

2015 Business Plan and Budget

Purpose of paper	To propose a business plan and budget for 2015
Action	For decision
Private / Public	Public
Corporate Strategy 2013-15	The 2015 Business Plan aims to achieve both the objectives and outcomes of the Corporate Strategy
Business Plan	Scope and prepare a draft business plan for 2015 for consideration alongside a realistic and fully costed budget
Decision Trail	<p>The Finance & Performance Committee, 10 October 2014, agreed to recommend that the draft budget with operating expenditure in 2015 of £44.2m be recommended to the Council for approval</p> <p>The Finance & Performance Committee, 9 September 2014, considered the business plan and draft budget for 2015 and requested that further efficiency savings amounting to 5% of the 2015 proposed cost base be identified. This approach was endorsed at the 18 September Council meeting</p>
Recommendations	<p>The Council is invited to approve:</p> <p>a) The business plan for 2015</p> <p>b) The budget, which envisages an operating expenditure of £44.2m for 2015</p>
Authorship of paper and further information	<p>Graham Masters Director of Finance & Corporate Services</p> <p>Melanie Stewart Head of Finance</p> <p>Paul Chase Head of Business Planning</p>
Appendices	<p>Annex 1: 2015 Draft Business Plan</p> <p>Annex 2: Expenditure analysis by cost centre</p> <p>Annex 3: Analysis of budget changes from</p>

	<p>'preliminary' to 'proposed final'</p> <p>Annex 4: Analysis of changes from '2014 approved budget' to '2015 preliminary budget'</p> <p>Annex 5: Risks and Considerations</p>
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Executive Summary

1. This paper sets out a Business Plan and a proposed budget for 2015 which includes operating expenditure, capital expenditure and efficiency savings. The Business Plan is attached as Annex 1, and an analysis of proposed expenditure by cost centre can be found at Annex 2.
2. On 18 September, the Council noted that a further review of the draft budget was underway with the objective of achieving a 5% saving in 2015 operating expenditure as recommended by the Finance & Performance Committee (FPC).
3. The revised budget projects total expenditure of £44.2m in 2015, compared with £39.9m forecast in 2014.
4. Without an increase in the current ARF, there will be a deficit in 2015 of income compared with expenditure of £10.3m (a reduction of £1.8m, compared with the deficit projected for the preliminary budget), leading to reserves being completely eliminated by 31 December 2015.

Introduction and background

5. The Business Plan sets out the challenges we will seek to address in 2015.
6. A more detailed Operational Plan, setting out the full range of activities for 2015 is being finalised by the executive, and will be used to monitor, manage and report delivery of objectives during the year. The Operational Plan, with a full schedule of performance measures and up to date milestones will be prepared in October, for review by the FPC, at its November meeting.
7. In May 2014, the Council approved the Preliminary Budget as a basis for the consultation on an increase in the level of the ARF to £945 and £128 for Dentists and DCPs, respectively.
8. Since that meeting, a detailed budgeting exercise has been undertaken with the executive and individual budget holders that included
 - a. An in-depth assessment of the assumptions made in relation to the various cost drivers that underpin the preliminary budget, with changes being made where deemed necessary:
 - b. Identification of productivity improvements that will, once implemented, reduce demand for resources and related expenditure; and
 - c. Identification of further cost efficiencies.

2015 Business Plan

9. *Creating the 2015 Business Plan*
 - a. *Process* – budget holders provided a full breakdown of activity for 2015 with each activity contributing towards a strategic objective (Corporate Strategy 2013-15), showing a clear rationale, lead manager, performance measure, set of milestones, and an initial risk assessment. Budget holders were also asked to identify cross-team collaborations in order for realistic milestones to be agreed.
 - b. *An Operational Plan* will contain the full set of activities for all teams, in order to raise awareness of cross-team collaboration. The plan will be monitored by senior managers, reporting to the executive and updated on a regular basis, as a live plan. This will increase transparency, and facilitate faster, more agile decision making.
 - c. *Challenges for 2015* – the business plan outlines some of the challenges the GDC is facing. The plan acknowledges that with the publication of the 2014 PSA Performance Review, a key priority is to ensure our fitness to practise function has the resources it

needs to deliver an efficient and effective complaints process. In addition, we will continue to work with the Department for Health, to achieve the legislative change necessary to introduce case examiners. In summary our challenges are,

- i. *Improve our performance through* – greater efficiency in managing complaints, better insight into the external environment and risk to patients, and finally, through compliance audits, to improve process and decision-making.
 - ii. *Drive forward necessary change to improve our professional service* - taking advantage of expected legal changes to introduce case examiners with powers to decide cases at an early stage, and preparing to implement enhanced CPD.
 - iii. *Collaboration with other regulators* - to share information and best practice in preventing harm to patients.
 - iv. *Demonstrating both efficiency and cost effectiveness* - in delivering our regulatory duties.
 - v. *Working closely with our key stakeholders* - to gain greater benefit from their feedback, and to understand what information they need from the regulator.
 - vi. *Continuing to value and support our people* - to respond to both challenging and changing demands.
- d. Activity in 2015 will be focussed on core regulatory duties, completion of new work begun in 2014, and new projects scheduled to begin in 2015. The Operational Plan will also contain all the supporting activity from teams such as HR, IT and facilities.
10. The 2015 draft business plan is set out at Annex 1.
11. *Risk and Performance Management*
- a. By identifying and assessing the risk associated with each business plan activity, we will be able to improve both our identification and hence management of risk at a strategic and operational level.

2015 Budget

12. The proposed budget projects total expenditure of £44.2m in 2015, compared with £39.9m forecast in 2014. The 2015 budget and 2014 forecast take into account the FPC challenge to the executive to reduce 2015 expenditure by a further 5%.
13. Without an increase in the current ARF, there will be a 2015 deficit of income compared with expenditure of £10.3m (a reduction of £1.8m, compared with the deficit projected for the preliminary budget).
14. On completion of the proposed budget for 2015, cost projections for 2016 and 2017 were calculated using a zero-based approach whereby the costs of new activities were incorporated and savings from efficiency measures were applied. An increase of 3% for staff-related costs and 2% for other general operating costs has been included. Deficits of £7.0m and £6.1m are projected for 2016 and 2017, respectively, based on the current ARF.
15. Budget holders have identified efficiency measures that will deliver £3.7m of savings in 2015. These have been incorporated in the proposed budget. It is also estimated that savings in the range of £1.8m - £2.7m may result in the first year after implementation of the section 60 order on Case Examiners. However, as the legislation is not yet enacted and as the exact extent of the powers to be given case examiners remains uncertain, no costs or benefits of this potential legislative change have been included in the 2015 budget year or the 2016/17 outlook years.

16. The chart at Annex 3 explains how total expenditure across 2014, 2015, 2016 and 2017 has changed from expenditure projected for the preliminary budget exercise in May. The main drivers of the change in expenditure are:

- a. The Executive's response to the FPC's efficiency challenge;
- b. Changes in key fitness to practise assumptions as follows:
 - i. 3,150 incoming cases in 2014 (compared with 3,500 previously);
 - ii. 3,300 incoming cases in 2015 (compared with 4,000 previously);
 - iii. Backlog cases at the assessment stage - 47% closed and 53% referred to Investigating Committee (IC) (compared with 30% closed and 70% referred previously);
 - iv. Backlog cases considered by the IC - 55% closed and 45% referred to IC (compared with 40% closed and 60% referred previously)
- c. A review of assumptions underpinning the 2016 and 2017 expenditure projections.

There is a further chart at Annex 4 that explains the changes in expenditure from the 2014 approved budget to the 2015 preliminary budget.

17. In parallel, as part of the assessment of budget requirements for 2015, budget holders were asked to reforecast expenditure for the remainder of 2014. In October 2013, the Council approved a budget for 2014 with a deficit of £3.0m. Subsequent to this, the 2014 Q1 forecast indicated a full year deficit of £5.9m which was reflected in the consultation on the Annual Retention Fee (ARF) Level for 2015. The latest forecast now projects a deficit of £6.3m.
18. The key areas of 2014 budget overspend are legal fees and disbursements relating to the progression of the 'backlog' of cases; costs related to improving IC processes and the associated IT and estate costs with the increased headcount in 2014.

