



General Optical Council **Annual Report**

Annual Trustees Report and Fitness to Practise Report and
Financial Statements for the Year Ended 31 March 2018



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Annual Trustees Report and Fitness to
Practise Report and Financial Statements
for the Year Ended 31 March 2018

Registered as a charity by the Charity Commission in England and Wales
(registered charity number 1150137)

Presented to Parliament pursuant to section 32A (2)
of the Opticians Act 1989 as amended by schedule 2
paragraph 3 of the Health Care and Associated Professions
(Miscellaneous Amendments) Order 2008

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April 2017

We published new guidance to help our registrants meet our requirements in respect of gaining valid consent from their patients.

May 2017

We received over 50 detailed and considered responses to the call for evidence that kicked off our Education Strategic Review. The responses showed a broad appetite for change.

September 2017

Vicky McDermott joined as our new Chief Executive and Registrar.

October 2017

We teamed up with Moorfields Eye Hospital to warn Halloween partygoers of the need to buy and wear 'spooky' cosmetic contact lenses safely.

October 2017

We received accreditation from the Living Wage Foundation as a London Living Wage Employer, a commitment to pay all staff at least the living wage of £9.75 in London or £8.45 elsewhere in the UK.



November 2017

Our Council approved the use of consensual panel disposal in appropriate FTP cases. This will speed up the FTP process while ensuring continued public protection by avoiding the need for a contested hearing suitable cases where the registrant admits the allegation.

December 2017

Public research we commissioned showed that patients are split on whether they are comfortable with a possible future where machines might have a greater role in testing sight. Younger patients are more likely than older patients to be comfortable having their eyes tested by a machine.

December 2017

We consulted on the concepts and principles that might underpin a future system of education, as part of our Education Strategic Review. 82% of respondents supported a policy of embedding clinical experience progressively from the start of education programmes.

March 2018

Our second annual Love Your Lenses Week ran from 24-30 March, encouraging patients to look after their eyes through better contact lens care and regular eye examinations and contact lens check-ups.

February 2018

Council agreed to consult later in the year on new business standards to sit alongside our individual standards.



Message from the Chair

We have written in past years about the dramatic changes in the optical professions that are resulting from both technological developments and changing patient pathways. We have been clear that it's vital that optical education needs to change to keep pace with those changes.

It has therefore been extremely satisfying to see our Education Strategic Review in full swing over the last year, with us well on our way to making the changes that are vitally needed to equip the workforce with the knowledge and skills required to meet the challenges of the future.

After our latest consultation it is clear to see that the case for change is well understood in the professions. 82% of respondents agreed that the clinical elements of training should be embedded progressively from the start. 81% agreed there should be a national registration exam.

Over this forthcoming year we will keep working with our stakeholders to finalise what the future will look like, building on what we have heard so far to deliver a system of education that is fit for the future.

But it's not just undergraduate education that is important in delivering the change that patients need. We have also launched a consultation to understand how to develop our current system of Continuing Education and Training (CET) to meet increasing demand for eye health services and advancements in technology that are changing the optical sector.

Education might have been the epicentre of our attention but it certainly hasn't been the only focus in a busy year for the Council.

We are consulting on new business standards to reflect changes in optical and wider healthcare practice over the last few years, including accounting for the increased prevalence of multidisciplinary working as the optical sector evolves.

We have also introduced consensual panel disposal to speed up certain fitness to practise cases and ran another successful Love Your Lenses Week raising awareness of good contact lens care.

We continue to focus on improvements to the GOC's efficient delivery of our core activities. We have introduced a suite of electronic forms to our registration processes, making it easier and more efficient for both registrants and staff, plus we now collect over 99% of payments securely online. Also within Registration we have introduced a Quality Assurance Framework including peer reviews for team members, improving the frequency and number of checks on work completed which has contributed to the department driving up quality, and meeting KPI targets on accuracy. Most significantly, we began implementing a series of measures to tackle the time taken to progress Fitness to Practise (FTP) cases, a programme which will last for the length of the coming year and will include both process improvements and the introduction of new IT. Some of the changes we would like to make are not possible because of the legislative restrictions within which we have to operate.

We also continue to make the case to Government that regulatory reform is vital if we are to protect patients and the public in the future. Only by reforming some of the outdated legislation that holds us back can we truly operate at maximum efficiency.

Gareth Hadley
Chair

Trustees report:

How we deliver public benefit





Trustees report:

How we deliver public benefit

Introduction

The trustees present their report on the activities we have undertaken over 2017/18 to fulfil our statutory role and charitable purpose, and financial statements for the year ended 31 March 2018. In preparing this report, the trustees have complied with the Charities Act 2011 and applicable accounting standards. The statements are in the format required by the Charities Statement of Recommended Practice (SORP) FRS 102. We have complied with the guidance of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities we undertake.

We are the regulator for the optical professions in the UK. As of 31 March 2018, there were 30,097 optometrists, dispensing opticians, student opticians and optical businesses on our register, who are known as our 'registrants'. Our charitable purpose and statutory role is to protect and promote the health and safety of members of the public by promoting high standards of professional education, conduct and performance among optometrists and dispensing opticians and those training to be optometrists and dispensing opticians.

We have four core functions, all of which are directed toward public benefit:

- Setting standards for optical education and training, performance and conduct;
- Approving qualifications leading to registration;
- Maintaining a register of individuals who are qualified and fit to practise, train or carry on business as optometrists and dispensing opticians; and
- Investigating and acting where registrants' fitness to practise, train or carry on business is impaired.

Most of our income comes from registrant fees, which is used to further our charitable purpose. **Table one** sets out the annual fees which registrants are required to pay for entry or retention on our register. In 2017/18, we implemented an increase across all fee levels. The increase to the basic fee reflects a change of emphasis. In 2016/17 the basic fee was £320 with a late payment fee of £20. In 2017/18 the headline fee was £350 but with a £20 reduction for prompt payment; over 95% of registrants paid the lower £330 fee. Given this we have decided to have a single fee for 2018/19 of £340. While recognising the impact this has on our registrants, the modest increase was required to ensure that we have sufficient resources to meet, among other areas, the additional work arising from an increased number of FTP complaints.

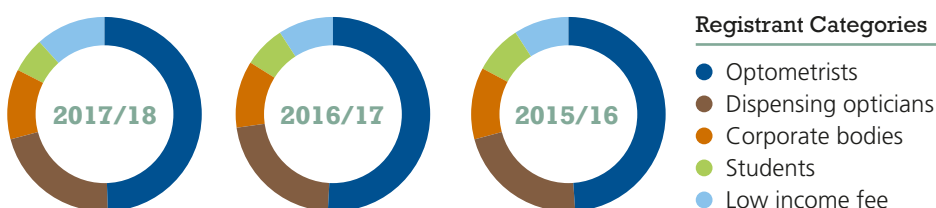
Table one: annual registrant fee

Fee levels	2017/18	2016/17	2015/16	2014/15
Optometrists	£330	£320	£310	£290
Dispensing opticians	£330	£320	£310	£290
Corporate bodies	£330	£320	£310	£290
Students	£30	£25	£25	£25
Low income fee	£230	£220	£210	£190

Table two shows a breakdown of registrants across the UK measured on 31 March 2018 and compares this with the previous three reporting years. We report separately on the diversity of our registrants and registrants subject to FTP investigations, which is available on our website: www.optical.org/en/news_publications/Publications/equality-and-diversity-reports.cfm

Table two: total number of registrants in each GOC category

Fee levels	2017/18	%	2016/17	%	2015/16	%
Optometrist	15,304	51%	15,151	51%	14,776	51%
Dispensing optician	6,768	22%	6,705	22%	6,541	22%
Student optometrist	3,604	12%	3,489	12%	3,341	11%
Student dispensing optician	1,824	6%	1,898	6%	1,933	7%
Business registrant	2,597	9%	2,640	9%	2,545	9%
TOTAL	30,097	100%	29,883	100%	29,136	100%





Trustees report:

How we deliver public benefit

Our strategy and performance

Our strategic plan 2017–20 provides the focus for our work in delivering public benefit. Our objectives are summarised in **Figure one** below.

Figure one: summary of strategic objectives



In 2017/18 we have worked towards achieving these strategic objectives by focusing on the following nine projects, grouped under our three strategic objectives. We also focused on the effective and efficient fulfilment of our regulatory, statutory and support functions, and on building our capacity and capability to ensure delivery of our strategic plan.



Trustees report:

How we deliver public benefit

Performance against our strategic objectives

How we are achieving our objective relating to the learning & development of optical professionals

Education strategic review

Technological changes and the increased prevalence of enhanced services are altering the roles that optometrists and dispensing opticians play in delivering eye care. We are therefore undertaking a strategic review of optical education and training and implementing changes to ensure that education programmes and qualifications leading to GOC registration equip students to meet patients' future needs. We have made considerable progress towards this objective during the year, having:

- analysed responses to our call for evidence and published a feedback report;
- undertaken extensive stakeholder engagement, evidence-gathering and policy development on concepts and principles for a new approach to regulating optical education. This included high level discussions with the wider health system on the future of eye health and vision services in the UK, and research into patterns and trends in health professional education in the UK and internationally;
- conducted a public consultation on concepts and principles; and
- commenced implementation planning and development.

Continuing Education and Training (CET) scheme

The changes which will come out of the Educational Strategic Review will have implications for our existing CET scheme. We are therefore reviewing the scheme to ensure it can accommodate the rapidly changing scopes of practice and that registrants are safe to practice and encouraged to focus on continuous professional development and reflective practice. We are consulting on our plan to introduce changes at an earlier stage, with a transitional year in 2019 and more substantial changes to the scheme being made after 2020.

During the year we have progressed plans to manage the end of the current CET cycle, introduced customer service changes to the CET system to improve engagement and accessibility and develop policy changes. We advertised a tender for the contract to maintain and develop the existing MyCET IT system and this is on schedule to make an appointment in June 2018. We established a CET Reference Group including Education and Standards committee members, CET providers and approvers as a sounding board during development of proposals for change.

Review of non-UK registration process

We are on course to achieve our objective to ensure our processes for registering non-UK applicants are fit for purpose and comply with existing legislation so that non-UK qualified registrants meet the UK requirements for registration and are safe to practise. During the year we:

- appointed and inducted new assessors for our non-UK processes;
- developed a non-EEA process for optometrists and issued a tender for a non-EEA assessment. However after considerable analysis of this option we decided this was not viable and decided not to progress it further; and
- developed and approved a revised non-EEA process which will be implemented in 2018/19. Until the revised process has been implemented we decided to suspend our consideration of non-EEA optometrists' applications.

How we are achieving our objective relating to a targeted approach to regulation

Review of the Opticians Act

We have made progress in the achievement of our objective to review the Opticians Act to identify opportunities and changes required to ensure we have a set of powers that can improve patient safety and organisational effectiveness and efficiency. During the year we undertook engagement and analysis to understand how optical practice is likely to change, understand the challenges and the extent to which the current regulatory framework provides sufficient flexibility. We will now move on to consider how to improve regulatory certainty in this area.

Business Standards Strategic Review

We have made considerable progress in the achievement of our objective to develop new standards for optical business registrants to make clear our expectations on delivery of quality patient care and reflect current good practice. During the year we developed draft Business Standards informed by research and stakeholder engagement and have planned enhanced consultation with external stakeholders – using a new consultation hub to help improve engagement and response rates by creating more accessible and creative consultations. In addition we have:

- published guidance on candour and consent to support the Standards of Practice for Optometrists and Dispensing Opticians following a public consultation and engagement with external and internal stakeholders; and
- developed supporting guidance for the profession on Vision and Driving informed by the outcomes of stakeholder engagement and research with patients, the public and registrants on views about reporting to the DVLA if patients fail the minimum vision standards for driving.



Trustees report:

How we deliver public benefit



Safe Contact Lens Use

We have continued to pursue our objective of promoting safe contact lens use. This work forms part of the implementation of our illegal practice strategy, which identified:

- a high risk of public harm as a result of contact lenses not being supplied in accordance with the relevant legislation, including without appropriate aftercare advice; and
- the difficulties involved in relying on enforcement activity to address this harm, particularly given the prevalence of internet supply.

