

COUNCIL

Chief Executive and Registrar report

Meeting: 29 July 2015

Status: for noting

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Introduction

1. The Chief Executive and Registrar's report is presented to Council on a quarterly basis. This report covers the period since the **13 May 2015** Council meeting. Council is asked to **note** the contents of this report.

Our External Environment

2. We continue to engage with the **Department of Health (DoH)** and other regulators regarding the draft '*Regulation of Health and Social Care Professionals*' Bill (produced by the **Law Commission**) notwithstanding the Government's decision not to introduce the Bill in the first session of parliament. We are working very closely with the DoH and other health care professional regulators to see implementation if at all possible (see paper **C30(15)**).
3. The **Professional Standards Authority (PSA)** published its annual performance review of healthcare professional regulators on **26 June 2015**. We met 21 of the 24 standards in **2014/15**, compared to 24 in **13/14**. This year, three regulators met 24 standards, two met 23, one met 21 (us), two met 19, and one met 17. The PSA has been reviewing the performance review process as a whole. We will be responding to their consultation on a revised structure and approach to the review (which opened on **7 May 2015** and closed on **27 July 2015**). Since the last Council meeting, the PSA has confirmed that its levy will be **£57,000** for GOC this year (**£90,000** next year).
4. We continue to work with the **Department of Health** and the **Department of Business, Innovation and Skills (BIS)** on the revised European Union directive on the recognition of professional qualifications (EUPQD), through our membership of the **Alliance of UK Health Regulators on Europe (AURE)**. Following BIS's consultation on the transposition of the revised directive and proposals for a set of revised regulations in **November 2014**, BIS published a response in **March 2015** together with a set of draft implementing regulations and guidance for competent authorities. We considered the documents and responded to the consultation in **June 2015**.

5. The BIS regulations as currently drafted will effectively place a duty on the GOC to allow partial access to the profession(s) if the conditions set out in the directive are met (subject to any overriding reason of general interest). Our response (which seeks further clarity on some of the definitions used as well as the principle of patient safety as an overriding reason of general interest) is available on our website (<https://www.optical.org/en/get-involved/consultations/our-responses-to-other-consultations.cfm>). Our experience of assessing European Economic Area (EEA) applications to date suggests it is unlikely that we will ever need to consider allowing partial access to the profession(s), as we have never required any applicant to undergo a full programme of education and training. Therefore, the risk of any applicant taking this route and undermining our system of regulation in the UK is minimal.
6. Another EU directive of interest to us is the **EU medical devices directive** (Directive 93/42/EEC). This directive does not currently define zero powered contact lenses as medical devices, as they do not fit the criteria of being a device that is related to the diagnosis, prevention, monitoring and treatment of diseases. The UK has been lobbying for some time to include zero powered contact lenses as a medical device when the directive is revised, which we expect to happen in **2016**. The **Medicines and Healthcare products Regulatory Agency (MHRA)** is leading on this work within the UK Government and we have been in contact with them to share our findings from the recent research report that we commissioned from Europe Economics (2013)¹ into the risks associated with illegal practice. The MHRA has advised us that the latest version of the draft regulations acknowledge that cosmetic zero powered contact lenses cannot be defined as medical devices because they serve no medical purpose but will effectively be regulated in the same way. The text is not yet finalised and will need to be agreed by the European Parliament but we will continue to liaise with the MHRA to keep up to date on how this is progressing.
7. Our fellow regulators have also launched a number of consultations in the last quarter. We responded to the **General Osteopathic Council's (GOsC)** consultation on their new continuing professional development scheme, which closed on **31 May 2015** and the **Pharmaceutical Society of Northern Ireland's (PSNI)** consultation on their proposed code of conduct, which closed on **11 May 2015**. We were supportive of the approach taken in both of these consultations and offered some suggestions for consideration based on our experience of our continuing education and training (CET) scheme and development of our new standards.