Budget Summary and Assumptions

19. The 2015 budgeted income and expenditure account for the GDC, based on the current ARF of £576/£120 and with 2016 and 2017 projections, is as follows:

£000s	2015 Proposed Budget	2015 Preliminary Budget	2014 Forecast	2014 Budget	2013 Actual	Variance to Preliminary Budget	Variance to 2014 Forecast	Variance to 2014 Budget	Variance to 2013 Actual	2016 Projected Budget	2017 Projected Budget
INCOME											
FEEs	31,715	31,551	31,493	30,879	30,979	164	222	836	736	31,901	32,079
INVESTMENT INCOME	436	436	500	500	555	0	(64)	(64)	(119)	436	436
EXAM INCOME	1,691	1,710	1,618	1,942	1,802	(19)	73	(251)	(111)	1,988	1,988
MISCELLANEOUS INCOME	0		9	0	13	0	(9)	0	(13)		
TOTAL INCOME	33,842	33,697	33,620	33,321	33,349	145	222	521	493	34,325	34,503
EXPENDITURE											
MEETING FEES & EXPENSES	9,972	11,614	8,070	7,198	6,515	1,642	(1,902)	(2,774)	(3,457)	9,072	8,828
LEGAL & PROFESSIONAL	11,327	11,480	10,557	9,382	9,747	153	(770)	(1,945)	(1,580)	8,751	7,654
STAFFING COSTS	17,387	17,425	15,492	14,263	12,217	38	(1,895)	(3,124)	(5,170)	17,950	18,488
OTHER STAFF COSTS	1,021	1,025	947	947	971	4	(74)	(74)	(50)	1,041	1,062
PUBLICATIONS & COMMUNICATIONS	663	604	770	935	679	(59)	107	272	16	676	690
IT COSTS	895	983	886	830	782	88	(9)	(65)	(113)	913	931
OFFICE & PREMISES COSTS	1,658	1,491	1,891	1,632	1,697	(167)	233	(26)	39	1,516	1,546
FINANCE COSTS	286	287	432	252	265	1	146	(34)	(21)	292	298
DEPRECIATION COSTS	948	933	894	878	884	(15)	(54)	(70)	(64)	1,145	1,111
TOTAL EXPENDITURE	44,157	45,842	39,940	36,318	33,757	1,685	(4,217)	(7,839)	(10,400)	41,356	40,609
OPERATING DEFICIT	(10,315)	(12,145)	(6,320)	(2,997)	(408)	1,830	(3,995)	(7,318)	(9,907)	(7,032)	(6,106)

20. The key planning assumptions made by directorates are set out in the 'Key assumptions and activities by Directorate' section later in the paper. The following assumptions have been made at an organisation level in the budget:
- 3,150 complaints received in 2014;
3,300 complaints received in 2015;
Zero growth in complaints received in 2016 and 2017;
 - Minimal growth in the registrant base at 0.6% per annum (dentists) and 1.2% in 2015, and 0.6%, thereafter, (DCPs);
 - Headcount will be 329 FTE by December 2015;
 - 16 additional permanent posts and 2 fixed-term contractors are required in Q4 2014 (in Fitness to Practise, Corporate Legal and in HR), compared with the previous 2014 forecast;
 - 3 existing posts in Policy & Communications and 1 in Corporate Services will no longer be recruited ;
 - 28 additional permanent posts are required in 2015 in the Fitness to Practise, Governance and Corporate Services directorates;
 - A new salary structure has been proposed from 1 April 2015 to replace the current incremental 'length of service'-weighted salary structure. The cost of implementation will be a maximum of 1.5%, in addition to the cost budgeted for existing incremental rises. Due to this, a total increase to the GDC gross salary budget of 4% has been assumed from April 2015, to replace the current performance-related increase in January and incremental 'cost of living' pay increase in April;

- h. Salary-related costs are budgeted to increase by 3% per annum in 2016 and 2017;
- i. General operating costs have been budgeted to increase by 2% per annum in 2016 and 2017;
- j. Wimpole Street redevelopment completed June 2015
 - i. Leased short term property will be vacated by June 2015;
 - ii. Full business rates payable at 37 Wimpole Street from June 2015;

Income analysis

Volume and Income analysis - ARF			
Description	Dentists	DCPs	Total
2014 Forecast renewals	43,310	63,180	106,490
2015 Budgeted renewals	43,590	63,951	107,541
2016 Projected renewals	43,852	64,335	108,187
2017 Projected renewals	44,115	64,721	108,836
2015 budgeted increase in registrants	280	771	1,051
2016 projected increase in registrants	262	384	646
2017 projected increase in registrants	263	386	649
2015 budgeted increase in ARF income	£155,606	£90,524	£246,130
2016 projected increase in ARF income	£133,315	£46,076	£179,391
2017 projected increase in ARF income	£125,494	£46,320	£171,814

21. Based on the current ARF for Dentists and DCPs of £576 and £120, respectively, total 2015 ARF income from dentists and specialists is budgeted to increase by £156,000 to £23.0m, based on the volume assumptions set out in the table above. Total 2015 ARF income from DCPs is budgeted to increase by £91,000 to £7.7m.
22. At the beginning of August 2014 there were 40,667 dentists on the register. The budget assumes that 425 will join the register between August and December so there will be 41,092 dentists and 4,150 specialists on the register at the point of conclusion of the ARF cycles. Assuming a removal rate of 3.7% for non-payment of the ARF of which a proportion will be restored to the register, it is estimated that 43,590 dentists and specialists will renew their registration in 2015. This assumption is made on the basis that any increase in fees does not lead to a reduction in renewals.
23. At the end of August 2014 there were 62,730 DCPs on the register. The budget assumes that 4,724 DCPs will join the register up to July 2015. Assuming a removal rate of 5.5% for non-

payment of the ARF (similar to previous years), the budget projects that there will be 67,448 DCPs at the point of the ARF collection, of which 63,951 will renew their registration in 2015.

Alternative budget scenarios

24. To ensure we understand the range of possibilities for future costs, we have calculated the impact on planned expenditure if key Fitness to Practise assumptions were to be worse than or better than has been assumed in the most likely case budget. The results are as follows:

	Most Likely Case 2015	Best Case 2015	Likely Worst Case 2015
Complaints received	3,300	3,000	3,500
% of cases closed at IC stage	49%	60%	40%
Income - 2015 only (£m)	33.8	33.8	33.8
Income - 2015, 2016 and 2017 (£m)	102.7	102.7	102.7
Deficit - 2015 only (£m)	(10.3)	(8.7)	(12.7)
Deficit - 2015, 2016 and 2017 (£m)	(23.5)	(16.4)	(33.0)

Key assumptions and activities by Directorate

25. The following assumptions and planned activities underpin each Directorate business plan and budget:

Regulation

26. The base case assumption of 3,150 and 3,300 complaints received in 2014 and 2015, respectively, has been based on a consensus of forecasts produced in September 2014. These forecasts refer to historical data on average complaints received over the period 2011 – 2014.
27. The significant increase in fitness to practise activity predicted in 2014 and 2015 is due to a drive to process cases in a timelier way and to clear a backlog of cases. The cost of clearing the backlog cases as they pass through each stage of the fitness to practise process is as follows:

	2014	2015	2016	2017	Total cost	Total volumes
Analysis of cost of backlog cases (£)	£	£	£	£	£	cases
Casework	0.5	-	-	-	0.5	800
IC	0.3	0.2	-	-	0.5	459
Prosecution - ILPS	-	0.5	-	-	0.5	82
Prosecution - ELPS	-	2.4	-	-	2.4	67
Hearings	-	1.3	0.8	-	2.1	116
Total	0.8	4.4	0.8	-	6.0	

28. For the purposes of the proposed budget, it has been assumed that the volume of complaints (and therefore Fitness to Practise costs) in 2016 and 2017 do not increase at the rates they are expected to increase in 2014 and 2015.
29. An additional 36.0 full time equivalent (FTE) employees are needed to handle the increased workload across the directorate. 14 of these posts are within the in-house legal team, recruitment of which will result in lower external legal bills. A further 5 posts are in the new in-house advocacy team which will result in savings in Counsels' fees. Other key assumptions include:

Casework

30. It has been agreed that the Casework Team will operate a separate triage function that will clearly define the roles of the administrators, have dedicated decision makers and which will therefore relieve the Casework Managers and Senior Caseworkers of this task in their daily duties, allowing them to focus on team management.
31. The establishment of this function will require the recruitment of one additional member of staff in 2015.
32. Other budget assumptions include:
- 30% of new cases received will be closed at the Triage stage, based on recent trends observed. The higher referral rate of 70% (compared with rates historically) is due to the impact of the recent introduction of improvements to the Assessment process in the FtP Casework function.
 - 54% of cases will be closed at the Assessment stage. An increase in the closure rate has been assumed based on the expectation that improvements to the Assessment process will also lead to a higher rate of assessment closures in 2015, compared with 43% closed at the same stage in 2013 overall, and 44%, 44% and 46% in Q1, Q2 and Q3 of 2014, respectively.

Investigating Committee

33. An estimated 1,216 cases will be listed for consideration by the Investigating Committee in 2015, compared with 1,635 cases considered in 2013 and 1,247 cases forecast in 2014. This includes provision for the Committee to consider backlog cases. The budget assumes that these cases will have been referred to the IC for a decision by Q2 2015.
34. It is assumed that 49% of cases considered will be closed by the IC in 2015, compared with 46% closed in 2013 overall and 50%, 55% and 64% in Q1, Q2 and Q3 2014, respectively.

