Department of Health
An Roinn Sláinte
Männystrie O Poustie
www.health-ni.gov.uk

Draft Consultation Response Report

Proposals to Increase Pharmacy Premises Fees

Consultation Period

08 June 2026 to 03 August 2026

EXECUTIVE SUMMARY

Purpose of the Consultation

The Department of Health consulted on proposals to increase pharmacy premises fees payable to the Pharmaceutical Society of Northern Ireland (the Society) which along with Registrant fees are the Society's primary source of income. The consultation sought views on six potential options for adjusting the current fee structure and potential equality, rural, human rights and business impacts of any increase.

Consultation Response

A total of 112 responses were received from pharmacy owners, pharmacists, pharmacy managers, HSC organisations, professional and academic bodies and other interested stakeholders. The majority of responses (69%) were received from pharmacy owners.

Key Findings

The consultation did not identify a clear consensus in favour of any single option. While respondents expressed differing views on the scale and timing of any increase, many acknowledged that the current premises fee level has remained unchanged since 2011 and that the Society requires a sustainable source of funding to continue delivering its statutory functions. Concerns focused primarily on the affordability and impact of increases on pharmacy owners, the financial pressures facing community pharmacy, the need for greater transparency regarding the Society's finances and consideration of alternative or additional funding arrangements for the Society.

Departmental Decision

Having considered all of the evidence, the Department has concluded that a phased increase in premises fees represents the most balanced and proportionate approach. The premises fee will therefore increase to **£300 from January 2027**; and work will begin immediately on preparing for the further increase to premises fees in alignment with GB fees from January 2028. The Department considers that this approach appropriately balances the need to secure sustainable funding for pharmacy regulation

with the concerns raised by respondents regarding affordability and business impacts. It also provides pharmacy owners with additional time to plan for the increase while ensuring that progress is made towards achieving a sustainable funding model for the regulator.

1. Introduction

Background

The Pharmaceutical Society of Northern Ireland (the Society) is the statutory regulator for pharmacists and pharmacy premises in Northern Ireland. Its work is essential to maintaining public confidence, supporting professional standards, and protecting the safety of patients and service users. It is an independent legal entity, and its income is primarily generated through the fees it charges to pharmacy premises, registrants and trainee registrant fees.

Due to increasing and significant financial pressure over recent years, a prolonged period in which fees remained static, alongside rising operating costs, more complex and resource intensive regulatory work, the Society, increased its registration and retention fees for registrants in June 2026, (from £398 to £477).

The current level of premises fees no longer makes an adequate contribution to the cost of delivering modern pharmacy regulation in Northern Ireland.

Consequently to support the Society to operate effectively and fulfil its statutory responsibilities, the Department consulted on proposals to increase pharmacy premises fees.

Consultation Process

The consultation was published on 8 June 2026 and closed on 3 August 2026. Responses were received through Citizen Space and to the DoH Consultation Mailbox and analysed by the Department.

Purpose of this Report

This report summarises the consultation responses received, identifies the key themes arising from the consultation and sets out the Department's consideration of the issues raised and its final decision on the way forward.

2. Consultation Findings

2.1 Respondent Profile

The Department of Health received a total of 112 responses to the consultation on Pharmacy Premises Fees. An overview of the responses is presented in the table below.

Table 1: Respondent profile

Option	Total	Percent
Pharmacy Owner	77	68.8%
Pharmacy Manager	3	2.7%
Pharmacist	21	18.8%
Political Representative	0	0.0%
Health & Social Care Trust	2	1.8%
HSC Organisation	1	0.9%
Professional Body	1	0.9%
Academic Body	1	0.9%
Other	6	5.4%
Not Answered	0	0.0%

