Care Records (SCR) is an electronic record of important patient information, created from GP medical records. It can be seen and used</td>
<td>15/03/2019</td>
<td>Reviewed but not responding</td>
<td>No response</td>
<td>Policy and Standards team</td>
<td>The consultation is not targeted at regulators and its proposals are of a very specific nature. It is therefore inappropriate for the GPhC response.</td>
<td>N/A</td>
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<tr>
<td>NHS Digital</td>
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<td><strong>Drugs policy inquiry</strong></td>
<td>The Committee is seeking written submissions on the health consequences of illicit drugs policy including on: Health and harms; Prevention and early intervention; Treatment and harm reduction; and Best practice</td>
<td>18/03/2019</td>
<td>Reviewed but not responding</td>
<td>No response</td>
<td>Policy and Standards team</td>
<td>Having reviewed the scope of this inquiry, we have refrained from submitting written evidence. However, we are keeping a close eye on the outcome of the inquiry, due to the topic's direct link to patient and public safety.</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Evaluation of the provisions in the Directive 2006/54/EC implementing</strong></td>
<td>The EU Commission has launched a consultation aimed at collecting information, views and experiences on the</td>
<td>05/04/2019</td>
<td>Reviewed but not responding</td>
<td>No response</td>
<td>Policy and Standards team</td>
<td>The GPhC is committed to the principles of transparency and equality, and to the</td>
<td>N/A</td>
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| the Treaty principle on 'equal pay' | functioning and implementation of the 'equal pay' principle, enshrined in the EU Treaty and further embedded in Gender Equality Recast Directive (Directive 2006/54/EC) and reinforced by the 2014 Pay Transparency Recommendation (C(2014) 1405 final). It will focus on the enforcement of this principle, in particular on problems arising both at national and EU level resulting among others from:  
  - a lack of pay transparency measures,  
  - divergences in the use of gender-neutral job evaluation and classification systems across the EU,                                                                                                                                                                                                                                                                                                                                      |          |                 |                  |           | fair treatment and reward of all its employees. This has been reflected in our report on our gender pay gap data, which we published voluntarily in May 2018. It is not, however, for us to provide feedback on this consultation.                                                                 |                      |
• the functioning of the existing standards to protect victims of pay discrimination based on gender, especially the right to compensation for victims and dissuasive effects of penalties.

**NHS legislation inquiry**

Following their report on Integrated care: organisations, partnerships and systems, the Health and Social Care Committee has decided to scrutinise the legislative proposals put forward to support the implementation of the NHS Long-term Plan. Pre-legislative scrutiny of this kind aims to enhance the quality of legislation brought before the House. The Committee’s inquiry will

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<tbody>
<tr>
<td><strong>NHS legislation inquiry</strong></td>
<td>Following their report on Integrated care: organisations, partnerships and systems, the Health and Social Care Committee has decided to scrutinise the legislative proposals put forward to support the implementation of the NHS Long-term Plan. Pre-legislative scrutiny of this kind aims to enhance the quality of legislation brought before the House. The Committee’s inquiry will</td>
<td><strong>08/04/2019</strong></td>
<td><strong>Reviewed but not responding</strong></td>
<td><strong>No response</strong></td>
<td><strong>Policy and Standards team</strong></td>
<td><strong>Due to the legislative nature of these proposals, it is not appropriate for the GPhC to make a submission to the inquiry.</strong></td>
<td><strong>N/A</strong></td>
</tr>
<tr>
<td>Consultation title and org.</td>
<td>Description</td>
<td>Deadline</td>
<td>Response status</td>
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<td><strong>Coexisting severe mental illness and substance misuse</strong></td>
<td>NICE is now consulting on this draft quality standard.</td>
<td>10/04/2019</td>
<td>Reviewed but not responding</td>
<td>No response</td>
<td>Policy and Standards team</td>
<td>We recognise the relevance of this quality standard. However, we do not think that we are best placed to answer the specific questions posed in the consultation.</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Learning disability and autism training for health and care staff</strong></td>
<td>The government wants to know how they can make sure that health and social care staff have the right training to understand the needs of people with a learning disability and autistic people, and make reasonable adjustments to support them. The consultation considers issues around the training and</td>
<td>12/04/2019</td>
<td>Reviewed but not responding</td>
<td>No response</td>
<td>DD (Education)</td>
<td>We have reviewed this consultation and its proposals. However, we have fallen short of submitting a response, due to other work priorities.</td>
<td>N/A</td>
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<tr>
<td>Consultation title and org.</td>
<td>Description</td>
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<tr>
<td>Implementing the NHS Long Term Plan: Proposals for possible changes to legislation</td>
<td>NHS England is inviting patients, NHS staff, partner organisations and the public to give their views on potential proposals for changing current primary legislation relating to the NHS. These proposals are designed to solve specific practical problems that the NHS faces and avoid creating operational distraction.</td>
<td>25/04/2019</td>
<td>Reviewed but not responding</td>
<td>No response</td>
<td>Policy and Standards team</td>
<td>Due to the legislative nature of these proposals, it is not appropriate for the GPhC to provide a response to this consultation.</td>
<td>N/A</td>
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<td>NHS England, NHS Improvement</td>
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<td>Patient safety culture and practice</td>
<td>The Community Pharmacy Patient Safety Group has launched a survey to gather feedback on patient safety reporting and the learning culture. The anonymous survey is open to all members of</td>
<td>10/05/2019</td>
<td>Reviewed but not responding</td>
<td>No response</td>
<td>Policy and Standards team</td>
<td>This survey is aimed at members of the pharmacy team, so it is not appropriate for the GPhC to respond. However, we are interested in the results and will be monitoring the</td>
<td>N/A</td>
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<td>PSNC</td>
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<td>Consultation title and org.</td>
<td>Description</td>
<td>Deadline</td>
<td>Response status</td>
<td>Type of response</td>
<td>GPhC lead</td>
<td>Reasoning</td>
<td>Link to GPhC response</td>
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<td>the pharmacy team and aims to capture honest opinions on current patient safety incident reporting and learning processes in place in community pharmacies. It also seeks to gather insight on barriers to reporting, learning from incidents and thoughts on safety culture.</td>
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<td>outcome of the consultation.</td>
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<tr>
<td>National Guidance on the Implementation of Online Consultations - for review</td>
<td>As a member of the PCDT Clinical Advisory Group, we have been invited to review / provide comments on the online consultations implementation guidance, prior to its publication and in time for the group’s meeting on 17 May.</td>
<td>17/05/2019</td>
<td>Reviewed but not responding</td>
<td>No response</td>
<td>Policy and Standards team</td>
<td>We have considered this guidance and carefully reviewed the references made within that to the recently updated GPhC guidance for registered pharmacies providing pharmacy services at a distance, including on the internet. Whilst interested in the progress of this work, due to the short timescale for</td>
<td>N/A</td>
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<tr>
<td>Consultation title and org.</td>
<td>Description</td>
<td>Deadline</td>
<td>Response status</td>
<td>Type of response</td>
<td>GPhC lead</td>
<td>Reasoning</td>
<td>Link to GPhC response</td>
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<tr>
<td>Consultation on the interprofessional dysphagia framework</td>
<td>The College is coordinating a consultation on an updated Interprofessional Dysphagia Framework (IDF). This work is funded by Health Education England (HEE) and Public Health Agency Northern Ireland (PHA NI). The IDF is an assessable competency framework which was first published in 2006. It sets out the knowledge and skills required by healthcare professionals and staff working in dysphagia management in different patient settings across</td>
<td>26/05/2019</td>
<td>Reviewed but not responding</td>
<td>No response</td>
<td>Policy and Standards team</td>
<td>We have been directly approached about this consultation and have reviewed the questions on the updated framework. However, given the level of specificity in this consultation and its main target audience, it is not appropriate for the GPhC to respond.</td>
<td>N/A</td>
</tr>
<tr>
<td>Consultation title and org.</td>
<td>Description</td>
<td>Deadline</td>
<td>Response status</td>
<td>Type of response</td>
<td>GPhC lead</td>
<td>Reasoning</td>
<td>Link to GPhC response</td>
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<td><strong>Invitation to share your experience of a Professional Standards Authority Accredited Register – UK Board of Healthcare Chaplaincy (UKBHC)</strong></td>
<td>The PSA sets standards for organisations holding registers for health and social care occupations not regulated by law and accredits those that meet them. Organisations applying for initial accreditation, renewal of accreditation or a notification of change have to demonstrate that they meet or continue to meet the standards set by the Authority. The Authority is now interested to hear the experiences of organisations working with UKBHC, who has declared its intent to seek renewal of accreditation.</td>
<td>04/06/2019</td>
<td>Reviewed but not responding</td>
<td>No response</td>
<td>LM (Executive Office)</td>
<td>We have reviewed this PSA ‘share you experience’ call for evidence. However, we are unable to make any valuable contribution on this occasion.</td>
<td>N/A</td>
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The UK. It covers all age groups and conditions.
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<tr>
<th>Consultation title and org.</th>
<th>Description</th>
<th>Deadline</th>
<th>Response status</th>
<th>Type of response</th>
<th>GPhC lead (Registration and International)</th>
<th>Reasoning</th>
<th>Link to GPhC response</th>
</tr>
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<tbody>
<tr>
<td>Public consultation on key principles for the electronic product information of EU medicines</td>
<td>EMA, the Heads of Medicines Agencies (HMA) and the European Commission (EC) have launched a six-month public consultation on draft key principles which will form the basis on which the electronic product information (ePI) for human medicines will be developed and used in the European Union.</td>
<td>31/07/2019</td>
<td>Reviewed but not responding</td>
<td>No response</td>
<td>MP (Registration and International)</td>
<td>It is not for the GPhC to respond to this consultation. However, we would be interested in any developments relating to the consultation, as the outcome may change practice. Currently it is a legal requirement for a dispensed medicine to be supplied with a PL – if these become available electronically, this may no longer be necessary. Also, in line with the proposals, patients and healthcare professionals would have access to up to date accurate information when they need it.</td>
<td>N/A</td>
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<tr>
<td>Consultation title and org.</td>
<td>Description</td>
<td>Deadline</td>
<td>Response status</td>
<td>Type of response</td>
<td>GPhC lead</td>
<td>Reasoning</td>
<td>Link to GPhC response</td>
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| **Measuring social services performance: code of practice** | The Welsh Government is consulting on what should be included in the code of practice and the supporting technical guidance for local authorities, including on:  
- how local authorities performance should be measured  
- the quality standards that all local authorities should be working towards  
- a new performance and improvement framework that local authorities will be required to collect. | 05/08/2019 | Reviewed but not responding | No response | DH (Director for Wales) | We have reviewed this consultation; however, we have felt that it is not for the GPhC to provide a response, as the proposals fall outside of our regulatory scope.                                                                                                                                                                                                 | N/A                   |
Appendix 2 (continued)

