

# **Consultation on registration fees**

May 2014

## Contents:

About the NMC .....	3
Executive summary .....	3
Our financial position .....	5
Background .....	5
Previous consultation on a fee rise.....	5
Latest published figures.....	5
What have we delivered with our funding? .....	7
Funding gap .....	7
Delivering value for money .....	8
The challenges we face .....	8
Increasing fitness to practise activities .....	8
Regulatory commitments and major workstreams.....	11
Revalidation and the Code.....	11
Raising our public profile.....	12
Changes to EU legislation.....	12
Review of statutory supervision of midwives.....	12
Registration improvements .....	12
IT and systems investment .....	12
Fitness to Practise change programme .....	12
Fee payments by instalments.....	12
Reserves and the financial strategy.....	13
How we compare to other regulators and professional bodies .....	13
Analysis of possible fee levels .....	14
The registration fee remaining at £100 – the impact on public protection .....	15
Proposal to increase the registration fee to £120 .....	15
Claiming tax relief on the NMC registration fee.....	16
The Law Commission review of statutory healthcare regulation .....	16
Next steps.....	17
Consultation questions.....	18

## About the NMC

- 1 The Nursing and Midwifery Council (NMC) is the professional healthcare regulator for nursing and midwifery in the UK. We exist to protect the health and wellbeing of the public.
- 2 Our role, functions and powers are set out in the Nursing and Midwifery Order 2001 ('the Order')<sup>1</sup>.
  - 2.1 We set the standards of behaviour, competence and education that nurses and midwives must meet, and quality assure those standards and those who deliver them.
  - 2.2 We maintain a public register of professionals who meet those standards and are therefore entitled to practise in the UK. It is illegal for nurses and midwives not registered with us to practise in the UK.
  - 2.3 We investigate and, where appropriate, take action where a registered nurse or midwife falls short of our standards due to misconduct, health or a lack of competence. We have a duty to investigate any allegation we receive that a nurse's or midwife's fitness to practise is impaired, to protect the public.

## Executive summary

- 3 Nurses and midwives pay an annual registration fee to us which is currently £100. Registration enables them to practise as a registered nurse or midwife in the UK. It also assures them and the public that other nurses and midwives have met the same high standards of education and are held to account by the same code of conduct.
- 4 Under the terms of our Order<sup>2</sup>, we must consult on any proposed changes to our fees.
- 5 Under our Order, we are funded by the registration fee. The fee therefore must cover the cost of regulation to allow us to fulfil our duty to protect the public.
- 6 The current cost of regulation is £120 per year for each registrant. Therefore we are consulting to increase the annual registration fee from £100 to £120<sup>3</sup>.
- 7 We identified in May 2012 that £120 per registrant per year is the amount required to cover the cost of regulation, and we consulted on this at the time<sup>4</sup>. However, for two years our costs have been subsidised in the short term by a UK government grant. This has allowed us to charge a lower registration fee of £100 instead of £120 until March 2015. We are now required to cover the actual cost of regulation ourselves.

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<sup>1</sup> <http://www.legislation.gov.uk/ukxi/2002/253/contents/made>

<sup>2</sup> Article 7(3) of the Order

<sup>3</sup> This means an increase to the initial registration fee, retention fee, renewal fee and readmission fee to £120, all of which currently are £100.

<sup>4</sup> Information about the 2012 fees consultation can be found here: <http://www.nmc-uk.org/Get-involved/Consultations/Past-consultations/By-year/NMC-fee-increase/>

- 8 Over the past two years we have worked hard to improve our efficiency and effectiveness, focusing on our core regulatory functions. We have made £25 million of efficiency savings since 2012–2013 to get the best value possible from registrants' fees. We have cleared our historic caseload<sup>5</sup> and improved our investigation and hearings processes to progress cases more quickly. This is in spite of legislation which restricts what we can do in this area. The way we undertake quality assurance of education is now proportional and risk-based. We have updated our registration processes and are improving our customer service. We have kept staff salaries under control.
- 9 We continue to make every effort to contain our costs and thereby our fee level. Despite the increased challenges that we are facing (outlined below), we aim to save around £18 million per year over the three-year period to 2016–2017. We will make these savings mainly by changing the way we deliver our fitness to practise activities, as much as legislation will enable us to.
- 10 However, the volume and complexity of fitness to practise referrals have continued to increase, and these are the main drivers of our costs. This means that despite our improvements and savings, and with no immediate prospect of legislative change, the cost of regulation remains at £120 per registrant per year. Without these improvements and savings, the cost would be closer to £150 per registrant per year.
- 11 We fully appreciate the difficult economic conditions that nurses and midwives are currently facing due to pay and pension restraints. We are acutely aware that in the current challenging environment, any fee increase will be unpopular with nurses and midwives. However, it is our provisional view that a fee rise reflecting the cost of regulation to us is the best way to allow us to properly fulfil our duties and protect the public.
- 12 If we do not maintain our current funding level (provided by the current fee of £100 plus the UK government grant), we would be unable to fulfil our regulatory functions and deliver on our commitments. We would be forced to reduce our fitness to practise activities. We would have to reduce the number of case investigations and hearings we hold. This would cause a case backlog to develop and the number of cases awaiting a hearing would continue to increase. This would significantly affect our ability to protect the public. We do not regard this as acceptable.
- 13 Nurses and midwives can reduce the impact of a registration fee rise by claiming tax relief on their registration fee.
- 14 The financial assumptions and forecasts on which the fee is based have been independently assured by external auditors<sup>6</sup>.
- 15 This consultation is open to all stakeholders, and we welcome all comments and suggestions. The consultation will be open from 8 May 2014 to 31 July 2014.

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<sup>5</sup> Fitness to practise referrals that were received before January 2011, when we introduced our new screening process.

<sup>6</sup> Our financial modelling has also been externally checked.

