Final stage impact assessment

Title: Amend the designation of appeal authority for pharmacy ‘fitness’ appeals

Type of measure: Primary legislation

Stage: Final

Source of intervention: Domestic

Department or agency: Department of Health and Social Care (DHSC)

Other departments or agencies:

IA number: DHSCIA9725

RPC reference number: N/A

Contact for enquiries: healthlegislation@dhsc.gov.uk

Date: 28/08/2026

Summary: Intervention and Options

Cost of preferred (or more likely) option (base year = year of IA)

Total net present social value (in £m): N/A

Business net present value (in £m): N/A

Net cost to business per year (in £m): N/A

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

The current appeals framework for decisions affecting NHS pharmacy contractors, both current and prospective, is fragmented. Appeals can be split between the First-tier Tribunal and NHS Resolution's Primary Care Appeals service, meaning a single matter may require multiple appeals to different bodies. This creates duplication, delay, uncertainty and administrative burden for pharmacy contractors and integrated care boards (ICBs), despite very low volumes of fitness-based cases.

The existing legislative framework no longer reflects the modern, predominantly corporate ownership of pharmacies. Dual appeal routes are inefficient and confusing, risk inconsistent outcomes, and impose unnecessary burdens on businesses, commissioners and the justice system. Legislative change is required to designate a single appeal authority.

What are the policy objectives of the action or intervention and the intended effects?

The objective is to streamline pharmacy appeals by creating a single, coherent dispute resolution route for all ICB decisions under Part 7 of the NHS Act that affect NHS pharmacy contractors. Intended effects include reduced administrative burden, faster and more predictable outcomes, improved consistency of decision-making, and better alignment with the current structure of the pharmacy sector.

What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)

- **Option 1 (do nothing):** retains the current dual-route system and associated inefficiencies and was rejected.
- **Option 2 (preferred option):** amends legislation to route 'fitness' pharmacy appeals to an appeal authority designated by secondary legislation. This is expected to be NHS Resolution. This is preferred as NHS Resolution already handles most pharmacy appeals and has relevant expertise. This will minimise duplication and deliver system-wide efficiencies at low additional cost.

Will the policy be reviewed? It will be reviewed. If applicable, set review date: TBC

Is this measure likely to impact on international trade and investment?		No		
Are any of these organisations in scope?	Micro X	Small X	Medium X	Large X
What is the CO_2 equivalent change in greenhouse gas emissions? (Million tonnes CO_2 equivalent)		Traded: N/A	Non-traded: N/A	

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Signed by the responsible Minister: G Mercer Date: 8/9/26

Summary: Analysis & Evidence

Policy Option 1

Description: Amend the designation of appeal authority for pharmacy 'fitness' appeals

Full economic assessment

Price Base Year N/A	**PV Base Year** N/A	**Time Period Years** N/A	Net Benefit (Present Value (PV)) (£m)		
			Low: N/A	**High:** N/A	**Best Estimate:** N/A

COSTS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	N/A		N/A	N/A
High	N/A		N/A	N/A
Best Estimate	N/A		N/A	N/A

Description and scale of key monetised costs by 'main affected groups'

The main costs associated with this proposal are:

- One-off set-up costs of up to £56,500
- Ongoing costs per case to NHS Resolution of around £4,110 to £4,560 (compared to indicative costs of £5,000 to £10,000 for FTT)

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

N/A

BENEFITS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	N/A		N/A	N/A
High	N/A		N/A	N/A
Best Estimate	N/A		N/A	N/A

Description and scale of key monetised benefits by 'main affected groups'

N/A

Other key non-monetised benefits by 'main affected groups'

The main benefits considered in this assessment are:

- Simplified and clear appeals process for pharmacy contractors
- Simplified and clear dispute resolution framework for ICBs
- Reduction in potential duplicative proceedings
- Reduced proceedings in the judicial system

Distributional impacts
N/A

Key assumptions/sensitivities/risks	Discount rate	N/A
The risks associated with this proposal are minimal. While the evidence points to very few cases using the existing appeals process, due to the uncertainty in the future number of appeals cases, there is a minimal risk that costs for NHS Resolution could be higher than assumed in this assessment.		

