

---

## 5b

*To consider*

### **Merger of PMETB with the GMC: Progress Report**

#### **Issue**

1. Providing Council with an update on progress towards the merger of PMETB with the GMC.

#### **Recommendation**

2. To agree that the project to merge PMETB with the GMC is on track (paragraphs 11- 44).

#### **Further information**

3. If you require further information about this paper, please contact us by email: [gmc@gmc-uk.org](mailto:gmc@gmc-uk.org) or tel. 0161 923 6602

## Background

4. This proposal relates to Key Aim 2 of the 2009 Business Plan which says that we will make all necessary preparations for the merger of PMETB with the GMC. In January 2008, the final report of the Independent Inquiry into Modernising Medical Careers recommended that PMETB should be merged with the GMC and, in February 2008, the Secretary of State for Health accepted the Inquiry's recommendation.
5. The benefits of merging PMETB with the GMC were identified as:
  - a. Rationalisation and simplification of regulation: a single competent authority for medical regulation from entry to medical school to the end of a medical career.
  - b. A single point of contact for key interests.
  - c. The opportunity to share best practice and achieve improvements.
  - d. An integrated approach to education and training.
  - e. Access to greater resources through a wider cost base.
  - f. The complete integration with other regulatory functions enabling a focus on the whole doctor at key stages of the career pathway.
6. The merger also created an opportunity to realise more far reaching improvements in the way that medical education and training are regulated. Lord Naren Patel accepted an invitation by the GMC and PMETB to lead a review of the current arrangements and make recommendations.
7. Joint oversight arrangements, comprising the Joint Implementation Group and the Joint Co-ordination Group, are in place.
8. A comprehensive programme architecture and implementation plan has been agreed, with four distinct phases:
  - a. Phase 1 - Scoping and groundwork (now complete).
  - b. Phase 2 - Planning and implementation (May 2009-April 2010).
  - c. Phase 3 - Delivering post-merger benefits (from April 2010).
  - d. Phase 4 - Post-implementation Review and Evaluation (mid-late 2011).
9. The JCG has reviewed and commented on the project governance structure, the phases of the project, and the major milestones up to April 2010.
10. This paper is an interim report before the JCG meets on 15 September 2009.

## **Discussion**

### *Legislation*

11. We are working closely with DH(E) officials, through the Joint Steering Group chaired by DH(E), to identify and mitigate the risks associated with a tight legislation timetable. We have been assured that the target date for the transfer of functions remains 1 April 2010.

12. The draft legislation that will transfer PMETB's functions to the GMC (a Section 60 Order) was published by DH(E) for consultation on 4 June 2009. The consultation period will end on 28 August 2009. We submitted our formal response on 27 July 2009 and, since then, we have continued to engage with DH(E) officials, including lawyers, on various technical drafting points.

13. In addition to the Section 60 Order, the merger will require rules and regulations in respect of the various processes and procedures that will apply post-merger. During July and August 2009, we have prepared instructions for lawyers on the necessary subordinate legislation, including rules and regulations. We expect to bring those to Council for approval on 22 October 2009, before public consultation.

14. Work to draft instructions for rules and regulations has been reflected on the major risk register given its implications for other workstreams.

15. This is the first of two legislative stages, the second of which will be informed by the outcomes of the independent review led by Lord Naren Patel.

### *Accommodation*

16. DH(E) have confirmed that they have approved our outline business case, including the costs of co-locating the two organisations in our London office, and we have since submitted a full business case for the next approval stage. This includes a proposal for a fully accountable and auditable mechanism to enable allocated funds to be transferred directly from DH(E) to us once we begin to incur costs.

17. PMETB have given the necessary 12-months notice to terminate the lease on office space at Hercules House, and we remain on track to co-locate PMETB staff to our London office in March 2010.

### *Finance*

18. We have communicated Council's decision to hold fees at 2009-2010 levels during 2010-2011.

19. Aside from funding issues, the finance element of our Phase 2 plan includes the need to conduct some further work on financial systems, accounting arrangements and contract issues. Contractual arrangements with DH(E) for the funding of the merger will be settled through our joint full business case.

### *Information systems*

20. We have given full consideration, in formulating the next phase of our IS strategy, to the challenges and requirements that PMETB will bring.

21. There is a dependency on subordinate legislation, and some further work is required to identify the systems implications of necessary rules and regulations. We have identified, for example, that changes to PMETB's current certification system may be required.

22. We have developed a shared workspace to support the Phase 2 plan, enabling PMETB staff involved in merger work to have access to project management information on the same basis as GMC staff.