## Our financial position

### Background

- 16 The registration fee, that all nurses and midwives pay, funds all our regulatory activities including registration, fitness to practise, education and standards development, and our engagement activities. It covers commitments that we have made to the UK government and the House of Commons Health Select Committee, and those we have made in response to the Francis report<sup>7</sup> and other recent regulatory developments.

### Previous consultation on a fee rise

- 17 Along with the other UK healthcare regulators, in recent years we have experienced a significant increase in our fitness to practise caseload due to an increase in the number and complexity of referrals.
- 18 Our costs increased significantly as a result, and we forecasted that our costs would continue to increase in 2012–2013 onwards. To continue at this level of activity with our previous income based on a £76 fee was not sustainable. For this reason, in June 2012, we consulted on raising the fee from £76 to £120<sup>8</sup> to reflect the cost of regulation to us. Our analysis showed that the cost of fulfilling our statutory functions and commitments had risen to £120 per registrant per year.
- 19 Prior to 2012, we had held the fee at £76 for five years, and as much as possible, absorbed the costs coming from, for example, rising inflation and increasing fitness to practise referrals.
- 20 Following the 2012 consultation, the UK government gave us a £20 million grant which has enabled us to limit the fee to £100 for two years, until March 2015.
- 21 The £20 million grant was awarded to help us to meet our fitness to practise adjudication target by December 2014, clear our historic backlog of fitness to practise cases by December 2014 and achieve our minimum risk-based reserves level of £10 million by January 2016.

### Latest published figures

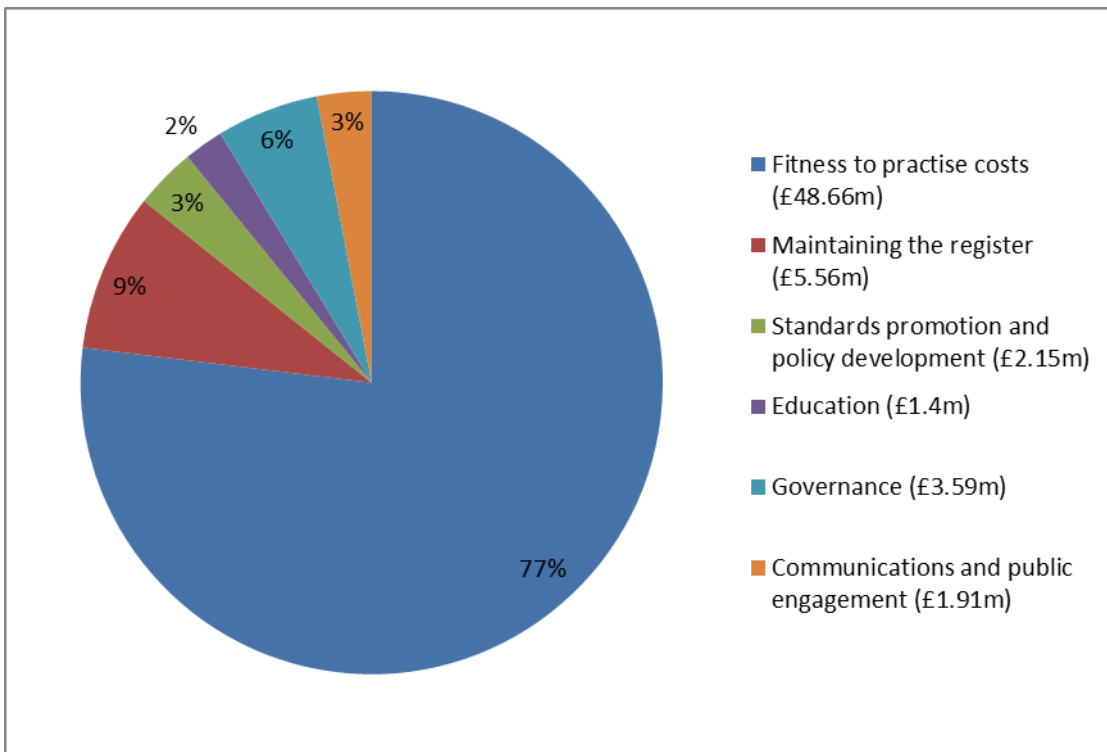
- 22 Our annual costs in 2012–2013 were £63.266 million. Figure 1 shows how much each of our functions cost, and shows that over three-quarters of our costs go towards fitness to practise processes.

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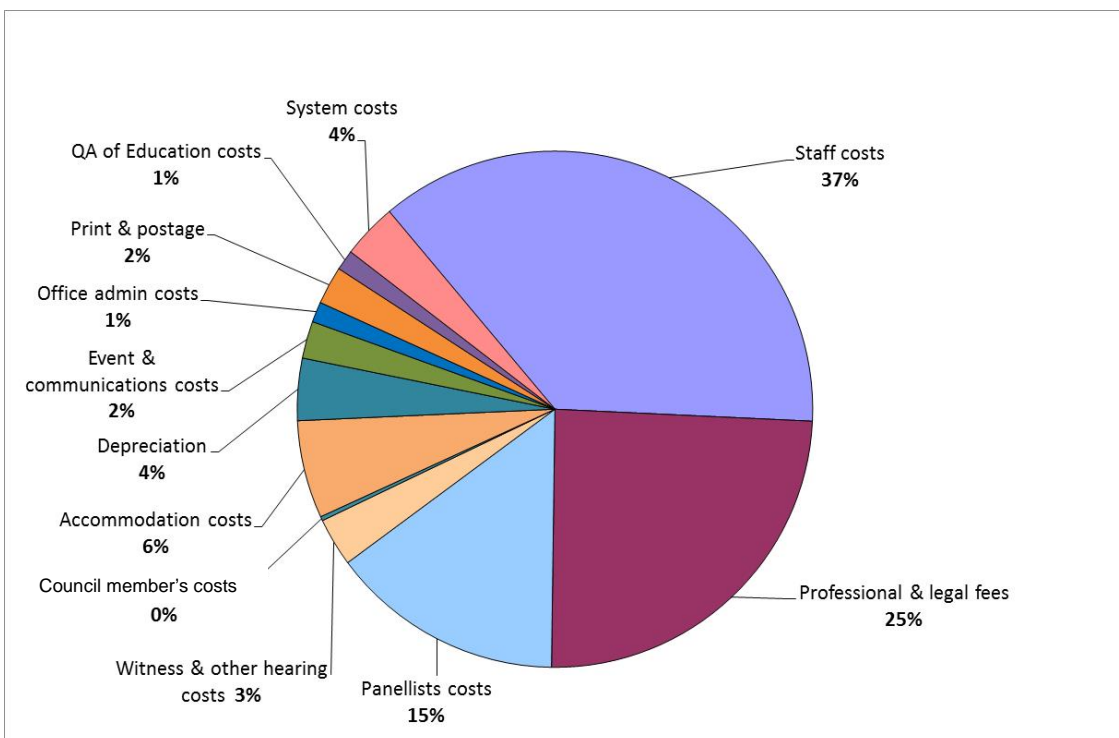
<sup>7</sup> <http://www.nmc-uk.org/About-us/Our-response-to-the-Francis-Inquiry-Report/>