During the year we have:

- continued to deal with complaints in line with our prosecution protocol;
- conducted a successful Halloween campaign achieving widespread national media coverage around the dangers of illegally bought zero-powered contact lenses (ZPLs);
- produced a joint factsheet with the AOP about the law around ZPLs;
- run a successful Love Your Lenses Week in March 2018 with the whole sector working together to spread the word about good contact lens care. The campaign made a particularly big splash on social media, with Love Your Lenses supporters sharing top tips, videos, infographics and more; and
- piloted some different ways in which practitioners can help 'land the message' when delivering aftercare, to see which are most effective. The results of which when published will hopefully help practitioners to ensure their patients remember their advice.

How we are achieving our objective relating to organisational transformation

Fitness to Practise (FTP) Complaints Strategy

We continue to make progress in achieving this strategic objective which was to review our FTP processes and implement changes to ensure we manage FTP complaints in a fair and timely manner. During the year we:

- introduced new documented triage and case management processes;
- revised our FTP Committee listing policy and our risk assessment form;
- developed a new case plan form and allegation-drafting guidance;
- implemented a new FTP team structure and developed team members;
- created a new GOC Pool of Expert Witnesses;
- piloted delivery of advocacy services in-house;
- developed, consulted and implemented a Consensual Panel Disposal policy; and
- developed and consulted on draft Acceptance Criteria.

As we progress this project we have delivered a number of outcomes, including:

- significant quality improvements via robust new processes which are fully documented; and
- once the improvements have been fully embedded we expect to be able to demonstrate progress in meeting the PSA's standards of good regulation relating to end-to-end timescales.



Trustees report:

How we deliver public benefit

Compliance with the General Data Protection Regulations (GDPR)

We made considerable progress in the achievement of our objective to review and implement changes to our information governance processes required to ensure compliance with the GDPR. During the year we conducted a readiness review and carried out an implementation plan, including: a review of policies and processes; the development of consent and information security processes; and implementation of privacy by design and Privacy Impact Assessments. We are pleased that as at 25 May 2018 we are compliant with the key requirements of the General Data Protection Regulations. Our employees have completed mandatory development on information governance and GDPR and the roles of Information Asset Owners, Senior Information Risk Owner and Data Protection Officer have been identified and assigned within the organisation. This work has increased employee confidence in systems and processes and engagement in how we address IG issues.

Quality Assurance Framework

The objective of this project was to develop an organisation wide quality assurance framework and review, document and streamline processes to ensure we have an effective framework for quality assuring our decisions. During the year we evaluated FTP controls and illegal practice as planned and implemented a comprehensive framework of standard operating practices into our Registration function. However we decided to transition the work to evaluate education and standards processes and develop and implement a QA Framework and internal review programme into business as usual, following consideration how this work should be integrated with wider process changes arising from other strategic projects. Quality assurance will underpin these processes as they are developed and implemented.

How we measure our performance

We have a performance framework which enables us to draw on a range of sources of information and analysis in order to assess our performance. We are developing our approach to performance measurement and are keen to ensure that we measure the quality of our work and outcomes in terms of delivering public benefit, as well as pursue stretching and meaningful performance targets.

On a quarterly basis we monitor our performance in the delivery of our business plan and use a range of key performance indicators to assure the delivery of our regulatory responsibilities and progress towards achieving our strategic objectives. Our performance reports are published on our website and we welcome the public to our quarterly Council meetings to hear the discussion.

How our performance is measured externally

Like all other UK healthcare regulators, our performance is assessed externally by the PSA. The assessment focusses on whether we have met the PSA Standards of Good Regulation, which describe the outcomes the PSA expects to achieve through our regulatory functions.

We have not yet received the outcome of the PSA's performance review undertaken of our performance in 2017/18. The most recent assessment undertaken in 2015/16 assessed us as having met 22 of their 24 Standards of Good Regulation, including all standards and education standards. This is an improvement on the previous review in 2014/15 when we met 21 of their 24 standards. The standards we did not meet relate to information governance and the total time taken to process fitness to practise complaints. In both areas we have made significant improvements in our performance since the period under review. In particular the ICO has recognised the swift and appropriate action we have taken to minimise any risk arising from breaches and have not taken any enforcement action against us.



Trustees report:

How we deliver public benefit



Learning & development of optical professionals

Deliver a strategic review of optical education and training and implement changes to ensure that optical professionals are fit to practice in line with our standards throughout their careers



Targeted approach to regulation

Build our evidence base and use the full range of our regulatory levers in a proportionate way to address risks to the public



Organisational transformation

Deliver high quality, efficient services to the public and registrants underpinned by a culture of evaluation and continuous improvement

Our plans for 2018/19

In 2018/19 we enter the second year of our next three year strategic plan focused on the following three strategic objectives.

We will continue to work towards these strategic objectives by delivering the following five projects, grouped under our strategic objectives. We will also be focused on the effective and efficient fulfilment of our regulatory, statutory and support functions, and on building our capacity and capability to ensure we are equipped to deliver our strategic plan.

Project	Objectives, outcomes and planned activity
Education strategic review	Deliver a strategic review of optical education and training and implement changes to ensure that education programmes and qualifications leading to GOC registration equip students to meet patients' future needs, as technological change and the increased prevalence of enhanced services alter the roles that optometrists and dispensing opticians play in delivering eye care. In 18/19 – finalise a new system of education and training for optical students and commence implementation.
Continuing Education and Training (CET) operational improvement and policy development	Implement changes to ensure the scheme operates effectively and registrants are safe to practice and encouraged to focus on continuous professional development. In 18/19 – develop changes to the CET system to further promote continuing professional development while ensuring ongoing fitness to practice, carry out a tender for the IT system supporting the CET system, and implement improvements to operational processes.
Business Standards	Develop new standards for optical business registrants which reflect good practice and are flexible enough for care to evolve so we are confident that individual registrants practise in accordance with our standards. In 18/19 - develop and promote awareness of new business standards.
Safe contact lens use	Increase public awareness of the risks from poor contact lens care. In 18/19 - evaluate our second "Love Your Lenses" contact lens awareness campaign and produce resources to improve the practice of registrants in delivering aftercare messages to patients.
Organisational Transformation	Devise and implement changes that address external issues, and deliver significantly improved outcomes for patients and the wider public, through improved operational efficiency. In 18/19 evolve better processes and workflows that deliver improved outcomes for patients and generate operational efficiencies. Continue to invest in IT with specific focus on improving our operating systems and working practices and developing a comprehensive case management system.



Trustees report:

How we deliver public benefit

Our risks

Our approach to risk management is set out in our risk management policy. Both Council and the Audit and Risk Assurance Committee discuss and review the principal risks and uncertainties regularly throughout the year. The Senior Management Team also regularly monitors existing corporate and emerging risks and mitigating actions. We capture and monitor operational risks through corporate and departmental risk registers.

We continue to maintain robust systems and procedures to mitigate the risk of failure to deliver our statutory functions, which are at the heart of protecting the public. This includes, for example, attention to the areas where individuals:

- seek to fraudulently gain access to the register;
- provide misleading information in an FTP case; or
- do not comply with the requirements of our standards for CET.

Horizon scanning and being alert to emerging operational and strategic risks are part of ongoing business oversight.

Some of our key risks come from the external environment, which means we have limited control of the actions that may need to be taken. We continue to monitor and discuss:

- legislative reform proposals in the UK;
- potential for regulatory reform;
- the implementation of the Welsh Language Standards Regulations 2015; and
- continuing uncertainty over the structure of the terms and subsequent impacts of the UK's withdrawal from the EU.

We recognise that consumer behaviours and patterns are changing. Consumer spending on optical goods and the number of people buying eye care products like contact lenses online are likely to increase. There is an associated risk that these will lead to more people buying from on-line suppliers outside of the UK which are outside our jurisdiction and may not comply with UK law.

We continue to promote public awareness with the Love Your Lenses campaign, being an important example, ensuring consumers understand how to buy and wear contact lenses safely.

There is a lot of opportunity for optometrists and dispensing opticians to deliver more care in a community high-street setting. However, according to our research, most members of the public still consider opticians to primarily be retailers rather than healthcare professionals. This perception will need to change if the professions are to reach their full potential in delivering care.

In terms of developments within the sector, technological innovation is likely to challenge the boundaries of existing scopes of practice and have an impact on the types of services provided by optical businesses. As the regulator we need to be aware of any changes that might impact public protection. Our Education Strategic Review will ensure that the education of optical professionals keeps pace with these changes, ensuring practitioners are equipped to carry out future roles rather than roles they may have played in the past.

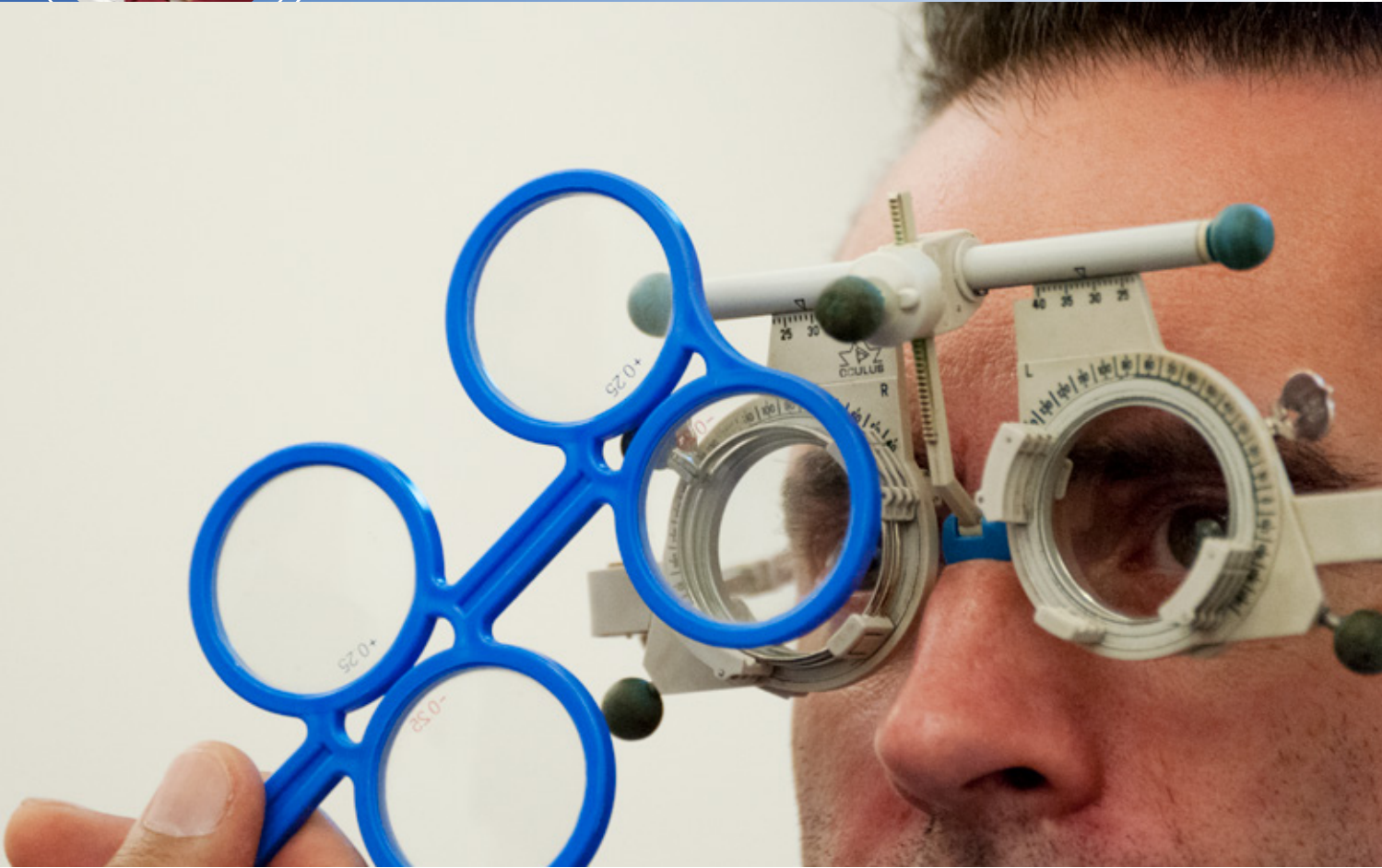
The optical education sector continues to change, with an increasing number of academic providers and diversity in the delivery of optical education. This poses challenges for us, to ensure we continue to carry out the effective accreditation and quality assurance of providers and our educational standards are being met by providers.