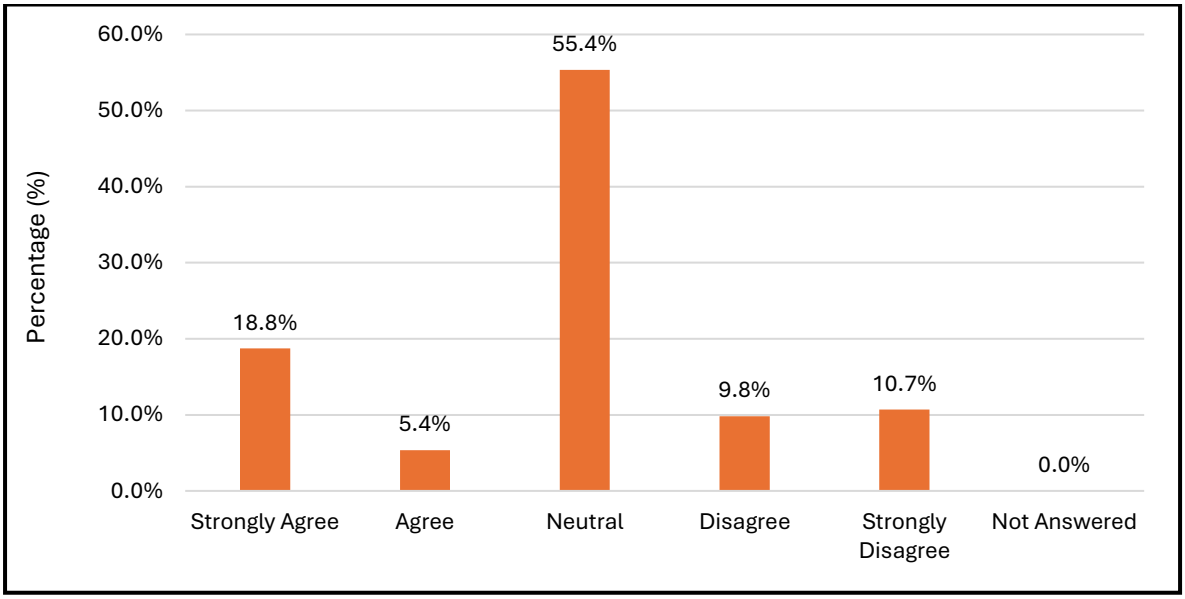
2.2 Views on Increasing Premises Fees

Of the 112 responses to the consultation, 27 respondents (24%) agreed or strongly agreed that there should be an increase to premises fees. Most respondents (55%) were neutral, while 20% either disagreed or strongly disagreed that there should be an increase in fees.

Table 2: Views on increasing premises fees

Option	Total	Percent
Strongly Agree	21	18.8%
Agree	6	5.4%
Neutral	62	55.4%
Disagree	11	9.8%
Strongly Disagree	12	10.7%
Not Answered	0	0.0%

Figure 1: Views on increasing premises fees



2.3 Overview of Support for Options

There were 6 options put forward for consideration. All 112 respondents answered the questions on whether they agreed with each option or not. Their views on those options are set out in the table below.

Table 3: Overview of support for options

Option	Yes	No
1. Do nothing, fees remain the same	23 (20.5%)	89 (79.5%)
2. Apply a percentage increase equal to the annual rate of inflation since 2012.	18 (16%)	94 (84%)
3. Increase NI fees to align with GB fees.	17 (15%)	95 (85%)
4. Increase NI fees to align with GB fees in year 1, followed by an increase equal to the rate of inflation (2%) over each of the following 2 years.	17 (15%)	95 (85%)
5. Increase NI fees to the mid-way point between GB and RoI fees.	12 (11%)	100 (89%)

6. Increase NI fees to align with RoI fees	13 (12%)	99 (88%)

Option 1, maintaining the current fee rate, received the highest support with 23 votes in favour and 89 against. While there is clear support among respondents for the other options involving a fee increase, when looking at the support for each option respondents did not in the majority support any of the options proposed.