Business assessment (Option 1)

Direct impact on business (Equivalent Annual) £m:		
Costs: N/A	Benefits: N/A	Net: N/A

Evidence Base

Problem under consideration and rationale for intervention

Problem under consideration

Part 7 of the National Health Service Act 2006 (the NHS Act) provides the legislative framework for pharmaceutical services and local pharmaceutical services (LPS) in England. The majority of pharmaceutical services under Chapter 1 of Part 7 are delivered through 3 types of providers:

- Retail pharmacy businesses, private businesses who supply both medicines and appliances.
- Dispensing appliance contractors (DACs), private businesses who exclusively supply appliances.
- Individual doctors in dispensing GP practices, where dispensing services supplement core GP contracts. Only GP practices offering core services can provide dispensing functions; these contractors are not in the scope of this proposal.

Each provider type must be included on a relevant provider list through a process known as "market entry." Removal from such lists is termed "market exit." Lists for retail pharmacy businesses and DACs are referred to as "pharmaceutical lists." The responsibilities for managing market entry and exit and maintenance of the lists will be conferred directly upon ICBs following abolition of NHS England.

Market entry is conditional, primarily involving 2 categories:

- General terms of service, which set requirements such as mandatory services and opening hours.
- "Fitness" conditions (efficiency, fraud, or suitability grounds), applicable exclusively to providers on pharmaceutical lists. Chapter 6 of Part 7 of the NHS Act sets out the legal framework under which NHS England may disqualify providers from its pharmaceutical list on fitness grounds, which can trigger removal or a refusal for accepting a potential contractor on the list. These powers will be transferred to ICBs.

The system of appeals against NHS commissioners' decisions is divided into 2 primary routes. Providers on pharmaceutical lists, DACs and pharmacies, adhere to the same appeal process, while dispensing doctors follow a distinct path.

Typically, most applications for inclusion on pharmaceutical lists depend on whether there is demonstrated need or potential improvement or access to pharmaceutical services at the proposed location. If an NHS commissioner rejects the application, appeals may be submitted to NHS Resolution's Primary Care Appeals Service.

Some applications to be included on the pharmaceutical list can be rejected on "fitness grounds". This means that NHS England (or the ICB) has determined that a pharmacy contractor, or an individual within a corporate body, is not a "fit and proper person" to provide NHS pharmaceutical services. In cases where 'fitness' concerns arise regardless of need, market entry criteria may be met but access denied on "fitness" grounds, or conditions imposed.

Appeals concerning refusals or conditions based on ‘fitness’ are directed to the First Tier Tribunal.

Once listed, if a retail pharmacy business or DAC breaches service terms, regulations (made under section 150A of the NHS Act) provide a penalty notice framework. Appeals against penalties are heard by NHS Resolution, and persistent or serious breaches, that can lead to removal from the list, are also appealable to NHS Resolution. The appeals against sanctions based on “fitness” grounds, including suspensions, are heard by First Tier Tribunal.

Consequently, it is possible that one application could be refused, concurrently, on different grounds, necessitating an applicant to appeal each decision in turn to 2 separate authorities. For example, if the application is rejected on fitness grounds and overturned on appeal to the First Tier Tribunal, the same application can still be rejected on market entry grounds, and this later decision needs to be appealed to NHS Resolution. In practice, however, it is very rare that applications are rejected or enforcement action is taken on fitness grounds, so there is a much higher volume of appeals regarding market entry and performance sanctions decisions to NHS Resolution than ‘fitness’ appeals to the First Tier Tribunal.

Rationale for intervention

The policy objective is to streamline the appeals process by establishing a single dispute resolution pathway. This approach ensures that all ICB decisions affecting contractor inclusion on or exclusion from the NHS pharmaceutical lists are addressed by one appeal authority: NHS Resolution.