<sup>8</sup> <http://www.nmc-uk.org/Get-involved/Consultations/Past-consultations/By-year/NMC-fee-increase/>

**Figure 1: Cost by regulatory function 2012–2013**



**Figure 2: Costs by type 2012–2013**



23 Figure 2 shows where our funds are spent, by cost type. The largest category of spending is staffing which makes up 37 percent of our costs. The majority of our staff (64 percent) are employed in the Fitness to Practise directorate. Professional and legal costs largely relate to our fitness to practise hearing activity. Our accommodation costs relate mainly to premises used for fitness to practise

hearings and staff. More information about our costs is set out in the accompanying documentation on our website<sup>9</sup>.

## What have we delivered with our funding?

- 24 In our 2012 fee rise consultation, we asked for more funding to address the increasing volume and complexity of our fitness to practise caseload, and to reflect the cost of regulation. However, we wanted to make sure that while we were seeking additional funding we were also striving to be as efficient as possible with registrants' funds across our organisation. We have made considerable progress. For example, in our fitness to practise activities:
- 24.1 we have increased the number of daily substantive hearings that we hold to 22 from June 2013, and hold up to 30 fitness to practise events<sup>10</sup> in total per day;
  - 24.2 we had largely cleared our historic fitness to practise caseload by September 2013, a year earlier than we committed to;
  - 24.3 since November 2011, we have halved average investigation times; and
  - 24.4 we are on track to meet our six-month case-adjudication target by December 2014.
- 25 We have made progress toward meeting our financial reserves target.

## Funding gap

- 26 Our costs are projected to range from £73 million to £82 million per year between 2013–2014 and 2016–2017<sup>11</sup>. Our income from registration fees alone (not including the grant from the UK government) is £67 million per year with the current £100 annual fee. Therefore, we have a funding gap which will put our ability to protect the public at risk.
- 27 In March 2014, our Council approved the three-year corporate and financial plan for 2014–2017 and the budget for 2014–2015. The corporate plan focuses exclusively on our core regulatory purpose and places public protection at the heart of everything we do. The financial plan allocates resources to ensure we are able to deliver the corporate plan.
- 28 In order to deliver our corporate plan and our core regulatory functions, Council agreed, with reluctance, to consult on a fee increase to £120.

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<sup>9</sup> <http://www.nmc-uk.org/Documents/The-NMC-Fee/The-NMC-fee.pdf>

<sup>10</sup> For example: interim order meetings, hearings and reviews; practice committee meetings; and preliminary matters for hearings.

<sup>11</sup> Further information on our cost assumptions and projections, and financial risks and opportunities is available in item 11 of our Council meeting papers from 26 March 2014, '2014–17 Corporate plan and budget, including review of reserves policy and registration fee proposals'. This is available at: <http://www.nmc-uk.org/Documents/CouncilPapersAndDocuments/Council%202014/Council%20papers%20-%20OPEN%2026%20March%202014%20FINAL.pdf>.

- 29 Our projections are necessarily based on assumptions around activity levels, economic indicators and legislative requirements. If our current assumptions are borne out in reality, we cannot promise but we do not predict a need to further increase our fee requirement in the short to medium term, beyond the current £120 proposal.

## **Delivering value for money**

- 30 A key part of our financial strategy is to ensure the best use of resources at all times to maximise the value of registrants' fees. We have established a corporate efficiency steering group to oversee this and have developed a value-for-money framework to drive our efficiency programme forward.
- 31 In our previous fee rise consultation, we committed to making £25 million of efficiency savings in our fitness to practise activities over the three-year period from 2012–2013 to 2014–2015 (£13.4 million of which were to be delivered in 2014–15). We are on track to deliver these. In addition, we have identified further efficiency savings of £4.7 million in 2014–2015.
- 32 Our total targeted efficiency savings are in the region of £18 million per year for 2014–2015 to 2016–2017. Our efficiency savings include:
- 32.1 bringing a proportion of our case investigations in-house;
  - 32.2 streamlining the Investigating Committee and interim order process;
  - 32.3 alternative methods of case resolution including voluntary removal from the register, holding meetings instead of full hearings, and consensual panel determinations, in cases where such alternative methods are appropriate;
  - 32.4 changing the use of shorthand writers;
  - 32.5 introducing Case Examiners into the investigations stage which will reduce the number and length of Investigating Committee meetings; and
  - 32.6 making better use of technology such as increasing online registration functions and e-recruitment.
- 33 Without the efficiency savings that we have made and intend to make, the fee required would now be close to £150 per registrant. However, our savings have limited the fee required to £120.

## **The challenges we face**

### **Increasing fitness to practise activities**

- 34 Our main cost continues to be our fitness to practise activities. These activities are dictated by the complex legislative framework within which we must operate. This sets out in detail the approaches and many of the processes we must follow, and the organisational structures required to do this.