3. Option Analysis

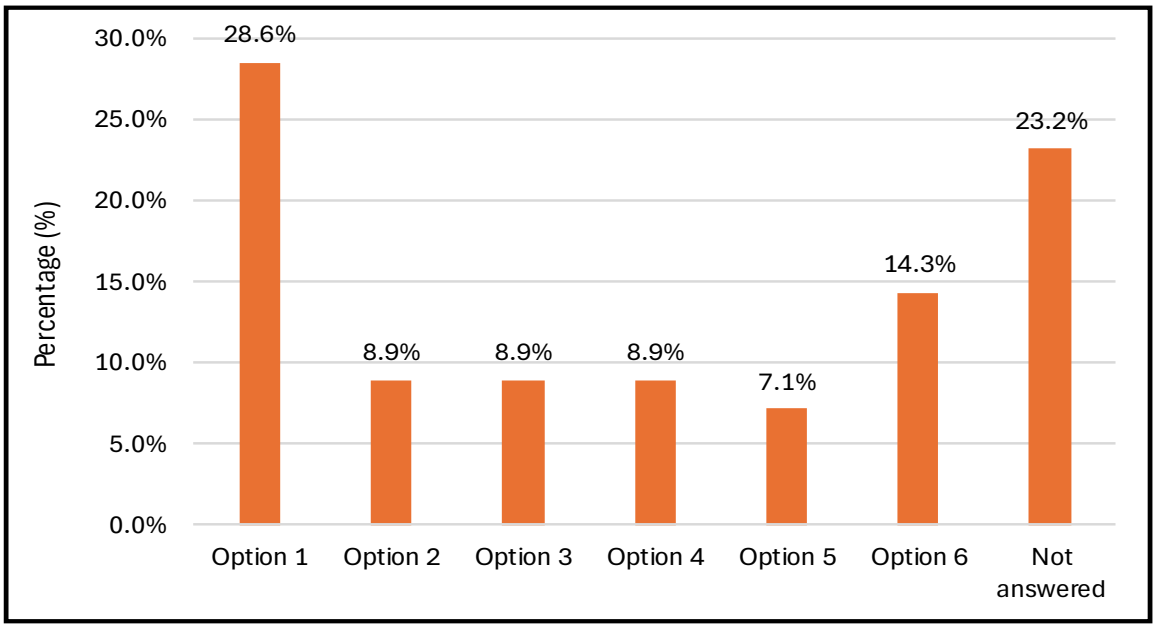
3.1 Overview of Preferred Option Responses

Respondents were invited to identify a preferred option where they supported more than one option (Question 10). Of the 112 consultation responses, 56 directly answered the question by identifying a preferred option or not answering. Of these 56 responses, 16 (29%) noted a preference for Option 1 (do nothing).

Table 4: Overview of preferred option responses

Option	Total	Percent
Option 1	16	28.6%
Option 2	5	8.9%
Option 3	5	8.9%
Option 4	5	8.9%
Option 5	4	7.1%
Option 6	8	14.3%
Not answered	13	23.2%

Figure 2: Overview of preferred option responses



Note: An additional 56 identical responses were received via the DoH Consultation Mailbox from a single pharmacy group. While they rejected all of the options presented, respondents indicated that their preferred approach would lie between Options 1 and 2.

An analysis of these and other options and responses received from the respondents to the consultation are noted below.

3.2 Option 1: Do Nothing – Maintain current fee level

Of the 112 responses to the consultation, 23 (20.5%) noted that they supported Option 1 (maintaining the current fee level), whereas 89 (79.5%) did not. Of the 56 respondents who identified a preferred option, 16 (28.6) respondents selected option 1, with 12 of those respondents providing additional comments. 3 of these were from Pharmacy Managers and 13 were from Pharmacy Owners.

Respondents considered pharmacies to be under increasing financial pressures and suggested that the Society should be supporting them rather than introducing a price hike. Respondents also commented that while it is recognised that the Society must be appropriately funded to carry out its' statutory duties, the feeling was that there wasn't enough evidence provided to adequately explain why the increase was necessary at the proposed rates or how the funding would be used. Furthermore, it

was suggested that greater transparency of the Society's financial position is required and a review of its' funding model needed before any increase should be considered.