Consultations from other regulators

The table below lists consultations from other regulators we have identified. These are reviewed, shared and considered, but usually it is not appropriate or necessary for the GPhC to respond to a consultation from another independent statutory health professional regulator.

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<tr>
<th>Consultation title and org.</th>
<th>Description</th>
<th>Deadline</th>
<th>Response status</th>
<th>Shared with</th>
<th>Other considerations</th>
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<tr>
<td><strong>Draft Education Standards and Learning Outcomes consultation</strong></td>
<td>GOC has launched a consultation on new draft Education Standards and Learning Outcomes, which forms part of their Education Strategic Review and follows on from the analysis of key findings from the Concepts and Principles Consultation published earlier in 2018.</td>
<td>02/02/2019</td>
<td>Reviewed but not responding</td>
<td>Policy and Standards team</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Future midwife consultation</strong></td>
<td>The NMC are shaping the standards for what midwives need to know and be able to do in order to register and practise as a midwife in the UK. They are now calling for views on the draft standards.</td>
<td>09/05/2019</td>
<td>Reviewed but not responding</td>
<td>Policy and Standards team</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Disclosing confidential information about patients (including where patients may</strong></td>
<td>Given requests for more clarity around disclosures of confidential information in the public interest, the GOC have developed draft guidance on disclosing</td>
<td>13/06/2019</td>
<td>Reviewed but not responding</td>
<td>Policy and Standards team</td>
<td>N/A</td>
</tr>
<tr>
<td>Consultation title and org.</td>
<td>Description</td>
<td>Deadline</td>
<td>Response status</td>
<td>Shared with</td>
<td>Other considerations</td>
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| **not be fit to drive): draft guidance for GOC registrants** | Confidential information which covers the following:  
- General principles of disclosing confidential information, with or without consent.  
- What to do when a patient may not be fit to drive as a result of their vision.  
- Other disclosures in the public interest.  
- Disclosing information in compliance with investigations  
They are now seeking registrants' and other stakeholders' views on the draft guidance and its potential impact. | 20/06/2019 | Reviewed but not responding | N/A |  |
<p>| <strong>Consultation on draft Restoration Guidance</strong> | GOSc is proposing the introduction of guidance on the arrangements for, and procedure at, a hearing where an application for restoration to the Register is made after an osteopath has been removed from the Register following a fitness to practise hearing. | 20/06/2019 | Reviewed but not responding | Policy and Standards team | N/A |
| <strong>Consultation on changes to our</strong> | The GMC is consulting on proposed changes to its guidance on how doctors | 23/07/2019 | Reviewed but not responding | Policy and Standards team | N/A |</p>
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<tr>
<th>Consultation title and org.</th>
<th>Description</th>
<th>Deadline</th>
<th>Response status</th>
<th>Shared with</th>
<th>Other considerations</th>
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<tr>
<td><strong>revalidation requirements for patient feedback</strong></td>
<td>should collect and reflect on feedback from patients, their families and carers to support their revalidation.</td>
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<td>GMC</td>
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Minutes of the Remuneration Committee meeting held on Friday 08 February 2019 at 25 Canada Square, London at 10:00

CONFIRMED 30 April 2019

Minutes of the public session

Present
Berwyn Owen (Chair)
Nigel Clarke
Rob Goward
Alan Kershaw
Elizabeth Mailey
Janet Rubin

Apologies
Laura McClintock (Chief of Staff)

In attendance
Duncan Rudkin (Chief Executive and Registrar)
Francesca Okosi (Director of People)
Gary Sharp (Interim Head of Human Resources)
David Conroy (Consultant – HR Reward)
Junal Kadir (HR Business Partner)

1. Attendance and introductory remarks
1.1 The Chair welcomed members and staff to the meeting. Apologies were received from Laura McClintock, Chief of Staff. The Chair reminded the Committee that their role with regards to the reward and recognition strategy was to accept or reject the proposals before them.
1.2 Berwyn Owen (BO) advised the committee that this would be his last meeting as Chair of the committee and the members thanked him for his services in the role.

2. Declarations of interest
2.1 Members were asked to declare any interests at the start of each item.

3. Minutes of the last meeting
3.1 The minutes of the meeting held on 27 September 2018 were agreed as a true record, subject to one minor amendment.

4. Actions and matters arising
4.1 Francesca Okosi (FO) advised the committee that slides were available with regard to the results of the 2018 staff survey. A further survey would be carried out in late 2019 (later than originally proposed) to avoid survey fatigue.

4.2 There was a discussion around turnover. The survey had uncovered that some staff were leaving due to limited opportunities for progression. This was particularly true in the middle management roles (grade C) where staff could be seeking to progress to more senior roles. There needed to be a balance with promotional opportunities between internal progression and external talent.

5. Reward and Recognition review
5.1 David Conroy (DC) presented to the committee on the Reward and Recognition review, including how the work had been developed.

5.2 The Senior Leadership Group (SLG) was supportive of the principles.

5.3 There was a discussion about how the review linked to the behavioural framework. A link was good practice as it was important for organisations to look at how their staff were delivering their objectives and not just at what was being achieved. The behavioural framework would be discussed with staff in 1:1 meetings, drop-in sessions and workshops and guidance notes would be published on Infopoint and promoted via other communication channels.

5.4 Gary Sharp (GS) agreed to circulate the refreshed behavioural framework.

Action: GS

5.5 The committee discussed how the behaviours could be used in recruitment. This was an area of ongoing work.
5.6 DC explained that ‘aligned with market needs’ referred to levels of pay seen in the external environment, not with specific amounts. The GPhC was usually between the median and the upper quartile for most posts but in 2019 it was at that level for senior managers but appeared to be median to lower quartile for non-managerial posts.

5.7 The pay ranges aligned well with market benchmarks. However, most staff were in zone 1 of their band which meant that progression became an issue.

5.8 In relation to non-financial benefits, there had been a reduction in the cost of these in 2018-19 compared to 2017-18. The benefits were numerous and varied, which meant that there were good opportunities for their value to be communicated to staff.

5.9 The option of the NHS pension would be discussed as part of the 2020 budget development.

5.10 There was a discussion about how market allowances worked in practice. Allowances were in place for some groups of staff such as IT staff and lawyers and there was value in maintaining their use as turnover would be higher if they were not in place. They were usually given for one year, for a fixed amount, and then reviewed.

5.11 Objective setting would be crucial with the revised framework for 2019-20. The HR team would be guiding managers through this. The Performance Development Review (PDR) process would begin in March, with results and pay recommendations being considered by the SLG in May with a view to implement resulting pay increases in June.

5.12 The committee was advised that there were a number of areas that it was not appropriate for the GPhC to implement at that time, including variable pay, given the current financial constraints and the need for performance management within the organisation to mature.