- 35 Our fitness to practise activities currently account for 77 percent of our costs. We have practically no control over the number of referrals we receive. Our current legislative framework means that the more referrals we receive, the greater the cost to us. Other than the General Medical Council (GMC), we receive the greatest number of fitness to practise referrals of the UK healthcare professional regulators<sup>12</sup>. In 2012–2013, we received 4,106 referrals<sup>13</sup>. During the same year, our Investigating Committee considered 3,552 cases<sup>14</sup> while the Health Committee and Conduct and Competence Committee held 1,377 full hearings<sup>15</sup>. Each full hearing lasts an average of three and a half days at an average cost of £13,000<sup>16</sup>. We are currently running 30 events every day, of which 22 are full hearings<sup>17</sup>. As a result of the increasing volume and increasing complexity of the referrals we receive, combined with our restrictive legislation, we currently hold more full hearings than all the other UK healthcare professional regulators put together.
- 36 The trend in referral volumes shows a sustained increase. Referrals to us have doubled since 2008–2009, meaning the cost of handling these cases has also significantly increased. In addition, we have seen an increased complexity in cases which has resulted in a longer hearing time per case and therefore higher costs. In 2009–2010 we spent £17.8 million on fitness to practise activities, rising to £48.6 million in 2012–2013. This increased activity was initially funded from our reserves, which were substantially reduced as a result. By 2012 this had become unsustainable which is why we had to consult on increasing the fee.
- 37 Figure 3 shows the past annual increase in fitness to practise referrals, and our projection of a 10 percent increase in referrals year on year during 2014–2017.

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<sup>12</sup> The GMC assesses fitness to practise referrals in a slightly different way to us via a triage assessment of enquires about doctors. In the 2012 calendar year, of the 10,347 enquiries about doctors received, 2,708 became new stream 1 investigations that a doctor's fitness to practise may be impaired. This compares to 4,106 new fitness to practise referrals received by us in 2012–2013 where case investigation commenced: page 4 - [http://www.gmc-uk.org/06\\_Fitness\\_to\\_Practise\\_Annual\\_Statistics\\_Report\\_2012.pdf\\_53446275.pdf](http://www.gmc-uk.org/06_Fitness_to_Practise_Annual_Statistics_Report_2012.pdf_53446275.pdf)

<sup>13</sup> [http://www.nmc-uk.org/Documents/Annual\\_reports\\_and\\_accounts/Annual%20Fitness%20to%20Practise%20Report%20012%20-%202013.PDF](http://www.nmc-uk.org/Documents/Annual_reports_and_accounts/Annual%20Fitness%20to%20Practise%20Report%20012%20-%202013.PDF)

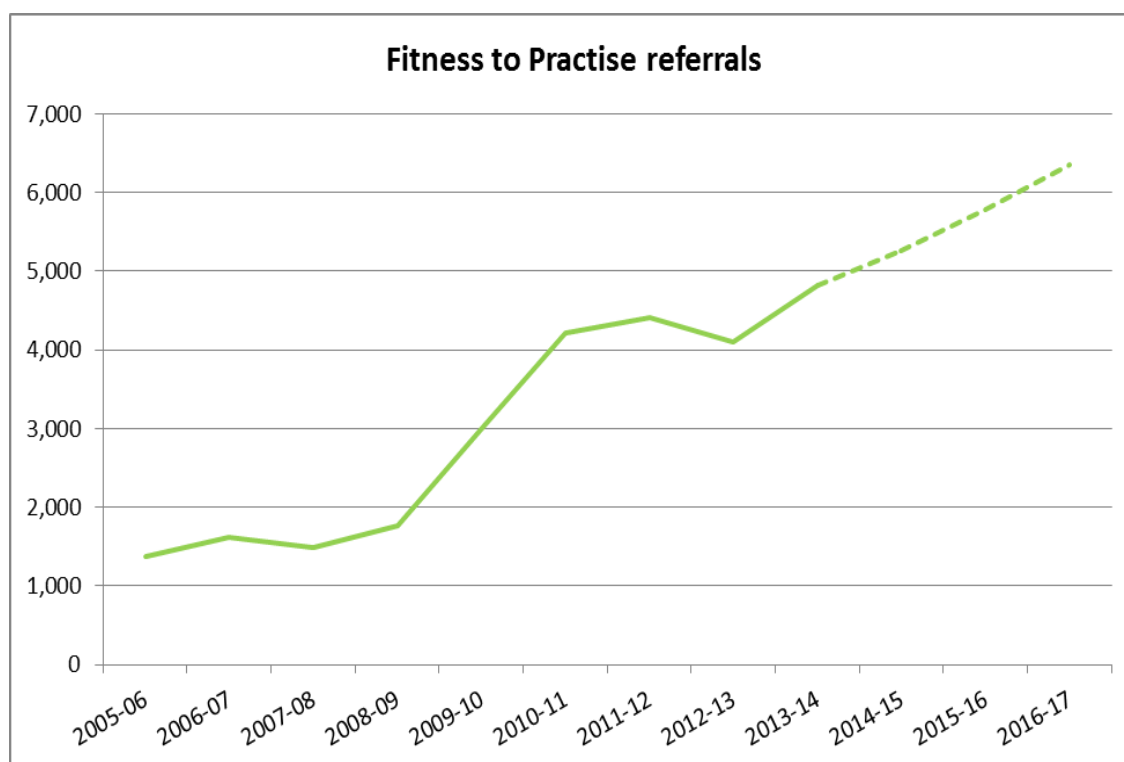
<sup>14</sup> [http://www.nmc-uk.org/Documents/Annual\\_reports\\_and\\_accounts/Annual%20Fitness%20to%20Practise%20Report%20012%20-%202013.PDF](http://www.nmc-uk.org/Documents/Annual_reports_and_accounts/Annual%20Fitness%20to%20Practise%20Report%20012%20-%202013.PDF)

<sup>15</sup> [http://www.nmc-uk.org/Documents/Annual\\_reports\\_and\\_accounts/Annual%20Fitness%20to%20Practise%20Report%20012%20-%202013.PDF](http://www.nmc-uk.org/Documents/Annual_reports_and_accounts/Annual%20Fitness%20to%20Practise%20Report%20012%20-%202013.PDF)

<sup>16</sup> This is mainly professional costs, panellists costs, and witness and respondent costs.