Other comments included:

- an adjustment in dispensing fees to enable funding of an increase in fees, for example £1 per item in NI vs €5 in RoI:
- query as to why additional funding by the Department has not been pursued for the Society; and
- the proposed fee levels in NI are not comparable to those in GB and RoI

Respondents supporting Option 1 argued that community pharmacy is facing significant financial pressure and that any increase in premises fees would place additional strain on businesses. Many called for greater transparency regarding the Society's finances and suggested that alternative funding solutions should be explored before increasing fees.

Department's Response

While the Department acknowledges these concerns, retaining fees at their current level would not address the underlying issue that premises fees have remained unchanged since 2011 despite significant increases in operating and regulatory costs over that period. Unlike other health and social care regulators who were established as arm's length bodies of the Department and receive Departmental funding, the Society was established as an independent legal entity, whose income is primarily generated via the fees that it charges.

The Department therefore considers that Option 1 would not provide a sustainable basis for funding the Society's statutory functions in the longer term.

3.3 Option 2: Apply a percentage increase equal to the annual rate of inflation since 2012.

Of the 112 responses to the consultation, 18 (16%) noted that they supported Option 2 (Apply a percentage increase equal to the annual rate of inflation since 2012), whereas 94 (84%) did not. Of the 56 respondents who identified a preferred option, 5 (8.9%) respondents selected option 2.

Supporters of Option 2 accepted that some increase may be necessary but commented on the need for a modest approach that reflected inflationary pressures while limiting additional costs for pharmacy businesses. Some respondents highlighted concerns regarding pharmacy funding and business viability.

The principal argument in support of this option was that it would recognise inflationary pressures while limiting the impact on pharmacy businesses during a period of financial challenge for the sector. Respondents also reiterated concerns regarding community pharmacy funding, business viability, particularly those in rural and deprived areas and the need to consider wider reform of the Society's funding model.

Department's Response

The Department acknowledges the attraction of a more modest increase but also acknowledges that an inflation-only approach would not fully address the disparity that has developed between premises fees in Northern Ireland and those in comparable jurisdictions. As a result, while Option 2 would generate some additional income, it would offer a more limited solution to the longer-term funding pressures facing the regulator.

3.4 Option 3: Alignment with Great Britain Fees

Of the 112 responses to the consultation, 17 (15%) noted that they supported Option 3 (alignment with Great Britain fees), whereas 95 (85%) did not. Of the 56 respondents who identified a preferred option, 5 (8.9%) respondents selected option 3.

Of the 5 who selected Option 3 as their preference, only 4 gave their reasons. 2 of the responses came from Pharmacists, 1 from an Academic Body and 1 from a Pharmacy Those respondents considered Great Britain to be the most appropriate comparator for Northern Ireland due to the similarity of regulatory arrangements and the significant differences that exist in pharmacy funding and remuneration between Northern Ireland and the Republic of Ireland. Respondents also highlighted the fact that registrant fees have increased over time while premises fees have remained static, creating an imbalance in the contribution made by individual registrants and pharmacy owners towards the costs of regulation.

Respondents who preferred this option commented that it is highly unfair that registrant fees have increased whereas premises fees have not, resulting in

registrants paying significantly higher fees to remain on the register than pharmacy owners are paying for their premises. One Pharmacy owner commented that fees need to increase to help maintain a local regulator.

Department's Response

The Department accepts the argument that Great Britain represents the most relevant benchmark for comparison purposes and that there is a rationale for addressing the current disparity in premises fees. However, Option 3 provides only a single adjustment to fee levels and does not include a mechanism to maintain the real value of fees in subsequent years. Accordingly, while it would improve the Society's funding position in the short term, there remains the likelihood that further increases could be required in future years if inflationary pressures continue.

3.5 Option 4: Alignment with Great Britain Fees Plus Future Inflationary Increases

Of the 112 responses to the consultation, 17 (15%) noted that they supported Option 4 (alignment with Great Britain fees, with inflationary increases), whereas 95 (85%) did not. Of the 56 respondents who identified a preferred option, 5 (8.9%) respondents selected option 4.