5.13 DC confirmed that the gradings in the pay system (grades A-H) remained fit for purpose. A document defining the grades would be the primary approach used when evaluating jobs and the career grade proposal added new features to the approach. The HAY method could be used where there was disagreement, for audit and to provide a sense-check. The committee agreed that content of the Reward and recognition strategy.

6. Any other business

6.1 There being no other business, the meeting closed at 11.50.

Date of the next meeting:
Tuesday 30 April 2019
Minutes of the Remuneration Committee meeting held on Tuesday, 30 April 2019 at 25 Canada Square, London at 10.00 a.m.

To Be CONFIRMED xx SEPTEMBER 2019

Minutes of the public session

Present

Elizabeth Mailey (Chair)
Jo Kember (by telephone)
Rob Goward
Janet Rubin

Apologies

Ann Jacklin
Alan Kershaw

In attendance

Duncan Rudkin (Chief Executive & Registrar)
Francesca Okosi (Director of People)
Laura McClintock (Chief of Staff – by telephone)
Gary Sharp (HR Consultant)
Carol Anderson (HR Consultant)
David Conroy (Management Consultant – Beamans Ltd.)
Janet Collins (Governance Manager)

1. Attendance and introductory remarks

1.1. The Chair welcomed those present, particularly Jo Kember and Carol Anderson for whom this was the first Remuneration Committee meeting. Apologies had been received from Ann Jacklin and Alan Kershaw.
2. **Declarations of interest**

2.1. The Chair reminded the Committee that any declarations of interest should be made before each item.

3. **Minutes of the last meeting**

3.1. The minutes of the public session held on 8 February 2019 were confirmed as a fair and accurate record.

4. **Actions and matters arising**

4.1. There were no outstanding actions or matters arising.

5. **Pay and Reward 2019**

5.1. FO introduced **19.04.Rem.01** which updated the Committee on the Reward and Recognition Review and sought agreement for the 2019 pay award. GS then presented the paper. All staff present declared an interest.

5.2. The Committee had approved the Review in September 2018 and had held an additional meeting in February 2019 to discuss the findings. The recommendations made by the Review and agreed at that meeting were reiterated in the paper. The Review had subsequently been communicated and a number of feedback channels and opportunities provided for staff, including the opportunity to provide anonymised feedback via David Conroy.

5.3. The feedback received had been considered in detail by the Senior Leadership Group (SLG). Respondents. Discussions had been held with many of those who had provided feedback and written responses were also being published. There had been some positive feedback about the salary matrix and most of the concerns expressed related to possible issues with implementation rather than with the policy itself. The use of the matrix addressed points raised in recent staff surveys about transparency and consistency in salary-setting. The matrix would be published.

5.4. GS had carried out some work to explore whether the application of the matrix would lead to any issues related to protected characteristics, but no major deviations had been identified.

5.5. It was noted that one issue with the use of the matrix would be the loss of the current ability to make individual ad hoc adjustments to correct unexplained pay differentials. It would be necessary to address any such differentials in a different way and they would be reported to the SLG every six months to for calibration and to allow any significant anomalies to be addressed. Other measures would also be taken including addressing issues around starting salaries which could then produce anomalies for other people in comparable roles.
5.6. Consistency in applying the matrix would be ensured in a number of ways including the revised performance development process, director overview and moderation by the SLG.

5.7. It was important to consider affordability as the recommended total pay award of approximately £230k had been provided for within a deficit budget. While such provision had been made, it was for the Committee to decide whether to go ahead with the award. Not agreeing the award would mean that the £230k could go towards addressing the deficit but would have the attendant risks of reducing morale and increasing turnover. It could also undermine the new scheme if the first year of implementation saw a pay freeze.

The Committee noted the report and agreed the approach for the June 2019 pay award

6. Gender pay gap reporting 2018

6.1. GS presented 19.04.Rem.02 which set out the GPhC’s second year of reporting on its gender pay gap (GPG) and the steps being taken to close it. The GPG showed the difference in average pay between all men and all women in a particular workforce. Organisations employing fewer than 250 people were not covered by the statutory duty to report but the GPhC chose to do so in the interests of transparency.

6.2. There had been no adverse publicity as a result of the publication of the 2017 report (in 2018). Publication had contributed to a wider debate which had developed over equality in pharmacy more generally.

6.3. The paper set out the methodology by which the GPG had been calculated. The GPhC had a mean GPG of 13.1% and a median of 14.3% as of 31 March 2018, which had improved compared to a mean gap of 14.2% and a median of 16.5% as of 31 March 2017. The GPhC was not an outlier in its sector.

6.4. Actions being taken to improve equality across the GPhC included the review of pay and reward, the publication of guidance on starting salaries and promotion pay, a revised approach to talent management and developments in recruitment policies and processes to ensure that the GPhC could attract diverse talent.

The Committee noted the GPG reporting arrangements and the actions being taken

7. Remuneration Committee annual report to Council

7.1. LM presented 19.04.Rem.03, the draft Remuneration Committee annual report for the period 1 April 2018 to 31 March 2019, for approval by the committee. The report covered the key areas of focus for the Committee during that period including the Reward and Recognition Review, the GPG, policies within its remit and the remuneration of Council members and associates. The committee was asked to consider potential areas of focus for 2019-20.
7.2. Suggestions included:
   - pension arrangements;
   - job evaluation pay points;
   - the GPG for associates; and
   - succession planning.

7.3. All of the above would be subject to the internal planning process and would be unlikely to all feature in 2019-20. Pension arrangements were agreed to be the priority.

7.4. The committee would also receive full reports on the implementation of the pay award and the performance development process at its September meeting.

7.5. The draft report would be updated with the identified work and a Chair’s overview. It would then be presented to the Council at its June meeting.

   The committee discussed and agreed the draft annual report to Council, subject to the above additions

8. Any other public business

8.1. In light of the decision of Council in April 2019, the Committee’s Terms of Reference (ToRs) would be updated to include an explicit requirement to “ensure that all policies and work within the Committee’s remit take account of and promote the GPhC’s culture and values, and commitment to equality, diversity and inclusion”. The same requirement was included in the ToRs of the Audit and Risk and Finance and Planning Committees.

8.2. There being no further business to discuss the public part of the meeting closed at 11.00.

Date of the next meeting:
Thursday 19 September 2019 (but subject to review).
Meeting paper

Council on Thursday, 13 June 2019

Public business

Remuneration Committee’s annual report to Council 2018/19

Purpose
To provide Council with a report on the Remuneration Committee’s work from 1 April 2018 to 31 March 2019.

Recommendations
Council is asked to:

i. note the Remuneration Committee’s annual report 2018/19 at Appendix 1
ii. approve the updated Terms of Reference for the Remuneration Committee at Appendix 2

1. Introduction
1.1 The Remuneration Committee is required, under its terms of reference, to report annually to Council on its work.

1.2 At its meeting on 30 April 2019, the Committee considered its draft annual report. The report provides a high-level summary of the work carried out by the Committee from 1 April 2018 to 31 March 2019, demonstrating how the Committee has performed against each principal area detailed in its terms of reference as well as the key areas of focus set out in last year’s report.

1.3 The draft report was approved subject to a small number of additions being agreed by the chair of the Committee, to reflect discussions and feedback at the meeting. The final report, as approved by the chair, is attached at Appendix 1.

2. Terms of reference
2.1 In line with best practice, the Committee reviews its terms of reference annually and recommends any changes to Council for approval.
2.2 Following this year’s review, the Committee did not make any substantive amendments to the current terms of reference as these continue to be fit for purpose and appropriately reflect the role and remit of the Committee. The only significant change was the removal of reference to the Chair of Council sitting as a member of the committee. The Committee also approved a number of minor drafting changes to reflect current staff job titles, roles and responsibilities.

2.3 Separately, at its meeting in April 2019 to discuss the terms of reference for the new Finance and Planning Committee (FPC), the Council agreed that the terms of reference for all non-statutory Committees (including Remuneration Committee and Audit and Risk Committee) should make explicit the role of the committees in relation to equality, diversity and inclusion as follows:

“The Committee shall ensure that all policies and work within the Committee’s remit take account of and promote the GPhC’s culture and values, and commitment to equality, diversity and inclusion”

2.4 The Committee has updated its terms accordingly and recommends these to Council for a further year. The revised terms are attached at Appendix 2.

3. Equality and diversity implications

3.1 This paper does not present any specific equality, diversity and inclusion issues. However, it is important to note that equality, diversity and inclusion continues to form a key part of the Committee’s discussions and decision-making over the course of the year. The report sets out some examples of where equality, diversity and inclusion themes have been considered and taken into account by the Committee as part of its work. The Committee’s terms of reference have also been updated in line with paragraph 2.3 above, to reflect this ongoing commitment.