¹ Europe Economics (2013), *Health Risk Assessment of Illegal Optical Practice: Final report for the General Optical Council*

Our Strategy and Performance

8. Our **business plan and budget for 2015/16** were approved by Council at its meeting in **February 2015**. Sign off of the final business plan was delegated to me, which I did with two enhancements. Firstly, we added the development of a '*strategy for managing complaints quickly and effectively*'. This is the subject of a separate paper **C28(15)**. Secondly, we increased activity in a number of areas (equality, diversity and inclusion; information governance; complaints policies (whistleblowing and protected disclosure); corporate policies and procedures (developing a longer term programme of review) and stakeholder agreements (developing guidance and reviewing known agreements) by means of a temporary increase in resources.
9. We have reviewed and updated the Corporate Performance Review Framework to measure and monitor progress against the business plan. This framework is the subject of a separate paper (see **SC26(15)**). It incorporates (and contextualises) our performance indicators (which have been reviewed and revised for **2015/16** as requested by Council. This is the second year we have had this framework in place.
10. Our performance against the **2015/16 budget** is presented in a separate paper **C18(15)**. In summary, the figures for the first quarter show a surplus of **£5,540k** against a budget of **£5,205k**. This is an overall positive variance of **£335k** for the period ended **30 June 2015**. Our performance indicators for finance are green for income (with actual income under budget by **one per cent**) and red for expenditure (with actual expenditure under budget by **20 per cent**). To date income is **£7.1m** compared to the budget of **£7.2m** (a negative variance of **£69k**), and expenditure is **£1.6m** compared to a budget of **£2m**, which is a positive variance of **£404k**.
11. Our performance against the **2015/16 business plan** is presented in a separate paper **C33(15)**. In **2015/16** we are tracking nine performance indicators and we met **five** out of the nine indicators for programme activity in the last quarter, with **two** other indicators within **five per cent** of our target. There are developments I would like to highlight. Complaints timelines remain challenging, albeit with some positive decreases in the time taken to close cases in this quarter. Most progress was made with a **27 per cent** improvement in the median time from receipt of complaint to hearing determination (**79** weeks against a target of **78** weeks, compared to 108 weeks last quarter). Progress has been also made in closing cases within **52 weeks (13 per cent** or one case in this quarter, compared to **zero per cent** or no cases in the last quarter), **78 weeks (50 per cent** or four cases compared to **25 per cent** or two cases), and **104 weeks (88 per cent** or seven cases, compared to **50 per cent**

or four cases). These are positive trends but should be treated with some caution, due to the low overall number of cases (eight). Notably Q1 (2015/16 and Q4 (2014/15) had the same number of cases concluded (eight). It is worth mentioning that the Q1 figures are calculated by a new method (from an earlier date of complaint received) whereas Q4 was under the old method (from the later date a full investigation was opened). So that adds to what was an improved performance in Q4 in respect of end to end times. We also compare ourselves to a CIPD comparator in relation to staff turnover. Although our levels of turnover are significant, our annual rolling turnover rate appears to be reducing (albeit with a slight increase this quarter due to the departure of **four** staff).

12. This year's business plan has **twelve** key projects which contribute to its plans for regulatory and organisational modernisation. With regards to project work, there are **five** major projects underway to develop our approach to regulatory functions; **reviews of student regulation, business regulation and standards**, and the development of **strategies for illegal practice, and for delivering complaints quickly and effectively**. Further work on our **reviews of business and student regulation** is on hold as they are dependent on achieving legislative change, however the other projects continue. There are **two** major projects underway to enhance our operational effectiveness; **relocation** to a more modern, fit-for-purpose building, and the development of a **Customer Relationship Management (CRM)** system.
13. There have been a number of significant project developments since the last Council meeting. Our consultation on new standards of practice closed on **7 June 2015**. Drawing on the results of this consultation, and independent research, the standards have been finalised ready for consideration by Council at this meeting (see paper **C26(15)**). We have developed a draft voluntary code of practice for online contact lenses supply for consultation, again ready for consideration at this Council meeting (see paper **C27(15)**). We have reviewed the Accreditation Handbook, and an updated version is being brought to Council for consideration today (see paper **C29(15)**.) This was a limited review, mainly to improve, enhance, clarify and improve procedures. We have plans in place to move to our new offices at 10 Old Bailey in **August**. Our Customer Relationships System continues to roll out with case management rolled out in **May**. Currently, the fitness to practise function is live. The hearings function is ready, but there is data cleansing work underway prior to migration. We expect it to be live by the end of July. **Three** other functions are scheduled to go live between September and December, allowing for a break whilst we relocate.

