Summary: Intervention & Options Department /Agency: Department of Health Department of Health Stage: Implementation Version: 1.0 Pate: 12 June 2009 Related Publications: White Paper - "Trust, Assurance and Safety"

Available to view or download at:

http://www.dh.gov.uk

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What is the problem under consideration? Why is government intervention necessary?

Public perception that the regulatory bodies are dependent on or attached to particular interests has continued to weaken confidence in the actions of the regulators. The composition of the regulatory bodies is central to that perception.

Government intervention is necessary as changes to the composition of the regulatory bodies requries legislation.

What are the policy objectives and the intended effects?

Key objective: to enhance public confidence in the General Dental Council (GDC) by making changes to the composition of the governing council. The General Dental Council (Constitution) Order provides for a smaller, independently appointed council, with parity between lay and registrant members with the intention of removing perceptions that the Council is dependent on or attached to any particular interest.

What policy options have been considered? Please justify any preferred option.

The policy options considered were

- (1) do nothing
- (2) provide for the GDC Council's constitution, contained in an Order of the Privy Council, to detail revised proposals for governance including lay and professional membership parity, and appointment of members by the Privy Council. It was decided to adopt option 2 as this provided a flexible approach that allowed the constitution of the Council to reflect the number and range of registrants, and to provide the clear basis for the appointment, removal, and supsension of members.

When will the policy be reviewed to establish the actual costs and benefits and the achievement of the desired effects? The policy will be reviewed by the Department of Health in June 2011

Ministerial Sign-off For final proposal/implementation stage Impact Assessments:

I have read the Impact Assessment and I am satisfied that (a) it represents a fair and reasonable view of the expected costs, benefits and impact of the policy, and (b) the benefits justify the costs.

Signed by the responsible Minister:

.....Date: 30-6-09

Summary: Analysis & Evidence

Policy Option: OPTION2 (over Opt 1) Description: Adoption of a smaller, fully appointed Council for the HPC

| | ANNUAL COSTS | | Description and scale of key monetised costs by 'main | | | | |
|-------|---|-----|--|--|--|--|--|
| | One-off (Transition) | Yrs | affected groups' | | | | |
| | £0 | 8 | | | | | |
| COSTS | Average Annual Cost (excluding one-off) | | | | | | |
| ខ | - £26,799 | | Total Cost (PV) - £214,395 | - TOTAL CO. C. | | | |
| | Other leaves were seen at | | | | | | |

Other **key non-monetised costs** by 'main affected groups'

| | ANNUAL BENEFITS | Description and scale of key monetised benefits by 'main | | | | |
|---|--|--|--|--|--|--|
| | One-off Yrs | affected groups' The benefits cannot be monetised | | | | |
| | £0 | | | | | |
| | Average Annual Benefit (excluding one-off) | | | | | |
| 魚 | £0 | Total Benefit (PV) £ | | | | |

Other key non-monetised benefits by 'main affected groups' GDC enjoys enhanced confidence as a Regulator through a smaller council, independently appointed, safer treatment of service users, improved treatment and management of regulated professionals.

Key Assumptions/Sensitivities/Risks The GDC is assumed to have an unchanged number of meetings / year and unchanged costs per Council Member. Administrative costs of training a smaller, fully appointed council assumed to be less than training a larger Council (based on inability to predict whether existing members would be re-elected or re-appointed)

| Price Base Year 2009 | Time Period Years 5 | Net Benefit Ra £ | ange (NPV) | NET BI £ 182,2 | | NEFIT (NPV Best estimate) 7 | | |
|---|---|---------------------|--------------|-------------------|--------|-----------------------------|--|--|
| What is the g | eographic covera | age of the policy/c | ption? | | UK | | | |
| On what date | October 2009 | | | | | | | |
| Which organ | GDC | | | | | | | |
| What is the total annual cost of enforcement for these organisations? | | | | | | | | |
| Does enforce | Yes | | | | | | | |
| Will implementation go beyond minimum EU requirements? | | | | | | No | | |
| What is the value of the proposed offsetting measure per year? | | | | | | £ | | |
| What is the v | alue of changes i | in greenhouse ga | s emissions? | | £ | | | |
| Will the propo | Vill the proposal have a significant impact on competition? | | | | | No | | |
| Annual cost ((excluding one-off | £-£) per organisa | ation | Micro | Small | Medium | Large | | |
| Are any of the | ese organisations | s exempt? | No | No | N/A | N/A | | |