3.2 The Committee’s annual report and revised terms of reference will be presented to Council at its meeting on the 13 June 2019. These will be published as part of the meeting papers in the usual format and the terms of reference will be added to our website under the relevant governance and Committee section.

4. Resource implications

4.1 This paper does not raise any specific resource implications. The priority areas for 2019/20 will be considered in line with the organisation’s internal planning processes.

5. Risk implications

5.1 The Committee’s annual report is a further source of assurance to Council on the organisation’s remuneration arrangements and the performance of the Committee in meeting its terms of reference.
5.2 Without clearly defined and regularly updated terms of reference the Committee could fail to deliver the programme of work expected by Council and/or exceed its delegated authority. This is why it is essential for the terms of reference to be reviewed and recommended to Council on an annual basis.

6. Monitoring and review

6.1. The Committee has indicated the areas on which it would like to focus on for 19/20. These will be considered as part of the Committee’s work plan for the coming year and will be reviewed during the preparation of the next annual report.

Recommendations

Council is asked to:

I. note the Remuneration Committee’s annual report 2018/19 at Appendix 1

II. approve the updated Terms of Reference for the Remuneration Committee at Appendix 2

Laura McClintock, Chief of Staff
General Pharmaceutical Council
laura.mcclintock@pharmacyregulation.org
Tel 020 3713 8079

3 June 2019
Remuneration Committee Annual Report to Council 2018/19

1. Introduction

1.1. The Council has established the Remuneration Committee to support it by overseeing the arrangements for remuneration within the organisation.

1.2. This report provides a high-level summary of the work carried out by the committee from 1 April 2018 to 31 March 2019, demonstrating how the committee has performed against each area detailed in its terms of reference and the key areas of focus set out in last year’s report.

2. Membership and meetings

2.1. Membership comprised of Berwyn Owen (chair), Alan Kershaw, Nigel Clarke, Elizabeth Mailey, Janet Rubin and Rob Goward. Janet Rubin and Rob Goward have been independent members since September 2016. Berwyn Owen completed his term on Council on 31 March 2019 and was succeeded as Chair of the committee by Elizabeth Mailey on 1 April 2019.

2.2. The committee met three times in the year: on 18 April 2018, 27 September 2018 and 8 February 2019 and was quorate on each occasion. Usually, the Committee meets twice in the year. The meeting on 8 February 2019 was convened to allow the committee to discuss progress on the Reward and Recognition review. The minutes of meetings are reported to Council and published on our website in the usual format, with the Chair providing regular oral updates to the Council.

3. Key areas of focus

3.1. Below is an overview of the committee’s work in each of its principal areas as set out in its terms of reference:

(a) Remuneration of the Chief Executive & Registrar, directors and employees

3.2. In line with its terms of reference, the committee considered the remuneration of the Chief Executive & Registrar, directors and employees and agreed with the recommendations proposed. The Committee’s work in this area included:

a. Agreeing that the reward and recognition structure for all staff should be subject to formal review during 2018-19 and monitoring the progress of that review;

b. Assurance in relation to the equality implications of the 2018 pay award and that the system developed through the reward and recognition review should be subject to an equalities impact assessment; and

c. Considering the GPhC’s first gender pay gap report and agreeing that this should be published.
3.3. During the year, the Committee also received updates on the staff survey (including pulse surveys) and the activities carried out to improve staff engagement. The Committee discussed the feedback from the surveys and the links to the culture re-set programme, as well as other important initiatives such as the Employee Engagement Forum and the new performance development review (PDR) process.

3.4. The Committee also received updates on the activities carried out to improve employee health and the wellbeing of the workforce. This included information about annual events, staff networks and programmes developing awareness of mental health across the organisation.

(b) Remuneration of Council members and associates

3.5. Under its terms of reference, the Committee is responsible for advising the Council on remuneration policy for Council members and for determining the remuneration policy for associate groups established under legislation.

3.6. At its meeting in September, the Committee considered the remuneration of Council members and noted the current landscape for Council member remuneration across the healthcare professions regulators. They also noted that we were in the process of recruiting for five Council member vacancies arising in March 2019 and the need for remuneration rates remain competitive in order to attract the best candidates. Additionally, the Committee took account of important factors such as the likely views of stakeholders; our aim of being efficient and effective; our future ability to attract quality candidates; and, the potential to fall further behind our competitors over time.

3.7. Overall, the committee agreed there should not be a major review of remuneration in 2018, given the increases approved in 2017. The committee recommended to Council that there should be no increase to the remuneration rates for the Chair and members of Council. It also recommended that the discretionary payments for the Council members who chaired the non-statutory committees should remain as they were. The Committee also recommended having a more comprehensive ‘deep dive’ into Council member remuneration every two years and agreed that this would be a good approach going forward. The committee’s recommendations were approved by Council in November 2018.

3.8. Additionally, the committee considered the remuneration rates of the GPhC’s associates. No concerns had been expressed by associates and there had been no difficulties recruiting at the current level of remuneration. The Senior Leadership Group had not recommended an increase. Overall, the committee agreed that there should be no increase to the remuneration rates of the GPhC’s associates in 2018-19.
(c) Review of expenses policies

3.9. During the course of the year, the committee considered some minor amendments to the staff and non-staff expenses policies. The committee agreed the proposed amendments to the expenses policy for non-staff and associates and recommended the amended staff expenses policy to the Chief Executive and Registrar for approval. Additionally, the Committee reviewed the cancellation policy for statutory committee meetings and hearings and recommended changes to the wording, which were subsequently approved by Council.

4. Committee effectiveness and training

4.1. In line with best practice, the committee undertakes an annual review of its effectiveness. In the past, this has been assessed through informal, reflective surveys of all members. Last year, committee members highlighted the need for a review of the way in which performance and effectiveness is evaluated. A number of ‘don’t know’ findings supported taking a different approach to reviewing performance in future and the committee reiterated its view that there was a need to develop the review process further to obtain good quality feedback from a more varied perspective.

4.2. In 2018/19, this work has been incorporated into the broader Board Effectiveness Review, which is being carried out by an external third party, Rialto. A progress update was provided to the Council at its workshop on 11 April 2019.

5. Equality, diversity and inclusion

5.1. Equality, diversity and inclusion continued to form a key part of the committee’s discussions and decision-making over the course of the year. There was a strong focus on ensuring that policies within the Committee’s remit promote our commitment to equality, diversity and inclusion, and on securing assurance that this is working as intended in practice, for example in relation to scrutiny of the pay award, the gender pay gap and health and wellbeing.

6. Chair’s overview and conclusions

6.1. Over the past year, the Remuneration Committee has met the requirements of its terms of reference and has been able to provide assurance to the Council on the organisation’s remuneration processes.

6.2. Looking ahead, some potential areas of focus for the committee, in addition to the cyclical items include reviewing the organisation’s pension arrangements; exploring gender pay gap reporting for associates; and considering other themes such as job evaluation pay points and succession planning. While these areas will need to be subject to the internal planning process and unlikely that all will feature in the 2019/20 work plan, the Committee is keen to prioritise work on the organisation’s pension arrangements.
6.3. The Committee has also indicated that it would like to receive further updates and reports on the ongoing implementation of the pay award and the performance development process.

6.4. Finally, I would like to thank Committee members for their diligence and commitment, and the officers and our external advisors for the professional support of our work.

Elizabeth Mailey
Chair, Remuneration Committee

Laura McClintock
Chief of Staff

3 June 2019
Terms of reference of the Remuneration Committee
Effective from June 2019

1. **The council has established a Remuneration Committee with the remit set out below.**

1.1 Under delegated powers from the Council and within the Council’s policies:

- To approve or reject (not amend) the remuneration packages, including the basis on which performance would be assessed and any bonuses awarded, for the Chief Executive & Registrar and those directors who report directly to the Chief Executive & Registrar;

- To approve or reject the overall remuneration framework for the remainder of the GPhC’s employees (the responsibility to make recommendations on remuneration packages for directors and the overall remuneration framework falls to the Chief Executive & Registrar alone, as does the decision-making on remuneration for the GPhC’s employees other than the Chief Executive & Registrar and those directors who report directly to the Chief Executive & Registrar);

- To advise the Council on remuneration policy for Council members.

- To determine the remuneration and expenses policy for non-statutory committee members, and those associate groups established under legislation (statutory committee members, legal and clinical advisers to statutory committees, assessors and visitors), including advising on appropriate remuneration for any recipients of honoraria;

- To advise the Chief Executive and Registrar on the staff expenses policy.

- To ensure that all policies and work within the committee’s remit take account of and promote the GPhC’s culture and values, and commitment to equality, diversity and inclusion.

1.2 The Council members on the Remuneration Committee will have a conflict of interest and so the Committee should rely heavily on independent advice to inform its recommendations. The monitoring methodology should ensure compliance with policy in this area.
1.3 Other than as specified above, the Committee has no executive responsibilities or powers; its role is to advise the Council.

