

2010 Fees consultation Q&A

Why is the Society consulting on fees?

The Society wants to ensure that its decisions are informed by members' and registrants' views and this consultation process is useful to obtain feedback from across the profession. The Society also has a legal duty to consult each year on the proposed fees as detailed in the Pharmacists and Pharmacy Technicians Order, article 40(4).

Why are the fees increasing when inflation is falling?

There are two commonly used measures of inflation. These are the Consumer Price Index (CPI) and the Retail Price Index (RPI). The RPI measure includes the cost of housing, particularly mortgages and as a result of the recent declines in the Bank of England base rate, is lower than CPI. Therefore households with mortgages are currently benefiting from the reductions in interest rates. Those without mortgages are not benefiting in the same way.

As at February 2009 the annual increase in the Retail Price Index was 0% while the increase in the Consumer Price Index was 3.2%.

The Society does not benefit from reductions in mortgage rates and in fact suffers from reduced interest on its cash balances, so its cost increases are more reflective of the CPI.

How does this increase compare with previous years?

Fee increases for the last four years are detailed below:

2006	7%
2007	6%
2008	40%
2009	4.5% (pharmacist retention fees)/3.9% (all other fees)

Some fees have increased by more than 2.2% for 2010, why?

A 2.2% increase has been applied to all fees with figures being rounded to the nearest pound for simplicity. This means that some fees have increased by more or less than 2.2% - the range of increase is between 0% and 2.9%.

How much of the fee is for regulatory activities and how much is for professional body activities?

The Society is still in the process of restructuring its staffing, processes and procedures into the two areas of regulation and professional services so it is not yet possible to identify the costs for each part separately.

Why can't we pay a fee that just takes us up to the establishment of the GPhC?

The timing of the formal transfer of regulatory responsibilities to the GPhC is uncertain, as is the size, shape and cost of the GPhC. Until the formal transfer of these responsibilities takes place the Society retains its responsibilities as a regulator and professional leadership body. The Council, in light of its fiduciary duties and after having taken legal advice on the matter feels it has no option but to set a single fee schedule for 2010.

This decision has been endorsed by the Pharmaceutical Regulation and Leadership Oversight Group (PRLOG).

Will everyone be transferred to the GPhC register or just those on the practising register?

The Department of Health has proposed that the GPhC should not hold a non-practising register but the Society has asked that this decision be reviewed. If the GPhC's legislation does not provide for a non-practising register, only those pharmacists and pharmacy technicians on the Society's practising registers will transfer automatically to the GPhC. Anyone currently on the non-practising registers who wished to be registered with the GPhC would need to move to the relevant practising register before the demerger. If they did not do this, they would need to apply to the GPhC for registration after the demerger and to meet the GPhC's registration requirements.

Once the GPhC is established, if I do not wish to be a member of the professional leadership body (the Society) will I be entitled to a refund for the 'professional' aspect of the 2010 fee for the remainder of the year?

Assuming the GPhC is established during 2010, the Society intends where possible to refund the remaining professional leadership element of the fees for 2010 for those who do not wish to be members of the future professional leadership body.