The law, historically, was intended primarily to deal with individual practitioners across primary care, rather than companies providing pharmaceutical services. This meant that removal from a list on fitness grounds was considered a removal related to the practitioner’s professional status – removal of a pharmacist who owns a pharmacy from a pharmaceutical list on fitness grounds reflected on their professional practice.

However, the market has evolved, for example, the majority of pharmacies, including those on the NHS pharmaceutical list, are now owned by limited companies or partnership. The September 2025 pharmaceutical list[1] includes 4,503 companies owning 10,397 pharmacies. 4,180 of these companies, accounting for 10,055 pharmacies, include either “Ltd”, “Limited”, “LLP”, or “PLC” in their name, indicating 97% of the sector is owned by limited companies or by Limited Liability Partnerships. For this 97% of the sector, ‘fitness’ considerations in Part 7, Chapter 6 of the NHS Act 2006 apply to businesses rather than individuals, as originally intended.

Current duality in appeal routes means that contractors must navigate 2 separate legal frameworks, each with its own procedural requirements and timelines, which can result in unnecessary delays and uncertainty for businesses either seeking entry onto the NHS pharmaceutical list or disputing market exit sanctions. Moreover, the overlap in jurisdiction between the First Tier Tribunal and NHS Resolution has, in practice, blurred the distinction between matters of professional fitness and contractual compliance, contributing to confusion

[1] NHS Business Services Authority (2025), Consolidated Pharmaceutical List - 2025-26 Quarter 2 (viewed June 2026)

and potential duplication of proceedings. Addressing these issues is essential to ensure fairness, efficiency, and transparency in the regulation and oversight of pharmaceutical services in England.

Description of options considered

Option 1 (business as usual):

This option assumes the current approach to appeals of ICB decisions made under Chapter 6 of Part 7 (that is decisions on fitness grounds) remains in place. This means there remains an overlap between the First Tier Tribunal and NHS Resolution, leaving pharmacy contractors having to face 2 different appeal routes with different requirements for submitting an appeal and different timescales. Therefore, it was not deemed the preferred option. The costs or benefits have not been quantified in absolute terms as this section focusses on the differences between the business-as-usual option and the preferred option.

Option 2 (preferred option): Streamline all pharmacy related disputes through one appeal authority designated by the Secretary of State for Health and Social Care in secondary legislation

This bill proposes to amend Chapter 6 of Part 7 to specify that an NHS body specified in secondary legislation by the Secretary of State will consider the appeals against decisions made under that chapter. NHS Resolution will be designated to hear these appeals through separate secondary legislation.

Policy objective

The intention of the amendments to Chapter 6, Part 7 of the NHS Act is to streamline appeal processes by establishing one single dispute resolution route so all decisions ICBs can make under Part 7 of the NHS Act are heard by the same appeal authority.

The proposed changes would result in the removal of the need for the appellants to bring 2 separate appeals arising out of the same application for inclusion in the pharmaceutical list to 2 separate appeal authorities. NHS Resolution would be designated as the entity to consider all appeals regarding ICBs' decisions to refuse an entry to an NHS pharmaceutical list. The change would streamline the appeals process and reduce administrative burden on both pharmacy contractors and ICBs.

Summary and preferred option with description of implementation plan

NHS Resolution is an arm's length body of DHSC acting as an independent organisation for a range of disputes between or affecting NHS commissioners and providers. It is responsible for:

- administering a range of indemnity schemes to cover the risks involved in delivering general practice and secondary healthcare services in England;
- delivering expert advice and support on the management of concerns about the performance of doctors, dentists and pharmacists;

- resolving contracting disputes between primary care contractors and commissioners of primary care, operating independently and transparently; and
- using their unique perspective across the causes of claims, performance concerns and contracting disputes to provide insights back to the NHS to help to improve safety and manage risk

NHS Resolution, as well as performing other roles, is a well-established appeal authority, not unlike the First Tier Tribunal, and already deals with appeals relating to pharmacy "market entry" and "terms of service" matters in relation to the scheme set out in Part 7. The scheme in Chapter 6 is a parallel "fitness" scheme that also applies to NHS providers of pharmaceutical services rather than individual performers (doctors, dentists or ophthalmic professionals) included on NHS performers list (although NHS Resolution's Practitioner Performance Advice function does also have an advisory function in relation to doctors, dentists and pharmacists).