To manage this risk, we are reviewing our accreditation and quality assurance processes to ensure they remain fit for purpose and this will continue in 2018/19.



Trustees report:

How we deliver public benefit



Our people

Our people are central to achieving our charitable purpose and strategic objectives.

Our people review

We continue to monitor staff engagement using an evidence based approach through an annual staff satisfaction survey conducted each September by an independent consultancy. Overall staff engagement, which draws on answers to a number of questions, (LEVI model) dropped to 52% from 64% reflecting the uncertainty while a new CEO was appointed. This still compares favourably to the benchmark of 45% which is drawn from data across similar organisations. We will continue to survey staff engagement annually. We recognise that delivering the organisational transformation objective may mean some further volatility in staff engagement. However, it remains a key objective of the organisation to work in partnership with our staff. We will therefore continue to balance the need for the organisation to modernise with a desire to engage our staff positively in the changes we are planning.

We continue to invest in our staff. We improved staff benefits by introducing more accessible healthcare plans and invested in training, running a range of externally facilitated courses and through our staff engagement group hosted various initiatives including mental health awareness week and a range of well-being events.

The health and safety of those that work for us is of paramount importance. We are pleased to report that we had no health and safety incidents reported during the year. During the year our internal auditors reviewed staff health and safety awareness, and while the audit findings were generally positive, staff refresher training will be undertaken in the coming year.



Trustees report:

How we deliver public benefit

Our values

We have three core organisational values that inform our work: how we work within the organisation and how we work with registrants and stakeholders. Set out below are some of the ways in which our people have demonstrated our values over the last year.

Responsible

- We have introduced a Quality Assurance Framework and peer reviews for team members, improving the frequency and number of checks on work completed which has contributed to the department driving up quality and meeting KPI targets on accuracy.
- We have undertaken work to ensure we comply with the new General Data Protection Regulations.
- We are consulting on new business standards and changes to CET to reflect changes in optical and wider healthcare practice over the last few years, including accounting for the increased prevalence of multidisciplinary working as the optical sector evolves.

Forward thinking

- Our Education Strategic Review will equip registrants to meet the challenges of the future in a fast-changing sector, delivering a high standard of care for patients.
- Love Your Lenses Week was an innovative approach to raising patient awareness of how to buy and wear contact lenses safely.
- Making a case that regulatory reform is vital if we are to protect patients and the public in the future. Only by reforming some of the outdated legislation that holds us back can we truly operate at maximum efficiency

Principled

- Introducing a new consultation platform to help us engage effectively with all of our stakeholders
- Introducing consensual panel disposal to speed up certain fitness to practise cases.
- Becoming accredited as a London living wage employer

More details on our organisational values are available on our website: www.optical.org/en/about_us/mission_and_values/index.cfm

Council would like to thank all those working for us for their support and endeavour during 2017/18.



- ▶ Public benefit
- ▶ Fitness to practise
- ▶ Financial statement



Trustees report:

How we deliver public benefit

Our structure, Governance and Management

Our legislation and our governance regulations

We are constituted as a body corporate under the Opticians Act 1989, as updated by amending legislation which came into effect on 30 June 2005. We are also registered as a charity by the Charity Commission in England and Wales (registered charity number 1150137). We are accountable to Parliament through the Privy Council, to the Charity Commission and to our beneficiaries. We aim to be transparent in the work we undertake and how our work delivers public benefit, including through this annual report.

Our Council

Our Council is the governing body of the GOC and Council members are the charity trustees. They are collectively responsible for directing the affairs of the GOC, ensuring that it is solvent, well-run, and delivers public benefit. All Council members share the same duty of public protection and oversee the full range of regulatory processes.

The primary functions of Council are:

- **Policy and strategic direction.** Providing strategic direction and making decisions in the interests of public protection;
- **Performance monitoring.** Ensuring our statutory functions are delivered effectively and efficiently by holding the Executive to account, monitoring performance and ensuring an equality of opportunity, accountability, openness and transparency;
- **Financial stewardship.** Oversight of financial performance and providing active financial stewardship to further the organisation's purposes and achieve value for money; and
- **Accountability, communication, and stakeholder engagement.** Publishing an annual report, ensuring effective communication with the public, registrants, professional bodies, the government, and other interested parties and promoting public confidence in regulation.

Our Council is comprised of twelve members, of whom six are registrants and six are lay members (see page 25). Members are drawn from England, Wales, Scotland and Northern Ireland. Biographies can be viewed on our website. One Council member is appointed as a Senior Council Member (SCM) to carry out the Chair's appraisal, provide a sounding board for the Chair and serve as an intermediary for Council members, the Executive and stakeholders as necessary. Helen Tilley fulfilled this role throughout the reporting year.

There were no changes in Council membership during the year and no members re-appointed for a second term.

Effectiveness of governance

We believe that effective and robust governance ensures probity in the decisions we make and serves to increase confidence in our work. Council conducts its business in accordance with the seven principles of public life: selflessness, integrity, objectivity, accountability, openness, honesty, and leadership.

This year we undertook the following activities to further enhance the effectiveness of our governance:

- **Member review:** we revised our process for reviewing individual member performance.
- **Terms of reference:** we updated the terms of reference for the Nominations, Standards and Audit and Risk Assurance Committees.
- **Financial crime:** we revised our anti-financial crime policy.
- **Council roles:** we updated the role descriptions for the Senior Council Member and the Council Champions.
- **Scheme of delegation:** we made some revisions to the levels at which various policies are authorised.



Trustees report:

How we deliver public benefit

Council evaluation

In June 2017, as per good governance practice, Council undertook an annual evaluation of its performance. There were high levels of satisfaction with contribution and decision making and displaying the right values and behaviours. Satisfaction with policies and governance and corporate performance had improved year on year. There were lower levels of satisfaction with stakeholder engagement, control and risk management. The actions agreed following consideration of the outcomes of the review are detailed below.

Increase engagement between Council members, and SMT members to get to know each other better, encourage feedback and clarify shared objectives and priorities. Increase engagement with employees to help develop relationships, improve communication and lead by example.

Provide feedback at the end of each Council meeting to capture:

- collective performance;
- whether desired behaviours were displayed;
- whether outcomes for the end user were considered in decision making;
- whether decision making encouraged innovation, promoted collaboration, and focused on digitally enabled lean processes;
- whether decision making reinforced the use of technology and digital as an enabler;
- whether operational decisions were delegated to the lowest level where assurance can be provided;
- clarity of policies, papers and minutes; and
- information which could have been shared outside of the meeting.

Support the Executive in:

- the development and embedding of a performance measurement system as a priority - focused on measuring outcomes and enabling use as a management tool;
- the development of a clear vision of organisational transformation and delivery plan, ensuring properly structured and resourced project(s);
- ensuring IT platform and systems are fit for purpose;
- the development of fit for purpose project management processes, to ensure projects are properly funded, focused on clearly articulated objectives, have measurable milestones and have clear benefits realisation strategies; and
- a review of the integrity of the Register.

Develop a clear sense of what is meant by a targeted approach to regulation.

Circulate documents which are for information to Council outside of Council meetings – ensuring that all information which needs to be included in a public meeting remains in order to ensure appropriate stakeholder engagement and demonstrate performance and delivery.

Induction, review and development

All Council and committee members are inducted, developed and reviewed in accordance with our published policies. We hold an annual induction session for newly appointed members, as an opportunity for members to meet each other and understand our challenges and priorities. Council members individual performance is reviewed annually and, in general, committee members biennially. Reviews are used to support any recommendation for reappointment and identification of development requirements. The member development plan is designed to supplement areas of skills and knowledge that have been identified by members.

Members' conduct

Council (in their role as members and trustees) and committee members have a duty to act impartially and objectively and to take steps to avoid putting themselves in a position where their personal interests conflict with their duty to act in the interests of the charity, unless they are authorised to do so, and take steps to avoid any conflict of interest arising as a result of their membership of, or association with, other organisations or individuals. To make this fully transparent, we publish a register of members' interests on our website.

Fees

Member fees were agreed from 1 April 2017¹ in line with the member fees policy.

Attendance

The attendance record of Council members at Council and committee meetings and the fees and expenses of Council members are shown on page 24. There were eight Council meetings held during the year: four in public and four in private. Council considers it has met sufficiently regularly to discharge its duties effectively. Council is committed to conducting its business in public; business will usually be transacted in private only if it is commercially or legally sensitive, a preliminary discussion on development of strategy or policy, or if the matter being discussed concerns an individual or specific group.

All Council members are required to take part in other activities such as induction, development, strategy, corporate performance and evaluation. All members are required to engage in their own performance review.

¹ https://www.optical.org/en/about_us/our-governance/index.cfm



Trustees report:

How we deliver public benefit

Fees and expenses

	Registrant or lay member	Home location	Fees £	Expenses £	Council Meeting Attendance ¹	Committee meeting attendance
Gareth Hadley	Lay (Chair)	England	57,260	1,111	8/8	Nom 3/3, Rem 2/2
Sinead Burns	Lay	Northern Ireland	13,595	3,311	8/8	ARC 3/4, Companies 1/2
Josie Forte	Registrant	England	13,595	3,107	8/8	Companies 2/2
Mike Galvin	Lay	England	13,595	2,383	7/8	Standards 2/2, Companies 2/2
Rosie Glazebrook	Lay	England	13,595	91	7/8	Nom 3/3, Registration 2/2
Scott Mackie ²	Registrant	Scotland	16,314	7,965	8/8	Education 4/5
Clare Minchington	Lay	England	13,595	212	8/8	ARC 4/4, Education 3/5
David Parkins	Registrant	England	13,595	270	8/8	ARC 3/4, Education 5/5
Roshni Samra	Registrant	England	13,595	849	8/8	Registration 2/2
Helen Tilley ³	Registrant	Wales	16,625	4,743	8/8	Rem 2/2, Standards 1/2
Glenn Tomison	Registrant	England	13,595	3,717	8/8	Nom 3/3, Standards 2/2
Selina Ullah	Lay	England	13,595	3,651	7/8	Rem 2/2, Education 5/5

Key

Committees: Rem – Remuneration, Nom – Nominations, ARC – Audit and Risk Assurance

¹ All Council members are required to take part in other events such as strategy days, evaluations and performance appraisals, for which they receive no additional remuneration and which are not included in the attendance figures.

² Scott Mackie's is paid fees via the purchase ledger and charge VAT on his fees.

³ Senior Council Member

Scheme of delegation

Our scheme of delegation sets out those functions retained by Council, delegated to a committee, or delegated to the Chief Executive and Registrar. Council is able to delegate any of its functions with the exception of approving rules.

The Executive

Our Chief Executive and Registrar, is responsible for the Executive, which is structured into three interlinked directorates. Decision-making powers are delegated to the Chief Executive and Registrar under the Opticians Act 1989 and other powers delegated from Council. In order to exercise these powers, some are delegated to other members of the Executive.

During the period of this report, the Director of Strategy, Alistair Bridge, had responsibility for eight functions: education, continuing education and training (CET), standards, policy and research, communications, governance, compliance and business planning and performance.

The interim Director of Fitness to Practise, Safia Iman (who replaced Lisa Davis while she was on maternity leave until 22 November 2017), had responsibility for four functions: case progression, hearings, OCCS and legal.

The Director of Resources, Mark Webster, had responsibility for five functions: registration, human resources, facilities, finance and information technology.

