Pharmaceutical Society NI

Date: 15 April 2025

Title: Options for timing of collection of annual retention fees for year 2025/26

Type of Paper

- ***For Decision***

Action required by Council.

Council to decide on timing of when it plans for The Pharmaceutical Society NI to collect pharmacist annual retention fees for period 2025/26.

Background

Council have consulted on increasing pharmacist registration and annual retention fees to £477.

At this meeting, after consideration of the feedback report on this consultation Council will have decided if it wishes to increase fees and the quantum of fee increase (if any).

Cashflow modelling has been undertaken to help Council understand the implications of potential decisions.

The assumptions underpinning the models are included at Appendix A

Following a meeting on 4 April 25, Gary McMurray and Anne Henderson requested two options to be modelled for consideration by Council when reviewing the fees consultation responses.

1. Council decides not to increase pharmacist registration and annual retention fees with fees being due for payment by 1 June 2025. Direct Debits will not be offered in this option.

2. Council decides to increase fees to £477 in line with the consultation, annual retention fees being due by 1 September 2025 with quarterly direct debit option being offered.[1]

This report does not include the forecast Strategic Reserves position.

[1] This timescale assumes the process for updating the relevant legislation and rules is complete in time to enable The Society to demand the increased fee from registrants.

Option Analysis

1. Based on the assumptions and caveats included in Appendix A & 25/26 Registration and annual retention fees being £398, collected in June, no increase, paying in full and no direct debit option. The projected cashflow as summarised in Table A[2] indicates if the Society chooses not to increase pharmacist registration and annual retention fees, it will expend all its cash and investments during April 2028. It should be noted that the forecast level will fall to £282,000 in April 2027.

Table A

	Apr-25	May-25	Apr-26	May-26	Apr-27	May-27	Apr-28	May-28
Cash plus investments	1,159,076	2,255,074	572,192	1,704,975	282,063	1,370,219	(52,694)	1,035,462
Forecast Annual Operating profit/(loss) before tax and unrealised movements in Investments	N/a	(377,909)	N/a	(433,690)	N/a	(248,739)	N/a	(248,739)

2. Based on the assumptions and caveats included in Appendix A, should the Society be in a position to collect registration and annual retention fees of £477 as of 1 September 2025 with the option to pay by quarterly direct debit being offered the forecast cashflow is summarised in Table B[3]. This forecast is that the Society will have a minimum cash and investment holding of c£850,000 as at April 2028, and the Society would effectively break even in year ending May 2027

Table B

	Apr-25	May-25	Apr-26	May-26	Apr-27	May-27	Apr-28	May-28
Cash plus investments	1,159,471	1,073,319	960,048	1,573,968	935,201	1,492,169	853,402	1,410,371
Forecast Annual Operating profit/(loss) before tax and unrealised movements in Investments	N/a	(377,909)	N/a	(177,387)	N/a	16,096	N/a	16,096

When making their decision, Council are asked to note that if the timeline for launching annual retention and receiving payment for year 2025/26 experiences delay, the Society is forecast have expended all its cash and investments during January 2026.

[2] Cash at end of April is presented in addition to year end (May) as April is the last month end before we normally begin collecting annual retention fees and therefore normally the month end at which the Society has its lowest cash plus investments holding.

[3] Cash at end of April is presented in addition to year end (May) as April is the last month end before we normally begin collecting annual retention fees and therefore normally the month end at which the Society has its lowest cash plus investments holding.