

## Annex B to 7

### Background

1. The budget for the financial year 2024-25, 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 c.£13k.

	<b>FY2024-25</b>	<b>FY2023-24</b>	<b>Variance</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income</b>			
Registration fees	2,828,000	2,871,850	(43,850)
Other income	30,000	32,000	(2,000)
<b>Total</b>	<b>2,858,000</b>	<b>2,903,850</b>	<b>(45,850)</b>
<b>Expenditure</b>			
Employment costs	1,752,864	1,650,650	102,214
Education and professional standards	162,500	151,800	10,700
Communications, research and development	93,000	137,000	(44,000)
Registration administration	8,000	11,000	(3,000)
IT infrastructure	87,000	77,500	9,500
Fitness to practise, including legal	360,000	444,000	(84,000)
Governance	143,922	181,822	(37,900)
Administration and establishment	237,500	235,000	2,500
<b>Total</b>	<b>2,844,786</b>	<b>2,888,772</b>	<b>(43,986)</b>
<b>Surplus</b>	<b>13,214</b>	<b>15,078</b>	<b>(1,864)</b>

3. Registration fees are forecast to be c.£2.82m, compared to c.£2.87m the previous year.
4. Other income is primarily made up of investment income and other miscellaneous income streams. The budget does not include any potential additional income streams, for example, from rental income.

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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

	<b>FY2024-25</b>	<b>FY2023-24</b>	<b>Variance £</b>
<b>Expenditure</b>			
Staff salaries and pensions	1,674,864	1,588,650	86,214
Training and development	30,000	24,000	6,000
Recruitment	25,000	22,000	3,000
Other employment costs	23,000	16,000	7,000
<b>Total</b>	<b>1,752,864</b>	<b>1,650,650</b>	<b>102,214</b>

6. Salary, national insurance, and pension costs have been estimated at c.£1.75m. The staff salaries and pensions budget reflects the costs of all staff positions and allows for an increase in salary to be determined by the People Committee, along with the additional human resource expertise requirements to support staff well-being.
7. The increase in other areas of employment costs expenditure reflects additional resources to support any equality, diversity and inclusion reasonable adjustment requests.

#### Education and professional standards

	<b>FY2024-25</b>	<b>FY2023-24</b>	<b>Variance £</b>
<b>Expenditure</b>			
Quality assurance	144,500	124,500	20,000
Osteopathic Practice Standards	7,500	-	7,500
Research projects	2,000	20,500	(18,500)
Patient engagement	6,355	4,000	2,355
CPD provider meetings	2,145	2,800	(655)
<b>Total</b>	<b>162,500</b>	<b>151,800</b>	<b>10,700</b>

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 Assurance Contract with Mott MacDonald. The budget provision includes RQ visits and annual reporting activity.

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9. The reduction in Research projects reflects work which was concluded in the previous business years, e.g. registration modelling and Boundaries research. Council have said at previous meetings that one-off research activities may be funded from reserves providing that there is a business case and it progresses the GOsC Strategy. Any such proposals would be presented to Council at the appropriate time.
10. The budget of £6k for patient engagement is a co-production to continue supporting the patient voice in project work and to prepare patient voice for strategic input longer term.

### Communications, research and development

	<b>FY2024-25</b>	<b>FY2023-24</b>	<b>Variance</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Expenditure</b>			
Publications	25,000	27,500	(2,500)
Engagement and events	7,000	7,000	-
Digital	32,500	36,500	(4,000)
<i>Research</i>			
NCOR infrastructure (net)	-	28,000	(28,000)
IJOM	28,500	38,000	(9,500)
<b>Total</b>	<b>93,000</b>	<b>137,000</b>	<b>(44,000)</b>

11. Publication production costs of c.£25k, includes a slight reduction on last year's online resources costs, which received increased resources to improve 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.
12. The publication budget also allows for the conclusion of rebranding project - design, typesetting for new branding and corporate materials.
13. We are holding the budget constant for engagement at in-person meetings, which includes staff travel and costs. The budget also includes provision for online meetings, plus incentives for osteopaths to attend meetings and disseminate information. This approach will also include support for regional groups and communities.
14. An allocation of c.£32.5k for digital activity has been made within the Communications budget. This is to allow for ongoing web hosting costs with additional investment in website development. Costings include new podcasts to help build trust and explain our role. An example of one podcast we are developing is between the Chief Executives of the GOsC and the Institute of Osteopathy and will enable both to explain the differences between the

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organisations but importantly, how they both collaborate together for the benefit of the profession.

15. Expenditure for the National Council for Osteopathic Research has been removed from the operational budget as it is proposed that a designated fund from reserves be established for the next five years to cover this cost.
16. The budget for the International Journal of Osteopathic Medicine (IJOM) has been reduced as alternative funding methods will need to be sought for this activity beyond the end of December 2024 when the current contract ends. The GOsC Chief Executive and Registrar will discuss options with the Institute of Osteopathy and the Osteopathic Foundation.

