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Background

1. The budget for financial year 2022-23, which supports the delivery of the Business Plan activity, is presented below in two ways. First, by setting out the total cost of delivering each department's programme of work and second by the category of expenditure within each department.

Income and Expenditure Account

2. The total cost of delivering each department's programme of work is set out in the Income and Expenditure Account below. The budget presented shows a small surplus of £14,450.

	FY2022-23	FY2021-22	Variance
	£	£	£
Income			
Registration fees	3,000,000	2,875,000	125,000
Other income	32,500	25,000	7,500
Total	3,032,500	2,900,000	132,500
Expenditure			
Employment costs	1,561,000	1,525,280	35,720
Education and professional standards	163,250	143,170	20,080
Communications, research and development	204,250	119,400	84,850
Registration administration	10,000	5,000	5,000
IT infrastructure	147,900	100,000	47,900
Fitness to practise, including legal	500,000	585,000	(85,000)
Governance	174,250	152,500	21,750
Administration and establishment	257,400	255,650	1,750
Total	3,018,050	2,886,000	132,050
Surplus	14,450	14,000	450

3. Registration fees are forecast to be £3m, compared to £2.875m the previous year. The budget that was prepared in the previous year was conservative following the immediate impact of the pandemic, and as we are progressing through financial 2021-22, we recognise that the budget was estimated at too low a level. Therefore, while there are always uncertainties, we have forecast registration fee income at £3m for the 2022-23 year.
4. Other income is primarily made up of investment income and other miscellaneous income streams. We no longer receive advertising income from the osteopath magazine which has been discontinued.

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Categories of expenditure by area/department

5. The expenditure budget for each department is set out below with comments where appropriate.

Employment costs

	FY2022-23	FY2021-22	Variance
Expenditure		£	£
Staff salaries and pensions	1,513,000	1,461,280	51,720
Training and development	20,000	20,000	-
Recruitment	15,000	15,000	-
Other employment costs	13,000	29,000	(16,000)
Total	1,561,000	1,525,280	35,720

6. Salary, national insurance, and pension costs have been estimated at c.£1.513m. The budget allows for an increase in salary to be determined by the Remuneration and Appointments Committee, along with the additional human resource expertise requirements to support staff well-being. The budget also accounts for the proposed increase in Employer National Insurance costs.
7. The reduction in other employment costs reflects the exclusion of the job evaluation provision, which was included in the previous year's budget and will be completed within the current financial year.

Education and professional standards

	FY2022-23	FY2021-22	Variance
Expenditure		£	£
Quality assurance	126,800	116,750	10,050
Osteopathic Practice Standards	4,000	6,000	(2,000)
Research projects	15,000	3,000	12,000
GOPRE engagement	-	1,500	(1,500)
Patient engagement	13,750	15,000	(1,250)
CPD provider meetings	2,800	-	2,800
Publications and subscriptions	900	920	(20)
Total	163,250	143,170	20,080

8. The cyclical nature of the work around quality assurance, specifically the varying number of scheduled RQ visits, includes the costs outlined in the Quality

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Assurance Contract with Mott MacDonald. The budget provision excludes any unscheduled visits.

9. The Quality Assurance provision of c.£127k includes the cost of two renewal visits, annual report analysis, mobilisation, visitor preparation and training, contract management and communications. It also includes engagement with educators and face to face regional and student meetings through year to support development of values, problem solving and professional judgement.
10. In the year, we will be revising the student fitness to practise, and health and disability guidance and the quality assurance budget allows for engagement with the profession and students including consultation and focus groups with incentives for students and osteopaths to participate.
11. The costs of £4k for Osteopathic Practice Standards include support for the Council of Osteopathic Education Institutions plus support for educators.
12. A budget, of £15k, has been allocated for consultancy to support the registrant survey (and related stakeholder perceptions work – both quantitatively and qualitatively) which will help us to understand our baseline about registrant and stakeholder perceptions. This will enable us to measure the impact of our communications and engagement strategy and other policy initiatives including the impact and effectiveness of our CPD scheme. The provision relates to commissioning the doing of the survey and qualitative research to an external organisation, in addition to affording expert advice and guidance on questions so that they build on previous research such as the findings of the McGivern survey in 2020 which included aspects such as trust in the regulator.
13. The budget of £13,750 for patient engagement is co-production to support patient voice in project work and to prepare patient voice for strategic input longer term. This includes patient induction and training, payment for work done and attendance at groups. We are planning to develop patient stories and resources for communication and consent and an animation about GOsC and how we work to support patient involvement.