A new Directorate (Transformation) was created in December 2017 to implement strategic change within hearings and education. The Director of Transformation, Safia Iman, assumed responsibility for these two functions.

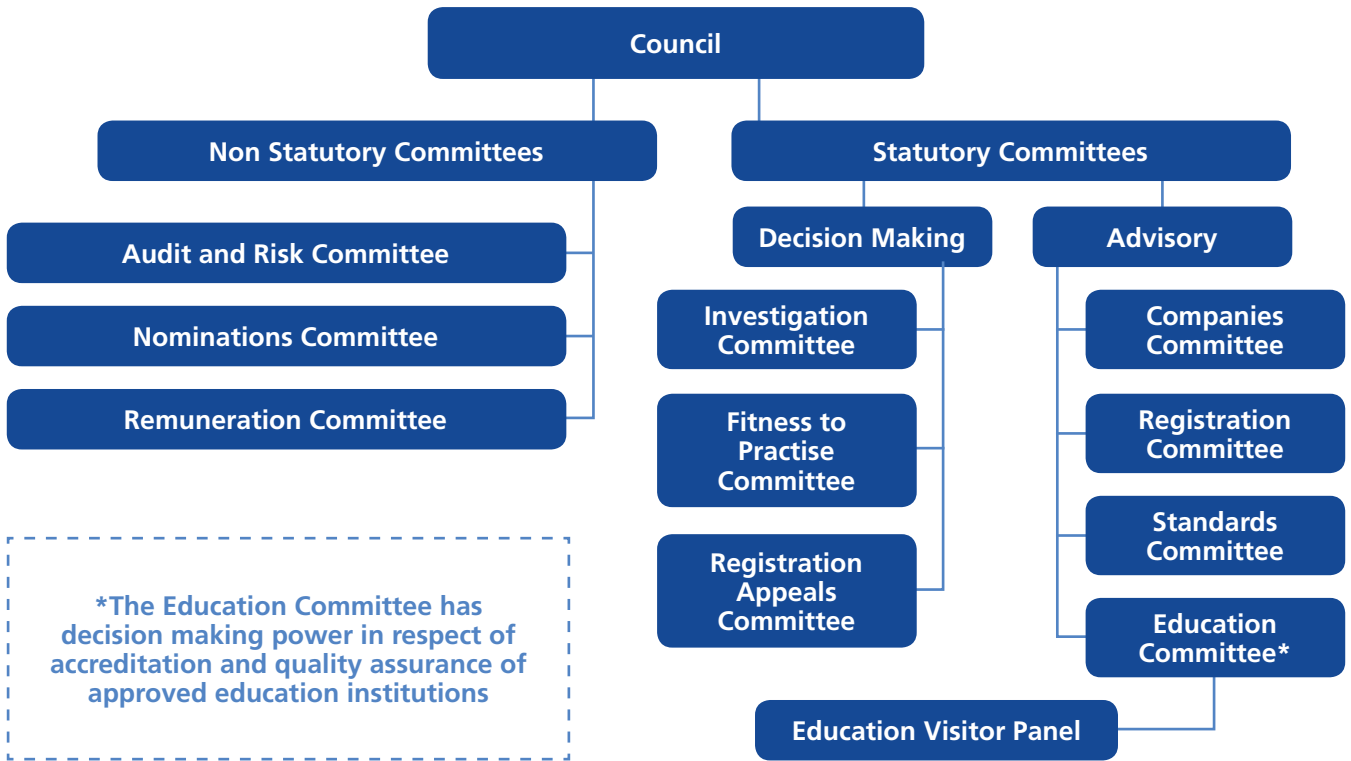


Trustees report:

How we deliver public benefit

Our governance structure

Our structure is illustrated in the diagram below.



In order to exercise its powers, Council delegates certain responsibilities to committees with clearly defined authority and terms of reference.

We view the advisory committees as a valuable source of stakeholder views – alongside views obtained from research, public consultants and other engagement – in shaping Council’s thinking and decision-making.

Audit and Risk Assurance Committee

The committee advises and provides assurance to Council on audit, risk and some aspects of governance, and takes some decisions as delegated by Council. In addition to the Council members on the committee, Helen Dearden is appointed as an independent member and she attended all meetings during the year. The role of the independent member is to provide the committee with independent, objective and impartial advice and judgement on audit, risk, governance and charity governance matters. The Chair (Clare Minchington) satisfies the provision under the UK Corporate Governance Code that at least one member of the committee has relevant financial experience.

The committee undertook the following work during 2017/18:

- Reviewed our annual report and accounts, budget-planning timetable and guidance, and external audit findings report, accounting and internal control recommendations;
- Monitored the effectiveness of the internal audit function, including remit and fees, and assessed and approved the internal audit plan;
- Received internal audit reports and monitored the Executive’s response;
- Monitored the effectiveness of the external audit provider and advised Council on their reappointment and fees;
- Advised Council on the adequacy of the various policies which fall under the remit of the committee, approving directly or recommending approval by Council;
- Reviewed the corporate risk register and provided Council with assurances and, where necessary, recommendations relating to the management of risk and the internal control environment;
- Recommended a revised Reserves Policy to Council;
- Approved an updated Contracts & Procurement Policy; and
- Monitored progress in preparation for GDPR compliance.



Trustees report:

How we deliver public benefit

Haysmacintyre were re-appointed in February 2017 as the external auditors for the 2016/17 and 2017/18 audits.

An effectiveness review of the internal audit function was undertaken in April 2017, including feedback from the Executive. The internal auditors, Moore Stephens, were reappointed for one further year, until March 2018. At its meeting in January 2018 the committee agreed to appoint Mazars to fulfil the internal audit function for three years commencing 1 April 2018, subject to annual re-appointment based on the outcome of effectiveness reviews.

Remuneration Committee

The committee advises Council on the payment of Council and committee member fees, the Chief Executive and Registrar and SMT's remuneration, processes to determine executive remuneration, reward and performance management, and takes some delegated decisions. In addition to the Council members on the committee, Helen Dearden is appointed as an independent member and she attended all meetings during the year. The independent member acts as an independent advisor on remuneration issues.

The committee undertook the following work during 2017/18:

- Considered and welcomed proposals for Executive pay and reward in 2018/19;
- Recommended to Council the member fees for 2018/19;
- Agreed a pay award for the Senior Management Team;
- Considered the outcome of the 2016/17 Executive appraisal process;
- Provided assurance to Council on the processes to determine executive remuneration, reward and performance management; and
- Approved the relevant sections of the 2016/17 annual report in relation to members' fees and expenses.

Nominations Committee

The committee advises Council and takes some delegated decisions in areas of appointment, reappointment, appraisal, evaluation, induction and development of members. In addition to the Council members on the committee, Penny Bennett was appointed as an independent member and attended all meetings during the year. The independent member provides independent, objective and impartial advice and judgement. In addition, the independent member acts as an independent assessor for appointment and reappointment processes and participates in the appraisal of our hearing panel Chairs and the Investigation Committee (IC) Chair.

The committee undertook the following work during 2017/18:

- Appointed and reappointed members to our committees, including approving individual appointment processes;
- Considered changes to the appointment process and paperwork;

- Agreed to offer Hearings Panel Chairs and members a one year extension to their appointment subject to accepting certain conditions;
- Received an update on progress made with reviewing the member development plan;
- Considered proposals for revising the member appraisal process.

Statutory Advisory Committees

Six of our committees are statutory as defined under the Opticians Act and related Rules. Some (Education, Investigation, FTP and Registration Appeals) are permitted to make decisions as specified in the Opticians Act 1989 and the other committees are wholly advisory. To ensure that there is cohesion between Council and its committees, each committee (with the exception of the Investigation, FTP and Registration Appeals committees) is chaired by a Council member and their membership includes at least one other Council member. Our committees include members appointed by virtue of the knowledge, skills and experience that they bring. They are appointed by Council, via the Nominations Committee, using open appointment processes based on the principles of merit, fairness, honesty, openness and credibility, and are subject to statutory annual reappointment.

Education Committee

The committee provides advice and assists Council on matters relating to optical training, education and assessment, including the approval of training establishments and qualifications. The committee reviews our requirements for the content and standard of education, including the CET scheme and recommends changes as necessary. The committee met five times during the year. The current membership of the committee can be found here:

www.optical.org/en/about_us/how_we_work/Education_Committee.cfm

Standards Committee

The committee provides advice and assists Council on the standards of conduct and performance expected of current and potential registrants, including business registrants. The Committee met twice during the year. The current members of the committee can be found here:

www.optical.org/en/about_us/how_we_work/Standards_Committee.cfm

Companies Committee

The committee provides advice and assists Council on matters relating to business registrants (other than in relation to FTP issues). The committee met twice during the year. The current members of the committee can be found here:

www.optical.org/en/about_us/how_we_work/Companies_Committee.cfm



Trustees report:

How we deliver public benefit

Registration Committee

The committee provides advice and assists Council on matters relating to registration, including the rules governing registration and publication of the registers. The committee met twice during the year. The current members of the committee can be found here:

www.optical.org/en/about_us/how_we_work/Registration_Committee.cfm.

Investigation committee

When case examiners cannot reach an agreed decision, the committee will decide whether an allegation that a registrant's fitness to practise is impaired should be referred to the FTP committee or whether the case should be closed. It also considers requests by case examiners for a registrant to be subject to an assessment of their performance or health. The committee met once during the year. The current members of the committee can be found here:

www.optical.org/en/about_us/how_we_work/Investigation_Committee.cfm

Fitness to Practise Committee and Registration Appeals Committee

The FTP committee considers allegations that a registrant's fitness to practise, carry on business or undertake training is impaired. These allegations are referred to the committee by our Investigation committee or case examiners.

The Registration Appeals committee (RAC) is constituted for the purpose of hearing and determining appeals against any decision of the Registrar refusing to enter the name of an individual or body corporate in the Register, or, where the registrant has previously been subject to a sanction of erasure, to restore it to the appropriate Register.

Members of the FTP committee and the RAC are selected from a group of Hearings Panel members (www.optical.org/en/about_us/People/Hearings_Panel_members.cfm).

Council would like to thank all members who have supported us during 2017/18.





Trustees report:

How we deliver public benefit

Reference and administrative details

The GOC is the statutory regulator for the optical professions in the UK and is constituted as a body corporate under the Opticians Act 1989, as updated by its section 60 amending legislation which came into effect on 30 June 2005. On 12 December 2012, the GOC was registered as a charity by the Charity Commission in England and Wales (registered charity number 1150137).

GOC registered office and operational address

10 Old Bailey, London, EC4M 7NG

Bankers

Lloyds Banking Group (incorporating Bank of Scotland)
4th Floor, 25 Gresham Street, London, EC2V 7HN

Internal auditors

Moore Stephens LLP
150 Aldersgate Street, London, EC1A 4AB

External auditors

Haysmacintyre
10 Queen Street Place, London, EC4R 1AG

Investment advisors

Brewin Dolphin Limited
12 Smithfield Street, London, EC1A 9BD

Council

Gareth Hadley (Chair)	(reappointed 19 February 2017 until 18 February 2021)
Sinead Burns	(appointed 1 October 2016 until 30 September 2020)
Josie Forte	(appointed 1 April 2017 until 31 March 2021)
Mike Galvin	(appointed 1 April 2017 until 31 March 2021)
Rosie Glazebrook	(appointed 1 January 2015 until 31 December 2018)
Scott Mackie	(reappointed 1 April 2017 until 31 March 2021)
Clare Minchington	(appointed 1 April 2017 until 31 March 2021)
David Parkins	(appointed 15 March 2016 until 14 March 2020)
Roshni Samra	(appointed 1 April 2017 until 31 March 2021)
Helen Tilley	(reappointed 1 May 2017 until 30 April 2021)
Glenn Tomison	(appointed 1 January 2015 until 31 December 2018)
Selina Ullah	(reappointed 1 September 2014 until 31 August 2019)

SMT

Vicky McDermott, Chief Executive and Registrar (from September 2017)
Samantha Peters, Chief Executive and Registrar (to May 2017)
Alistair Bridge, Director of Strategy
Mark Webster, Director of Resources
Lisa Davis, Director of Fitness to Practise (On maternity leave until November 2017)
Safia Iman, Interim Director of Fitness to Practise (to November 2017) / Director of Transformation (from December 2017)

Our fitness to practise
Annual Report





Our fitness to practise Annual Report

Introduction

In order to meet our statutory function and our overarching objective to protect the public, we investigate and act where a registrant's fitness to practise, train or carry on business is alleged to be impaired. We recognise all professionals may make mistakes during the course of their practice. Our Fitness to Practise (FTP) process is designed to assess whether that mistake, conduct or behaviour could reoccur or is so serious that we ought to take action to place restrictions on a registrant's registration.