### *Human resources*

23. We have set out in broad terms where PMETB's current functions will be located within our overall structure after 1 April 2010.

24. Subject to any organisational changes that occur before April 2010, PMETB's functions will be distributed across appropriate components of our structure:

- a. Functions of the Quality Directorate will be brought within the Education Team in our Education and Revalidation Directorate.
- b. Functions of the Certification Directorate will be brought within our Registration Directorate.
- c. Functions of the Appeals Directorate will be brought within our Registration Directorate.
- d. Functions of the Policy and Communications Directorate will be brought within, respectively, the Education Team in our Education and Revalidation Directorate and our Communications Directorate.
- e. Functions of the Finance and Resources Directorate will be brought within our Resources Directorate.
- f. Functions of the Board Secretariat will be brought within the Secretariat Team in our Strategy and Planning Unit.

25. The next step is a job evaluation exercise which will enable us to assess where PMETB roles (not people) should fit within our grading structure and pay system. This will lead to the development of a detailed organisational structure which we will publish no later than November 2009. Graham Smith, PMETB Chief Executive, has reinforced our joint interest in ensuring the merger takes place effectively and it may be that aspects of the timetable, especially concerning the designation of posts for transferring staff, are brought forward.

26. Discussions are ongoing with DH(E) about pensions. We have sought clarification from the NHS pension scheme administrators and DH(E) on a preferred option for PMETB staff to remain in the NHS pension scheme.
27. Take up of training opportunities by PMETB staff continues to be high.

#### *Business integration*

28. We have arranged a series of workshops, including Certification, Quality, Appeals, Policy, and Communications, to determine PMETB's operational business requirements and how they might best be integrated into the respective Directorates.

#### *Closure of independent PMETB functions*

29. We have made provision for a separate workstream to draw up a closure plan for PMETB, to be developed with, and led by, Graham Smith as PMETB Chief Executive.

#### *Communications*

30. External and internal communications are managed by the Joint Communications Group, which meets regularly.
31. We foresee an increase in both internal and external communications as the pace of change during Phase 2 accelerates.
32. Further joint open forum sessions, as well as a programme of briefing seminars, are planned, and our monthly internal bulletin, *In Touch*, is being distributed to all PMETB staff.
33. Website alignment and integration is progressing well.
34. We will contribute to PMETB's stakeholder conference on 1 October 2009.

#### *Post-merger benefits*

35. The review of medical education and training, led by Lord Naren Patel, is underway. The Advisory Group, comprising members of the Education and Training Reference Group and additional members nominated by PMETB, meets for the third time on 17 September 2009.
36. A wider Reference Group meeting is planned for autumn 2009. This will enable us to test emerging thinking on a wider audience before any formal consultation.
37. Internally, the two senior management teams continue to discuss the five areas of agreed joint work:
- a. Revalidation.
  - b. Credentialing.
  - c. Quality.

- d. Partner/Associate integration.
- e. Equality and Diversity.

38. A joint meeting of the Equality and Diversity Reference Group and representatives of the PMETB Diversity Steering Group is planned for 22 September 2009.

39. The Postgraduate Board's programme of presentations to discuss key PMETB functions and challenges began with issues around the Quality framework on 29 July 2009.

#### *Project and risk management*

40. We have made significant progress since embarking on Phase 2 in May 2009. We have drawn up a comprehensive and detailed project plan, and put in place a full-time resource to manage and co-ordinate the key areas of work and the links between them. This in turn has enabled us to better manage risks within and across workstreams.

41. Legislation remains a risk but we meet monthly with the JSG chaired by DH(E) to monitor progress. We are aware of the cumulative risk of delivering a complex programme of work at a time when the organisation is facing other major challenges.

42. As planned, we are proceeding on the basis of optimal engagement with staff, with increased input from a wider team drawn from both organisations.

#### *Next steps*

43. We will engage PMETB staff in the work to produce our corporate strategy and 2010 Business Plan and Budget.

44. The JCG meets on 15 September 2009. The JIG meets on 10 November 2009. Any significant emerging risks or issues will be reported to Council.

**Recommendation:** To agree that the project to merge PMETB with the GMC is on track.

#### **Resource implications**

45. There are no direct resource implications arising from this progress report.

#### **Equality**

46. An Equality Impact Assessment was conducted as part of the process of agreeing the draft Section 60 Order, and Equality and Diversity has been agreed as a formal area of joint working. The integration of the equality schemes of the two organisations will be discussed when our EDRG meets with PMETB's Equality and Diversity Committee on 22 September 2009.