Communications, research and development

	FY2022-23	FY2021-22	Variance
	£	£	£
Expenditure			
Publications	34,800	10,500	24,300
Engagement and events	9,100	3,000	6,100
Registration / Stakeholder survey	25,000	-	25,000
Patients / YouGov survey	18,000	-	18,000
Digital	50,100	38,650	11,450
Subscriptions	1,250	1,250	-

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<i>Research</i>			
NCOR infrastructure (net)	28,000	28,000	-
IJOM	38,000	38,000	-
Total	204,250	119,400	84,850

14. Publication production costs increase significantly to c.£35k. The increase primarily relates to online resources to increase accessibility and includes design, media and for provision for one policy animation and one EDI animation. We plan to increase the accessibility of materials on our website for example, editable pdf of documents including student application forms and complaint forms for members of the public, including easy read for accessibility.
15. The publication budget also allows for the conclusion of rebranding project - design, typesetting for new branding and corporate materials.
16. Engagement and events provision c.£9k for face-to-face engagement at in-person meetings, staff travel and costs as well as online meetings, plus incentives for osteopaths to attend online meetings and disseminate information. This approach will also include support for regional groups and communities which we have identified as being a priority for our Communications and Engagement Strategy.
17. The provision of £25k is for the externally commissioned registrant and stakeholder survey plus qualitative interviews. This is an additional cost that results from the Council discussion about the impact of the communications and engagement strategy and the need to establish a baseline. We are aware from our research that this is something that four other regulators have undertaken during 2021.
18. A further £18k has been provided for the externally commissioned public perceptions survey which GOsC undertakes every four years.
19. An allocation of c.£50k for digital activity has been made within the Communications budget. This is to allow for ongoing web hosting costs with additional investment to allow for the greater collection of analytic information. The budget allows for a refresh of our digital imagery to better reflect the diversity of the profession and the public as well as costs associated with running our e-bulletin and communication channels.
20. Expenditure for the International Journal of Osteopathic Medicine (IJOM) and the funding for the National Council of Osteopathic Research (NCOR) is included within this directorate, although the Chief Executive and Registrar is responsible for the expenditure and not the Communications department. The cost of NCOR and IJOM remains unchanged.

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Registration administration

	FY2022-23	FY2021-22	Variance
	£	£	£
Expenditure			
Registration assessments	10,000	5,000	5,000
Total	10,000	5,000	5,000

21. The budget includes costs associated with the assessment of international registration applications and specifically the need to ensure that our registration assessors receive appropriate training and support. The Business Plan includes a review of how we undertake this activity and we will look to identify if there are alternative ways of operating.

IT infrastructure

	FY2022-23	FY2021-22	Variance
	£	£	£
Expenditure			
Software – Licensing	12,700	12,000	700
CRM – Service Contracts	55,000	50,000	5,000
Infrastructure	36,200	28,000	8,200
IT Security	10,000	10,000	-
Cyber Security Essential Plus	30,000	-	30,000
IT consultancy cover	4,000	-	4,000
Total	147,900	100,000	47,900

22. The total budget for IT expenditure is significantly higher than the prior year, which reflects the additional costs incurred as a result of hybrid working, mitigating for associated risks identified from reviewing our business process, along with modernising and streamlining our approach.
23. The £5k increase in CRM service contracts are due to rising costs from Integra and the contractual tie ins. These will reduce in future years on completion of the cloud engage upgrade.
24. Hybrid working and the costs associated have inflated the infrastructure costs by c.£8k. To put these increases into perspective, if we consider the proposed fitness to practise reduction provision of £85k (see later in the report), we begin to reflect how hybrid working infiltrates every area of the organisation with cost fluctuations.
25. Concerns around cyber security were raised by Audit Committee, the risks of which will be greatly reduced by security testing, monitoring, CyberCNS security

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assessment and vulnerability management, penetration testing, amongst other security management processes. We have included provisional costs of £30k as a conservative estimate and will be undertaking a tender process in year.