Prosecutions

35. The budget assumes that the number of new cases referred for prosecution in 2015 will be 439 and that these cases will be split 65%:35% between the in-house fitness to practise legal service team (ILPS) and the external legal services providers (ELPS). While the in-house team has the potential to deliver significant savings for the organisation, we do not want to run the risk of overloading a new team nor underestimate the level of support that we will continue to draw from the external firms.
36. 7 in-house teams will undertake a total of 284 cases in 2015, increasing to 8 teams and 328 cases in 2016 and 2017. Over three years, the number of new cases that are projected to be referred to the external and in-house teams are as follows:

	2015	2016	2017
ILPS new cases	284	328	328
ELPS new cases	155	62	62
Total new cases	439	390	390
<i>ILPS % of total new cases</i>	<i>65%</i>	<i>84%</i>	<i>84%</i>

37. In 2015, each in-house team is expected to deliver net savings for the GDC of c £280,000, resulting in total net savings of £2m for the year.

Hearings

38. 1,755 scheduled hearing days (up to 9 concurrent hearings by October 2015) are budgeted in 2015 to hear an estimated 375 cases, compared with 1,066 days in 2013 and 1,183 days in 2014.
39. 11 new posts will be recruited to support the increase in scheduled hearing days.
40. Contracts for the hire of hearing venues have been renegotiated, saving the GDC an estimated £0.4m on budgeted volumes.

Examinations

41. A new contract for Part 1 of the Overseas Registration Exam and an extension to the existing Part 2 contract is being negotiated with current suppliers – Kings College London (Part 1) and The Consortium (Part 2), respectively. While negotiations will seek to ensure that increases are minimised, the new and extended contracts will see an increase in our supplier costs.
42. The GDC has also written to the Department of Health to request an amendment to the GDC ORE regulations to allow us to increase exam fees in order to achieve cost neutrality in providing the ORE. It is expected that this will be effective from September 2015.

Operational Excellence

43. The budget includes provision for the introduction of indemnity checking for applicants for registration, which will help ensure patients can seek redress for poor service.
44. The processes to enable implementation of enhanced CPD to ensure dentists continue to remain fit to practise will continue to be developed during 2015.

Policy & Communications

45. The three main budget drivers for 2015 are:
- a. **A new quality assurance system for specialty training**
To ensure the cost can be met by reprioritising existing resources
 - b. **Number of new course submissions**
Prioritisation of first time inspections of DCP and specialty programmes to ensure that the cost of inspecting new course submissions remains within the overall inspections budget.
 - c. **Communication costs**
The need for increased communications and engagement with the sector to be met through operating new streamlined and effective communication processes.

Governance (including Corporate Legal)

46. The following key assumptions underpin the Governance budget:
- a. Work is underway (which will continue into 2015) to progress forthcoming legislative changes (Section 60), including the introduction of case examiners in fitness to practise. This will focus on shaping the new legislation and preparing for implementation of the agreed reforms, which will involve wholesale re-drafting of the rules.
 - b. The establishment of a Statutory Committee Support function to increase the effectiveness of the Appointments Committee, Investigating Committee and the Fitness to Practise panels.
 - c. The Electronic Data Resource Management (EDRM) project aims to give confidence to users that information is current, that its status is unambiguous, that its origins and ownership are clear and that it is being managed properly.

Finance & Corporate Services

47. The GDC budget proposes an increase in headcount to 329 FTE which will lead to an increase in activity for Corporate Services. As such, an additional 4 posts are proposed (3 in HR and 1 in IT) with the loss of one post in Office Services (Wimpole Street reception support will be outsourced).
48. The Wimpole Street redevelopment project will be completed in 2015 at a projected total cost of £8.0m.

Efficiency savings

49. The organisation has been tasked with meeting challenging targets for new efficiencies. The result of that challenge includes the following:

	Savings in 2015
A proportion of Fitness to Practise cases will be conducted by in-house legal teams, rather than external law firms.	£2.0m
Savings from changes to our Counsels' fee strategy, including the establishment of the in-house advocacy team	£0.4m
Savings from renegotiated room hire rates, and hosting of 1 hearing at 37 Wimpole Street from September 2015	£0.4m
Savings in printing/publication costs from moving communications online	£80,000
Savings in research costs from rationalising patient research through the on-line panel and moving from an annual registrant and patient survey to one every 18 months	£45,000
Reduction in meeting costs relating to policy consultation/stakeholder engagement	£50,000
Other policy & communications related efficiency savings	£27,000
Rationalisation of enhanced CPD research & consultancy budget (implementation phase)	£135,000
Reduction in Policy team staffing resource	£100,000
Rationalisation of communications expenditure through reduction in events, moving online and reduction in patient communications programme	£60,000
Reduction in Compliance team staffing resource	£82,000
Savings through efficiencies in the ARF collection process	£72,000
Savings in IT costs through insourcing of maintenance & support and migration to e-telephony services	£94,000
Implementation of the digital mailroom project	£44,000
Savings on postage through sending more mail 2 nd class and reduced expenditure on cleaning and building maintenance	£53,000
Reduction in legal advice costs and an increase in court costs recovered by the Illegal Practice function	£23,000
Total 2015 efficiency savings	£ 3,665,000

Headcount

50. An increase in headcount to 329.0 FTE by December 2015 has been budgeted. This compares with 305.2 FTE on the payroll at the end of September 2014 and 327.0 forecast by the end of December 2014.

Cost centre	2014 Budget	New posts (incl. Backlog joiners) /Leavers	2014 Year End	FTC/Backlog Leavers	New Posts 2015 (Final Budget)	2015 Final Budget
Corporate Legal	4.3	2	6.3	(2)	1	5.3
Governance	8	0	8	0	1	9
TOTAL GOVERNANCE	12.3	2	14.3	(2)	2	14.3
Registration	44.9	(0.2)	44.7	0	0	44.7
Operational Excellence	23.6	0	23.6	0	0	23.6
FTP Casework	40	4.6	44.6	0	1	45.6
FTP Legal - Commissioning	10	1	11	0	3	14
FTP Investigating Ctte	18	6	24	(4)	0	20
FTP In-house Legal	16	1	17	0	14	31
FTP In-house Legal Advocates	0	0	0	0	5	5
FTP Illegal Practice	8	2	10	0	0	10
FTP Casework Backlog	0	20	20	(20)	0	0
Hearings	26.6	11	37.6	0	0	37.6
TOTAL REGULATION	187.1	45.4	232.5	(24)	23	231.5
Policy	3	0	3	0	0	3
Public Affairs & Comms	9	(1)	8	0	0	7.8
Quality Assurance	11.8	0	11.6	0	0	11.6
Standards	4	(1)	3	0	0	3
Continuing Assurance	2	(1)	1	0	0	1
Dental Complaints Service	9.6	0	9.4	0	0	9.4
TOTAL POLICY AND COMMS	39.4	(3)	35.8	0	0	35.8
CEO	1	0	1	0	0	1
Finance	10.4	0	10.4	0	0	10.4
Office Facilities	6	(1)	5	0	0	5
Information Technology	18	0	18	0	3	21
Human Resources	7	3	10	0	0	10
TOTAL CORPORATE SERVICES	42.4	2	44.4	0	3	47.4
TOTAL GDC HEADCOUNT	281.2	46.4	327	(26)	28	329

Capital Expenditure

51. Capital expenditure plans totalling £3,422,000 are analysed below:

Description of Capital Expenditure	2015 Full Year Budget
	£ '000
New furniture and blinds for 37 Wimpole Street	400
Redevelopment of 37 Wimpole Street	1,952
Development of Dynamics CRM as identified in the BIS / GDC 2015 programme.	130
Records management programme (includes digital mailroom)	150
IT hardware infrastructure and replacement of out of warranty IT hardware and upgrade of AV and DR.	135
Redevelopment, redesign and re-platforming of the GDC website.	165
Fit out new Council suite, Hearings suite and meeting rooms with AV equipment	280
Replacement of all end of lifecycle PC's across Baker St and Wigmore St sites	210
TOTAL	3,422

Recommendations

52. The Council is invited to approve:

- a. The business plan for 2015;
- b. The budget which envisages an operating expenditure of £44.2m for 2015.

ANNEX 1: GENERAL DENTAL COUNCIL BUSINESS PLAN FOR 2015

Our role

The General Dental Council (GDC) regulates dental professionals in the United Kingdom. All dentists, dental nurses, clinical dental technicians, dental technicians, dental hygienists, dental therapists and orthodontic therapists must be registered with us to work in the UK.

Effective regulation of dental professionals enhances patient safety, improves the quality of dental care and helps ensure public confidence in dental regulation. We aim to regulate in a way that is proportionate, accountable, transparent, consistent, targeted, and responsive to changing demands, risks and priorities

Planning for 2015

In 2015, our work will help us achieve the strategic objectives in our Corporate Strategy 2013-15, protecting the public by regulating the dental team. A more detailed operational plan underpins all of the activity in this business plan. The operational plan is overseen by our Executive Management Team who will monitor progress throughout the year.