<sup>17</sup> The remainder are interim order hearings, interim order reviews and preliminary meetings.

**Figure 3: Fitness to practise referrals received by us<sup>18</sup>**

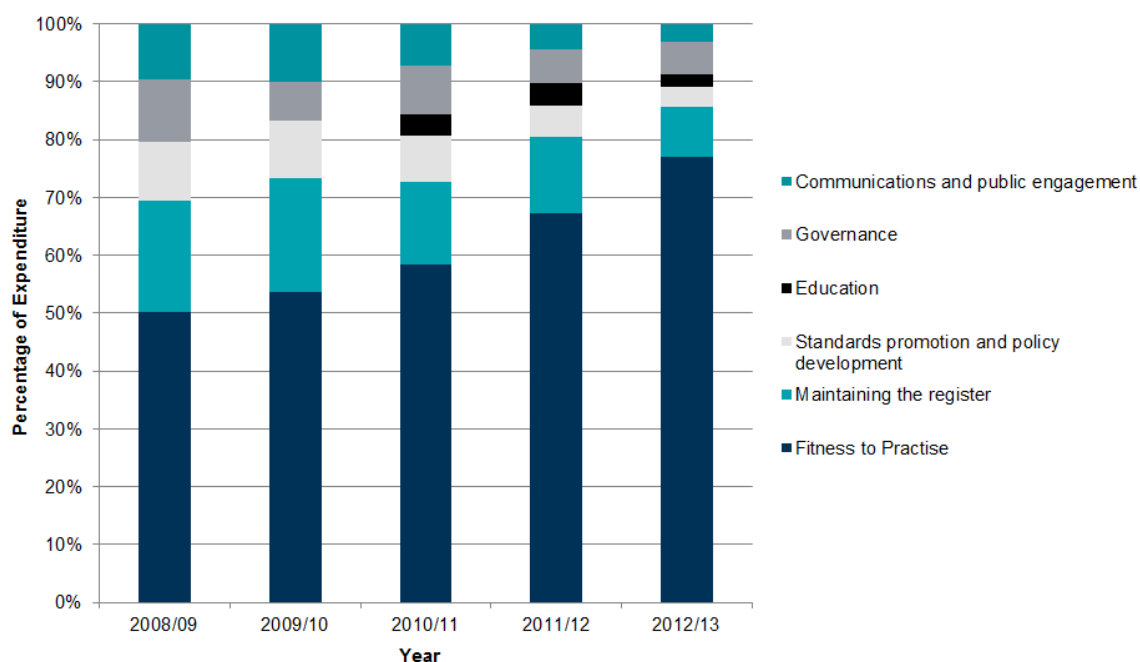


38 Since 2008–2009, the volume of fitness to practise referrals has risen by over 133 percent. This is a key driver of our costs. Should the fee rise to £120, this would represent a 58 percent increase from 2008–2009 levels of £76. We have done our best to absorb the costs of referral increases through improved efficiency. However, we need additional funding to deal with increasing referral levels.

39 The increasing cost of our fitness to practise activities has meant that we have had to reduce relative costs in other regulatory areas. Figure 4 shows this effect over a number of years. Fitness to practise activities now account for 77 percent of our costs as opposed to 50 percent in 2008–2009, while the resources allocated to other functions (both as a percentage and in real terms) have reduced. However, our registration, standards and education functions are also important and need investment in order to deliver an appropriate standard of regulation across all our functions. We therefore need to review the balance in funding allocation.

<sup>18</sup> <http://www.nmc-uk.org/About-us/Statistics/Statistics-about-fitness-to-practise-hearings/>

**Figure 4: Cost by function**



## Regulatory commitments and major workstreams

- 40 Regulation of healthcare professionals is undergoing significant change. Reports into large-scale failures of care, such as the Francis report, have meant that regulators are required to be more proactive, to be more focused on patient safety, and to actively raise their public profiles. We have committed to a number of key initiatives and workstreams to meet the requirements of these reports and deliver effective public protection.
- 41 Over the next two years we will be required to implement a number of UK and EU legislative changes. As a result, we will need to develop our administrative and IT processes.
- 42 Our workstreams will continue to take account of requirements and recommendations set by the Professional Standards Authority (PSA) and the House of Commons Health Select Committee.
- 43 More detail on our regulatory commitments and major workstreams is set out below. These workstreams are included in our financial planning.

## Revalidation and the Code

- 44 We are committed to delivering a model of revalidation by December 2015. As part of setting the standards for revalidation, we are reviewing the Code<sup>19</sup> and our key standards for nurses and midwives. We are currently extensively consulting and engaging with the professions, patients and the public to ensure that our model is fit for purpose.

<sup>19</sup> The Code: Standards of conduct, performance and ethics for nurses and midwives - <http://www.nmc-uk.org/Publications/Standards/The-code/Introduction/>

## **Raising our public profile**

- 45 We are committed to raising our public profile. Our work in this area includes launching a new website, engaging across the four countries of the UK, working pro-actively with other regulators to protect the public and working closely with patient and registrant groups.

## **Changes to EU legislation**

- 46 Changes to the EU Mutual Recognition of Professional Qualifications Directive will require us to make a number of amendments to our processes. For example, new requirements for English-language controls, minimum standards of education, and a European-wide alert system for fitness to practise sanctions are likely to require significant investment to change our processes and IT system. We are legally obliged to implement these changes.