NHS Resolution has a regular and substantive caseload arising from ICB decisions made under pharmacy regulations. It therefore has a substantial expertise in how the sector operates and has a thorough understanding of pharmacy regulations. Pharmacy appeals are already a significant proportion of appeals heard by NHS Resolution. As an example, in the 2024 to 2025 financial year, Primary Care Appeals received 325 appeals from pharmacy contractors across market entry, opening hours and performance related sanctions[2]. This contrasts with 18 appeals from GP, 11 from dental and nil from ophthalmic contractors.

As a result of proposed changes, all ICB decisions to refuse entry, or potentially remove, a contractor from an NHS pharmaceutical list under either efficiency, fraud or suitability grounds, market entry tests or breaches of NHS terms of service, will be heard by one single appeal authority – NHS Resolution. The First Tier Tribunal will continue to act as the appeal authority for the performers list appeals.

Operational comparison of NHS Resolution and the First Tier Tribunal

NHS Resolution and the First-tier Tribunal both provide structured mechanisms for resolving disputes arising from NHS primary care decisions. While they were established under different legal basis and follow different sets of procedural rules, they share important practical features in how disputes are handled, evidence is assessed, and outcomes are reached.

Both act as formal routes for challenge, requiring parties to submit evidence and representations. In each, decision makers assess the material against relevant legal and regulatory frameworks and issue reasoned outcomes. Each operates within a defined process, providing clarity, predictability, and the ability to reach a conclusive determination where agreement cannot be achieved, while also allowing for proportionate resolution without full determination where possible.

Both systems ensure decisions are taken independently of ministerial involvement once a case is under consideration and maintain records of reasoned decisions, supporting transparency, accountability, and consistency. Taken together, they perform broadly analogous roles in providing structured, evidence-based routes to fair and transparent dispute resolution.

[2] NHS Resolution (2025), NHS Resolution Factsheet 6: Primary Care Appeals Annual Statistics 2024-25, page 3 (viewed June 2026)

The key differences lie in different legal basis and different sets of procedural rules. The First-tier Tribunal is a judicial body, independent of government, operating through formal legal processes with decisions made by judges and subject to appeal to the Upper Tier Tribunal. NHS Resolution is an administrative body exercising delegated authority from the Secretary of State, operating a more flexible, regulatory decision-making process and its decisions are subject to judicial review.

Monetised and non-monetised costs and benefits of each option (including administrative burden)

This impact assessment provides a proportionate assessment of costs and benefits based on the best available evidence and in line with HMT Green Book guidance. However, these proposals depend on future policy decisions regarding the application of the powers and therefore, as those policy decisions have not yet been made, it is not possible to fully quantify costs and benefits at this stage. Due to this, the quantified potential costs are considered to be worst-case scenario estimates, which may reduce when policy decisions are finalised.

The table below provides a summary of the main costs as estimated by NHS Resolution, and benefits.

Table 1: Summary costs and benefits for both options

	Option 1 (do nothing)	**Option 2 (preferred option)**
Cost impact		
Set up costs for NHS Resolution	N/A	One-off cost of up-to £56,489
Average cost per processing each case	£5,000 to £9,000	£4,110 to £4,560
Appeal to higher court or Judicial review contingency per case (reflects the response to any pre-action letter and filing summary grounds of defence)	Not quantified	£5,360
Benefits impact		
Streamlining of appeals process through a single route	N/A	See benefits section below. Not quantified but include modest administrative savings for both

		appellants contractors and ICBs and other system wide benefits.

Volume of cases

According to published NHS Resolution data[3], there have been 58 decisions in the last 10 years, made by NHS commissioners and notified to NHS Resolution concerning fitness of pharmacy contractors (see Table 2).