1.4 The Committee may operate in an informal workshop mode to enable it to discuss a wider range of topics in order to set the context for its responsibilities as outlined above.

2. **Accountability and Reporting**

2.1 The Committee is accountable to the Council. The Committee should report its decisions to the Council without disclosing the remuneration of any member of staff other than the Chief Executive & Registrar.

2.2 The minutes of each Remuneration Committee meeting shall be circulated to the Council except where the Committee considers that all or part of its minutes should remain confidential to the Committee and its secretariat. The Committee may submit advice separately to the Council on issues where it considered that the Council should be taking action.

3. **Authority**

3.1 The Committee has delegated authority from the Council as detailed in the remit above.

3.2 The Committee is authorised by the Council to seek such information as it may reasonably require from any employee or member of the Council in order to fulfil its remit.

3.3 The Committee is authorised by the Council, when the fulfilment of its remit requires, to obtain external professional advice including the advice of independent remuneration consultants and to secure the attendance of external advisers at its meetings, if it considers this necessary, within the budget approved by the Council.

4. **Composition**

4.1 The Committee, including its Chair, is appointed through arrangements agreed by the Council. The Committee has up to six members comprising:

- Up to four Council members, including at least one lay member and one registrant member; and

- Up to two external members with appropriate experience.
4.2 Where possible, one of the Council members serving on the Committee shall be designated as Chair, based on relevant background and skills, as this should facilitate the process of reporting to the Council. If this is not the case at any time, the Council should give serious consideration to the appointment of an independent chair. In the absence of the Chair, the Committee shall elect another of its members to chair the meeting.

4.3 The members of the Senior Leadership Group shall have the right to attend and speak at meetings of the Committee, except that they shall not be present during discussions relating directly to their own positions. Others may be called upon to attend and speak at the invitation of the Chair of the Committee.

5. Quorum

5.1 A quorum shall be three members of the Committee.

6. Frequency of Meetings

6.1 The Committee shall meet not less than once a year.

Policy author: Laura McClintock
Job title: Chief of Staff
Policy reference: XXXX
Effective from: June 2019
Review date: June 2020
Agreed by: Council on 13 June 2019
Minutes of the Audit and Risk Committee meeting held on Wednesday 22 May 2019 at 25 Canada Square, London at 10:30

TO BE CONFIRMED 17 July 2019

Minutes of the public session

Present

Digby Emson (Chair)
Helen Dearden
Jayne Salt

Apologies

Rima Makarem
Aamer Safdar

In attendance

Duncan Rudkin (Chief Executive and Registrar)
Laura McClintock (Chief of Staff)
Claire Bryce-Smith (Director of Insight, Intelligence and Inspection)
Mark Voce (Director of Education and Standards)
Jonathan Bennett (Associate Director of Finance and Procurement)
Pascal Barras (Risk and Assurance Manager)
Saleem Akuji (Financial Controller)
Janet Collins (Governance Manager)
Suzannah Nobbs (Corporate Communications Manager) Item 6
Michelle Debique (Moore Stephens) Items 1-5
Tim Redwood (Crowe Clark Whitehill)
Chris Shapcott (Chair of Audit, General Osteopathic Council)
1. **Attendance and introductory remarks**

1.1 The Chair welcomed those present to the meeting. Apologies had been received from Rima Makarem and Aamer Safdar. Chris Shapcott, Chair of Audit at the General Osteopathic Council, attended the meeting as an observer.

2. **Declarations of interest**

2.1 Members were asked to declare any interests at the start of each item.

3. **Minutes of the last meeting**

3.1 The minutes of the public session of the meeting held on 23 January 2019 were agreed as a true and accurate record.

4. **Actions and matters arising**

4.1 There were no actions. A question was raised under matters arising about the assurance reviews and it was agreed that this would be discussed later in the agenda (see paragraph 5.17).

5. **Internal audit reports**

5.1 Pascal Barras (PB) presented **19.05.ARC.01**. The audit plan for 2018-19 had been completed. Paragraph 2.2 of the paper showed a Q4 cumulative actual completion rate of 60% because some areas to be audited had needed further work to be carried out before an audit could add value. All reports had subsequently been completed and issued. This included the report on the integrity of the register which had been circulated after the previous meeting.

5.2 In respect of the follow-up actions mentioned in the fourth bullet point under paragraph 2.3, it was noted that one relating to customer services had been completed (although in a different way). In relation to the other, the committee was assured that while it was not practical to follow the intended plan, alternative action had been taken and the risk was being managed satisfactorily. Both points could be closed as actions.

**ACTION: PB**

5.3 Michelle Debique (MD) of Moore Stephens introduced each of the audit reports.
Integrity of the register

5.4 This report followed the assurance review previously reported to the committee and was rated amber. The auditors were happy with the design controls within the system but were of the view that the quality assurance and management controls could be strengthened, hence the amber rating.

5.5 The issue of staff leaving the organisation but not having their access rights rescinded (although they would routinely have had their network access removed upon leaving the organisation) was raised and it was suggested that the list of those who have access rights should be both cleansed and rationalised so that fewer current staff had access. This led to a discussion about turnover and it was reported that this had stabilised significantly in the relevant teams over the previous 18 months. There had been an increased focus on induction and training and the introduction of MyGPhC had reduced the number of paper applications needing to be processed, which had increased morale in the teams. It was likely that the numbers needed in the teams would reduce over time and staff were already being used more flexibly between relevant teams to meet demand.

Quality control for report publication

5.6 The auditor reported that the project had met its deadline and fulfilled its requirements and was thus rated green. There were slight delays in relation to multiple practices, but these were not significant. The committee congratulated the team on the good project management that was evident in the report.

Intelligence (data strategy)

5.7 This report covered the second phase of a two-phase review and the rating was green/amber. Good progress had been made in using robust data well. The next steps would be to make good use of data across the organisation to support the delivery of the ten-year vision.

5.8 The consolidation of the recommendations from the previous report to which the committee had agreed had proved very helpful and the recommendations themselves had been useful in shaping the ongoing work.

5.9 In relation to recommendation 7 (page 78 of the papers), it was agreed that the committee would receive an update in May 2020.

ACTION: PB

Vision and strategy 2030

5.10 The development of the vision and strategy were rated as green/amber. There were management recommendations in relation to:

- having checkpoints to ensure continuing relevance and fitness for purpose;
- the organisational culture that would be required to deliver the strategy; and
the impact on the workforce and how changes would be achieved.

5.11 Follow-up internal audit report

5.12 The follow-up report looked at 10 recommendations from five areas (Education and Standards, Risk Management, Hearings, Inspection and Registration) and was rated green/amber. Two recommendations had not been implemented as suggested but the risks had been mitigated, as had already been discussed (see paragraph 5.2 above). In the remaining areas, action had been taken as suggested and the auditors noted that the GPhC responded well to audit recommendations. The committee thanked the executive for their diligence in following up the recommendations.

5.13 This report also covered an audit of non-staff expenses which was also rated green/amber with some minor areas for improvement identified.

Internal audit annual report

5.14 The combined outcomes of one green outcome, five green/amber and two amber outcomes allowed the auditors to conclude that there was an adequate and effective system of governance, risk management and internal control to address the risk that management’s objectives were not fully achieved. This was based on the assurance ratings, management responsiveness to recommendations and the direction of travel in relation to internal control and risk management.

5.15 It was noted that the risks previously identified in relation to Health and Safety were being managed and should be mitigated.

5.16 The committee:
   i) Noted the Q4 2018/19 internal audit plan progress;
   ii) Noted the GPhC’s performance in implementing the agreed recommendations; and
   iii) Noted the work done to deliver the 2019/20 Internal Audit Plan.

5.17 The committee discussed assurance reviews, which had grown to meet an internal need. It was noted that it was important to track reviews as a second line of defence and that they could also be of use in internal audit. However, it would be helpful to review both the current format and the governance around these assurance reviews, particularly in relation to follow-up and questions such as whether requests for extensions should come to the committee, as they would in the case of an audit.

5.18 It would be helpful to understand from all points of view in the organisation how assurance reviews should be managed going forward, bearing in mind the different ways that these may
be carried out and apply any learnings from other organisations. This would be looked at and information brought back to the committee at the next meeting in July.

**ACTION: PB**

*Michelle Debique left the meeting*

6. Annual report and accounts

6.1 Suzannah Nobbs (SN) joined the meeting for this item. Laura McClintock (LM) presented **19.05.ARC.02** which set out the draft annual report and accounts for 2018-19 and the key issues memorandum prepared by the external auditors.

6.2 The annual report and accounts were a requirement of the Pharmacy Order 2010 and were provided to the Privy Council for laying before each House of Parliament and the Scottish Parliament.