## **Review of statutory supervision of midwives**

- 47 Following a report from the Parliamentary and Health Service Ombudsman in December 2013, we commissioned an independent review by the King's Fund into midwifery regulation, to be completed by the end of 2014.

## **Registration improvements**

- 48 We are improving our registration services to provide better customer service and a more efficient process. These include an online registration service through which nurses and midwives can apply for registration, update their details, renew their registration and pay their annual fee. Not only will this improve the experience for nurses and midwives, but it will also provide savings in future years.

## **IT investment**

- 49 We have agreed a robust strategy to modernise our IT infrastructure and systems. This includes upgrading our registration and case management systems to ensure they are up to date and secure, and can provide the right level of management information to guide our decision making.

## **Fitness to Practise change programme**

- 50 We are currently changing our fitness to practise processes to make them more efficient. For example, we are consulting on the introduction of Case Examiners into the case investigations stage. This will reduce the volume and cost of Investigating Committee meetings while ensuring consistent and quality decision making on whether there is a case to answer. We are also working to improve customer service, introduce a new model of investigation and develop a regional liaison function. We aim to do this at the same time as managing a challenging level of day-to-day activities.

## **Fee payments by instalments**

- 51 We fully appreciate that providing the option to pay the registration fee by instalments instead of an annual sum would help nurses and midwives.

- 52 We are committed to introducing phased payments by the end of 2016.
- 53 As well as making the necessary changes to our IT systems and processes, we will seek changes to our legislation, so that all who want to do so can make phased payments. Our current legislation requires nurses and midwives to have paid their registration fee in full prior to the annual renewal date. If they do not, their registration will lapse automatically by law and they will be unable to work.

## **Reserves and the financial strategy**

- 54 All organisations aim to hold a certain level of reserves to ensure that they can continue to operate in difficult circumstances. As a charity, we are required to hold a suitable level of reserves in accordance with Charity Commission requirements<sup>20</sup>.
- 55 Our reserves policy until September 2012 was to hold three months' worth of running costs in reserves, plus an amount to cover our share of the pension deficit. In 2011–2012, we funded our increased fitness to practise activity through our reserves, which significantly reduced them.
- 56 In September 2012, we adopted a risk-based approach to reserves, with a level based on the financial evaluation of our risks, plus an amount to cover our share of the pension deficit. This change in policy significantly reduced the level of reserves we are required to hold.
- 57 The risk-based element of reserves (also known as 'available free reserves', which is our key financial indicator) is reviewed annually. Our Council agreed in March 2014 that the level should be held in a range of £10 million to £25 million.
- 58 We are working to replenish our available free reserves to a minimum of £10 million by January 2016. This was one of the conditions of the UK government's £20 million grant in 2012. At 31 March 2014 our available free reserves level was estimated to be £7.6 million.
- 59 Charity Commission guidance states that free reserves may be reduced in the short term from the level required by the policy, but only in circumstances where there is a clear and robust plan for returning them to the required level. Our financial planning is based on a fee of £120 from March 2015. With this level of funding, and our projected costs, we would expect to be able to meet our minimum reserves target.
- 60 We require this level of funding to maintain our financial sustainability to deliver public protection via our regulatory activities and commitments.

## **How we compare to other regulators and professional bodies**

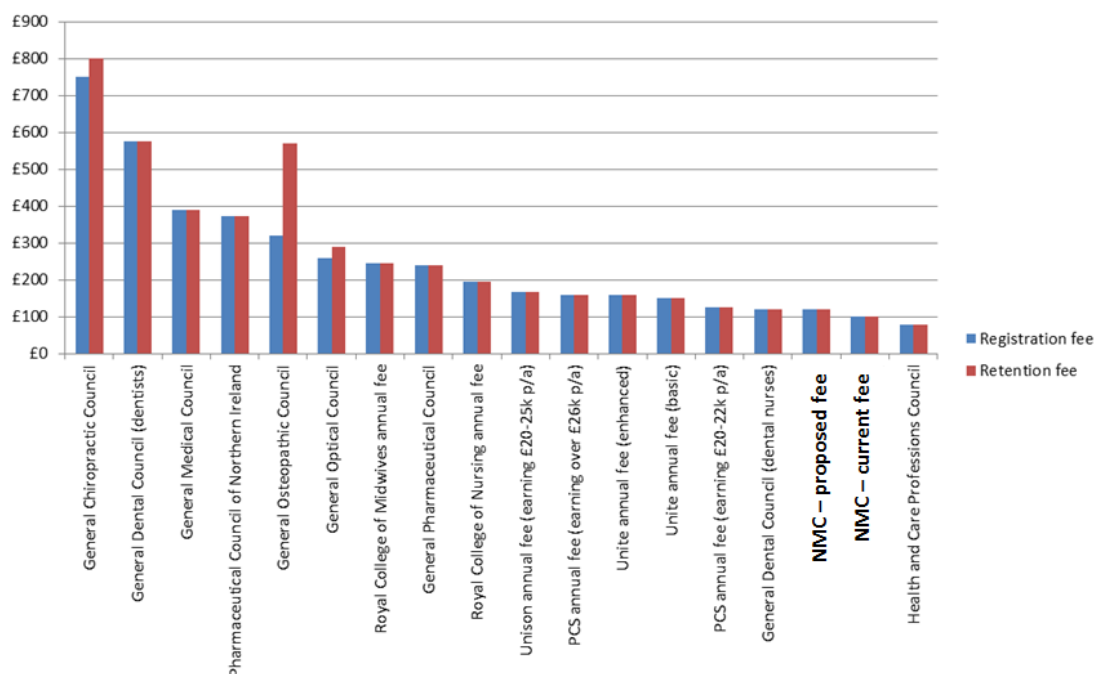
- 61 Like other healthcare professions, nursing and midwifery are regulated professions which require registrants to pay a fee to their regulator. Our proposed registration

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<sup>20</sup> <https://www.charitycommission.gov.uk/detailed-guidance/money-and-accounts/charities-and-reserves-cc19/>

fee of £120 compares favourably to fees charged by other regulators and professional bodies, as Figure 5 shows.