Our ongoing duties will involve:

- registering qualified dental professionals;
- setting and enforcing standards of dental practice and conduct;
- protecting the public through the work of our illegal practice team, helping patients to feel they are able to seek appropriate redress;
- assuring the quality of dental pre-registration education and training;
- ensuring professionals keep their knowledge and skills up-to-date;
- investigating and acting upon complaints received about fitness to practise; and
- helping patients and the profession to resolve complaints about private dentistry, through the Dental Complaints Service (DCS).

Key challenges for 2015

We recognise that with the publication of the 2014 PSA Performance Review a key priority of the Council is to ensure our fitness to practise function has the resources it needs to deliver an efficient and effective complaints process. We are determined to lead the changes that will result in a much-improved performance in a reasonable time. Together with the Department for Health, we will work to achieve the legislative change necessary to improve processes such as allowing us to introduce case examiners. We will,

1. Improve our performance through,

- Greater efficiency in managing the rising number of complaints being brought against the dental team.

- Better use of our data in order to understand changes in the health environment and to both anticipate and identify risk to patients.
 - Compliance audits to improve process and ensure robust decision-making.
2. Drive forward changes that improves our professional service, including
 - Preparing for the legal changes to fitness to practise processes through the introducing case examiners to improve decision-making.
 - Preparing to implement enhanced Continuing Professional Development.
 3. Collaborate with other professional and systems regulators to share both information and best practice in order to prevent harm to patients.
 4. Ensuring we demonstrate both efficiency and cost effectiveness in delivering our regulatory duties.
 5. Work closely with our key stakeholders to gain greater benefit from their feedback, and to understand what information they need from the regulator.
 6. Continuing to both value and support our people to respond to both challenging and changing demands

Business Plan 2015 - Key activities

In addition to delivering our core regulatory service, within our Corporate Strategy 2013-15, our work will include:

STRATEGIC OBJECTIVE 1:

Analyse and respond effectively to patient needs and public expectations to maintain public confidence in dental regulation

Enhance our patient and public engagement strategy in the light of feedback

- Stakeholder engagement with patient bodies and consumer organisations.

Identify and implement new channels of communication

- Implement the Online Patients Panel to help understand patient concerns and their views and to influence our communications and policy.

Conduct our work more transparently

- Review guidance for preparing allegations in order to help streamline case preparation, leaving it transparent to those involved.
- Ensure the GDC is accessible and receptive to communications by stakeholders.
- Respond to requests from both external and internal stakeholders in an effective manner.

Role of the Dental Complaints Service

- Review the scope of the Dental Complaints Service in a broader complaints system.

STRATEGIC OBJECTIVE 2:

Deliver proportionate and targeted regulation of dental professionals to improve public protection and enable the public to have confidence in dental regulation

Implement fitness to practise reforms that improve patient protection

- Enhance the effectiveness of the Investigating Committee including review of our process up to the Committee stage, in order to identify opportunities for improvement.
- Audits to ensure compliance with policy, process and standards and help ensure risk is managed.
- Establish routine case meetings with external agencies to enable the mutual progression of cases, and develop systems and shared ways of working.
- Support the implementation of a pilot with selected NHS Local Area Teams to ensure that cases of low-level concern are proportionately addressed through local resolution.
- Develop a process for reviewing hearing decisions to ensure decisions comply with policy and prevent risk to patient safety.
- Manage the appointment of new Fitness to Practice Panel members to conduct the increased amount of hearings forecast for 2015.
- Introduce an in-house advocacy team to improve timeliness, quality and consistency.

Implement online registration

- Introduce indemnity checking for applicants for registration to help ensure patients can seek redress for poor service.
- Implement enhanced ID checking for applicants for registration to reduce the risk of fraudulent registration.

Implement and effectively communicate the new professional standards to the dental team

- Continue to implement our standards for the dental team through guidance and communication.

Scope of Practice and Direct Access (giving patients the option to see a dental care professional without having first seen a dentist and without a prescription from a dentist)

- Undertake a review to understand the uptake, barriers to and enablers of Direct Access.

Enhanced Continuing Professional Development to ensure dentists continue to remain fit to practise

- Prepare for the introduction of enhanced Continuing Professional Development, for all current registered groups and temporary registrants, to reinforce Standards for the Dental Team.

Use our data and knowledge to learn and improve our service

- Develop a framework for understanding risk in dentistry as a basis for developing continuing fitness to practise policy.
- Follow a policy programme to support GDC's strategy.
- Develop a research and evidence base to supporting development of policy that improves regulation.
- Conduct an annual horizon-scanning exercise to anticipate future regulatory changes and their impact on the GDC.
- Explore the use of data to support emerging work on the prevention of complaints.

STRATEGIC OBJECTIVE 3:

Ensure the new entrants to the profession are safe to practise through an increasingly integrated approach to the regulation of dental education and training

Ensure that new entrants to the profession are safe and competent to practise with reference to our education and professional standards

- Manage and run the Overseas Registration Examination, which overseas-qualified dentists have to pass in order to register with the GDC.
- Explore what information might be collected from students concerning the quality of patient care in order to help raise awareness of our standards.
- Stakeholder engagement, including managing the Education and Quality Assurance Stakeholder Forum and meetings between internal managers and key stakeholders.
- Maintain a greater scrutiny of checks and balances for putting people on the register.
- Monitor data on any risks on Transition to Independent Practice, which sought to identify whether there were any risks to patient safety from newly registered dentists and Dental Care Professionals, and share this with partners.

Inspect education and training institutions to provide assurance that they are delivering the education standards that ensure dental graduates are fit to be registered

- Quality assurance of pre-registration training (includes working with providers, annual monitoring and inspection, and managing and training inspectors).

Develop quality assurance mechanisms for specialty training leading to entry on the specialist lists

- Understand the implications of the quality assurance review of Specialist Lists to enable the timely enactment of recommendations.
- Review the way in which the dental specialties are regulated and implement any changes.
- Implement an approach to specialty quality assurance.

STRATEGIC OBJECTIVE 4:

Build partnerships with other bodies and influence regulation of dentistry to protect patients

Prepare for the implementation of agreed reforms that result from legislative change

- Implement legal change to modernise our fitness to practise scheme, for example by introducing case examiners to improve decision-making and reduce costs.

Respond to and influence European legislation that affects the regulation of dental professionals

- Monitor and respond to changes in EU legislation including introducing language controls for EU nationals.
- Ensure that our operational processes cover the incentives resulting from the Recognition of Professional Qualifications (RPQ) Directive.

Develop effective relationships with patient organisations

- Develop relations with patient and consumer organisations.

Develop and implement a strategy for the effective regulation of dental professionals in Wales, Scotland and Northern Ireland

- Development of GDC virtual teams to monitor regulatory performance in devolved administrations.

Build strategic partnerships with healthcare systems regulators and professional regulatory bodies

that are in the interests of the public and patients

- Implement Memoranda Of Understandings, continue an ongoing series of strategic meetings with CQC, RQIA (system regulators), Health Education England and NHS Education for Scotland, and contribute to HEE Dental Advisory Group.

STRATEGIC OBJECTIVE 5:

Deliver cost effective regulation, ensuring maximum efficiency without loss of patient protection

Set the annual retention fee at the rate required to deliver regulation of dental professionals

- Produce an annual retention fee at the rate required to deliver effective regulation of dental professionals.

Reduce the costs of our fitness to practise processes through procedural change

- Introduction of electronic case bundles for Fitness to Practise Committees.
- Implement phase two of the Clinical Advisers project to consider bringing expertise in house and reduce the need for external contracts.
- Further improvement through the Practice Committee Procedure and Case Management project, which aims to reduce hearings days, decrease prosecution and hearing costs and increase co-operation with defence organisations.

Implement new governance structures effectively, including a reduction in the size of the Council

- Manage the induction of the new Appointments Committee.
- Embed a system of appraisal of the Council.
- Deliver a meeting programme for stakeholder engagement for the Council.
- Develop and implement a revised Risk Management Framework to inspire strategic and operational risk analysis that supports delivery of the three-year Corporate Plan, and the annual business and operational plans.
- Continue development of a comprehensive Performance Management System to include, for example, a suite of internal balanced scorecard reports for management scrutiny, action and planning.

Develop and deliver a collaborative programme of work with other regulators

- Continue to participate in collaborations with other professional and systems regulators.

Improve ICT services

- Continue integration of our Customer Relationship Management system into day-to-day work.

STRATEGIC OBJECTIVE 6:

Manage the GDC effectively and support its staff in achieving our objectives

Enhance our engagement with staff in response to continuing feedback.

- Deliver an internal communications programme to staff as part of organisational development.

Ensure our professional development programme equips staff to respond to the changing demands of the organisation

- Implementation of a Leadership Development Programme.
- Deliver our 2015 Learning and Development Strategy.
- Implementation of an organisation-wide induction process for new starters.
- Implement in house training contracts to improve the retention of staff and specialist expertise.
- Manage a programme of projects to improve the Registration and Fitness to Practise teams.

Review the recognition and reward strategy and make any necessary changes

- Review and develop a new pay structure, recognition policy and appraisal scheme.
- Review employee contributions to the pension scheme.