26. The provision of £4k mitigates for outsourcing costs of annual absence cover for our sole in-house IT specialist. NexGen Cyber were contracted, as a pilot, to cover a two-week period, with favourable reviews.

Fitness to practise, including legal

	FY2022-23 £	FY2021-22 £	Variance £
Expenditure			
Other legal costs	20,000	15,000	5,000
Statutory Committee costs			
- Investigating Committee	60,000	85,000	(25,000)
- Professional Conduct Committee, incl. Health Committee	410,000	475,000	(65,000)
Section 32 cases	10,000	10,000	-
Total	500,000	585,000	(85,000)

27. The total budget for Fitness to Practise, including legal, represents the largest area of spend for the GOsC outside of employment costs. In an attempt to normalise our approach to blended hearings and remote working, we have acknowledged cost savings and reduced the provision.
28. It is important to be conservative in this area as the potential for varying workloads represents the most risk in terms of expenditure forecasts. Council has been watchful in recent times to ensure this area has an appropriate level of resource. For this reason, the headline assumptions include:
- Referred complaints and Interim Suspension Orders likely to stay at the same volume.
 - Nine Investigating Committee (IC) meetings scheduled (excluding the IC annual training day).
 - Up to 25 substantive Professional Conduct Committee (PCC) and Health Committee (HC) hearings (125 hearing days) forecast. Though we have seen a rise in complex multi-day hearings, we have reflected the reduction in the overall number of cases recorded since the pandemic.
 - Three PCC review hearings (three hearing days).

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- e. Three ISO hearings (based on an average of the last three years and a recent high risk case movement).
 - f. Two Section 32 prosecutions (two cases).
29. Other costs include provision for general legal advice (£20k) the increased by £5k, a consequence of the upsurge in more complex cases and potential challenge.
30. The reduction in the cost of the Investigating Committee (£25k) reflects the cost efficiencies recorded in the last two budget provisions. There is an assumption that we will hold some face-to-face meetings in 2022-23 and some remotely held meetings, consisting of six panellists and a legal assessor.
31. The cost of the Professional Conduct Committee (£410k) represents c.125 days of hearing time. The Executive introduced fixed external legal provider fees which have lowered external costs, and this continues to be monitored. As with IC hearings, the £65k reduction in costs reflects the cost efficiencies resulting from hybrid working.

Governance

	FY2022-23	FY2021-22	Variance
	£	£	£
Expenditure			
Honorariums/responsibility allowances	105,000	100,000	5,000
Council costs including reappointment	12,500	10,500	2,000
Tax liability (expenses)	2,000	-	2,000
PSA Levy	14,500	15,000	(500)
Other committee costs	15,000	12,000	3,000
Assurance activity	13,750	7,500	6,250
Council Associates	4,000	7,500	(3,500)
Programme			
Equality and Diversity			
Consultancy Support	7,500	-	7,500
Total	174,250	152,500	21,750

32. Members' fees and responsibility allowances account for 69% of the Governance budget. It is anticipated that with the tentative resuming of face-to-face hearings, this year, tax liability will be incurred and therefore a provision of £2k is included.
33. We have included a provision of c.£14k to move the GOsC forward with our approach to Environmental Social Governance, by embedding value-driven considerations across all business activities. Initial planning includes capturing

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our vision, agreeing a schedule, identifying priority issues with phase two being implementation. We would plan to discuss this work with Audit Committee prior to commencing any activity

34. We have included a provision of £7.5k for consultancy support around Equality, Diversity and Inclusion to support the GOsC with the implementation of its EDI Framework.

Administration and establishment

	FY2022-23	FY2021-22	Variance
	£	£	£
Expenditure			
Premises	79,000	78,500	500
Office administration	53,000	59,000	(6,000)
Financial audit	18,500	18,500	-
Financing	30,000	22,000	8,000
Depreciation	75,900	75,900	-
Publications and subscriptions	1,000	1,750	(750)
Total	257,400	255,650	1,750

35. The total budget provision for FY2022-23 is slightly higher than the prior financial period due to absorbing inflationary increases. The pandemic has shown we can operate our business with a limited requirement for stationery, printing, photocopying and postage costs. We should not need to revert back to previous ways of working as and when we return to the office during 2022.
36. We are aware that our financing costs have been escalating and we are planning to undertake a banking tender in the coming year to determine which bank can provide us with the best service to meet our business requirements.