Of the five who selected Option 4 as their preferred option, only 2 provided comments. One of these was a Pharmacist and the other a Pharmacy Owner.

Respondents commented that this option is a balanced approach that addresses immediate funding pressures while providing for future sustainability. Also, it was suggested that aligning Northern Ireland premises fees with those in Great Britain, while providing for modest inflationary uplifts thereafter, represented a pragmatic and sustainable approach to meeting the Society's future funding requirements. It was considered that this approach would help rebalance the contribution towards regulatory costs between pharmacy owners and registrants, addressing concerns that registrants have borne a disproportionate share of fee increases in recent years.

Department's Response

The Department considers that Option 4 provides a balanced approach to fee increases. By aligning fees with the most relevant comparator jurisdiction in GB and incorporating modest future increases linked to inflation, it addresses both immediate and longer-term funding pressures by introducing a predictable mechanism for maintaining fee levels over time.

This approach also reduces the likelihood of further substantial fee increases in the near future and provides certainty for pharmacy owners.

3.6 Option 5: Mid-way Point Between Great Britain and Republic of Ireland Fees

Of the 112 responses to the consultation, 12 (11%) noted that they supported Option 5 (Mid-way Point Between Great Britain and Republic of Ireland Fees), whereas 100 (89%) did not. Of the 56 respondents who identified a preferred option, 4 (7.1%) respondents selected option 5.

Those respondents generally accepted the need for an increase in premises fees but questioned the appropriateness of benchmarking directly against other jurisdictions. Instead, they argued that fees should be linked more closely to the actual cost of delivering the Society's statutory functions and supported the development of a transparent and evidence-based cost model. Concerns were also expressed regarding the financial planning that had led to the current funding position and the need for greater transparency around regulatory costs and the Society's finances.

Department's Response

The Department acknowledges the importance of ensuring that fees are proportionate and evidence based. Some respondents considered PSI as a fee's comparator less relevant than GPhC due to the different healthcare, remuneration and regulatory environment in the Republic of Ireland and the difference in remuneration. While Option 5 would result in fee levels significantly above those charged in Great Britain, thereby generating a higher income for the Society, there was strong feedback regarding the greater financial burden this option may place on pharmacy businesses in NI than is necessary to achieve the policy objective of securing sustainable regulatory funding.

3.7 Option 6: Alignment with Republic of Ireland Fees

Of the 112 responses to the consultation, 13 (12%) noted that they supported Option 6 (Alignment with Republic of Ireland Fees), whereas 99 (88%) did not. Of the 56 respondents who identified a preferred option, 8 (14.3%) respondents selected option 6.

All of these respondents were pharmacists, with each providing supporting comments. The principal rationale advanced was that pharmacy premises and business owners should bear a greater proportion of the costs of regulation than individual pharmacists.

Respondents also argued that a larger increase would place the Society on a more stable financial footing and reduce the need for repeated fee increases in future years. Some respondents suggested that any increase of this magnitude could be introduced through a phased implementation period over 2-3 years.

Respondents supporting Option 6 generally argued that pharmacy businesses should bear a greater proportion of regulatory costs than individual pharmacists. They also considered that a larger increase could provide longer-term financial stability.

Department's Response

The Department recognises the argument that pharmacy businesses should make an appropriate contribution towards the costs of regulation. However, the consultation feedback also highlighted significant concerns regarding the financial pressures facing community pharmacy and the potential impact of substantial fee increases on business viability, particularly in rural and deprived areas. Given these concerns, together with the fact that many respondents questioned the suitability of the Republic of Ireland as a direct comparator, the Department does not consider Option 6 to represent the most proportionate response to the issues identified through the consultation.

4. Additional Proposals and Key Themes

91 responses were received to the question of additional proposals in the context of increasing pharmacy premises fees.