Use our resources in a way that supports sustainability and reflects environmental best practice

- Digital Mailroom to modernise process, provide efficiencies, provide document management and support sustainability.
- Implementation of a full records management programme and system to improve information management, storage and retrieval.

Continue to develop and implement our equality and diversity strategy and action plan

- Continue to raise awareness of equality and diversity with staff.

STRATEGIC OBJECTIVE 7:

Manage the GDC's reputation to ensure that there is public confidence in dental regulation

Promote the GDC's role in the media to communicate the role of regulation

- Develop relationships with key journalists in the health, regulator and consumer protection fields.
- Use radio and web broadcasts to raise issues.

Carry out a patient communication evaluation and campaign programme

- Develop a patient and public communication plan to raise awareness of the GDC.
- Develop a Patient facing campaign (focus to be based on priorities to be outlined in next Corporate Plan).

Communicate the role that regulation plays in protecting patients to GDC registrants.

- Devise and implement an engagement programme with key stakeholders.
- Use the online Gazette to promote the GDC's role to registrants.

Develop relationships with Parliamentarians in the UK parliaments.

- Devise and implement a planned engagement programme with Parliamentarians in the UK parliaments including attending relevant events such as party conferences, seminars and think tanks.

ANNEX 2: Expenditure analysis by cost centre

	2015 Proposed Budget	2015 Preliminary Budget	2014 Forecast	2014 Budget	2013 Actual	Variance to 2015 Preliminary Budget	Variance to 2014 Forecast	Variance to 2013 Actual
REGULATION BY COST CENTRE								
OPERATIONAL EXCELLENCE UNIT								
MEETING FEES & EXPENSES	0	0	0	0	0	0	0	0
LEGAL & PROFESSIONAL	145,000	100,000		0	43,161	(45,000)	(145,000)	(101,839)
STAFFING COSTS	1,341,075	1,343,660	1,245,871	1,252,818	1,145,568	2,585	(95,204)	(195,507)
OTHER STAFF COSTS	35,350	27,268	8,734	33,325	29,825	(8,082)	(26,616)	(5,525)
PUBLICATIONS & COMMUNICATIONS	0	0	0	0	0	0	0	0
IT COSTS	0	0	0	0	0	0	0	0
OFFICE & PREMISES COSTS	0	0	0	0	0	0	0	0
FINANCE COSTS	0	0	0	0	0	0	0	0
TOTAL EXPENDITURE	1,521,425	1,470,928	1,254,605	1,286,143	1,218,554	(50,497)	(266,820)	(302,871)
REGISTRATION - MANAGEMENT								
MEETING FEES & EXPENSES	0	0	0	0	0	0	0	0
LEGAL & PROFESSIONAL	21,500	3,663	3,591	3,360	2,973	(17,837)	(17,909)	(18,527)
STAFFING COSTS	166,913	167,903	157,294	155,876	152,770	990	(9,620)	(14,143)
OTHER STAFF COSTS	3,930	3,800	3,725	2,800	296	(130)	(205)	(3,634)
PUBLICATIONS & COMMUNICATIONS	0	0	0	0	0	0	0	0
IT COSTS	0	0	0	0	0	0	0	0
OFFICE & PREMISES COSTS	0	0	0	0	0	0	0	0
FINANCE COSTS	0	0	0	0	0	0	0	0
TOTAL EXPENDITURE	192,343	175,366	164,610	162,036	156,039	(16,977)	(27,733)	(36,304)
REGISTRATION - UK								
MEETING FEES & EXPENSES	0	0	0	0	0	0	0	0
LEGAL & PROFESSIONAL	451,236	445,375	405,227	541,104	462,579	(5,861)	(46,009)	11,343
STAFFING COSTS	992,078	1,023,542	956,769	928,565	874,704	31,464	(35,309)	(117,374)
OTHER STAFF COSTS	170	0	283	0	2,473	(170)	113	2,303
PUBLICATIONS & COMMUNICATIONS	0	0	0	0	0	0	0	0
IT COSTS	0	0	0	0	0	0	0	0
OFFICE & PREMISES COSTS	0	0	0	0	0	0	0	0
FINANCE COSTS	0	0	0	0	0	0	0	0
TOTAL EXPENDITURE	1,443,484	1,468,917	1,362,279	1,469,669	1,339,756	25,433	(81,205)	(103,728)
REGISTRATION - OVERSEAS								
MEETING FEES & EXPENSES	97,432	94,059	90,932	89,525	87,762	(3,373)	(6,500)	(9,670)
LEGAL & PROFESSIONAL	200	1,327	2,221	0	0	1,127	2,021	(200)
STAFFING COSTS	490,513	512,536	467,898	473,759	449,523	22,023	(22,615)	(40,990)
OTHER STAFF COSTS	120	126	48	0	1,939	6	(72)	1,819
PUBLICATIONS & COMMUNICATIONS	0	0	0	0	0	0	0	0
IT COSTS	0	0	0	0	0	0	0	0
OFFICE & PREMISES COSTS	0	0	0	0	0	0	0	0
FINANCE COSTS	0	0	0	0	0	0	0	0
TOTAL EXPENDITURE	588,265	608,048	561,098	563,284	539,224	19,783	(27,167)	(49,042)
EXAMINATIONS								
MEETING FEES & EXPENSES	111,275	89,510	117,402	122,565	127,159	(21,765)	6,127	15,884
LEGAL & PROFESSIONAL	1,661,800	1,850,688	1,661,862	1,941,250	1,861,966	188,888	62	200,166
STAFFING COSTS	173,962	176,653	176,737	158,486	163,284	2,691	2,776	(10,678)
OTHER STAFF COSTS	0	0	0	0	1,473	0	0	1,473
PUBLICATIONS & COMMUNICATIONS	0	0	0	0	0	0	0	0
IT COSTS	0	0	0	0	0	0	0	0
OFFICE & PREMISES COSTS	0	0	0	0	0	0	0	0
FINANCE COSTS	0	0	0	0	0	0	0	0
TOTAL EXPENDITURE	1,947,037	2,116,851	1,956,002	2,222,301	2,153,882	169,814	8,966	206,845