6.3 The committee discussed the draft and made some changes and suggestions, including:

- adding reference to the concerns raised about registration fees during the recent consultation and the plans for a review of fees policy to the fees paragraphs in the ‘register’ section;
- mentioning the work being carried out in relation to Fitness to Practise panels in the equality and diversity section;
- the need to signal a change in the way the GPhC views fitness to practise, with the behaviour and performance of individuals linked to the system and context in which they worked;
- adding reference to the change from the Efficiency and Effectiveness Assurance and Advisory Group (EEAAG) to the Finance and Planning Committee (FPC); and

- replacing the sentence “I know that there is some risk that our objectives may not be fully achieved in certain respects and that improvements are required to address those risks” – added in the previous report – with a more positive alternative or removing it altogether if the auditors were content.

6.4 Jonathan Bennetts (JB) presented the financial statements. Preparation of the accounts had gone very smoothly and thanks were due to the Finance team and the external auditors. A small number of details needed to be finalised before the final version was presented to Council in June with the letter of representation.

6.5 Tim Redwood (TC) of Crowe Clark Whitehill presented the independent auditor’s report. It was unlikely that the GPhC would have a liability in relation to back-payment of increased business rates and provision previously made for this had therefore been reversed. Journal
entries might need more significant control but any change would need to be proportionate and pragmatic given the high number of journal entries made.

6.6 The committee recommended the draft Annual Report and accounts for 2018-19 to Council. Suzannah Nobbs left the meeting

7. The committee’s annual report to Council

7.1 LM presented 19.05.ARC.03 setting out the draft Audit and Risk Committee annual report to Council for the period 1 April 2018 – 31 March 2019 which covered the work of the committee and the training which members had received. The paper made reference to a minor change to the committee’s terms of reference which, in line with the other non-statutory committees, now included explicit reference to each committee’s role in relation to equality, diversity and inclusion.

7.2 Areas suggested for work in 2019-20 included the risk element of the investment strategy, assurance reviews and cyber security.

7.3 The committee approved the draft annual report to Council for 2018-19 and recommended the revised terms of reference to Council for approval.

8. Any other public business

8.1 Duncan Rudkin updated the committee on management changes, namely that work formerly managed by the Head of Governance was being re-allocated in two directions following the departure of Matthew Hayday and the arrival of JB. Management responsibility for the risk and assurance work would move to Finance (under JB) while that for the in-house legal and Council and committee secretariat functions would move to Executive Office (under LM).

9.2 The disestablishment of the Head of Governance post and consequent changes would contribute to the savings which needed to be made on staffing costs but would also support the finance and procurement function to increase its strategic impact.

9.3 The Chair thanked LM for the support she had provided to the audit and risk function, the committee and to him personally.

9.4 It was agreed that JB would assess whether an assurance review of the procurement function was still required now that an audit was planned.

9.5 There being no further public business to discuss, the meeting closed at 12.15.

Date of the next meeting:
Wednesday 17 July 2019
Meeting paper
Council on Thursday, 13 June 2019

Public business
Audit and Risk Committee’s annual report to Council 2018/19

Purpose
To provide Council with a report on the Audit and Risk Committee’s work from 1 April 2018 to 31 March 2019.

Recommendations
Council is asked to:

i. note the Audit and Risk Committee’s annual report 2018/19 at Appendix 1; and

ii. approve the updated Terms of Reference for the Audit and Risk Committee at Appendix 2

1. Introduction

1.1 The Audit and Risk Committee is required, under its terms of reference, to report annually to Council on its work.

1.2 At its meeting on 22 May 2019, the Audit and Risk Committee considered its draft annual report. The report provides a high-level summary of the work carried out by the Committee from 1 April 2018 to 31 March 2019, demonstrating how the Committee has performed against each principal area detailed in its terms of reference as well as the key areas of focus set out in last year’s report. The report also summarises the different training sessions and external presentations received by the Committee throughout the period under review, which relate to its role and remit.

1.3 The draft report was approved subject to a small number of additions being agreed by the chair of the Committee, to reflect discussions and feedback at the meeting. The final report, as approved by the chair, is attached at Appendix 1.
2. Terms of reference

2.1 In line with best practice, the Committee reviews its terms of reference annually and recommends any changes to Council for approval.

2.2 Following this year’s review, we did not propose any substantive amendments to the current terms of reference as these continue to be fit for purpose and appropriately reflect the role and remit of the Committee. The Committee approved a number of minor drafting changes to reflect current staff job titles, roles and responsibilities.

2.3 Separately, at its meeting in April 2019 to discuss the terms of reference for the new Finance and Planning Committee (FPC), the Council agreed that the terms of reference for all non-statutory Committees (including Remuneration Committee and Audit and Risk Committee) should make explicit the role of the committees in relation to equality, diversity and inclusion as follows:

“The Committee shall ensure that all policies and work within the Committee’s remit take account of and promote the GPhC’s culture and values, and commitment to equality, diversity and inclusion”

2.4 The Committee has updated its terms accordingly and recommends these to Council for a further year. The revised terms are attached at Appendix 2.

3. Equality and diversity implications

3.1 This paper does not present any specific equality, diversity and inclusion issues. However, it is important to note that equality, diversity and inclusion continues to form a key part of the Committee’s discussions and decision-making over the course of the year. The report sets out some examples of where equality, diversity and inclusion themes have been considered and taken into account by the Committee as part of its work. The Committee’s terms of reference have also been updated in line with paragraph 2.3 above, to reflect this ongoing commitment.

3.2 The Committee’s annual report and revised terms of reference will be presented to Council at its meeting on the 13 June 2019. These will be published as part of the meeting papers in the usual format and the terms of reference will be added to our website under the relevant governance and Committee section.

4. Resource implications

4.1 This paper does not raise any specific resource implications. The appointment of the new internal auditors for 2019/20, as referenced in the annual report is covered by existing budgets and will be subject to a separate paper.
5. Risk implications

5.1 The Committee’s annual report is a further source of assurance to Council on the organisation’s audit and risk management arrangements and the performance of the Committee in meeting its terms of reference.

5.2 Without clearly defined and regularly updated terms of reference the Committee could fail to deliver the programme of work expected by Council and/or exceed its delegated authority. This is why it is essential for the terms of reference to be reviewed and recommended to Council on an annual basis.

6. Monitoring and review

6.1. The report sets out the Committee’s areas of focus for 2019/20. These will be considered as part of the Committee’s work plan for the coming year and will be reviewed during the preparation of the next annual report.

Recommendations

Council is asked to:

I. note the Audit and Risk Committee’s annual report 2018/19 at Appendix 1; and

II. approve the updated Terms of Reference for the Audit and Risk Committee at Appendix 2

Laura McClintock, Chief of Staff
General Pharmaceutical Council
laura.mcclintock@pharmacyregulation.org
Tel 020 3713 8079

3 June 2019
Audit and Risk Committee Annual Report to Council 2018/19

1. Introduction

1.1. The Council has established the Audit and Risk Committee to support the Council by reviewing the comprehensiveness and reliability of assurances and internal controls in meeting the Council’s oversight responsibilities. Under the Council’s Scheme of Delegation, the committee has delegated authority to:

- monitor the Council’s risk management arrangements
- approve the internal audit programme
- advise the Council on the comprehensiveness and reliability of assurances and internal controls, including internal and external audit arrangements, and on the implications of assurances provided in respect of risk and control.

1.2. This report provides a high-level summary of the work carried out by the committee from over the past twelve months, demonstrating how the committee has performed against each area detailed in its terms of reference and the key areas of focus set out in last year’s report. Although it is outside the scope of the financial year (1 April 2018 to 31 March 2019), the work carried out by the Committee at its meeting on 22 May 2019 is included in this report, as this is when the Committee receives and finalises all end of year reporting for recommendation to Council.

2. Membership and meetings

2.1. Committee membership comprised of Digby Emson (Chair), Mark Hammond, Mohammed Hussain, Jayne Salt and the independent member, Helen Dearden. On 7 March 2019, the Council approved Digby’s appointment as Chair for 2019/20, with effect from 1 April 2019. Mohammed completed his term of office as Council member on 31 March 2019.

2.2. The committee met four times in the 2018/19 financial year: in May, July and October 2018 and in January 2019. The minutes of the meetings are reported to Council and published on our website in the usual format, with the Chair providing regular oral updates to the Council.

3. Key areas of focus

3.1. Below is an overview of the committee’s work in each of its principal areas as set out in its terms of reference:
Internal and external audit

3.2. In accordance with best practice, the committee held a private session with the internal and external auditors at its meeting on 22 May 2019. No issues of substance were raised with the committee.

External audit and financial reporting

3.3. The committee received the output of the external auditors’ work in relation to the annual report and accounts 2018/19 at its meeting in May 2019.

3.4. The committee reviewed the statutory annual report and accounts. The committee also considered the report of the external auditors and was assured that the financial statements were a true and fair view of the GPhC’s affairs for the financial year 2018/19. Accordingly, the committee recommended the annual report, accounts and statement of internal control for adoption by Council at its meeting on 13 June 2019.