**Figure 5: The fees of healthcare professional regulators and professional bodies<sup>21</sup>**



## Analysis of possible fee levels

62 We have considered a number of possible approaches to how we can continue to protect the public and meet our commitments. Two possibilities are set out below.

62.1 Maintain the registration fee at its present £100.

62.2 Raise it to £120, to reflect the actual cost of regulation.

63 We also explored other possibilities, but these were considered unlikely. For example, we considered the likelihood of a further government grant. The government has consistently stated that we are an independent regulator and it is

<sup>21</sup> <http://www.gcc-uk.org/registration/fees/> ; <http://www.gdc-uk.org/Dentalprofessionals/Fees/Pages/Registration-fee.aspx> ; <http://www.gmc-uk.org/doctors/fees.asp> ; <http://www.psni.org.uk/wp-content/uploads/2012/10/Fees-are-applicable-for-2013-2013141.pdf> ; <http://www.osteopathy.org.uk/practice/How-to-register-with-the-GOsC/Qualified-in-the-UK/> ; <http://www.optical.org/en/Registration/registration-fees.cfm> ; <http://www.rcm.org.uk/college/membership/categories/full/> ; <http://www.pharmacyregulation.org/registration/registering-pharmacist/fees> ; <https://www.rcn.org.uk/membership/categories/categories> ; <https://www.unison.org.uk/for-members/joining-unison/how-much-does-it-cost/> ; <https://www.join.pcs.org.uk/en/join-pcs/switch-to-direct-debit/index.cfm> ; <http://www.unitetheunion.org/growing-our-union/joinunite/contributionrates/> ; <http://www.hpc-uk.org/registrants/fees/paying/>. The retention fee shown is what the regulator/organisation charges each year to remain registered (or a member) after the initial-year fee. Both the registration and retention fees shown are an annual charge.

for the regulator to determine an appropriate registration fee<sup>22</sup>. The current cost per registrant to us is already £120 per year and has been for some time, and this should be funded by those who are registered by us. This is consistent with what is expected of all other regulated healthcare professionals.

- 64 However, we are willing to consider other options. Indeed one of the purposes of this consultation is to gather such suggestions. The more that these suggestions are explained and costed the more powerful they will be. No final decision will be made until all consultation responses have been carefully considered.

### **The registration fee remaining at £100 – the impact on public protection**

- 65 If the registration fee were to remain at £100, we would face a funding gap of approximately £13 million per year. We would have no option but to reduce our fitness to practise activities by this amount and would therefore be unable to operate as an effective regulator, either for nurses and midwives or for the public. This would also mean that we would fail in our duty to protect the public, and that the public would lose confidence in the professions.
- 66 As our fitness to practise activities drive most of our costs, we would have to reduce resources for this at a time of rising referral volumes. Our other regulatory functions have already been subject to funding constraints in order to fund our fitness to practise activities, so it is highly unlikely that further reductions of £13 million per year could be made. This would result in inadequate resources for screening and investigating allegations, and progressing cases to hearings. We would have to reduce the number of investigations that we carry out and the number of hearings that we hold, meaning that a backlog of cases would build up. It would also mean that we would fail to meet the targets for processing fitness to practise cases that have been set by the UK government. The customer service we could provide to those involved in cases would also be affected.
- 67 In addition, a £100 fee would mean that we would not be able to meet our requirement to maintain an appropriate level of reserves as set out in our financial strategy and agreed with the UK government as a condition of their £20 million grant.

### **Proposal to increase the registration fee to £120**

- 68 £120 per registrant per year is the current actual cost of carrying out our statutory duty to protect the public and has been for some time. If that funding is not received in fees, the shortfall would need to be found from some other source such as the government or from reserves. Neither of these sources appear realistic or attractive to us.
- 69 By law, we fund ourselves through registration fees. Therefore, our preferred option is to raise the registration fee from £100 to £120.

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<sup>22</sup> House of Commons written answer, Dr. Daniel Poulter, Column 277W [188536] - <http://www.publications.parliament.uk/pa/cm201314/cmhansrd/cm140225/text/140225w0001.htm#14022590005659>

- 70 A registration fee of £120 would enable us to continue to protect the public and fulfil our commitments. It would enable us to be a regulator that meets all of its statutory functions and obligations to the required standard.

## **Claiming tax relief on the NMC registration fee**

- 71 Nurses and midwives are able to claim tax relief on their annual fee through HM Revenue and Customs (HMRC). Individuals can claim tax relief on professional subscriptions or fees which have to be paid so that they can work.
- 72 In 2013, we carried out a survey which highlighted that over 70 percent of nurses and midwives were not claiming tax relief on their annual fee, and that 50 percent of nurses and midwives were not aware that they were able to. More information on this can be found on the HMRC website<sup>23</sup>.
- 73 We realise that any increase in registration fees will be unpopular with nurses and midwives. We therefore strongly encourage all nurses and midwives to claim this tax relief. If we do raise the registration fee to £120, a claim for tax relief would reduce this to £96 and less for higher-rate taxpayers.

## **The Law Commission review of statutory healthcare regulation**

- 74 We operate within a complex legislative framework which is restrictive and difficult to change. Many of our registration and fitness to practise processes are directly prescribed by this legislation. Changes to our processes require legislative change and parliamentary approval through a complex and expensive process that can take up to 18 months. As part of the government's response to the Francis report the Prime Minister, on 6 February 2013, referred to the need to "sweep away the NMC's outdated and inflexible decision making process"<sup>24</sup>. We fully agree with this statement. A more flexible legislative framework would enable us to be more responsive, efficient and effective.
- 75 The government has asked the Law Commission to review the legislative framework for the nine professional healthcare regulators. The Law Commission published their draft Bill<sup>25</sup> on 2 April 2014, recommending the largest change in healthcare regulation for 150 years. We strongly support this development as it will give us the flexibility we need to better protect the public, as well as providing a framework that could allow us to reduce costs in the long run. Although this would not materialise in time to affect the fee rise that we are consulting on in this document, we would expect that having a more flexible and efficient legislative framework will positively affect our funding position in the years to come. Therefore, we encourage the government to carry forward this important work through the legislative process.