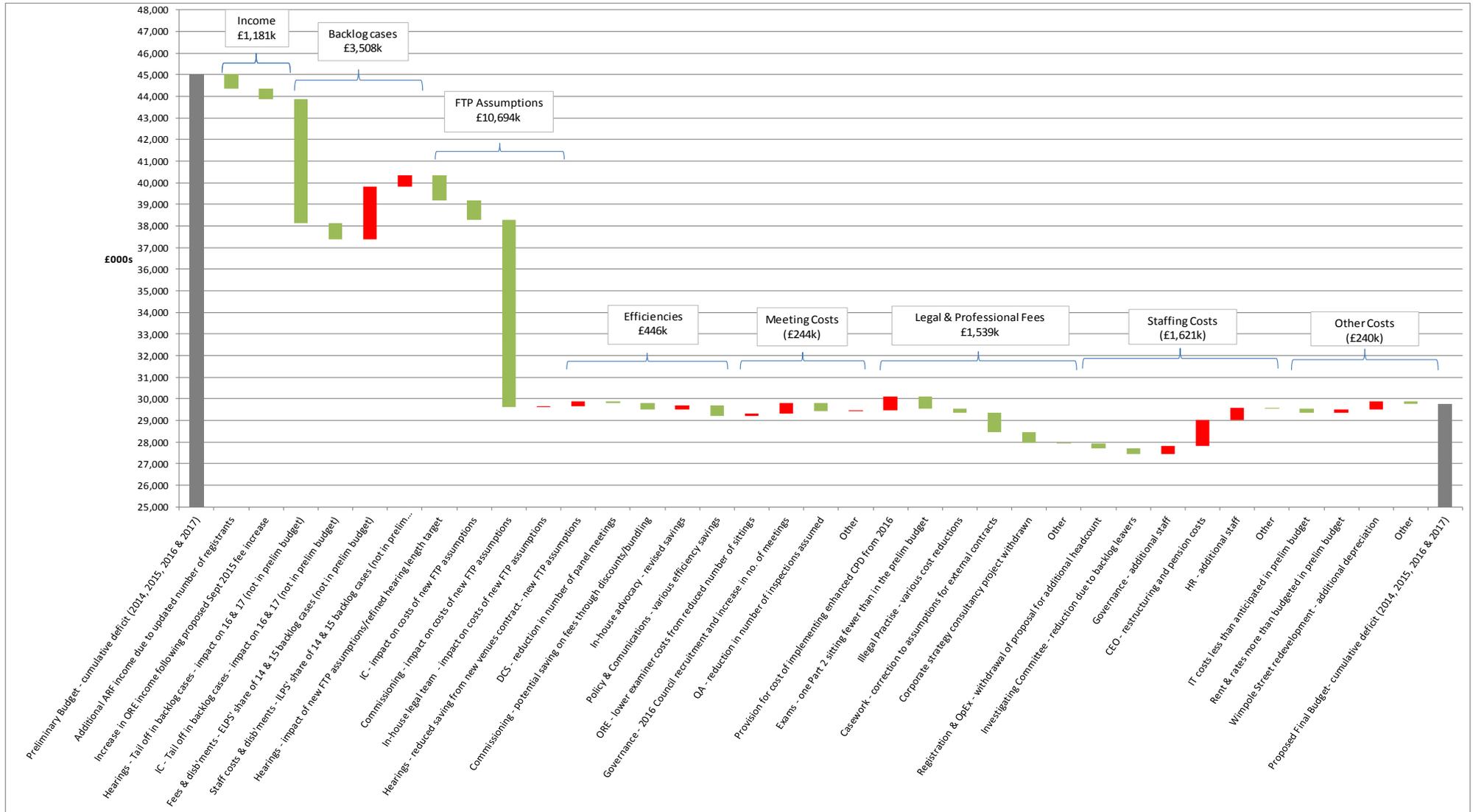
	2015 Proposed Budget	2015 Preliminary Budget	2014 Forecast	2014 Budget	2013 Actual	Variance to 2015 Preliminary Budget	Variance to 2014 Forecast	Variance to 2013 Actual
REGULATION BY COST CENTRE								
HEARINGS								
MEETING FEES & EXPENSES	7,945,273	9,173,310	5,947,388	5,034,643	4,670,814	1,228,037	(1,997,884)	(3,274,459)
LEGAL & PROFESSIONAL	0	3,914	15,760	0	16,180	3,914	15,760	16,180
STAFFING COSTS	1,615,904	1,650,579	1,129,964	1,149,465	1,041,694	34,675	(485,940)	(574,210)
OTHER STAFF COSTS	5,400	5,024	5,485	8,400	5,480	(376)	85	80
PUBLICATIONS & COMMUNICATIONS	0	0	1,000	3,000	637	0	1,000	637
IT COSTS	1,800	1,020	0	0	215	(780)	(1,800)	(1,585)
OFFICE & PREMISES COSTS	0	0	0	0	0	0	0	0
FINANCE COSTS	0	0	0	0	0	0	0	0
TOTAL EXPENDITURE	9,568,376	10,833,847	7,099,597	6,195,508	5,735,020	1,265,471	(2,468,779)	(3,833,357)
FITNESS TO PRACTICE - COMMISIONING								
MEETING FEES & EXPENSES								
LEGAL & PROFESSIONAL	6,487,807	6,118,480	5,690,879	4,942,765	5,917,025	(369,327)	(796,928)	(570,782)
STAFFING COSTS	757,374	923,818	631,950	369,564	448,264	166,444	(125,423)	(309,110)
OTHER STAFF COSTS	15,750	11,304	8,884	19,200	9,025	(4,446)	(6,866)	(6,725)
PUBLICATIONS & COMMUNICATIONS	0	1,530	0	1,500	0	1,530	0	0
IT COSTS	0	0	0	0	0	0	0	0
OFFICE & PREMISES COSTS	0	0	0	0	63	0	0	63
FINANCE COSTS	0	0	0	0	0	0	0	0
TOTAL EXPENDITURE	7,260,930	7,055,132	6,331,713	5,333,029	6,374,377	(205,798)	(929,217)	(886,554)
FITNESS TO PRACTICE - IN HOUSE LEGAL								
MEETING FEES & EXPENSES	0			0	0	0	0	0
LEGAL & PROFESSIONAL	919,038	895,442	710,761	499,906	32,279	(23,596)	(208,277)	(886,760)
STAFFING COSTS	1,689,679	1,808,627	918,419	797,990	553,200	118,948	(771,260)	(1,136,479)
OTHER STAFF COSTS	58,400	34,852	31,985	30,000	95,043	(23,548)	(26,415)	36,643
PUBLICATIONS & COMMUNICATIONS	0	0	0	0	169	0	0	169
IT COSTS	0	0	0	0	0	0	0	0
OFFICE & PREMISES COSTS	17,424	17,772	210,265	209,087	138,331	348	192,841	120,907
FINANCE COSTS	0	0	0	0	0	0	0	0
TOTAL EXPENDITURE	2,684,541	2,756,693	1,871,430	1,536,983	819,022	72,152	(813,111)	(1,865,519)
FITNESS TO PRACTICE - ILLEGAL PRACTICE								
MEETING FEES & EXPENSES	0			0	0	0	0	0
LEGAL & PROFESSIONAL	60,000	104,218	69,092	105,000	44,643	44,218	9,092	(15,357)
STAFFING COSTS	503,176	488,882	464,730	365,375	249,251	(14,294)	(38,446)	(253,925)
OTHER STAFF COSTS	33,112	38,728	14,424	37,812	8,631	5,616	(18,688)	(24,481)
PUBLICATIONS & COMMUNICATIONS	0	714	700	0	0	714	700	0
IT COSTS	1,008	0	0	0	0	(1,008)	(1,008)	(1,008)
OFFICE & PREMISES COSTS	0	0	10	800	0	0	10	0
FINANCE COSTS	0	0	0	0	0	0	0	0
TOTAL EXPENDITURE	597,296	632,542	548,957	508,988	302,524	35,246	(48,339)	(294,772)
FITNESS TO PRACTICE - CASEWORK								
MEETING FEES & EXPENSES	0		224	0	0	0	224	0
LEGAL & PROFESSIONAL	873,000	1,135,250	738,348	632,180	515,688	262,250	(134,652)	(357,312)
STAFFING COSTS	1,824,964	1,855,075	1,768,355	1,753,740	1,441,146	30,111	(56,608)	(383,818)
OTHER STAFF COSTS	0	220	948	0	4,304	220	948	4,304
PUBLICATIONS & COMMUNICATIONS	0	0	0	0	0	0	0	0
IT COSTS	0	0	0	0	0	0	0	0
OFFICE & PREMISES COSTS	6,000	0	5,000	5,000	(92)	(6,000)	(1,000)	(6,092)
FINANCE COSTS	0	0	0	0	0	0	0	0
TOTAL EXPENDITURE	2,703,964	2,990,545	2,512,876	2,390,920	1,961,046	286,581	(191,088)	(742,918)
FITNESS TO PRACTICE - CASEWORK BACKLOG								
STAFFING COSTS	0	0	533,733	0	0	0	533,733	0
TOTAL EXPENDITURE	0	0	533,733	0	0	0	533,733	0
FITNESS TO PRACTICE - IC								
MEETING FEES & EXPENSES	790,417	1,234,953	924,634	811,674	331,055	444,536	134,217	(459,362)
LEGAL & PROFESSIONAL	27,000	96,000	364,038	30,000	122,345	69,000	337,038	95,345
STAFFING COSTS	1,012,907	1,103,816	930,444	806,920	499,062	90,909	(82,463)	(513,844)
OTHER STAFF COSTS	13,500	30,745	29,238	31,525	9,682	17,245	15,738	(3,818)
PUBLICATIONS & COMMUNICATIONS	0	0	30,000	36,560	0	0	30,000	0
IT COSTS	0	0	0	0	0	0	0	0
OFFICE & PREMISES COSTS	0	0	0	0	0	0	0	0
FINANCE COSTS	0	0	0	0	0	0	0	0
TOTAL EXPENDITURE	1,843,824	2,465,514	2,278,353	1,716,679	962,144	621,690	434,530	(881,680)

	2015 Proposed Budget	2015 Preliminary Budget	2014 Forecast	2014 Budget	2013 Actual	Variance to 2015 Preliminary	Variance to 2014 Forecast	Variance to 2013 Actual
GOVERNANCE BY COST CENTRE								
GOVERNANCE								
MEETING FEES & EXPENSES	653,970	534,341	578,504	568,966	837,725	(119,629)	(75,466)	183,755
LEGAL & PROFESSIONAL	0	25,524	18,492	7,200	6,839	25,524	18,492	6,839
STAFFING COSTS	564,252	505,113	503,357	518,553	506,475	(59,139)	(60,895)	(57,777)
OTHER STAFF COSTS	4,600	4,912	5,117	4,466	2,295	312	517	(2,305)
PUBLICATIONS & COMMUNICATIONS	0	0	0	0	0	0	0	0
IT COSTS	0	0	0	50,000	0	0	0	0
OFFICE & PREMISES COSTS	0	0	952	0	0	0	952	0
FINANCE COSTS	0	0	0	0	0	0	0	0
TOTAL EXPENDITURE	1,222,822	1,069,890	1,106,421	1,149,185	1,353,334	(152,932)	(116,401)	130,512
CORPORATE LEGAL								
MEETING FEES & EXPENSES	0			0	4,240	0	0	4,240
LEGAL & PROFESSIONAL	200,000	203,856	239,858	200,000	210,704	3,856	39,858	10,704
STAFFING COSTS	383,228	316,832	338,005	312,403	261,178	(66,397)	(45,223)	(122,050)
OTHER STAFF COSTS	7,308	7,454	7,308	7,200	6,786	146	0	(522)
PUBLICATIONS & COMMUNICATIONS	0	0	25,000	0	0	0	25,000	0
IT COSTS	25,000	25,500	0	25,000	24,121	500	(25,000)	(879)
OFFICE & PREMISES COSTS	0	0	6	0	0	0	6	0
FINANCE COSTS	0	0	0	0	0	0	0	0
TOTAL EXPENDITURE	615,536	553,641	610,177	544,603	507,029	(61,895)	(5,359)	(108,507)