The points raised are summarised below:

- Has the Society considered a reduced premises size in a less prime location to save on costs?
- Registrant fees should never have increased whereas premises fees should have.
- The Society should be subjected to an intense reform or abolition.
- The Society must be dissolved and registration managed by GPhC.
- If a new constitutional agreement on the island of Ireland moves forward, the Society may join with PSI.
- If the highest level of increase was to be imposed, consideration should be given to a reduction in registrant fees or an additional supplement for independent pharmacies.
- Fees should be higher for multi pharmacy businesses.
- It is seen as a complete failure of the Society and the Department that premises fees have remained the same for 15 years.
- Departmental funding should be considered as other NI regulators receive this.
- A detailed review of the Society's funding model is required.

- What cost saving measures has the Society introduced to help address the situation?
- A breakdown is needed of what costs the fees are intended to cover.

The points raised have been grouped into the following key themes.

Affordability and Business Pressures

Respondents consistently highlighted the challenging financial environment facing community pharmacy. Concerns were raised regarding the cumulative impact of increasing operating costs and pressures on business sustainability.

Funding the Society

Many respondents accepted that the Society must be appropriately funded to discharge its statutory functions. However, views differed regarding how that funding should be generated and the respective contributions of pharmacists and pharmacy owners.

Transparency and Cost Recovery

A recurring theme was the desire for greater transparency regarding the Society's financial position and linking fees directly to the costs associated with delivery of the Society's regulatory functions.

Alternative Funding Models

Several respondents suggested that alternative funding arrangements should be explored, including Departmental support, funding model reform and different fee structures.

Significant concerns were raised throughout the consultation regarding affordability and business impacts. The Department notes that many respondents questioned the suitability of the Republic of Ireland as a direct comparator.

5. Departmental Assessment of Options and Conclusion

The Department consulted on proposals to increase pharmacy premises fees, to ensure that the Society can continue to operate effectively and fulfil its statutory responsibilities.

A total of 112 responses were received. Of the 56 respondents who expressed a preference from the options presented, the highest number (16) supported the "do nothing" option. However, maintaining fees at their current level would not provide a sustainable funding model for the Society in the longer term.

A further 56 identical responses from a single pharmacy group did not support any of the options presented, instead indicating a preference for an approach between Options 1 and 2. While this reflects concerns about the scale of the proposed increases, such an approach would generate less additional income and would not adequately address the Society's long-term funding requirements.

The consultation responses demonstrated broad recognition that the current premises fee level is no longer sustainable in the long term and that some increase is necessary to support the Pharmaceutical Society of Northern Ireland in carrying out its statutory functions. However, respondents expressed significant concerns regarding affordability, business sustainability and the potential impact of substantial fee increase on community pharmacy businesses, particularly those operating in rural and deprived areas.

The consultation did not identify a clear consensus in favour of any single option. While respondents expressed differing views on the scale of any increase, a common theme emerging from the consultation was support for a more gradual and proportionate approach to implementation. In particular, many respondents who rejected the options presented suggested that an intermediate or phased approach would be preferable.

Conclusion

Having considered all of the evidence, the Department has concluded that a phased increase in premises fees represents the most balanced and proportionate approach. The premises fee will increase to **£300 from January 2027**; and work will begin immediately on preparing for the further increase in alignment with GB fees from January 2028. The Department considers that this approach appropriately balances

the need to secure sustainable funding for pharmacy regulation with the concerns raised by respondents regarding affordability and business impacts. It also provides pharmacy owners with additional time to plan for the increase while ensuring that progress is made towards achieving a sustainable funding model.

The Department recognises that further engagement with the sector will be important as the second phase of the increase is implemented. The Department will therefore continue to work closely with the Pharmaceutical Society of Northern Ireland, representative bodies and pharmacy owners.