Internal audit

3.5. At the beginning of 2019, our internal auditors Moore Stephens LLP merged with BDO, with the newly merged firm operating under the BDO brand. This had no practical or other significant impact on our internal audit work during the year.

3.6. In line with our usual process, the committee reviewed, with the internal auditors, the 2018/19 internal audit plan, which had been developed in conjunction with the Senior Leadership Group. This ensured that there was a systematic and prioritised review of policies, procedures and operations and that the focus of internal audit was on higher risk areas.

3.7. The progress of the implementation of recommendations made during previous audits continued to be monitored. An internal audit progress report was considered at each meeting and the committee received assurance on actions identified in the reports via the follow up report.

3.8. Ten engagements were undertaken by our internal auditors and reviewed by the committee, of which two were advisory in nature, and another following up previous recommendations:

| Fitness to Practise Decision-Making Process | Green |
| Intelligence (Data strategy) – Part 1 | n/a |
| Intelligence (Data strategy) – Part 2 | Green-Amber (advisory) |
| Key Financial Controls | Green-Amber |
| Quality Control for Report Publication | Green-Amber |
| Strategy and Vision 2030 development | Green-Amber (advisory) |
| Health and safety | Amber |
3.9. Over the course of the year, the committee reviewed each internal audit report carefully and had the opportunity to seek further information on the findings from both management and the internal auditors. The committee challenged the management on a number of areas and in some instances sought more information about how recommendations would be taken forward.

3.10. In terms of trends, the auditors reported that the assurance ratings have shifted to green-amber or amber with an overall increase in green-amber reports compared to the last year. Moreover, the ambers come from the regulatory and back office areas. A counterbalance to this is that management has generally been responsive to implementation of recommendations from previous reviews. As a result of the follow up findings, the auditors reported that the GPhC should have its corrective work recognised in the annual opinion. The auditors reported that management has made a notable improvement in the implementation of recommendations with only one area identified as not implemented as part of the annual follow up exercise.

3.11. The committee also received the annual opinion from the Head of Internal Audit, which provides a summary of the internal audit work undertaken across the year to formulate an overall opinion, timed to support the Statement of Internal Control. The audit opinion takes together the assurance ratings and recommendations of individual assignments conducted in 2018/19, management’s responsiveness to internal audit recommendations and the direction of travel with regard to internal control, governance and risk management.

3.12. Overall, the auditors found that “there is an adequate and effective system of governance, risk management and internal control to address the risk that management's objectives are not fully achieved”. The key issues arising during the year were:

- **Health and safety** - improving the capability of key staff responsible for health and safety oversight and delivery, and improving escalation and clarity around overall responsibility and accountability for incident reporting

  **Mitigating/proposed action:** management have set up a health and safety steering group, whose responsibility is to address these issues and to strengthen health and safety arrangements. Additionally, the GPhC is being supported in this work by external health and safety consultants, to ensure that actions and recommendations are taken forward appropriately, including the important issues of staff training and competency.
• Governance issue: improving the design of detective controls through management checks and quality assurance procedures in the registration processes

Mitigating/proposed action: the internal auditors found that the design of the controls around the end to end registrations process are mainly preventive, although these controls are working well in practice. Where the GPhC needs to improve is the design of its detective controls through more ‘in-process’ checks and quality assurance procedures. (Preventive controls are proactive and designed to discourage errors or irregularities from occurring. Detective controls are designed to identify errors or irregularities that have occurred). Overall, and through the different audit and assurance processes, we have not identified significant concerns about the integrity of the register, in terms of maintaining accurate, complete and up to date data about registrants and registered pharmacy premises. There are a number of important areas for improvement that management will be focussing on going forward, specifically around improving quality assurance processes, reviewing the control framework and key risk areas, and updating relevant procedures and manuals.

3.13. The auditors reported that management has taken action to investigate and are intending to implement changes to internal controls and processes in both of these areas.

3.14. Finally, during 2018/19, internal audit has supported the ongoing closure of recommendations as these have arisen, by reviewing evidence to support closure in five specific audits. The auditors reported that they observed a high rate of implementation. The results of the auditor’s follow up exercise have confirmed the positions provided by management for the specific audits, and they have therefore place reliance on the GPhC internal mechanism for reporting implementation.

Governance, risk management and internal control

3.15. The committee supports the Council by reviewing and advising the Council on the operation and effectiveness of the arrangements which are in place across the whole of the Council’s activities that support the achievement of the Council’s objectives. This includes reviewing the adequacy of risk management arrangements as well as policies and procured for ensuring compliance with relevant regulatory, legal, governance and code of conduct requirements.

3.16. In line with usual processes, the committee reviewed the organisation’s risk management at each meeting, including the redesigned Strategic Risk Register (SRR). The committee provided valuable feedback and input on areas including scoring of impact and likelihood and these were fed into ongoing discussions with the Senior Leadership Group. Throughout the year, the committee welcomed the development of the SRR, noting that that the organisation’s approach to risk had moved on and that it is now at a stage of more maturity, and able to use this in a more practical way. The Council also reviewed the revised SRR in September 2018 and were positive about the developing approach.

3.17. Additionally, the committee focused on the following areas and activities throughout the year:
• reviewed the initial due diligence work associated with the exploratory discussions about the adoption of charitable status

• continued to monitor the organisation’s approach to data and insight, which included receiving updates from the Director of Insight, Intelligence and Inspection about links to the development of the organisation’s long-term vision and strategy

• considered two internal assurance reviews relating to GDPR and the integrity of the register

• received an update on the GPhC’s response to the ‘Lessons Learned Review of the Wannacry Ransomware Cyber Attack’, published by the Department of Health and Social Care and the NHS in 2018. Although the GPhC was not directly affected and many of the recommendations were not relevant, a full update was nevertheless provided to the Committee, to give assurance on our level of compliance.

• reviewed the organisation’s updated anti-bribery policy, which was later approved by Council in November 2018.

• provided feedback on the never events framework and policy and how this will be aligned to the organisation’s existing incident management reporting and learning (IMRL) procedures

• reviewed the organisation’s updated raising concerns policy, which was later approved by Council in November 2018.

• worked closely with the staff to oversee the process for recommending the appointment of the new internal auditors for 2019/20. A formal recommendation will be presented to the Council for approval in due course.

4. Committee effectiveness and training

4.1. In last year’s report, committee members highlighted the need for a review of the way in which performance and effectiveness is evaluated. In the past, committee effectiveness has been assessed through informal, reflective surveys of all members. In 2018/19, this work has been incorporated into the broader Board Effectiveness Review, which is being carried out by Rialto. A progress update was provided to the Council at its workshop on 11 April 2019.

4.2. The committee also received a number of training sessions and presentations from external consultants through our internal auditors Moore Stephens, including:

• **Cyber security:** The risk of cyber-attack is growing exponentially as the opportunities presented by technology and improved systems connectivity grow. This session covered important risk areas for organisations such as breaches in the confidentiality and integrity of data; loss of customer or stakeholder trust; educating senior management and employees on security threats and how to respond to these; and, understanding risk and assurance capabilities.
• **Anti-bribery and fraud**: This session covered the types and prevalence of fraud offences in the UK, including the impact on businesses and organisations. This also covered the impact of e-enabled or technology enabled fraud and identified the key risks to organisations, including risks associated with external sources such as suppliers or contractors.

• **Internal Financial Controls**: This session covered the framework of processes, policies and procedures that are used to effectively manage finances. Examples of different types of controls were discussed, as well as their role in either directing, monitoring or measuring monetary resources.

5. **Equality, diversity and inclusion**

5.1. Equality, diversity and inclusion continued to form a key part of the committee’s discussions and decision-making over the course of the year.

5.2. For example, as part of the review of our raising concerns policy, the committee noted that the 2017 Freedom to Speak Up Guardian Survey recommended that all trusts take action to ensure that all workers, irrespective of diversity characteristics, have someone they feel able to go to for support in speaking up. The report also encouraged guardians to forge close working partnerships with staff diversity networks and consider recruiting and training members of these groups as champions or ambassadors, or developing some other means of partnership working so that the trust has the assurance that all workers feel supported and able to speak up.

5.3. As part of this discussion, the committee also considered diversity in the broader context of other roles carried out by the guardians and how the report recommended that this variety brings richness to the network of guardians and ensures that there is a wide range of peer-support available. This diversity brings a breadth of knowledge, insight and experience to bear on the guardian role, which will help ensure that it continues to develop to reflect the needs of all workers.

5.4. The committee encouraged management to think about these themes, as part of the ongoing exploratory work to consider whether the GPhC should have its own internal guardian, or perhaps jointly with the other regulators, to provide support to staff who may need to speak up or raise concerns.