A concern that a registrant may not be fit to practise can be as a result of one or more different factors including:

- poor professional performance;
- physical or mental health problems affecting their work;
- inappropriate behaviour;
- being under the influence of alcohol or drugs at work;
- fraud or dishonesty;
- a criminal conviction or caution; or
- a finding by another regulatory body.

The main offences established by the Opticians Act 1989 are:

- testing sight when not a registered optometrist;
- fitting contact lenses when unregistered;
- selling spectacles, prescription contact lenses or ZPLs without meeting the requirements in the Opticians Act 1989 and/or the Sale of Optical Appliances Order of Council; and
- misusing a protected title or otherwise pretending to be registered.

We undertake an initial assessment of all concerns raised, to determine whether the matters constitute an allegation of impaired fitness to practise and relate to a registered individual or business. Complaints that do not meet these criteria may be referred elsewhere (for example, to the Optical Consumer Complaints Service (OCCS)). For complaints that meet these criteria, we conduct an investigation to gather relevant information. We keep the referrer informed and provide the registrant with an opportunity to offer a full response to the allegations before case examiners (or the Investigation Committee) determine whether the matter should proceed to a full hearing.

Highlights

During 2017/18 we have undertaken a significant review of our FTP processes and have implemented a number of changes to the way we work. We believe these changes will lead to long-term improvements in both the quality of service we provide to registrants and complainants and to our end-to-end timescales.

Our median time for making a triage decision (whether a full investigation should be opened) increased from 21 days in 2016/17 to 33 days in 2017/18. Even though this partly relates to the increase in new referrals, we addressed this in late 2017 with the introduction of a standalone triage function and we expect this timescale to reduce over the coming year.

In 2017, we introduced a new KPI of a 26-week median target to progress investigations from the decision to open a case to case examiner consideration. We are disappointed that our performance against this measure was 38 weeks (median) for the year. However, this has been impacted by the concurrent implementation of a process of 'frontloading' some cases (making them potentially hearing-ready at investigation stage). We have a performance plan in place for 2018/19 and we expect to see performance improve in this area.

We are disappointed that our end-to-end median time for progressing cases from complaint to final Fitness to Practise Committee (FTPC) decision remained fairly static at 124 weeks in 2017/18 against our target of 78 weeks.

We have continued to maintain the median time taken to impose an interim order at three weeks, protecting the public through quick action in cases that present the most serious patient safety risk. We have undertaken a pilot exercise for cases (particularly interim order matters) to be presented by an in-house advocate (barristers on secondment). Not only has this proved time-efficient and cost-effective but it has also provided staff with additional learning and support.

In September 2017, we held another clinical training day at the Institute of Optometry. This was attended by employees and lay case examiners/Investigation Committee (IC) members. The objective was to improve understanding among employees and decision-makers of clinical matters and to improve understanding of serious clinical matters and associated risks.



Our fitness to practise **Annual Report**



Complaints received in 2017/18

We received 495 referrals relating to the fitness to practise of our registrants, from which we opened 262 investigations. Although this is a 16% increase in the number of new referrals, part of this increase relates to a change in the way that we manage declarations made by registrants during annual retention. In previous years, declarations were received by our FTP team in April but in 2018 we accelerated the referral process, resulting in us receiving two batches of declarations in the reporting period (April 17 and March 18). We consider a more realistic increase percentage to be approximately 5%. As in previous years, only approximately 1% of registrants were subject to complaints about their FTP and only approximately one-quarter of these were referred for a formal hearing. Although this is suggestive that the vast majority of our registrants provide an excellent service to patients and are likely never to be subject to any action on their registration, we are also keen to ensure that we are doing all we can to enable concerns to be raised with us where appropriate. With this in mind, we expect to implement an online complaints form in 2018-19 and we also expect that our new business standards will impose a requirement upon our business registrants to make patients aware of possible channels of complaint.



Our fitness to practise Annual Report

Table five shows the types of complaints investigated over the last three years.

Table five: types of complaint received

Type of complaint	17/18	%	16/17	%	15/16	%
Personal conduct	39	14.9	28	9.6	31	13.9
Other clinical	27	10.3	31	10.6	24	10.8
Conviction/caution	24	9.2	28	9.6	16	7.2
Spectacle prescription	23	8.8	41	14.0	18	8.1
Procedures - business	17	6.5	28	9.6	6	2.7
Glaucoma	14	5.3	6	2.0	9	4
Cataracts	13	5.0	8	2.7	10	4.5
Complaint handling – business	11	4.2	7	2.4	10	4.5
Ill health	9	3.4	9	3.1	6	2.7
Multiple (clinical/conduct)	9	3.4	8	2.7	14	6.3
Multiple (clinical)	9	3.4	7	2.4	12	5.4
Tumour	9	3.4	5	1.7	10	4.5
Macular degeneration	7	2.7	12	4.1	11	4.9
Retinal detachment	7	2.7	11	3.8	4	1.8
Related to laser eye surgery	7	2.7	9	3.1	5	2.2
Theft	7	2.7	4	1.4	1	0.4
Supervision of student	6	2.3	0	0.0	5	2.2
Domiciliary	5	1.9	0	0.0	5	2.2
Contact lenses	4	1.5	16	5.5	2	0.9
Fraud	4	1.5	12	4.1	4	1.8
Management of child patients	3	1.1	5	1.7	6	2.7
Other miscellaneous	3	1.1	4	1.4	1	0.4
Exam/qualification fraud	2	0.8	7	2.4	0	0
Breach of Opticians Act	1	0.4	3	1.0	4	1.8
Fitting/dispensing	1	0.4	1	0.3	7	3.1
Testing unregistered	1	0.4	1	0.3	1	0.4
Restricted activities	0	0.0	2	0.7	0	0
Advertising Standards Authority	0	0.0	0	0.0	1	0.4
Non declaration to PCT	0	0.0	0	0.0	0	0
Non declaration of a criminal conviction to the GOC	0	0.0	0	0.0	0	0
Testing unsupervised	0	0.0	0	0.0	0	0
TOTAL	262	100%	293	100%	223	100%

Complaints are categorised by the primary category into which the complaint falls.



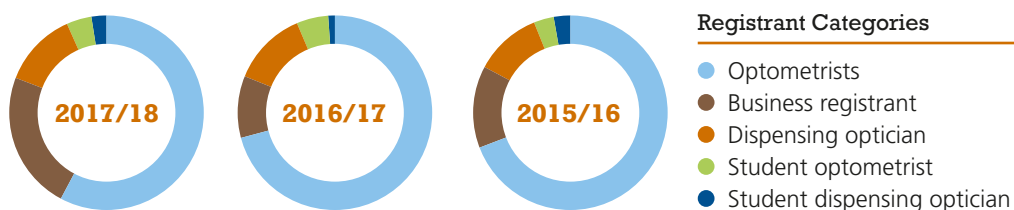
Our fitness to practise Annual Report

Table six sets out the number of investigations opened against each GOC registrant category over the last three years.

Table six: FTP investigations opened against each GOC registrant category

Type of complaint	17/18	%	16/17	%	15/16	%
Optometrist	168	64	170	58	158	71
Business registrant	39	15	67	23	23	10
Dispensing optician	35	13	37	13	28	13
Student optometrist	12	5	12	4	12	5
Student dispensing optician	8	3	7	2	2	1
Number of complaints	262	-	293	-	223	-
Total number of registrants	30,759	-	29,291	-	29,136	-
Number of registrants subject to complaints	262	-	293	-	223	-
Percentage of registrants subject to complaints	0.85%	-	1.00%	-	0.77%	-

Registration figures as of 31 March of each year.





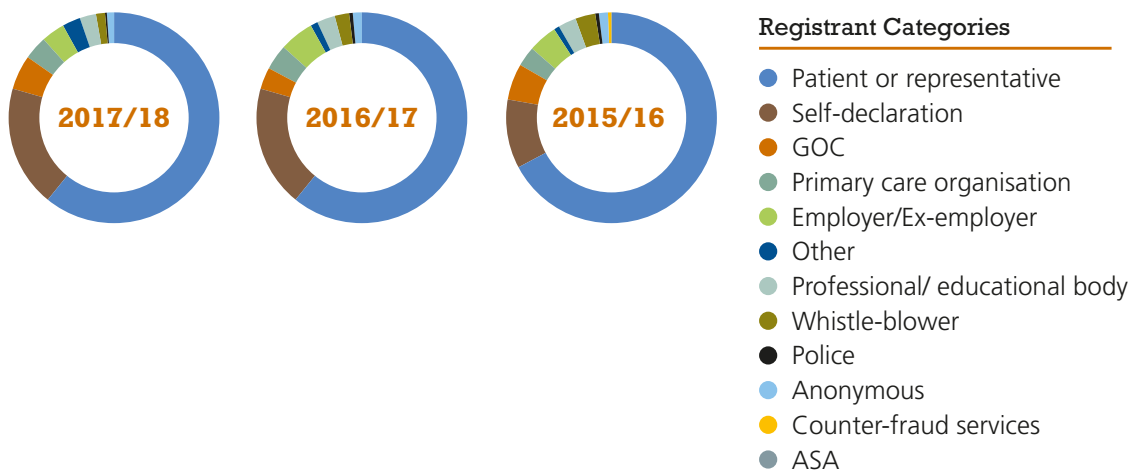
Our fitness to practise Annual Report

Table seven shows the source of concerns received during the last three years. The figures include the number of concerns raised by way of protected disclosure (whistle-blowers) and those raised anonymously (if a concern falls into both categories, it will be classified as a protected disclosure).

Table seven: source of FTP concerns received

Type of complaint	17/18	%	16/17	%	15/16	%
Patient or representative	160	61.1	179	61.1	150	67.3
Self-declaration	43	16.4	54	18.4	24	10.8
GOC	14	5.3	10	3.4	12	5.4
Primary care organisation	12	4.6	11	3.8	7	3.1
Employer/Ex-employer	11	4.2	16	5.5	10	4.5
Other	11	4.2	3	1.0	2	0.9
Professional/ educational body	5	1.9	8	2.7	6	2.7
Whistle-blower	3	1.1	7	2.4	7	3.1
Police	2	0.8	1	0.3	1	0.4
Anonymous	1	0.4	4	1.4	3	1.3
Counter-fraud services	0	0.0	0	0.0	1	0.4
ASA	0	0.0	0	0.0	0	0
TOTAL	262	100%	293	100%	223	100%

Complaints are categorised by the primary category into which the complaint falls.





Our fitness to practise Annual Report

Table eight shows the decisions made by case examiners or the Investigation Committee over the last three years. The numbers include all cases considered in these periods, including those where cases were opened before the period. Our case examiners and IC made 295 decisions (some cases are subject to more than one decision) including reconsiderations pursuant to Rules 15 and 16 and all interim decisions. 58% of the cases again resulted in no further action. Only 26% were referred to a full hearing. This is broadly consistent with prior years.