Table 2: Actions under Chapter 6 powers against pharmacy contractors notified to NHS Resolution

Financial year	Number of actions taken under NHS Act 2006 Chapter 6 powers
2015 to 2016[4]	7
2016 to 2017[5]	2
2017 to 2018[6]	3
2018 to 2019[7]	2
2019 to 2020[8]	8
2020 to 2021[9]	0
2021 to 2022[10]	11
2022 to 2023[11]	10
2023 to 2024[12]	7
2024 to 2025[13]	8

Of these 58 decisions, a search of the First Tier Tribunal archives[14][15] identified only 2 appeal cases involving pharmacy in the last 10 years so around 3 per cent were appealed. The caseload is expected to remain at this level (of around one case or less per year) upon transfer to NHS Resolution, so the analysis is based on this assumption.

Costs

[3] For statistics about appeals to NHS Resolution – see Primary Care Appeals statistics Factsheets Resources Archive - NHS Resolution (viewed June 2026)
[4] NHS Litigation Authority (2016), Pharmacy Appeals 1/4/04 to 31/3/05 (viewed June 2026)
[5] NHS Litigation Authority (2017), Pharmacy Appeals 1/4/04 to 31/3/05 (viewed June 2026)
[6] NHS Litigation Authority (2018), Pharmacy Appeals 1/4/04 to 31/3/05 (viewed June 2026)
[7] NHS Resolution (2019), Factsheet 6: Primary Care Appeals statistics 2018/19 - NHS Resolution (viewed June 2026)
[8] NHS Resolution (2020), Factsheet-6-Primary-Care-Appeals-statistics-2019-20.pdf (viewed June 2026)
[9] NHS Resolution (2021), Factsheet-6-Primary-Care-Appeals-statistics-2020-21.pdf (viewed June 2026)
[10] NHS Resolution (2022), Factsheet-6-Primary-Care-Appeals-statistics-2021-22.pdf (viewed June 2026)
[11] NHS Resolution (2023), Factsheet-6-Primary-Care-Appeals-statistics-2022-23-FINAL.pdf (viewed June 2026)
[12] NHS Resolution (2024), Factsheet 6: Primary Care Appeals: Annual Statistics 2023-24 (viewed June 2026)
[13] NHS Resolution (2025), Factsheet 6: Primary Care Appeals (viewed June 2026)
[14] For decisions up to 2025 - Tribunals Judiciary (2025), Primary Health Lists / Decisions (viewed June 2026)
[15] For decisions from 2025 - The National Archives (2026), Find Case Law - The National Archives (viewed June 2026))

Case studies

Appeal PHL 01322 (July 2025)[16] concerns the decision of the Bedford, Luton and Milton Keynes ICB (the Respondent's decision to refuse to admit the Appellant company to the NHS pharmaceutical list as a distance selling business by decision dated 25 October 2024, pursuant to regulation33(2)(b) of the National Health Service (Pharmaceutical and Local Pharmaceutical Services) Regulations 2013. The application was rejected because the superintended pharmacist the company designated to be responsible for day to day operation of the pharmacy was previously convicted for fraud. The Appellant submitted an appeal to the tribunal on 15 November 2024.

Appeal PHL 5063 (February 2024)[17] is made by the Appellant pursuant to regulation 33(5)(b) of the NHS (Pharmaceutical and Local Pharmaceutical Services) Regulations 2013 against the decision of the Cheshire and Merseyside ICB to refuse the application of the Appellant for inclusion in the pharmaceutical list of Cheshire West Health and Wellbeing Board on grounds of fitness to practice, namely that the Respondent was not satisfied with the references given by the Appellant in accordance with Regulations 33(2)(a).

On the 26 April 2022, the Appellant, W1386 Healthcare Limited applied to the Respondent to open a distance selling pharmacy in the Respondent's area. In support of the application to register, as a pharmacist, she was required to provide the names of 2 suitable referees who would be able to demonstrate her fitness to practice. From the date of the application to the date of the decision on the 12 July 2023, she had been unable to do so. The application was therefore refused under Regulation 33(2) on grounds of fitness to practice. The appeal was dismissed and the ICB decision to refuse entry confirmed. In both appeal cases, the appellants have represented themselves and did not instruct a solicitor to act on their behalf. Self-representation is also possible when submitting appeals to NHS Resolution.