6. Equality, Rural Needs, Human Rights, and Regulatory Impact

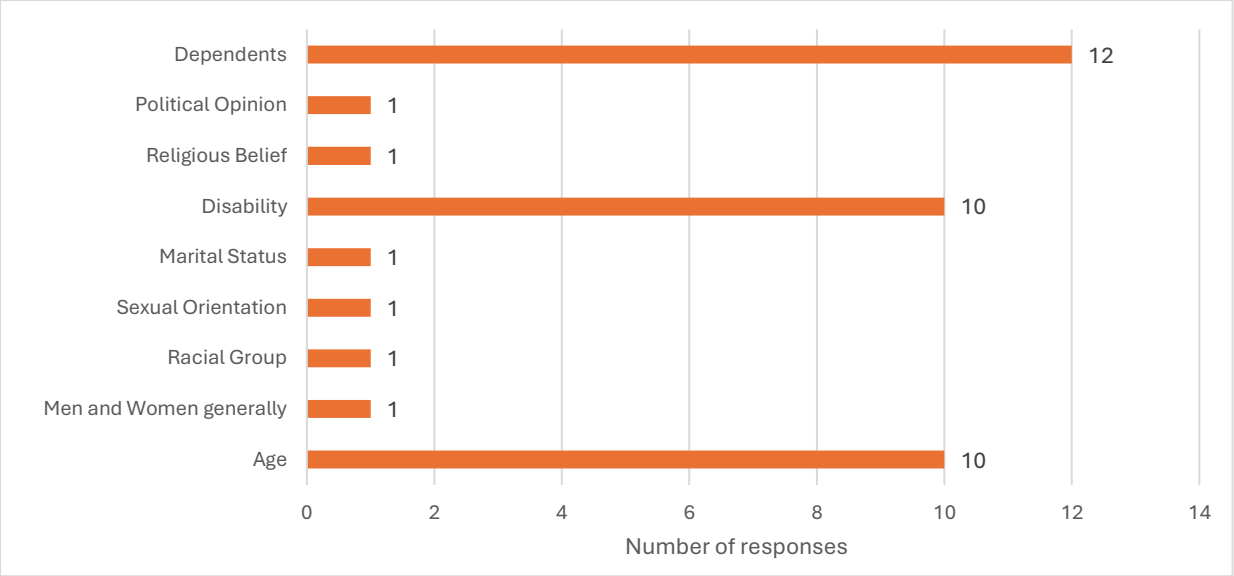
6.1 Equality & Equality of Opportunity

Respondents were asked if the proposal to increase Premises Fees would have an adverse impact on any of the nine equality groups identified under Section 75 of the NI Act 1998.

All 112 respondents answered this question:

Option	Total	Percent
Yes	12	10.7%
No	100	89.3%

Most respondents did not consider the proposals likely to result in adverse equality impacts. Of the 12 respondents who noted possible adverse impacts the equality groups identified are outlined below.



The issues raised primarily related to dependents, disability and age, and comments raised by these respondents are summarised below:

- Older people, people with disabilities and carers, reliant on accessible local pharmacy services may be vulnerable to potential reduced service sustainability, reduced opening hours, or pharmacy closures that may result from increased premises fees.

- Increase will add to the cost burden on pharmacies in deprived areas, where residents are reliant on pharmacy services as a first point of contact – could accelerate closures in the very communities that most depend on them.
- A fuller equality and rural impact assessment should be completed before any increase is introduced.

The Department welcomes the comments provided and acknowledges the concerns raised on potential adverse impacts to the dependents, disability and age groups. These issues will be considered carefully in the context of the overall consultation response. The equality screening exercise will be reviewed based on the responses received.

Respondents were asked if they are aware of any indication or evidence – qualitative or quantitative – that the options set out in the consultation document may have an adverse impact on equality of opportunity or on good relations. In addition, they were asked to provide details of what could be added or removed to alleviate the adverse impact.

All 112 respondents answered this question:

Option	Total	Percent
Yes	11	9.8%
No	101	90.2%

12 of these respondents supplied details. These are summarised below:

- Remove all proposals to increase premises fees.
- Proposals relating to RoI could vastly impact already struggling contractors.
- The Department needs to address the current funding shortfall within the Society.
- Increase could accelerate the closure of pharmacies in socioeconomically deprived areas, leading to an adverse impact on equality in terms of access to healthcare.
- Reduced opportunities for staff in the community sector where investment is from nett margin.

- Impact on family life of contractors

Respondents were asked if there is an opportunity to better promote equality of opportunity or good relations among any of the nine equality groups identified under Section 75 of the NI Act 1998. In addition they were asked to provide details of what could be added or removed to alleviate the adverse impact.