| Impact on A | dmin | Burdens Baseline (2005 P | rices) | | (Incre | ease - Decrease) |
|-------------|------|--------------------------|---------------------------------------|---|---------------------|--|
| Increase of | £ | Decrease of | | Net Impact | | |
| | | | and the control of the control of the | description and in during the contract of the | 我们的 化二甲基甲基乙烯 医二甲基甲基 | Projective and the control of the cont |

Annual costs and benefits: Constant Prices (Net) Present Value Key:

Evidence Base (for summary sheets)

[Use this space (with a recommended maximum of 30 pages) to set out the evidence, analysis and detailed narrative from which you have generated your policy options or proposal. Ensure that the information is organised in such a way as to explain clearly the summary information on the preceding pages of this form.]

Background

The White Paper *Trust, Assurance and Safety – the Regulation of Health Professionals in the 21st Century* (published in February 2007) set out a substantial programme of reform to the United Kingdom's system for the regulation of health care professionals. This was based on consultation on the two reviews of professional regulation published in 2006: *Good Doctors, Safer Patients* and the *Regulation of the Non-Medical Health Care Professions*.

Over recent years, most of the Health Care Regulators have made changes to provide greater reassurance that they are even-handed in their deliberations and decisions but perceived dependence, or attachment to, a particular interest has continued to weaken or threaten confidence in those actions. The composition of the Regulators is central to those perceptions.

The White Paper therefore proposed that:

- The Councils of the regulatory bodies should have, as a minimum, parity of membership between lay and professional members, to ensure that purely professional concerns are not thought to dominate their work;
- To enhance public confidence in the health care professional regulators, Council members will be independently appointed; and,
- To enable councils to focus more effectively on strategy and the oversight of their executives, they will become smaller and more board-like, with greater consistency of size and role across regulatory bodies.

Legislation amending the constitutional arrangements for the other Health Care Regulators, in line with these recommendations, was put forward in the Health Care and Associated Professions (Miscellaneous Amendments) Order 2008 SI No. 1774. These reforms will be continued in the Health Care and Associated Professions (Miscellaneous Amendments and Practitioner Psychologists) Order 2009.

At present each Health Regulator Council consists of a number of lay members appointed by the Privy Council (who in practise delegate this task to the Appointments Commission) and a number of registrant members who are elected by the registrants themselves. In future all members of Councils will be appointed by the Privy Council. All organisations need to adapt to changing circumstances over time. These amendments will make it easier for changes to be made to a regulatory body's overall governing structure in the future.

GDC Constitution Order

The GDC is a Health Regulator, and was set up to protect the public. They deliver this function by keeping a register of health professionals who meet requisite standards for their training, professional skills, behaviour and health. The GDC currently regulate dentists and dental care professionals (being clinical dental technicians, dental hygenists, dental nurses, dental technicians, dental therapists, and orthodontic therapists).

Amendments to the Dentists Act 1984 made in the Health Care and Associated Professions (Miscellaneous Amendments and Practitioner Psychologists) Order allow the Privy Council to provide for the numbers of lay and registrant members on the GDC Council, their terms of office, arrangements for appointing a chair, and provisions with respect to the suspension or removal of members.

The Constitution Order provides for the new Council of the GDC to consist of 24 members made up of 12 lay and 12 professional members. This is a reduction in Council membership from the current 29 members (10 members of the public, 15 dentists, and 4 dental care professionals). All members of the Council will be appointed by the Privy Council (who in practice will delegate this task to the Appointments Commission).

Consultation

The proposed new constitution was published for public consultation between 16 December 2008 and 27 March 2009. Respondents were asked to fill in a questionnaire response form and return either electronically or by post to the Department of Health. In total 6 responses were received by the closing date. Overall the consultation supported the proposed constitution. A copy of the report of the consultation will be published on the Department of Health website to accompany this impact assessment

Estimated costs associated with change in governance

The figures below have been provided by the GDC themselves, and reflect expenditure in relation to the current Council, and expected changes to this expenditure to be delivered by the reforms.