One-off implementation costs for NHS Resolution

Based on the available evidence, this impact assessment assumes that the potential caseload for NHS Resolution resulting from taking on an additional function will be small and less than one case a year. There would be some initial set up costs for NHS Resolution estimated to be around £56,500, including but not limited to the process, hearings and training (see Table 2). This maximum estimate is based on developing a new workflow similar to existing workflows in NHS Resolution's Case Management system but could be less if workstream is simply added within existing workflow.

Table 2: Set-up costs[18]

Actions	**Total (£)**
Review Directions	1,340

[16] Tribunals Judiciary Decisions published here: Primary Health Lists / Decisions, specifically this case: (FTT) 30.07.2025 Decision - 2024-01322.PHL Vharmacy Ltd v NHS England.pdf (viewed June 2026)
[17] Tribunals Judiciary Decisions published here: Primary Health Lists / Decisions, specifically this case: PHL 5063 W1386 Healthcare Ltd v NHS Cheshire and Merseyside Integrated Care Board (viewed June 2026)
[18] Unpublished cost estimates from NHS Resolution Appeals team, figures may not sum due to rounding. The costs assume no increase in head-count and are based on staff costs in the 2026 to 2027 financial year (including on-costs). The largest cost (CaseHub development) is based on estimated Appeals and Programme Team time multiplied by existing staff costs. These costs are assumed to cover the cost of introducing a new workflow process based on the process for similar cases.

Scheme of Delegation	214
Data Protection Impact Assessment	186
CaseHub development	50,515
Development of procedures	197
Training	3,624
Management oversight	413
Total set up costs	**56,500**

In the long term, the costs to the public purse will be neutral as the increase in the burden and costs for NHS Resolution will be offset by a proportionate reduction in the burden on and costs for the judicial system.

Ongoing operational costs for NHS Resolution

NHS Resolution estimated costs per case to be in the range of £4,110 to £4,560 per case depending on case length or complexity. The estimate includes appeals staff and expert advisory costs. In addition, NHS Resolution would need to factor in the costs of judicial challenge to any future decisions, estimated at £5,360[19] contingency cost per case. Given the low expected additional caseload, it is expected that additional costs will be very minor in relation to the total net administrative budget of NHS Resolution (for 2025 to 2026 this was £79million), of which Practitioner Performance Advice and Primary Care Appeals covers £5.8million[20] .

There is no available published data on the cost of the appeal cases that have been covered by FTT. However, it is possible to provide an indication of the costs using HM Courts & Tribunal cost data based on hearing models and case volumes. It should be noted that these estimates are based on legal jurisdiction across the totality of primary care, given that the volume of cases directly applicable to pharmacy are too low to give a reliable estimate. These costs are estimated to be in the range of a unit cost of £5,000 to £9,000 per case [21].

As with the NHS Resolution preferred option, FTT cases can be appealed further and raised to upper tribunal or appeal courts. Given a further appeal process would be unusual with the low caseloads associated with pharmacy fitness to practice cases, the cost of further appeal has not been estimated for this assessment. However, it is likely that judicial time in upper or appeal courts will incur a higher cost than the estimate provided by NHS Resolution for judicial review contingency.

Despite the substantial uncertainty in these cost estimates, the respective unit costs indicate that there may be a minor cost saving from moving the appeals process from FTT to NHS Resolution.

[19] Unpublished cost estimates provided by NHS Resolution. These reflect the cost of a response to any pre-action letter and filing summary grounds of defence.
[20] NHS Resolution (2025), Resolution through collaboration: 2025/26 business plan (viewed June 2026) Note that this is the total costs for advice & appeals including indirect overheads. Direct costs only totals £4.6million.
[21] Based on HM Courts & Tribunal Service costs per sitting day for FTT and DHSC indicative estimates of case lengths.