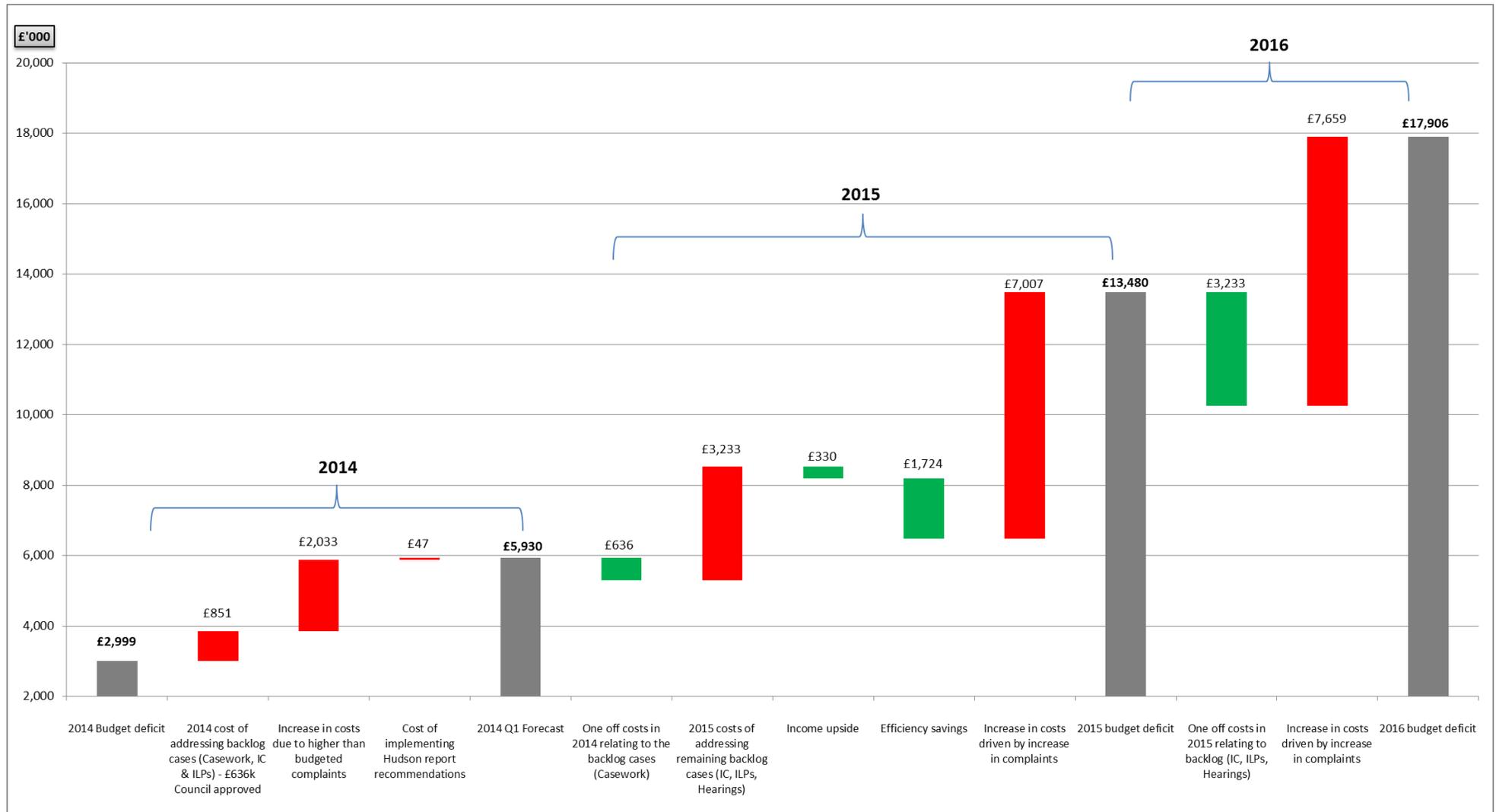
	2015 Proposed Budget	2015 Preliminary Budget	2014 Forecast	2014 Budget	2013 Actual	Variance to 2015 Preliminary	Variance to 2014 Forecast	Variance to 2013 Actual
CORPORATE SERVICES BY COST CENTRE								
CHIEF EXECUTIVE OFFICE								
MEETING FEES & EXPENSES	13,800	3,986	0	3,900	577	(9,814)	(13,800)	(13,223)
LEGAL & PROFESSIONAL	0		104,122	0	0	0	104,122	0
STAFFING COSTS	703,425	386,281	312,268	250,136	220,885	(317,144)	(391,157)	(482,540)
OTHER STAFF COSTS	16,233	12,363	12,120	14,368	14,981	(3,870)	(4,113)	(1,253)
PUBLICATIONS & COMMUNICATIONS	6,000	4,590	0	6,000	0	(1,410)	(6,000)	(6,000)
IT COSTS	0	0	0	0	0	0	0	0
OFFICE & PREMISES COSTS	0	11,931	23,395	19,600	280	11,931	23,395	280
FINANCE COSTS	0	0	150,000	0	0	0	150,000	0
Budget Contingency	0	0	0	281,000	0	0	0	0
TOTAL EXPENDITURE	739,458	419,151	601,904	575,004	236,723	(320,307)	(137,554)	(502,735)
FINANCE								
MEETING FEES & EXPENSES	4,600	0	6,503	9,600	6,428	(4,600)	1,903	1,828
LEGAL & PROFESSIONAL	115,600	107,100	117,219	110,800	119,467	(8,500)	1,619	3,867
STAFFING COSTS	723,156	681,195	668,939	605,571	587,728	(41,961)	(54,217)	(135,428)
OTHER STAFF COSTS	5,800	7,731	7,971	19,860	6,166	1,931	2,171	366
PUBLICATIONS & COMMUNICATIONS	0	0	0	0	0	0	0	0
IT COSTS	24,000	23,616	23,153	16,282	22,152	(384)	(847)	(1,848)
OFFICE & PREMISES COSTS	0	0	683	0	531	0	683	531
FINANCE COSTS	286,000	287,444	281,808	251,658	264,582	1,444	(4,192)	(21,418)
DEPRECIATION COSTS	948,477	932,894	894,101	877,873	884,006	(15,583)	(54,376)	(64,471)
TOTAL EXPENDITURE	2,107,633	2,039,980	2,000,376	1,891,644	1,891,060	(67,653)	(107,257)	(216,573)
OFFICE FACILITIES								
MEETING FEES & EXPENSES	0	0	0	0	2,757	0	0	2,757
LEGAL & PROFESSIONAL	42,660	47,012	65,698	38,664	53,719	4,352	23,038	11,059
STAFFING COSTS	243,411	314,081	264,266	279,831	291,666	70,670	20,855	48,256
OTHER STAFF COSTS	750	764	749	750	726	14	(1)	(24)
PUBLICATIONS & COMMUNICATIONS	0	0	0	0	0	0	0	0
IT COSTS	0	0	0	0	707	0	0	707
OFFICE & PREMISES COSTS	1,570,267	1,391,393	1,579,685	1,329,278	1,481,928	(178,874)	9,418	(88,339)
FINANCE COSTS	0	0	0	0	0	0	0	0
TOTAL EXPENDITURE	1,857,088	1,753,250	1,910,397	1,648,523	1,831,504	(103,838)	53,310	(25,583)
INFORMATION TECHNOLOGY								
MEETING FEES & EXPENSES	0	0	0	0	1,656	0	0	1,656
LEGAL & PROFESSIONAL	0	0	0	0	0	0	0	0
STAFFING COSTS	1,310,619	1,303,319	1,161,134	1,052,797	937,266	(7,300)	(149,485)	(373,352)
OTHER STAFF COSTS	17,920	17,845	19,099	16,560	22,375	(75)	1,179	4,455
PUBLICATIONS & COMMUNICATIONS	0	0	0	0	0	0	0	0
IT COSTS	834,200	935,000	841,778	727,000	720,526	100,800	7,578	(113,674)
OFFICE & PREMISES COSTS	1,200	881	1,019	1,200	9,488	(319)	(181)	8,288
FINANCE COSTS	0	0	0	0	0	0	0	0
TOTAL EXPENDITURE	2,163,939	2,257,045	2,023,030	1,797,557	1,691,311	93,106	(140,908)	(472,627)
HR								
MEETING FEES & EXPENSES	360	0	254	1,972	3,352	(360)	(106)	2,992
LEGAL & PROFESSIONAL	322,000	342,205	350,075	330,000	344,997	20,205	28,075	22,997
STAFFING COSTS	719,507	566,322	751,183	555,559	532,006	(153,185)	31,676	(187,501)
OTHER STAFF COSTS	714,599	735,432	709,063	633,545	662,975	20,833	(5,536)	(51,624)
PUBLICATIONS & COMMUNICATIONS	0	0	0	0	0	0	0	0
IT COSTS	7,395	24,546	21,335	12,000	13,011	17,151	13,940	5,616
OFFICE & PREMISES COSTS	0	0	0	0	11	0	0	11
FINANCE COSTS	0	0	0	0	0	0	0	0
TOTAL EXPENDITURE	1,763,861	1,668,505	1,831,910	1,533,076	1,556,352	(95,356)	68,049	(207,509)