### Registration administration

	<b>FY2024-25</b> <b>£</b>	<b>FY2023-24</b> <b>£</b>	<b>Variance</b> <b>£</b>
<b>Expenditure</b>			
Registration assessments	8,000	11,000	(3,000)
<b>Total</b>	<b>8,000</b>	<b>11,000</b>	<b>(3,000)</b>

17. 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. We are undertaking a review of how these processes operate to identify if there are alternative ways of working.

### IT infrastructure

	<b>FY2024-25</b> <b>£</b>	<b>FY2023-24</b> <b>£</b>	<b>Variance</b> <b>£</b>
<b>Expenditure</b>			
Software – Licensing	15,000	13,500	2,500
CRM – Service Contracts	24,000	30,000	(6,000)
Infrastructure	32,000	30,000	2,000
IT Security	10,000	-	10,000
IT consultancy cover	5,000	4,000	1,000
<b>Total</b>	<b>87,000</b>	<b>77,500</b>	<b>9,500</b>

18. The cost of the CRM service contracts have been reduced this year as we are working towards the implementation of a new CRM system which will generate cost savings in-year.

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19. The IT budget specifically includes provision for IT Security with this work being overseen by the Audit Committee in 2024-25. The results of any IT Security activity will be reported to Council for assurance purposes.
20. The provision of £5k mitigates for outsourcing costs of annual absence cover for our sole in-house IT specialist. We have retained the services of NexGen Cyber, who were contracted, as a pilot, to cover several weeks, with favourable reviews.

### Fitness to practise, including legal

	<b>FY2024-25</b>	<b>FY2023-24</b>	<b>Variance</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Expenditure</b>			
Statutory Committee costs	-	-	
- Investigating Committee	50,000	70,000	(20,000)
- Professional Conduct Committee, incl. Health Committee	309,000	373,000	(64,000)
Section 32 cases	1,000	1,000	-
<b>Total</b>	<b>360,000</b>	<b>444,000</b>	<b>(84,000)</b>

21. The total budget for Fitness to Practise, including legal, represents the largest area of spend for the GOsC outside of employment costs.
22. In an attempt to normalise our approach to blended hearings and remote working, we have acknowledged cost savings and reduced the provision. Since the pandemic our cost model has changed significantly in this area and in order to mitigate any risk associated with reducing resources in this area, we are proposing that a designated fund from reserves be established for legal costs associated with fitness to practise. This is addressed in the main cover paper.
23. 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:
  - a. Referred complaints and Interim Suspension Orders likely to stay at the same volume.
  - b. Nine Investigating Committee (IC) meetings scheduled (excluding the IC annual training day).
  - c. Up to 25 substantive Professional Conduct Committee (PCC) and Health Committee (HC) hearings (125 hearing days) forecast. Though we have seen

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a rise in complex multi-day hearings, we have reflected the reduction in the overall number of cases recorded since the pandemic.

- d. Three PCC review hearings (three hearing days).
  - 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).
24. We will closely monitor spend in this area and in the event of increased costs being incurred we will report this to Council immediately alongside any proposed actions.

### Governance

	<b>FY2024-25</b> <b>£</b>	<b>FY2023-24</b> <b>£</b>	<b>Variance</b> <b>£</b>
<b>Expenditure</b>			
Honorariums/responsibility allowances	112,116	105,000	7,116
Council and Committee costs	15,806	25,000	(9,194)
Cost of Governance appointments	-	36,322	(36,322)
Tax liability (expenses)	1,000	1,000	-
PSA Levy	15,000	14,500	500
<b>Total</b>	<b>143,922</b>	<b>181,822</b>	<b>(37,900)</b>

25. Members' fees and responsibility allowances account for 78% of the Governance budget and reflect increases in allowances which were approved in the prior business year.
26. We have reduced Council and Committee costs to reflect that not all meetings are to be held in-person. We have also removed from the operational budget the cost of governance appointments as it is proposed that these costs be met through the establishment of a designated fund from reserves.

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### Administration and establishment

	<b>FY2024-25</b>	<b>FY2023-24</b>	<b>Variance</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Expenditure</b>			
Premises	63,500	67,000	(3,500)
Office administration	50,000	50,000	-
Financial audit	24,000	22,000	2,000
Financing	38,000	34,000	4,000
Depreciation	60,000	60,000	-
Publications and subscriptions	2,000	2,000	-
<b>Total</b>	<b>237,500</b>	<b>235,000</b>	<b>2,500</b>

27. The total budget provision for 2024-25 is £237.5k and broadly reflects the running of the Headquarter building – costs c.£150k (63% of departmental budget). We are aware that costs associated with 'financing' have been increasing significantly and this will be an area of focus over the coming months.