Table eight: outcomes decided by case examiners and the IC

Substantive Outcomes	17/18	%	16/17	%	15/16	%
No further action	104	47	102	46*	131	48*
No further action with advice	24	11	26	12*	20	n/a
Referral to FTP committee (FTPC)	57	26	59	27*	66	25*
Warning	35	16	34	15*	28	11*
Interim Outcomes						
Minded to issue a warning	32	n/a	40	n/a	44	16*
Further investigation required	21	n/a	19	n/a	41	n/a
Direction for a performance assessment	0	n/a	3	n/a	11	n/a
Direction for a health assessment	0	n/a	1	n/a	3	n/a
Review Outcomes						
Termination of referral to FTPC	12	n/a	16	n/a	2	n/a
Review of decision not to refer to FTPC	6	n/a	7	n/a	3	n/a
Confirmation of referral to FTPC	4	n/a	7	n/a	0	n/a
Withdrawn by complainant	0	n/a	10	n/a	0	0
Other Outcomes						
Withdrawn by complainant	0	n/a	10	n/a	0	0
TOTAL	314		369		226	

[*as a percentage of substantive decisions]

Interim orders

The GOC Registrar has the legal power to refer a matter directly to the FTP committee for consideration whether to impose an interim order (IO) on the registrant's practice. Both case examiners and the IC also have the power to direct the Registrar to take this step. An IO is an immediate order which is used where the FTP committee is satisfied that it is:

- necessary to restrict the registrant's practice to protect the public;
- otherwise in the public interest; or
- in the interests of the registrant.

In the period covered by this report, we applied for an IO in 19 cases, 16 of which resulted in an IO being imposed. This is seven fewer than the number of applications in the previous year.



Our fitness to practise Annual Report

Fitness to Practise Committee

In reaching a decision, the FTP committee considers whether it is necessary to take action to protect individual members of the public and whether taking action is necessary for the wider public interest: for example, in order to maintain public confidence in the professions or to declare and uphold proper standards of conduct and behaviour. If the FTP committee finds that the registrant's fitness to practise or undertake training is currently impaired, one of the following outcomes is available to it:

Outcome	Action taken
Erasure of the registrant's name from our register	The registrant's name is taken off the register and they cannot work or train as an optometrist or dispensing optician or run a registered business in the UK. If they want their name restored to the register, they have to go through a separate process which includes considering the reasons for their removal and any remediation that may have taken place. A registrant can apply for their name to be put back on the register no earlier than 22 months following the date of erasure.
Suspension from our register	The registrant's name is temporarily taken off the register and they cannot work, train or run a registered business in the UK for a fixed period of time. If someone tries to work after being suspended or erased they are committing a criminal offence.
Conditional registration	The registrant can stay on the register provided they comply with certain conditions such as doing extra training or being supervised.
Payment of a financial penalty	Imposition of a financial penalty in conjunction with any other directions which it has imposed, up to a maximum of £50,000.
Warning	If the registrant's fitness to practise or undertake training is considered not impaired, the FTP committee can still warn the registrant about their future behaviour or performance. A warning can be for varying periods of time and will be appended to the registrant's online registration.



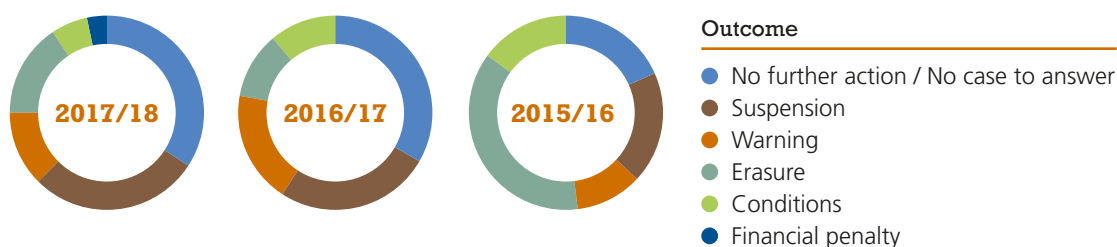


Our fitness to practise Annual Report

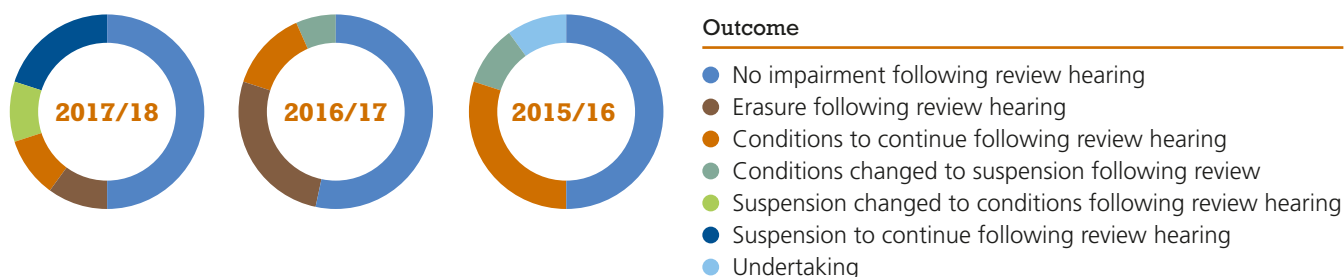
Table nine shows the outcomes of cases decided by the FTP committee over the last three years. In 2017/18, the FTP committee considered 32 substantive hearings involving 29 registrants and 10 substantive reviews. In addition, the FTP committee considered five procedural hearings and 18 new IO applications of which 15 had IO suspension or conditions imposed and three received no order.

Table nine: outcomes decided by the FTP committee

Substantive hearings						
Outcome	17/18	%	16/17	%	15/16	%
No further action / No case to answer	11	34.4	9	33.3	5	18.5
Suspension	9	28.1	7	25.9	5	18.5
Warning	4	12.5	5	18.5	3	11.1
Erasure	5	15.6	3	11.1	10	37.0
Conditions	2	6.3	3	11.1	4	14.8
Financial penalty	1	3.1	-	-	-	-
TOTAL	32	100%	27	100%	27	100%



Substantive reviews						
Outcome	17/18	%	16/17	%	15/16	%
No impairment following review hearing	5	50	8	53	5	50
Erasure following review hearing	1	10	4	27	-	-
Conditions to continue following review hearing	1	10	2	13	3	30
Conditions changed to suspension following review	0	0	1	7	1	10
Suspension changed to conditions following review hearing	1	10	-	-	-	-
Suspension to continue following review hearing	2	20	-	-	-	-
Undertaking	0	0	-	-	1	10
TOTAL	10	100%	15	100%	10	100%



We publish all outcomes from hearings on our website: (www.optical.org/en/Investigating_complaints/Hearings/past_hearings/index.cfm) for a period of twelve months. Older decisions are available on request.



Our fitness to practise Annual Report

Registration Appeal Committee (RAC)

In circumstances where a registrant is erased from the register, any application for restoration is heard by the RAC. The applicant cannot make an application until 22 months have passed since the order for erasure took effect and the restoration hearing cannot take place until at least 24 months have passed. Prior to making the application, the applicant must have acquired the required number of CET points. This does not apply to optical students. During 2017/18, the RAC heard one application for restoration by a registrant previously erased by the FTP committee, which was allowed.

The RAC also considers appeals against decisions made by the Registrar not to allow registration. During 2017/18, the RAC heard ten appeals against the Registrar's decisions: five refusals were for unregistered practice (two appeals were allowed, three dismissed), four were for convictions (all four appeals were allowed), and one was for failing to declare a driving conviction (which was allowed).

Section 29 referrals

The PSA has the discretion to refer a decision of the FTP committee to the high court when it considers that the decision of the committee is insufficient for public protection.

During 2017/18, the PSA did not refer any of the decisions of the FTP committee under this process. Learning points from all cases are integrated into training programmes if and when cases are referred in this way.

Audit

Each year, we commission an independent audit of the FTP decision-making of the IC and FTP committee, which contains sections on the auditor's findings, compliance with previous recommendations and learning points. Once the management response has been agreed, the audit report is submitted to the audit and risk committee for their scrutiny, before submission to the PSA. This is in compliance with the PSA's eighth FTP Standard of Good Regulation² which states:

'All FTP decisions made at the initial and final stages of the process are well reasoned, consistent, protect the public and maintain confidence in the profession.'

This year the audit was again conducted by Radcliffes Le Brasseur, solicitors and auditors. A total of 106 decisions were audited and the audit report identified a small number of learning points, all of which we accepted and acted upon. In summary, the auditors concluded that the decisions audited: *'demonstrate substantial compliance with the Council's statutory provisions. They also demonstrate compliance with the Council's own procedural requirements and guidance.'*

Feedback

We also benefit from feedback, comments and questions sent from a variety of sources such as:

- patients and registrants who have been involved in an FTP case;
- FTP decision makers, ie. case examiners, IC members and hearing panel members;
- PSA feedback points after considering FTP committee determinations;
- regular and frequent meetings and training sessions with our panel solicitors; and
- meetings with other stakeholders.

² The Performance Review Standards, Standards of Good Regulation, June 2010 (updated 2012), Section 5: Fitness to Practise

Finance





Finance

Financial review of the year ended 31 March 2018

Section 32 (2) of the Opticians Act 1989 provides that 'the accounts for each financial year of the Council shall be audited by auditors to be appointed by them and shall as soon as may be after they have been audited be published and laid before Parliament'. Council prepares an annual financial report which identifies its financial position and which is submitted to the government for scrutiny.

The Audit and Risk committee meets at least four times a year, reviews the systems of Council's internal financial controls and receives an annual report from the internal and external auditors. It also reviews the operational and compliance controls and risk management.

In 2017/18, financial performance for the year (measured by net income) was £1.4m of net expenditure (2016/17 £0.01m of net expenditure). This is a year on year decline of £1.35m. In 2016/17 an unrealised gain on investments of £1.13m was recorded. In 2017/18 there was an unrealised loss of £0.05m, a net change of £1.18m.

Income for the year was £8.7m (2016/17 £8.1m). £8.3m (2016/17 £7.9m) was related to annual renewal fees.

During the year we incurred £10m expenditure (2016/17 £9.3m). An increase in volume and complexity of cases, plus the strategic investment in long term projects within Education and standards have been main contributory factors for the increase in expenditure levels. Expenditure was incurred in line with the annual business plan and was monitored using an enhanced programme of cost control and review.

We continue to maintain a robust cash resource and investments under management so the trustees have a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future as a going concern.

Reserves policy

Council is responsible for making judgments about the appropriate levels of reserves for the organisation to hold. This is to ensure that there are prudent levels of reserves to provide for unexpected variations in spending or income patterns or to fund exceptional future spending. Council will review these reserves at least annually at the time of setting the budget for each financial year in consultation with the Chair of the audit and risk committee.

All of our reserves are unrestricted and as at 31 March 2018, the total reserves were £7.8m. The total unrestricted funds net of tangible fixed assets are £6.6m (2016/17 £7.7m).

The reserves policy has been reviewed and aligned with the new strategic plan also taking into consideration the significant reserves created by the vacating of Harley Street which has resulted in total reserves as at 31 March 2018 in excess of £7million.

Investment policy

The Working Capital Policy recognises that all deposits must be secure, liquid and not exposed to currency risk.

The Investment Policy Statement recognises the additional needs of the GOC as it seeks to ensure that the funds generated by the one-off sale of Harley Street provide reasonable returns within acceptable risk profiles.

Trustees have the wide powers of investment outlined in the Trustee Act 2000, which includes the power to delegate some responsibilities to an investment manager. We have appointed Brewin Dolphin as investment advisers to ensure we can make best use of the proceeds for future financial stability. The investment officer (Director of Resources) continues to manage the short-term cash reserve and liaise with the investment managers in respect of the investment strategy.



Finance

Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom accounting standards), including Financial Reporting Standard 102, the financial reporting standard applicable in the UK and Republic of Ireland.

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities Act;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to assume that the charitable company will continue on that basis.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and the financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the trustees, who held office at the date of approval of this trustees' report, has confirmed that there is no information of which they are aware which is relevant to the audit but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are made aware of such information.

Approved by the trustees on 12 September 2018, and signed on their behalf by

Gareth Hadley
Chair, GOC



Finance

Independent auditor's report to the trustees of general optical council

Opinion

We have audited the financial statements of the General Optical Council for the year ended 31 March 2018 which comprise Statement of Financial Activity, Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2018 and of the it's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 38, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the funds' ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.