POLICY & COMMUNICATIONS BY COST CENTRE	2015 Proposed Budget	2015 Preliminary Budget	2014 Forecast	2014 Budget	2013 Actual	Variance to 2015 Preliminary	Variance to 2014 Forecast	Variance to 2013 Actual
CORPORATE POLICY								
MEETING FEES & EXPENSES	3,120	12,158	1,500	15,320	12,267	9,038	(1,620)	9,147
LEGAL & PROFESSIONAL	0	0	0	0	0	0	0	0
STAFFING COSTS	271,873	271,774	262,318	255,609	203,908	(99)	(9,555)	(67,965)
OTHER STAFF COSTS	7,800	6,714	4,874	9,150	6,486	(1,086)	(2,926)	(1,314)
PUBLICATIONS & COMMUNICATIONS	0	0	66,770	1,200	1,010	0	66,770	1,010
IT COSTS	1,200	0	0	0	0	(1,200)	(1,200)	(1,200)
OFFICE & PREMISES COSTS	0	0	0	0	0	0	0	0
FINANCE COSTS	0	0	0	0	0	0	0	0
TOTAL EXPENDITURE	283,993	290,646	335,462	281,279	223,672	6,653	51,469	(60,321)
CONTINUING ASSURANCE								
MEETING FEES & EXPENSES	0	0	118	6,500	16,812	0	118	16,812
LEGAL & PROFESSIONAL	0	0	0	0	(9,907)	0	0	(9,907)
STAFFING COSTS	80,355	129,516	77,796	127,461	107,601	49,161	(2,559)	27,246
OTHER STAFF COSTS	2,220	2,847	1,379	2,500	909	627	(841)	(1,311)
PUBLICATIONS & COMMUNICATIONS	100,000	80,000	113,839	180,000	101,146	(20,000)	13,839	1,146
IT COSTS	0	0	0	0	0	0	0	0
OFFICE & PREMISES COSTS	0	0	0	0	(9)	0	0	(9)
FINANCE COSTS	0	0	0	0	0	0	0	0
TOTAL EXPENDITURE	182,575	212,363	193,131	316,461	216,551	29,788	10,556	33,976
PUBLIC AFFAIRS								
MEETING FEES & EXPENSES	0	0	690	0	2,052	0	690	2,052
LEGAL & PROFESSIONAL	0	0	0	0	0	0	0	0
STAFFING COSTS	533,018	528,287	492,363	479,180	428,331	(4,731)	(40,655)	(104,687)
OTHER STAFF COSTS	36,416	30,339	31,256	31,086	21,081	(6,077)	(5,160)	(15,335)
PUBLICATIONS & COMMUNICATIONS	556,772	491,099	532,775	706,470	545,448	(65,673)	(23,997)	(11,324)
IT COSTS	0	0	0	0	0	0	0	0
OFFICE & PREMISES COSTS	0	0	0	0	0	0	0	0
FINANCE COSTS	0	0	308	308	0	0	308	0
TOTAL EXPENDITURE	1,126,206	1,049,725	1,057,393	1,217,044	996,913	(76,481)	(68,813)	(129,293)
DENTAL COMPLAINTS SERVICE								
MEETING FEES & EXPENSES	50,070	69,876	58,478	85,820	67,891	19,806	8,408	17,821
LEGAL & PROFESSIONAL	0	0	0	0	0	0	0	0
STAFFING COSTS	438,199	454,052	424,561	445,797	425,069	15,853	(13,638)	(13,130)
OTHER STAFF COSTS	9,840	6,942	6,540	9,600	6,442	(2,898)	(3,300)	(3,398)
PUBLICATIONS & COMMUNICATIONS	0	0	0	0	0	0	0	0
IT COSTS	0	0	0	0	144	0	0	144
OFFICE & PREMISES COSTS	62,854	69,469	70,193	67,466	66,637	6,615	7,339	3,783
FINANCE COSTS	0	0	0	0	0	0	0	0
TOTAL EXPENDITURE	560,963	600,339	559,772	608,683	566,183	39,376	(1,191)	5,220
STANDARDS								
MEETING FEES & EXPENSES	10,080	0	0	14,410	17,607	(10,080)	(10,080)	7,527
LEGAL & PROFESSIONAL	0	0	0	0	0	0	0	0
STAFFING COSTS	201,829	233,082	192,968	230,050	183,582	31,253	(8,862)	(18,247)
OTHER STAFF COSTS	5,050	2,812	2,156	3,010	(320)	(2,238)	(2,894)	(5,370)
PUBLICATIONS & COMMUNICATIONS	0	0	0	0	4,427	0	0	4,427
IT COSTS	0	0	0	0	0	0	0	0
OFFICE & PREMISES COSTS	0	0	0	0	0	0	0	0
FINANCE COSTS	0	0	0	0	0	0	0	0
TOTAL EXPENDITURE	216,959	235,894	195,124	247,470	205,295	18,935	(21,836)	(11,664)
QUALITY ASSURANCE								
MEETING FEES & EXPENSES	291,362	401,451	343,386	433,270	323,565	110,090	52,024	32,203
LEGAL & PROFESSIONAL	0	0	0	0	600	0	0	600
STAFFING COSTS	645,131	680,171	661,150	656,651	535,555	35,040	16,019	(109,576)
OTHER STAFF COSTS	27,230	36,579	35,281	31,800	28,580	9,349	8,051	1,350
PUBLICATIONS & COMMUNICATIONS	0	0	0	0	28,099	0	0	28,099
IT COSTS	0	0	0	0	0	0	0	0
OFFICE & PREMISES COSTS	0	0	0	0	0	0	0	0
FINANCE COSTS	0	0	0	0	0	0	0	0
TOTAL EXPENDITURE	963,723	1,118,201	1,039,816	1,121,721	916,398	154,478	76,094	(47,324)

ANNEX 3: Analysis of budget changes from 'preliminary' to 'proposed final'



ANNEX 4: Analysis of budget changes from '2014 approved budget' to '2015 preliminary budget'



ANNEX 5: RISKS AND CONSIDERATIONS

Risks and Considerations	Sign off
<p>Public Protection</p> <p>The Business Plan will focus on achieving the GDC's statutory duties, all of which have the aim of public protection</p>	Graham Masters
<p>Policy</p> <p>Policy projects planned in 2015 are described in the business plan</p>	Tim Whitaker
<p>Communications</p> <p>A Communications and Stakeholder Engagement Strategy is being developed alongside the Corporate Strategy and the Business Plan 2015.</p>	Tim Whitaker
<p>Equality and Diversity</p> <p>New policies, procedures and projects now include equality impact assessments and therefore planned work in 2014 will systematically take into account equality and diversity implications</p>	Graham Masters
<p>Legal The power to prescribe a fee for retention on the register is given to the GDC in the Dentists Act 1984, which requires that 28 days' notice be given to make changes to the fee regulations. The levels are set by the Rules made under the Act by the GDC. The ARF Level set will be in accordance with the Council approved ARF policy.</p> <p>The GDC must be in a position to fulfil its statutory functions</p>	Frances Low
<p>Risks</p> <p>The General Dental Council (Dentists) (Fees) Regulations 2013 provide that the renewal date by which payment of the ARF must be made is 31 December each year and that a notice of the ARF and a warning of the consequences of the failure to pay must be sent to each registrant no less than 28 days before the renewal date. In practice, the administrative measures for sending out notices starts well before that 28 day period. If the Council fails to make a decision on the ARF level before 1 November 2014 it would be too late to come into effect before the date on which the Regulations require notice of the ARF to be sent to registrants, so that the notices sent could only be in relation to the currently prescribed fee. If the Council decided after this date that some increase in the ARF is required, there would then need to be a process under which new regulations were made in order to require registrants to pay the difference between the currently prescribed fee and any higher fee set by the Council. It is not clear, given the terms of the Regulations, that the GDC would in fact have power to do this. This would risk the GDC having a substantial shortfall in the resources it needs in order to carry out its statutory functions in 2015. Even if the GDC does have power to do this it would still mean that the time and cost of collecting the ARF would double, since two sets of notices would have to be sent out and two sets of payments from registrants processed</p>	Frances Low
<p>Resources</p> <p>The ARF needs to be set at a level to enable the GDC to raise funds to carry out its statutory duties, whilst retaining an adequate level of general reserves, in accordance with the approved reserves policy.</p>	Graham Masters