Our Stakeholder Engagement

14. In terms of our public profile, topics of press interest since the last Council meeting have included: our move to new premises, our consultation on the new standards, our performance against the PSA standards, and the usual reporting on the outcomes of fitness to practise cases.
15. In line with our new research framework, which we put in place last year, we have completed our public perceptions survey in this quarter. This research, presented to Council at its **May 2015** meeting, will be published in July, then disseminated to stakeholders and presented to them at an event in the autumn.
16. We continue to meet stakeholders, and have regular and sustained contact with professional bodies and other regulators on a wide range of issues. It is not practical for me to cover the whole organisation's meetings here, but in terms of my own engagement, since the last Council meeting: I met with *Diabetes UK* and the *International Glaucoma Association* to hear their views on our draft standards, as part of our plans to increase engagement with patient and public interest bodies; I took part in a discussion panel as part of the *Chartered Institute of Management Accountant's* annual *Howett lecture* (on the subject of Trust and how to rebuild public trust in the corporate world); I attended a PSA conference on 'right-touch regulation', and a Pennington's seminar on professional regulation; I visited Manchester Eye Hospital along with colleagues from Council and the Executive, as part of a day during which we met with Cindy Tromans (Chair of the College of Optometrists) and Dharmesh Patel (NHS, Primary Care); I participate in regular meetings of the Chief Executives' Steering Group (for healthcare professional regulators), and attended the Association of Optometrists' AGM dinner. Finally, I gave interviews to *Optometry Today* about our new standards and the office move, which went live on their website.

Our People and Values

17. Our rolling programme of Council, committee and panel appointments continues. In the last quarter, we completed the process of reappointing Brian Coulter as a Council member (with Privy Council confirmation received on 3 February 2015). We launched recruitment campaigns for a new registrant council member (opening on **11 May** and closing on **8 June**) and a new lay Chair for Investigation Committee (opening on **23 June** and closing on **21 July**).
18. Our rolling programme of induction and training continues. In the last quarter, induction was completed for new members of Companies Committee and Standards Committee, and 38 new hearing panel members. In addition, we

organised the **2014/15** Council Evaluation. This took the same format as for **2013/14** (a questionnaire about Council's performance as a board, and an evaluation day to discuss the results), with the addition of independent external support to facilitate discussion at the evaluation days on **23 and 24 June 2015**.

19. The annual cycle of employee appraisals started during this quarter. This year started using the new appraisal system (developed in **2014/15**, to start from **1 April 2015**). Appraisals took place in **May** and **June**. Our work to develop a system of performance related pay progression to run alongside this has also now been completed. Under performance related pay progression, which takes effect from **1st April 2015**, progression through the pay ranges will be on the basis of performance.
20. We developed a staff survey to ascertain employees' views about working here. We plan to carry out the survey on a regular basis so that we can see how trends change over time. The first one of these was rolled out on in July to obtain responses prior to the office move. The research was carried out by **BMG Research**. Following a call for tenders to undertake this work (in **April 2015**), we received four submissions. We interviewed three agencies and decided to appoint **BMG Research** to carry out six surveys over a three year period. We received authorisation from the Chair of Council to issue the contract in **June 2015**, (at a value of **£25,680** inclusive of VAT) for the three year period.
21. We continue to develop (and embed) new policies and procedures across the organisation. In particular, in the last quarter, we produced a member development plan, and created policies for investment and long term financial planning. We also reviewed and revised the Schemes of Delegation (from Council and from the Registrar) and the Corporate Performance Review Framework (at paragraph nine).
22. Committee management and support continued as usual throughout this quarter. In this cycle, there was one Council meeting, and three statutory and non-statutory committee meetings. Evaluations of both Council and Audit and Risk Committee were undertaken in this quarter. In addition, we organised our annual Council Evaluation and Performance Review days. The former enabled Council to review its performance as a board, and the latter enabled it to review the General Optical Council's performance as a whole. We are currently collating and reviewing discussions from these events in order to feed them into ongoing strategy and planning.