EXPLANATORY MEMORANDUM TO THE COMMITTEE ON THE MERITS OF STATUTORY INSTRUMENTS

THE POSTGRADUATE MEDICAL EDUCATION AND TRAINING BOARD (FEES) RULES ORDER 2007
2007 NO. 565

1. This explanatory memorandum has been prepared by the Department of Health and is laid before Parliament by Command of Her Majesty.

2. **Description**

2.1 This Order approves Rules made by the Postgraduate Medical Education and Training Board ("the Board") on 16 February 2007. The Rules prescribe fees that are payable to the Board in respect of the exercise by the Board of certain of its functions. The functions in respect of which fees are payable include:

(a) issuing Certificates of Completion of Training for general practitioners and specialists;

(b) applications to the Board to determine whether certain persons not holding Certificates of Completion of Training as above have met particular standards of equivalence through experience for example; and

(c) appeals against the decisions of the Board.

There are a number of subsidiary functions for which PMETB also charges fees. Some of these will be increased in line with the increases set out above, others remain unchanged.

2.2 The Order revokes the Postgraduate Medical Education and Training Board (Fees) Rules 2006.

3. **Matters of special interest to the Joint Committee on Statutory Instruments**

None

4. **Legislative Background**

4.1 This Order approves Rules made by the Board. The Rules increase the fees payable to the Board in respect of some of the eighteen functions for which the Board charges a fee. Two types of certification, which GPs and specialists need to apply for on completion of their training, are raised by 50%. Assessments of equivalence, which means a decision by the Board, ratified by the relevant medical Royal College, that an individual doctor has proved that he or she has, through specialist training, qualifications, experience or another route, gained competences equal to those of a

certificate of completion of training as a general practitioner or consultant, will be raised by 31%, seven other functions such as issuing other certificates or determinations, by 4% or less. Fees for five other functions, including written and oral appeals against its decisions, are unchanged.

4.2 The intention of the increase in fees is to ensure that by March 2008 the Board reaches financial independence and can support its main activities through its fee income. At that time the Departments of Health will consider whether any further grant-in-aid is needed.

4.3 In accordance with article 25(2) of the Order, the Secretary of State has consulted the Scottish Ministers, the Department of Health, Social Services and Public Safety in Northern Ireland and the National Assembly for Wales before approving the Order.

5. **Extent**

This instrument applies to England, Scotland, Northern Ireland and Wales.

6. **European Convention on Human Rights**

As the instrument is subject to negative resolution, no statement is required.

7. **Policy background**

7.1 The Postgraduate Medical Education and Training Board ("the Board") was established in 2005 with the purpose of:

- Establishing and raising standards and quality in postgraduate medical education and training
- Providing arrangements to ensure this quality is maintained
- Improving supervision of training
- Providing managed structures and processes to ensure all interests are represented in postgraduate medical education
- Regulating specialist and general training.

7.2 Under article 24 of the General and Specialist Medical Practice (Education, Training and Qualifications) Order 2003 ("the 2003 Order"), the Board has the power to make rules in respect of fees "to cover the cost of providing services in the course" of carrying out functions under the 2003 Order and such fees must "be reasonable".

7.3 It is the policy of the government and of the Board that as a UK statutory authority the Board should become financially independent by March 2010 at the latest. For the time being, the Board's only sources of income are from grants by the four UK Health Departments and from the charges it makes for fees for certification, assessments of equivalence and appeals. The Board proposed to increase its headline certification fees from £500 to £750 from 1 April 2007 (with pursuant increase in other fees) to

meet the gap between its current and predicted income and the agreed level of government grant and make progress towards financial independence.

7.4 The proposal to increase the fees was, as last year, the subject of a consultation process. PMETB considered the responses at its meeting in January 2007. In view of the two-thirds of respondees who accepted the need for an increase in fees, PMETB decided to recommend an increase. The Secretary of State accepts that position.

7.4 PMETB consulted on increases to about these levels for 2006, but the response was not supportive. As PMETB had been in existence for only six months at that stage it was felt that the while an increase was acceptable, the Board's income was not predictable enough to justify the full increase proposed. This means in effect that the 2007 increase brings PMETB's income to the level they would have wished for in 2006. This is the theoretical break-even figure that opens the door to eventual financial independence.

7.5 On the basis on current information, the UK Health Departments accept that the 2007/08 proposed fee increases are reasonable. The position will be subject to review before the end of 2007/08, and in the meantime, the UK Health Departments will continue an appropriate level of grant to make up any shortfall in income not covered by fee income.

8. **Impact**

8.1 The consequence of the rise is that funding from the UK Health Departments will continue for a limited period, but the application fees will represent a higher proportion of PMETB's running costs, thus reducing the burden on the public purse. The current agreed level of central support funding for PMETB's core functions in 2007/08 is £2.395m.

8.2 A full regulatory impact has not been produced for this instrument as no impact on business, charities or voluntary bodies is foreseen.

9. **Contact**

Paul Loveland
Department of Health
Quarry House
Quarry Hill
Leeds LS2 7UE
0113 254 5856
paul.loveland@dh.gsi.gov.uk

can answer any queries regarding the instrument.