6. **Chair’s overview and conclusions**

6.1. Over the past year, the Audit and Risk Committee has met the requirements of its terms of reference and has been able to provide assurance to the Council on the organisation’s audit and risk management processes.

6.2. As an advisory body, the committee therefore assists with, but is not a substitute for, Council’s overall responsibility for good governance, exercised for example by the periodic risk reviews and performance monitoring reports as well as through the minutes and reports of the Committee.

6.3. Looking ahead, key areas of focus for the committee, in addition to cyclical items include:
• maintaining oversight of the recommendations made and level of assurance in the forthcoming audit reports for 2019/20
• monitoring the ongoing risks in relation to organisation’s strategy and vision 2030 and in relation to our investment strategy
• continuing to seek assurance around important risk areas linked to developments in the external context, for example, cyber-security
• working closely with the staff and the Council to ensure the successful appointment of the new internal auditors for 2019/20 and a smooth transition process
• reviewing the structure, format and governance of assurance reviews, to consider options for how these might be taken forward in the future, and applying any external insights or learnings
• meeting its refreshed commitments to equality, diversity and inclusion, and our organisational culture and values, and applying this to all aspects of its work

6.4. Finally, I would like to thank Committee members for their diligence and commitment, and the officers and auditors for their professional support in our work.

Digby Emson                        Laura McClintock
Chair, Audit and Risk Committee    Chief of Staff

3 June 2019
Terms of reference of the Audit and Risk Committee
Effective from June 2019

1. Constitution

1.1 The Council has established the Audit & Risk Committee to support the Council by reviewing the comprehensiveness and reliability of assurances and internal controls in meeting the Council’s oversight responsibilities. The Committee is a non-executive committee and has no executive powers except as set out in these Terms of Reference.

1.2 Under the Council’s Scheme of Delegation, the Committee has delegated authority to:

- Monitor the Council’s risk management arrangements
- Approve the internal audit programme
- Advise the Council on the comprehensiveness and reliability of assurances and internal controls, including internal and external audit arrangements, and on the implications of assurances provided in respect of risk and control.

1.3 The Committee may request the attendance of any employee or member, as set out in section 6 of these Terms of Reference, and may incur expenditure for the purpose of obtaining advice in terms of section 8 below.

2. Accountability and reporting

2.1 The Committee is accountable to the Council. The minutes of each Audit & Risk Committee meeting shall be circulated to the Council. The Committee shall report to the Council annually on its work.

2.2 The Committee may also submit separately to the Council its advice on issues where it considers that the Council should take action. Where the Committee considers there is evidence of ultra vires transactions or evidence of improper acts, the Chair of the Committee should raise the matter at a formal Council meeting.
3. **Membership**

3.1 The Committee, including its Chair, is appointed through arrangements agreed by the Council. The Committee shall have five members, but may operate with fewer while a vacancy exists, provided the quorum is maintained. The Committee members shall include Council members, excluding the GPhC Chair and including at least one lay member and one registrant member, and may include up to two external members with appropriate audit and risk management experience.

3.2 The Council will appoint one of the Council members serving on the Committee as Chair, based on relevant background and skills. In the absence of the Chair, the Committee shall elect another of its members to chair the meeting.

4. **Remit**

4.1 The duties of the Committee are as follows:

*Governance, risk management and internal control*

The Council is the governing body of the GPhC and determines the governance policy and framework for the organisation. The Committee supports the Council by reviewing and advising the Council on the operation and effectiveness of the arrangements which are in place across the whole of the Council’s activities that support the achievement of the Council’s objectives. In particular, the Committee will review the adequacy of:

- All risk and control related disclosure statements, together with any accompanying internal audit statement, external audit opinion or other appropriate independent assurances, prior to endorsement by the Council;
- The underlying assurance processes that indicate the degree of the achievement of corporate objectives, the effectiveness of the management of principal risks and the appropriateness of the above disclosure statements;
- The policies for ensuring compliance with relevant regulatory, legal, governance and code of conduct requirements;
- The policies and procedures for all work related to fraud and corruption

4.2 In carrying out this work the Committee will primarily utilise the work of internal audit, external audit and other assurance functions. It will also seek reports and assurances from directors and
managers as appropriate, concentrating on the over-arching systems of governance, risk management and internal control together with indicators of their effectiveness.

4.3 In reviewing risk management arrangements, the Committee should draw attention to areas where:

- risk is being appropriately managed and controls are adequate (no action needed)
- risk is inadequately controlled (action needed to improve control)
- risk is over-controlled (resource being wasted which could be diverted to another use)
- there is a lack of evidence to support a conclusion (if this concerns areas which are material to the organisation’s functions, more audit &/or assurance work will be required).

4.4 **Internal audit**

The Committee shall:

- Ensure that there is an effective internal audit function that complies with any applicable standards and provides appropriate independent assurance to the Council, Audit & Risk Committee, and Chief Executive & Registrar;
- Consider the appointment of the internal auditors, the cost of the service and any questions of resignation or dismissal and make appropriate recommendations to the Council;
- Ensure that the Associate Director of Finance makes adequate resource available to the internal audit function;
- Approve the internal audit strategy, operational plan and work programme proposed by the Associate Director of Finance and Procurement;
- Consider the major findings of internal audit work, and management’s response;
- Ensure co-ordination between the internal and external auditors;
- Annually review the effectiveness of internal audit.

4.5 **External audit**

The Committee shall:

- Consider the appointment and performance of the external auditor, the audit fee and any questions of resignation or dismissal and make appropriate recommendations to the Council;
• Discuss and agree with the external auditor, before the audit commences, the nature and scope of the audit as set out in the external audit plan and their local evaluation of audit risks;
• Review the work and findings of the external auditor, consider the implications and management’s responses to their work;
• Review all external audit reports, including agreement of the annual audit letter before submission to the Council and any work undertaken outside the annual audit plan, together with the appropriateness of management responses.

4.6 **Financial reporting**

The Committee shall:

• Review the statutory annual report and financial statements before submission to the Council, focusing particularly on:
  
  • The annual review of governance arrangements and other disclosures relevant to the Terms of Reference of the Committee;
  • Changes in, and compliance with, accounting policies and practices;
  • Unadjusted mis-statements in the financial statements;
  • Major judgmental areas;
  • Significant adjustments resulting from the audit.

• Ensure that the systems for financial reporting to the Council, including those of budgetary control, are subject to review as to completeness and accuracy of the information provided to the Council.

4.7 The Committee may approve the purchase of non-audit services from the statutory external auditors or the outsourced internal auditors. If time does not permit referral of this to the Committee, approval may be given by the Chair and reported to the Committee at its next meeting.

4.8 The Committee shall ensure that all policies and work within the Committee’s remit take account of and promote the GPhC’s culture and values, and commitment to equality, diversity and inclusion.
5. **Quorum**

5.1 A quorum shall be three members of the Committee.

6. **Attendance**

6.1 Only Committee members shall be entitled to attend meetings of the Committee. The Chief Executive & Registrar, Associate Director of Finance and Procurement, and representatives from the internal auditors shall normally attend meetings. Representatives from the external auditors shall attend meetings as required for relevant items. The Council Chair and other Council members may attend meetings at the invitation of, or with the agreement of, the Chair of the Committee.

6.2 The Committee may request any employee or member to attend a meeting to assist with its discussions on any particular matter or to provide any information it may reasonably require in order to fulfil its remit. All employees and members are directed to co-operate with any reasonable request made by the Committee.

6.3 The Committee may ask any or all non-members to withdraw for all or part of a meeting if it so decides. In such an instance, the Chair shall ensure that a proper record is made of the meeting.

7. **Access**

7.1 The senior representatives of internal audit and external audit shall have free and confidential access to the Chair of the Committee. At least once a year, the Committee should provide an opportunity to meet privately with the external and internal auditors.

8. **Authority**

8.1 The Committee is authorised by the Council to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.

8.2 The Committee may obtain legal or other independent professional advice and secure the attendance of external advisers with relevant experience and expertise if it considers this necessary, within the budget approved by the Council.

9. **Secretariat**

9.1 The Chief Executive & Registrar shall ensure that appropriate secretariat support is provided to the Chair and to the Committee.
10. **Dealing with concerns**

10.1 Processes have been agreed by Council for raising concerns (Raising Concerns policy ref: GG/2015/96).

10.2 Within these processes, the Chair of the Audit & Risk Committee is identified as a point of contact for individuals who still have concerns having followed the policy or where they feel the matter is so serious that it cannot be discussed with a member of senior management.

10.3 Further information on how matters are handled is detailed within the Raising Concerns policy.

10.4 The Chair of the Audit and Risk Committee will receive appropriate training in this area.

11. **Frequency of meetings**

11.1 The Committee shall meet not less than three times a year. The external or internal auditors may request a meeting if they consider that one is necessary.