Finance

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.

haysmacintyre
Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date:

12 September 2018

haysmacintyre is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006



Finance

Statement of financial activities

for the year ended 31 March 2018

	Notes	Unrestricted Funds £'000	Total 2017/18 £'000	Total 2016/17 £'000
Income from:				
Charitable activities	2	8,368	8,368	7,881
Other trading activities		-	-	-
Investments	3	333	333	232
Other income			-	
Other	4	1	1	-
Total		8,702	8,702	8,113
Expenditure on:				
Raising Funds	11	52	52	50
Charitable activities	5	9,962	9,962	9,203
Total resources expended		10,014	10,014	9,253
Net (losses) / gains on investments	11	(47)	(47)	1,131
Net (expenditure) / income		(1,359)	(1,359)	(9)
Reconciliation of funds:				
Total funds brought forward		9,156	9,156	9,165
Total funds carried forward		7,797	7,797	9,156

There are no recognised gains or losses other than those recognised above. All activities are continuing.

All the transactions in 2017/18 were unrestricted.

The notes on pages 44-56 form part of these financial statements.



Finance

Balance sheet

for the year ended 31 March 2018

	Notes	Total 2017/18 £'000	Total 2016/17 £'000
Fixed assets:			
Tangible fixed assets	10	1,217	1,466
Investments	11	9,746	9,835
Total fixed assets		10,963	11,301
Current assets:			
Debtors	12	583	500
Short term deposits		5,000	6,200
Cash at bank and in hand		1,341	783
Total current assets		6,924	7,483
Current liabilities:			
Creditors: amounts falling due within one year	13	(10,090)	(9,628)
Net current assets		(3,166)	(2,145)
Total assets less current liabilities		7,797	9,156
Net assets		7,797	9,156
Represented by:			
Unrestricted funds:			
Designated funds	15	4,608	5,498
General funds	15	3,189	3,658
Total funds		7,797	9,156

The notes on pages 44-56 form part of these financial statements.

The financial statements were approved and authorised by the Council on 12 September 2018 and were signed on its behalf by:

Gareth Hadley
Chair, GOC



Finance

Cash flow statement

for the year ended 31 March 2018

	2017/18 £'000	2016/17 £'000
Cash flows from operating activities:		
Reconciliation of net (expenditure) / income to net cash flow from operating activities:		
Net income / expenditure for the reporting period (as per the statement of financial activities)	(1,359)	(9)
Depreciation	281	387
(Gains) / losses on investment income	47	(1,131)
Dividends, interest and rents from investments	(333)	(232)
Decrease / (increase) in debtors	(83)	21
Increase/ (decrease) in creditors	462	679
Net cash provided by (used in) operating activities	(985)	(285)
Cash flows from investing activities:		
Dividends, interest and rents from investments	333	232
Purchase of tangible fixed assets	(32)	(78)
Proceeds from sale of investments	1,537	530
Movement in short term deposit account (more than three months)	1,200	(525)
Movement in Cash held in investment	669	3,421
Purchase of Investments	(2,164)	(3,904)
Net cash provided by (used in) investing activities	1,543	(324)
Change in cash and cash equivalents in the reporting period	558	(609)
Cash and cash equivalents at the beginning of the reporting period	783	1,392
Cash and cash equivalents at the end of the reporting period	1,341	783
Cash and cash equivalents at the end of the reporting period		
Cash at bank and in hand	1,341	783

The notes on pages 44-56 form part of these financial statements.



Finance

Notes to the financial accounts

for the year ended 31 March 2018

General information

The GOC is constituted as a body corporate under the Opticians Act 1989, as updated by amending legislation which came into effect on 30 June 2005. We are also registered as a charity by the Charity Commission in England and Wales (registered charity number 1150137). Our registered office is at 10 Old Bailey, London EC4M 7NG.

1. Accounting policies

The principle accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

The financial statements have been prepared in accordance with accounting and reporting by Charities SORP, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102, effective 1 January 2015), Charities SORP FRS 102, and the Charities Act 2011.

We are required to submit the accounts to the Privy Council who lay them before Parliament.

The GOC meets the definition of a public benefit entity under FRS 102.

Judgments in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may ultimately differ from those estimates. The trustees consider the following item to be an area subject to estimation and judgement.

Depreciation:

The useful economic lives of tangible fixed assets are based on management's judgement and experience. When management identifies that actual useful economic lives differ materially from the estimates used to calculate depreciation, that charge is adjusted retrospectively. As tangible fixed assets are not significant, variances between actual and estimated useful economic lives will not have a material impact on the operating results. Historically no changes have been required.

(i) Going concern

The trustees (Council members) consider there are no material uncertainties about the charity's ability to continue as a going concern. With respect to the next reporting period, 2019, the most significant areas of uncertainty that affect the carrying

assets held by the charity are the level of investment return and the performance of the investments markets (see the investment policy and the risk management sections of the Council members' annual report for more information). The review of our financial position, reserves levels and future plans gives Council members' confidence that guarantee the charity remains a going concern and the financial statements have been prepared on a going concern basis.

(ii) Income

All income is recognised. Once the charity has entitlement to income, it is probable that income will be received and the amount of income receivable can be measured reliably. Our income mainly comprises fees from registered optometrists, dispensing opticians and bodies corporate. Fees charged for annual retention are payable in advance between January and March each year and are recognised in the period to which they relate.

We also receive registration fees from students, which are payable for the year or period ending 31 August in line with the academic year and credited in the accounts for the year to which they relate.

Investment income is recognised when interest or dividends fall due and is stated gross of recoverable tax.

Sales and other income are recognised when the related goods or services are provided.

(iii) Expenditure

Resources are expended directly in pursuit and support of the charitable aims. Expenditure on charitable activities comprises of FTP, legal compliance, registration and education and standards related cost. Expenditure is recognised on an accruals basis as a liability is incurred.

Expenditure is allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity is apportioned based on staff time attributable to each activity.

Support costs include governance costs and other support costs. Governance costs include those incurred in the governance of the organisation and its assets and are primarily associated with constitutional and statutory requirements. Costs include direct costs of external audit, legal fees and other professional advice.

Support costs have been apportioned between all activities based on staff head counts. The allocation of support and governance costs is analysed in note 6.

Resources expended are included in the statement of financial activities on an accruals basis. All liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to expenditure.



Finance

(iv) Fixed assets

Tangible fixed assets are stated at cost, net of depreciation.

Expenditure is capitalised where the cost of the asset, or group of assets, exceeds £500.

Website planning costs are charged to the statement of financial activities as incurred. Other website costs are capitalised as a fixed asset only where they lead to the creation of an enduring asset delivering tangible future benefits whose value is at least as great as the amount capitalised.

An impairment review is undertaken of the net asset value of the website at each balance sheet date. Expenditure to maintain or operate the development website is charged to the statement of financial activities.

(v) Depreciation

Assets are depreciated in equal instalments over the following periods:

IT equipment	3 years
Website/intranet/online renewal	3 years
Office furniture and equipment	10 years
Leasehold improvements (office fit-out)	Over the lease term (15 years)

Depreciation is provided so as to write off the cost, less residual value, of the assets evenly over their estimated useful lives.

(vi) Investments

Investments are a form of basic financial instruments and are initially shown in the financial statements at their transaction value and subsequently measured at their fair value as at the balance sheet date. Movements in the fair values of investments are shown as unrealised gains and losses in the statement of financial activities.

Investments comprise shares, funds, cash or deposits held as investments. The investments are limited to cash in instant access or term deposits, and permitted investments in line with the investment policy approved by Council in February 2017.

(vii) Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(viii) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(ix) Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(x) Creditors and provisions for liabilities

Creditors and provisions are recognised when the charity has a present legal or constructive obligation as a result of a past event. They are recognised when it is probable that a transfer of economic benefit will be required to settle the obligation and a reliable estimate can be made of the obligation.

Where a present obligation exists for FTP cases as a result of a past event and estimate can be made of the obligation, then this is provided for. The accuracy of the provision will depend on the assumptions made about the progress of individual cases and is subjected to a significant degree of uncertainty.

(xi) Funds and reserves

All of our funds are unrestricted, and can be expended at our discretion to help deliver our objectives.

We have set designated funds aside as follows:

- Legal Costs Reserve – established to cover large fluctuations in the volume of cases/complaints received by the GOC which need to be reviewed and consequently investigated.
- Strategic Reserve – established to support specific strategic projects and initiatives outlined in the GOC's recently approved 3 year Strategic Plan and Budget and beyond.

(xii) Taxation

We are not registered for VAT and VAT on expenditure is expensed as part of the cost of the goods or services supplied.

(xiii) Operating leases

The annual rentals are charged to the statement of financial activities over the term of the lease.

(xiv) Employee benefits

Short-term benefits - Short-term benefits, including holiday pay, are recognised as an expense in the period in which the service is received.

Employee termination benefits - Termination benefits are accounted for on an accrual basis and in line with FRS 102.

Pension scheme - Council contributes to a defined contribution pension scheme for the benefit of its employees under an auto-enrolment scheme, the assets of which are administered by Royal London. The assets of the scheme are held independently from those of the Charity in an independently administered fund. The pensions costs charged in the financial statements represent the contributions payable during the year.



Finance

2. Income from charitable activities	£'000	Re-stated £'000
Registration and renewal fee	8,337	7,853
Continuing Education Training provider	31	28
Total	8,368	7,881

3. Income from Investment	2017/18 £'000	2016/17 £'000
Interest from fixed deposits	14	28
Dividend income	319	204
Total	333	232

4. Other incoming resources	2017/18 £'000	2016/17 £'000
Hire of facilities	1	-
Total	1	-

5. Charitable activities	Direct Cost £'000	Support Cost £'000	Total 2017/18 £'000	Total 2016/17 £'000
Fitness to practise (Note 5a.)	3,710	1,531	5,241	4,970
Registration	850	652	1,502	1,574
Education & standards	1,428	729	2,157	1,507
Policy	379	205	584	701
Communications	266	212	478	451
Total	6,633	3,329	9,962	9,203

The following table details the FTP costs.

5a. Fitness to practise including Legal compliance	2017/18 £'000	2016/17 £'000
Legal fees on investigations	792	1,234
Other investigation costs	1,373	879
Hearing costs	960	928
Dispute mediation	167	185
Legal compliance	418	323
Support costs	1,531	1,421
Total	5,241	4,970



Finance

6. Support costs	Management £'000	Governance £'000	Facilities £'000	HR £'000	Finance £'000	IT £'000	Total 2017/18 £'000	2016/17 Total £'000
Fitness to practise (Note 5a.)	108	426	373	145	115	364	1,531	1,421
Registration	46	181	159	62	49	155	652	654
Education & standards	51	203	178	69	55	173	729	513
Policy	15	57	50	19	15	49	205	255
Communications	15	59	52	20	16	50	212	205
Total	235	926	812	315	250	791	3,329	3,048

Governance cost includes fees and expenditure incurred in relation to Council and the committees, external and internal audit fees and staff cost related to supporting the governance activities. Support cost is allocated to different activities on the basis of staff numbers.

The details of the governance cost included under support cost are as follows.
Members' fees and expenses include Council (trustees) and committee members.