Current Council

Running Costs

Average attendance allowance/travel subsistence for members:

(Estimated £659/per meeting – c.4 meetings/yr)=

£2.636

Annual meeting costs for current council:

(29 members x £2,636)=

£76,444

Elections/appointments

Admin costs of elections/appointments in 2008*

£143,768

New Council

Running Costs

Average attendance allowance/travel subsistence for members:

(Estimated £659/per meeting – c.4 meetings/yr)=

£2,636

Annual meeting costs for current council:

(24 members x £2,636)=

£63,264

Appointments

Estimated costs of appointments in 2009

£79,312

Contignency

Projected savings

Election/appointment costs

 Old Council costs: £143,768

 New Council costs: £79,312

 Difference: £64,456

*elections in Nov 2008 did not take place because of an extension of terms of office in new council as interim measure, in anticipation of legislation for new Council.

Ongoing costs

Annual meeting costs

Old Council £76,444

New Council £63,264

Difference £13,180

Administrative costs of training a smaller, fully appointed council assumed to be less than training a larger Council (based on inability to predict whether existing members would be reelected or re-appointed)

Estimated benefits associated with change in governance (non-monetary)

Estimated benefits

Parity of membership between lay and professional members, and independently appointed Council members, will enhance confidence in the GDC. A smaller Council will allow the GDC to focus more effectively on strategy and the oversight of its executive, acting in a more board-like manner. As such these benefits are "invisible" and have not therefore been monetised.

Specific Impact Tests: Checklist

Use the table below to demonstrate how broadly you have considered the potential impacts of your policy options.

Ensure that the results of any tests that impact on the cost-benefit analysis are contained within the main evidence base; other results may be annexed.

| Type of testing undertaken | Results in Evidence Base? | Results annexed? |
|----------------------------|---------------------------|------------------|
| Competition Assessment | No | Yes |
| Small Firms Impact Test | No | Yes |
| Legal Aid | No | Yes |
| Sustainable Development | No | Yes |
| Carbon Assessment | No | Yes |
| Other Environment | No | Yes |
| Health Impact Assessment | No · | Yes |
| Race Equality | No | Yes |
| Disability Equality | No . | Yes |
| Gender Equality | No . | Yes |
| Human Rights | No | Yes |
| Rural Proofing | No | Yes |

Annexes

Competition Assessment

No issues have been identified

Small Firms Impact Test

No impact on small firms

Legal Aid

No legal issues identified

Sustainable development

No issues identified

Carbon Assessment

No impact

Other environment

No environmental issues identified

Health Impact Assessment

No issues identified

Race/Disability/Gender Equality

In drafting the Order, we have considered the possible impact on equality issues (age, disability, gender, race, religion or belief, and sexual orientation) of each of the policies described in this Impact Assessment. When exercising the powers to appoint delegated to them by the Privy Council the directions providing the Appointments Commission with such authority oblige them:
(i) to apply good practice in relation to equality and diversity issues, and (ii) make appointments which reflect the desirability for the GDC to have persons a range of backgrounds, qualifications, competencies, interests and experience on its Council.

The GDC Council also have in place Equality and Diversity Strategy with the aim of helping the GDC to:

- Ensure and actively demonstrate that current and prospective Council Members, members of Council staff and job applicants, registrants, complainants and providers of services are treated solely on the basis of their merits, abilities and potential (and relevant legal requirements) without any unjustified discrimination;

- Promote good relations between people from different racial groups;
- Recognise and develop the diversity of skills and talent within its current and potential staff;
- Foster mutual respect and trust;
- Ensure that all its services are free from unjustified discrimination;
- Ensure that effective mechanisms are in place to monitor its equality and diversity policies on a regular basis ;
- Communicate its equality and diversity policy to Council Members, staff, associates, stakeholders, customers and others; and,
- Tackle discrimination and promote equality.

Human Rights

No issues identified

Rural Proofing

No issues identified