All 112 respondents answered this question:

Option	Total	Percent
Yes	12	10.7%
No	100	89.3%

12 of these respondents supplied details. These are summarised below:

- Mitigate increases.
- Encourage the Department to recognise the consultation as an opportunity to embed quality considerations more fully into the regulatory framework.
- The Department could consider a phased approach and introducing support mechanisms or alternative funding.
- This is an opportunity to promote equality by ensuring the fee structure does not disproportionately affect pharmacies in rural or deprived areas.
- Consideration should be given to exemptions, reductions or additional support.

In terms of issues raised in the consultation response for equality groups relating to age, disability and dependants, the Department welcomes the comments provided and acknowledges the concerns raised. These issues will be considered carefully as the proposed way forward transitions into the implementation phase.

6.2 Rural Needs

Respondents were asked if the actions/proposals set out in this consultation document are likely to have an adverse impact on rural areas and to provide details as to what could be added or removed to alleviate the adverse impact.

All 112 respondents answered this question:

Option	Total	Percent
Yes	85	75.9%
No	27	24.1%

80 of these respondents provided details. These are summarised below:

- Rural pharmacies often operate on tighter margins.
- Smaller, rural pharmacies could have a reduced fee, depending on prescription dispensing volume.
- There could be a tiered system of fees for individual contractors vs large, multi-pharmacy businesses.
- An increase in fees could lead to the closure of some rural pharmacies.
- Pharmacies will be less likely to employ staff if there are extra financial burdens.
- A more detailed Rural Impact Assessment by the Department is needed.
- Smaller, rural pharmacies may have a more limited ability to absorb additional fixed costs which could lead to service reduction or closure.

The Department welcomes the comments provided and acknowledges the concerns raised and will consider them carefully in determining the way forward. The proposals to increase pharmacy premises fees affects all pharmacy businesses that are responsible for paying these fees.

6.3 Human Rights

Respondents were asked if there are any aspects of the proposals where potential human rights violations may occur and to provide details.

All 112 respondents answered this question:

Option	Total	Percent
Yes	3	2.7%
No	109	97.3%

3 respondents supplied details. These are summarised below:

- The blatant disregard of registrant's wishes is dictatorial, immoral and self-serving by the management team in the society. It breaches all democratic

principles and a referendum asking members to vote to remain with current arrangements or move to GPhC must be arranged.

- The right to survive as an NHS contracted service.
- It is recommended that the Department takes several steps to address all human rights concerns including a formal human rights impact assessment being completed prior to any decision being made on fee increases.

A small number of respondents raised human rights concerns. These centred on the decision-making process and the potential impact on community pharmacy services.

6.4 Regulatory Impact Assessment

Respondents were asked to select a business impact level from a list and provide reasons for selecting high or medium impact.

All 112 respondents answered this question:

Option	Total	Percent
High Impact	80	71.4%
Medium Impact	12	10.7%
Low Impact	20	17.9

86 of these respondents gave reasons, summarised below:

- Community Pharmacies are already struggling with rising business costs.
- An increase will add extra stress and financial strain on contractors, for nothing.
- There is a disproportionate increase in fees compared to remuneration.
- The Department needs to address the Society's management and underfunding.
- Many businesses are already operating at a loss due to chronic underfunding.
- The proposed increases are disproportionate when compared to the level of funding available to Community Pharmacies.
- Some businesses may have limited capacity to absorb a fee increase at short notice as budgets and financial forecasts will already have been prepared.
- Can be written off as a Tax deduction.
- The current fee is miniscule and a very small element of turnover.

Many respondents identified the potential for adverse impacts on rural pharmacies, particularly where businesses operate with lower margins and reduced capacity to absorb additional fixed costs. Suggestions included tiered fees and targeted support arrangements.

Considering the information provided by respondents, the Department will update the current Equality and Rural Needs screening documents and complete a Regulatory Impact Assessment. These will be published online once finalised.