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<sup>23</sup> <http://www.hmrc.gov.uk/incometax/relief-subs.htm>

<sup>24</sup> The Prime Minister's speech to Parliament on 6 February 2013, column 282 -

<http://www.publications.parliament.uk/pa/cm201213/cmhansrd/cm130206/debtext/130206-0001.htm>

<sup>25</sup> <http://lawcommission.justice.gov.uk/publications/Healthcare-professions.htm>



## Next steps

- 76 This consultation will run from 8 May 2014 to 31 July 2014. Any responses received after this time will not be included in the analysis of the consultation responses.
- 77 All responses will be collated and analysed by an independent research company. The report on the consultation responses will be considered by our Council to inform their decision on the annual registration fee.

## Your response to this consultation

- 78 It is important that you read the following information before completing the survey.

### Questions

- 79 All questions are optional except for the question which asks whether you are responding as an individual or an organisation. Responses from individuals and organisations will be analysed separately, so it is important that we know in which capacity you are responding.
- 80 Where you are invited to comment, unless otherwise stated, there is a limit of 300 words.

### Submitting your response

- 81 As your response is anonymous, it will not be possible to view or amend your response after you have submitted it, unless you provide your email address. This is because your contact details will be needed to identify your response. Please note that the survey closes at 12:00 on 31 July 2014 and that amendments can only be made up until then. If you provide your email address when you submit your response and later wish to revisit it, then you will need to contact Alpha Research at [9696nmc@alpharesearch.co.uk](mailto:9696nmc@alpharesearch.co.uk) to ask them to return your response.
- 82 Please respond via the following link  
<https://www.snapsurveys.com/wh/s.asp?k=139895975874>
- 83 If you are not able to submit your response using the online survey you may contact us on [9696nmc@alpharesearch.co.uk](mailto:9696nmc@alpharesearch.co.uk) for an alternative format.

## Consultation questions

1. Based on the above, do you agree or disagree that the registration fee should be increased to £120 from March 2015?

Agree (go to question 3)

Disagree (go to question 2)

Not sure

Have no opinion

Please give a reason for your answer.

2. Do you think that the fee should be kept at £100?

Agree

Disagree

Not sure

Have no opinion

Please give a reason for your answer.

3. Do you favour another option (whether mentioned in this document or not)?

If so, please explain it here.

4. Are you responding as an individual or on behalf of a group or organisation?

As an individual (go to question 8)

On behalf of an organisation (please ignore questions 8–19)

### Organisation:

5. Please tick one box which best describes the type of organisation you work for.

Government or public body

Regulator

Professional organisation or trade union

NHS employer of nurses or midwives

Independent-sector employer of, or agency for, nurses and midwives

Education provider

Consumer or patient organisation

Other – please specify:

6. Please give the name of your organisation.

Would you be happy for your comments to be attributed to your organisation in reporting?

Yes. I am happy for comments to be attributed to my organisation

No. Please keep my responses anonymous

7. Please state where your organisation mainly operates.

Across the UK

England

Northern Ireland

Scotland

Wales

Other – please specify:

### **Individual:**

8. Are you a:

UK-registered nurse

UK-registered midwife

Overseas registered nurse and/or midwife

Employer or manager

Educator

Nursing or midwifery student

Member of the public, service user or carer

Prefer not to answer

Other – please specify:

9. In your main job do you work:

Full time (more than 30 hours per week)

Part time (up to 30 hours per week)

### **Diversity monitoring questions**

Responses to these questions will remain anonymous. We would be grateful if you would complete these questions because this evidence supports our equality and diversity work.

10. How would you describe your national identity?

English

Welsh

Scottish

Northern Irish

British

Prefer not say

Any other national identity, write in box

11. Please choose one section from A to E and tick one box which best describes your ethnic group or background.

A. White

English/Welsh/Scottish/Northern Irish/British  
Gypsy or Irish Traveller  
Irish  
Any other white background, write in box

B. Mixed/multiple ethnic groups

White and black Caribbean  
White and black African  
White and Asian  
Any other mixed/multiple ethnic backgrounds, write in box

C. Asian / Asian British

Indian  
Pakistani  
Bangladeshi  
Chinese  
Any other Asian background, write in box

D. Black/African/Caribbean/black British background

African  
Caribbean  
Any other black/African/Caribbean background, write in box

E. Other ethnic group

Arab  
Any other ethnic group, write in box

**12.** Do you consider yourself to have a disability or long-term health condition?

The Equality Act 2010 defines disability as a physical or mental impairment which has a substantial long-term effect (at least 12 months) on a person's ability to carry out normal day-to-day activities.

Yes  
No  
Prefer not to say

**13.** Please indicate your sexual orientation.

Heterosexual  
Gay man  
Gay woman/lesbian  
Bisexual  
Prefer not to say

**14.** Please indicate your gender.

Male  
Female  
Transgender  
Prefer not to answer

**15.** Is your gender identity the same as the gender you were assigned at birth?

Yes  
No  
Prefer not to say

**16.** Please indicate which most closely matches your religion or beliefs.

Buddhist  
Christian  
Hindu  
Jewish  
Muslim  
Sikh  
None  
Prefer not to say  
Any other religion, write in box

**17.** Are you married or in a civil partnership?

Yes  
No  
Prefer not to say

**18.** Please indicate your age.

Under 25  
25–34  
35–44  
45–54  
55 or over (go to question 19)  
Prefer not to answer

**19.** If you are 55 or over, is the fee rise likely to impact on your decision to continue working as a nurse or midwife, if at all?

Yes  
No  
Not sure