Governance costs	2017/18 £'000	2016/17 £'000
Members' fees and expenses	342	334
Staff cost	416	358
External audit fees	17	17
Internal audit fees	22	22
Other governance cost	129	104
Total	926	835

7. Net income for the year are stated after charging:	2017/18 £'000	2016/17 £'000
Fees paid to external auditors - Haysmacintyre:		
external audit fee (excl VAT)	14	14
external audit fee - under provision (excl. VAT)	-	3
taxation advice	-	2
Internal audit fees	22	22
Depreciation of fixed assets	281	387



Finance

8. Staff costs	2017/18	2016/17
	£'000	£'000
Staff employment costs:		
Salaries	3,343	2,788
Settlements	37	-
National insurance	344	290
Pension costs	271	194
Total	3,995	3,272

Average number of staff	2017/18	2016/17
Staff employment costs:		
Chief Executive's office	2	3
Management team	7	6
Fitness to practise	22	16
Registration	9	8
Education and standards	9	6
Policy and communications	6	5
Governance, compliance and performance planning	8	8
Resources (Facilities, HR, Finance, IT and projects)	13	10
Total	76	62

The number of staff whose taxable emoluments fell into higher salary bands was:

	2017/18	2016/17
£60,000 but under £70,000	6	5
£70,000 but under £80,000	1	-
£80,000 but under £90,000	-	1
£90,000 but under £100,000	-	-
£100,000 but under £110,000	2	1
£110,000 but under £120,000	-	-
£120,000 but under £130,000	-	1

During the year, Council paid £63,014 for nine members of staff in this category (2016/17 £58,524 for eight members of staff) to a defined contribution pension scheme. The trustees (Council members) consider the SMT to be key management. The trustees are also paid fees and reimbursed expenses for their travel and subsistence. The details are in note 9. No amounts are paid directly to third parties that are not already disclosed in note 9.



Finance

Remuneration and benefits received by key management personnel (SMT) are as follows:

Key management personnel	2017/18 £'000	2016/17 £'000
Gross pay	414	419
Employer national insurance contributions	50	53
Employer pension contributions	49	39
Benefits	5	8
Total	518	519

9. Trustees' expenses	Fees	Fees incl. VAT	Expenses	Total 2017/18	Total 2016/17
Gareth Hadley	57,260	57,260	1,111	58,371	57,159
Sinead Burns**	13,595	13,595	3,311	16,906	7,604
Josie Forte**	13,595	13,595	3,107	16,702	-
Mike Galvin**	13,595	13,595	2,383	15,978	-
Rosie Glazebrook	13,595	13,595	91	13,686	13,597
Scott Mackie***	13,595	16,314	7,965	24,279	21,042
Roshni Samra**	13,595	13,595	849	14,444	-
Clare Minchington**	13,595	13,595	212	13,807	-
David Parkins	13,595	13,595	270	13,865	13,460
Helen Tilley**	16,625	16,625	4,743	21,368	16,001
Glenn Tomison	13,595	13,595	3,717	17,312	19,127
Selina Ullah	13,595	13,595	3,651	17,246	16,504
Paul Carroll*	-	-	-	-	16,463
Brian Coulter*	-	-	-	-	9,322
Peter Douglas*	-	-	-	-	14,594
Liam Kite*	-	-	-	-	15,801
Fiona Peel*	-	-	-	-	17,571
Total	209,835	212,554	31,410	243,964	238,245

Opticians Act 1989, schedule 1 of the act, paragraph 11 (2) b allows us to pay fees to trustees for attending Council meetings.

* Brian Coulter retired on 30 September 2016 while Paul Carroll, Peter Douglas, Liam Kite and Fiona Peel retired on 31 March 2017. Brian Coulter served as a senior council member until 30 May 2016. Fiona Peel served as a senior council member from 1 October 2016 till 31 March 2017.

** Josie Forte, Mike Galvin, Clare Minchington and Roshni Samra were appointed on 1 April 2017. Sinead Burns was appointed on 1 October 2016. Helen Tilley was appointed as senior council member from 1 April 2017.

*** Scott Mackie is paid fees via the purchase ledger and charged VAT on his fees.



Finance

10. Tangible fixed assets	Office, furniture and equipment £'000	Refurbishment £'000	IT hardware £'000	IT software £'000	Total 2016/17 £'000
Cost as at 1 April 2017	288	1,058	210	1,387	2,943
Add: Cost of additions	9	-	23	-	32
Less: Disposals	-	-	-	-	-
Transfers	-	-	-	-	-
Total at 31 March 2018	297	1,058	233	1,387	2,975
Less: Depreciation					
As at 1 April 2017	(37)	(98)	(142)	(1,200)	(1,477)
Charged in the year	(29)	(74)	(40)	(138)	(281)
Disposals	-	-	-	-	-
Total at 31 March 2018	(66)	(172)	(182)	(1,338)	(1,758)
Net book value 31 March 2018	231	886	51	49	1,217
<i>Net Book Value 31 March 2017</i>	251	960	68	187	1,466



Finance

11. Investment	2017/18 £'000	2016/17 £'000
Investments b/f	8,924	4,420
Additions	2,164	3,904
Disposals	(1,537)	(530)
Realised gains	(107)	33
Unrealised gains	60	1,098
Investments c/f	9,504	8,924
Cash	242	911
Total portfolio	9,746	9,835

Total portfolio includes cash held with equity managers.

During the year £52,449 (2016/17 £49,481) was incurred as investment management fees and has been disclosed on the Statement of Financial Activities as Raising Funds.

12. Debtors	2017/18 £'000	2016/17 £'000
Prepayments	251	174
Other debtors	331	326
Accrued income	1	-
Total	583	500



Finance

13. Creditors: Amounts falling due within one year	2017/18 £'000	2016/17 £'000
Trade creditors	367	331
Deferred income (note 13a)	8,297	7,821
Accruals	1,263	1,341
Other tax and social security	121	105
Other creditors	42	30
Total	10,090	9,628

Accruals include rent accrual amounting to £613,381 (2016/17 £713,314).
Income from registrant renewal fees received in advance is deferred and released as income in 2018/19.

13a. Deferred income	2017/18 £'000	2016/17 £'000
At 1 April	7,821	7,372
Amount deferred during the year	8,297	7,821
Amount released to Statement of Financial Activities	(7,821)	(7,372)
Total	8,297	7,821

14. Financial Instruments	2017/18 £'000	2016/17 £'000
Financial assets measured at fair value	9,746	9,835
Financial assets measured at amortised cost	6,673	7,309
Financial liabilities measured at amortised cost	(9,969)	(9,523)
Net financial assets measured at amortised cost	6,450	7,621

- (a) Financial assets measured at fair value include investments.
- (b) Financial assets measured at amortised cost include: short term deposits and cash in hand, trade debtors, other debtors, and accrued income
- (c) Financial liabilities measured at amortised cost include: trade creditors, other creditors, accruals and deferred income.



Finance

15. Funds	2017 £'000	Income £'000	Expenditure £'000	Transfers/ gain/loss £'000	2018 £'000
Unrestricted funds					
Designated funds					
Legal cost reserve	2,000	-	(376)	-	1,624
Strategic reserve	3,498	-	(514)	-	2,984
Total designated funds	5,498	-	(890)	-	4,608
General funds					
Income and expenditure reserve	3,658	8,702	(9,124)	(47)	3,189
Total funds	9,156	8,702	(10,014)	(47)	7,797

16. Analysis of net assets by fund	Unrestricted funds £'000	Total 2017/18 £'000	Total 2016/17 £'000
Tangible fixed assets	1,217	1,217	1,466
Investments	9,746	9,746	9,835
Current assets	6,924	6,924	7,483
Current liabilities	(10,090)	(10,090)	(9,628)
Total net assets	7,797	7,797	9,156

17. Pension commitments

We operate a defined contribution auto-enrolment pension scheme on behalf of employees. The assets of the scheme are held separately from those of Council in an independently administered fund. The total expense incurred during the year was £273,061 (2016/17 £194,233). There were £40,139 in outstanding contributions in 2018, (2016/17 £28,440) included in the balance sheet.



Finance

18. Commitments under operating leases

At 31 March 2018, the charity had the following future lease payments under operating leases.

	2017/18 £'000	2016/17 £'000
Land and buildings		
Within one year	620	620
In two to five years inclusive	2,481	2,481
Over five years	1,241	1,861
Office Equipment lease		
Within one year	12	18
In two to five years inclusive	14	26

The total charge of all operating leases to the statement of financial activities as at 31 March 2018 was £538,750 (2017 £530,135).

19. Related party transactions

During the year, the members of Council were paid for the attendance of Council meetings and related expenditure through Council payroll (refer to note 9 for details).

In addition to Council related payments, the following Council members were involved in related parties with which the GOC had the following transactions during the year:

- Scott Mackie provided services as a CET approver. We paid Scott £3,849 for services provided during the year as a CET provider. Scott's spouse and business partner, Dr Roisin Mackie also provided CET services as a CET approver. We paid her £4,759 for the services provided during the year.
- David Parkin's spouse, Dr Susan Blakeney is a case examiner. During the year we paid Susan £3,777 in fees for her services and £19 for related expenses.



Finance

Glossary of terms

Acronym or title	Full name or description
ASA	Advertising Standards Authority The UK's independent regulator of advertising across all media.
Body corporate	A body corporate is a limited company or limited liability partnership that has been incorporated with Companies House. Bodies corporate registered with the GOC are known as business registrants.
Business registrant	A business registrant is a body corporate that has registered with the GOC.
CET	Imposition of a financial penalty in conjunction with any other directions which it has imposed, up to a maximum of £50,000.
CLO	If the registrant's fitness to practise or undertake training is considered not impaired, the FTP committee can still warn the registrant about their future behaviour or performance. A warning can be for varying periods of time and will be appended to the registrant's online registration.
CRM	Customer Relationship Management Software for managing our interactions with our past, current and future stakeholders.
Dispensing optician	A person who fits and supplies optical appliances including low vision aids.
DPA	Data Protection Act The DPA regulates the processing of information relating to individuals, including the obtaining, holding, use or disclosure of such information.
FoI	Freedom of Information Freedom of information laws allow access by the general public to data held by national governments and public bodies.
FSA	Financial Services Authority The regulator of all providers of financial services in the UK. The FSA was replaced by the Financial Conduct Authority (FCA) on 1 April 2013.
FTP	Fitness to Practise A registrant's ability to carry out their professional duties as outlined in the Opticians Act 1989.
GOC	General Optical Council The regulatory body for optometrists, dispensing opticians, student opticians and optical businesses in the UK.
HR	Human Resources
IC	Investigation Committee A GOC committee which investigates allegations about registrants.
ICO	Information Commissioner's Office The office responsible for the enforcement of the Data Protection Act 1998, and also responsible for freedom of information.
IP	Independent Prescriber A specialty open to optometrists only. Independent prescribing enables optometrists to clinically assess a patient, establish a diagnosis, determine the clinical management required and prescribe where necessary.



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Lay member	In the GOC's case, a lay member is a member of Council or one of its committees who does not hold an optical qualification.
OCCS	Optical Consumer Complaints Service The GOC-funded body which deals with complaints relating to issues (refunds, broken glasses etc.) that do not call an optician's FTP into question.
Optometrist	A person who tests your sight and can diagnose eye conditions. They can also fit and supply spectacles, low vision aids and contact lenses
PCI	Payment Card Industry The Payment Card Industry Data Security Standard (PCI DSS) is a set of requirements designed to ensure that all companies that process, store or transmit credit card information maintain a secure environment.
Privy Council	The part of Her Majesty's Government which advises on the exercise of prerogative powers and certain functions assigned to the Queen and Council by act of Parliament.
Protected title	Titles legally reserved for use by GOC registrants. Protected titles are: (registered) optometrist, (registered) dispensing optician, registered ophthalmic optician and (registered) optician(s).
PSA	Professional Standards Authority for Health and Social Care Oversees the work of the GOC and the eight other UK healthcare regulators.
Registrant member	A member of the GOC (or its committees) who holds an optical qualification and whose name appears on the GOC register.
SCM	Senior Council Member Acts as a sounding board for the Chair of Council, serves as an intermediary for other Council members and formally manages the appraisal of the Chair's performance annually.
SMT	Senior Management Team (key management) The GOC's SMT comprises the Chief Executive and Registrar, the Director of Resources, the Director of Strategy and the Director of Fitness to Practise
SORP	Statement of Recommended Practice Provides recommendations for accounting and reporting.
Trustee	A member of a charity's board or management committee. In the GOC's case, its trustees are its 12 Council members.
UK Corporate Governance Code	Sets out standards of good practice in relation to board leadership and effectiveness, remuneration, accountability and relations with shareholders.



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The GOC is a charity registered in England and Wales (1150137)