Benefits

There are potential costs savings for potential appellants and ICBs arising from streamlining all pharmacy appeals through one route and only needing to familiarise themselves and prepare for one appeal in relation to the same application. It is not possible to quantify these potential costs reduction due to insufficient data on historic appeals.

The reduction in the costs for the appellant is likely due to savings in time required to familiarise with only one appeal authority process, forms and requirements for submitting an appeal instead of the requirements set by 2 different bodies as it currently is.

In addition to modest administrative efficiencies, the proposed change delivers a number of wider, non-monetised benefits for pharmacy contractors and DACs, commissioners and the wider regulatory system.

Benefits to pharmacy contractors

The primary benefit to pharmacy contractors is the establishment of a single, coherent appeal route for all decisions affecting inclusion on or removal from NHS pharmaceutical lists. Contractors will no longer need to navigate 2 separate appeal bodies with different procedural rules, documentation requirements and timescales in relation to the same underlying application.

This simplification reduces complexity and uncertainty for businesses, particularly smaller contractors or those not routinely engaging with legal processes. While legal representation is not mandatory in either route, reducing procedural fragmentation is expected to lower the time and resource burden associated with preparing appeals and engaging with commissioners, even where appeals are self-represented.

A single appeal authority also provides greater predictability for contractors by promoting consistent interpretation of pharmacy regulations and decision-making principles across market entry, fitness and performance matters.

Benefits to integrated care boards

ICBs also benefit from a simplified dispute resolution framework. Decisions made under Part 7 of the NHS Act will be subject to review by the same appeal authority, reducing the administrative burden associated with responding to appeals across multiple forums and mitigating the risk of parallel or sequential proceedings.

Consolidation of appeals supports greater clarity for commissioners when making initial decisions, as guidance, precedent and emerging themes from appeals are concentrated within a single body. Over time, this may improve decision quality and reduce the likelihood of avoidable appeals, although this effect has not been quantified.

Benefits to the wider regulatory system

The proposal improves the coherence and transparency of the regulatory framework for NHS pharmaceutical services by aligning the appeals mechanism with the modern structure of the sector, which is now overwhelmingly corporate rather than individual in nature.

NHS Resolution already considers the majority of pharmacy-related appeals and has established expertise in pharmacy market entry, performance management and contractual compliance. Extending its jurisdiction to Chapter 6 Part 7 appeals ensures that disputes are considered by a body with specialist sector knowledge and an understanding of how regulation operates in practice, rather than separating appeals on artificial distinctions between “fitness” and other regulatory grounds.

The consolidation of appeal routes also reduces the potential for duplication of proceedings or inconsistent outcomes arising from consideration of related issues by different bodies.

Benefits to the justice system

From a system perspective, the proposal supports the proportionate use of judicial resources by reserving tribunal proceedings for cases involving individual professional performers, while routing corporate pharmacy disputes through an established administrative appeals mechanism.

Although the volume of fitness-based pharmacy appeals is very low, the change is expected to result in a small reduction in demand on the tribunal system over time. Given the limited historic volume of such cases, these benefits have not been quantified but are expected to be modest.

Taken together, these benefits support a more streamlined, proportionate and transparent appeals framework for pharmaceutical services, consistent with the policy objective of maintaining effective oversight while reducing unnecessary complexity for regulated parties and commissioners.

Direct costs and benefits to business calculations and impact on small and micro businesses

There are no direct costs and benefits to businesses as a result of this measure.

Risks and assumptions

There is minimal risk to streamline appeal processes by establishing one single dispute resolution route so all decisions ICBs can make under Part 7 of the NHS Act are heard by the same appeal authority. NHS Resolution, the proposed appeal authority for these processes, is well-established and already hears the vast majority of appeal cases concerning pharmacy. There is a small risk that the new avenue for appeals can generate additional cases, however this impact assessment does not explore the scenario where potential volumes affect NHS Resolution operating model.

Monitoring and Evaluation

Monitoring and evaluation for this proposal will be considered as part of the wider approach covering all the Health Bill proposals, please see the Impact Assessments Summary Document for more details.