

# OFNC

Association of British Dispensing Opticians  
Association of Optometrists  
British Medical Association  
Federation of Ophthalmic and Dispensing Opticians

## Optometric Fees Negotiating Committee

16 Upper Woburn Place, London, WC1H 0BS  
**Chair:** Gordon Ilett

**Email:** david.hewlett@fodo.com  
**Secretary:** David Hewlett

Carol Reece  
Head of Dental & Optical Commissioning  
NHS England-Improvement  
Skipton House  
80 London Road  
London  
SE1 6LH  
By email

15 November 2021

Dear Carol

There is an urgent need to increase NHS sight test fees to recognise their value in terms of what is now provided, to close the widening gap between GOS fees and inflation, and to correct the growing disparity between GOS funding and investment in other NHS primary care activity.

In our letter to the Department of Health and Social Care (DHSC) and NHS England last autumn, we set out the impact of the inflation gap as below

- the NHS sight test fee was just £21.31 in 2020
- if it had kept pace with inflation during the period of austerity, it would have been £24.74
- this 15.8% reduction in real terms was putting pressure on the NHS sight test service.

Recognising the impact of Covid, we proposed a modest interim step of increasing sight the test fee for 2021/22 to £22.50 (5.6%), with corresponding increases in domiciliary fees. In the end the DHSC proposed an increase of just 1.9%. Since then, there has been an explicit Government commitment in the budget statement on 27 October to extra funding for the NHS and “fair and affordable pay rises across the whole Spending Review period” for public sector workers. It is reasonable to expect eye care professionals to be treated in the same manner, and also to make further progress towards closing the inflation gap we agreed on last year.

All measures indicate that general inflation is increasing, exacerbating the impact of chronic underfunding of the NHS sight test. At the same time median pay increased by 4.3%, (3.6%

in real terms) to April 2021, the highest increase since 2008.<sup>1</sup> Pay pressures are significantly higher in eye care and likely to be driven higher by the Chancellor's message to healthcare staff and wider government messaging. The inflation gap now stands at £3.87 per NHS sight test (Annex 1). This is before taking account of Bank of England inflation forecasts which predict inflation of > 4.4% through the winter peaking at 5% in April 2022 before returning to just above 2% in two years' time.<sup>2</sup>

As we also set out last year, historically primary eye care services have innovated and introduced costly new diagnostic tests over time and offered these to NHS patients even when these were not part of a core sight test. This was evidence of the primary eye care/NHS partnership working at its best, benefiting patients and the wider NHS. The chronic underfunding of the NHS sight test means providers can no longer do this and only those with the ability to pay are able to access more advanced diagnostics.

This inequality is likely to widen further unless the Department and NHSE-I take urgent steps to correct the inflation gap. Maintaining access to high-quality diagnostics for NHS patients is also key to delivering the NECRTP / NHS long Term Plan.

For 2021-22 therefore we ask that action is taken to close the NHS funding gap for sight test fees and domiciliary allowances. This would be made up of

- 2% uplift to £22.14 to help practices respond to increasing costs, plus
- 5% to make progress against closing the historic funding gap

which would take NHS sight test fee to **£23.26** (7.1% increase overall).

This would leave an inflation funding gap of £2.32 before adjusting for Bank of England inflation forecast between 2022 and 2024. This in our view would demonstrate the sector working with NHS England on a longer- term basis, whilst allowing NHS England to correct chronic underfunding of the sight test at this critical time.

We would also ask for a 2% uplift in the CET and optometrist pre-registration training grants to reflect the increased costs of training.

Given that the NHS has now received its funding settlement for the next three years, we would be open to negotiating a multi-year GOS fees settlement from 2022/23 to 2025/26, to bring the GOS fee properly into line with the long-term inflationary trend.

As we have previously discussed, we would also be happy to work with NHSEI to survey the sector for meaningful data about cost drivers, which has not been done since 2004, to inform future negotiations.

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<sup>1</sup> ONS, October 2021, Employee earnings in the UK: 2021 <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/annualsurveyofhoursandearnings/2021>

<sup>2</sup> Bank of England, November 2021, Monetary Policy Report <https://www.bankofengland.co.uk/-/media/boe/files/monetary-policy-report/2021/november/monetary-policy-report-november-2021.pdf>

We look forward to meeting to discuss.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Gordon Ilett', written in a cursive style.

**Gordon Ilett**  
**Chair OFNC**

## Annex 1

| Year | Actual  | CPI adjusted ST fee | CPI   |
|------|---------|---------------------|-------|
| 2010 | £ 20.70 | £ 20.70             | 3.15% |
| 2011 | £ 20.90 | £ 21.45             | 3.60% |
| 2012 | £ 20.90 | £ 21.96             | 2.42% |
| 2013 | £ 20.90 | £ 22.39             | 1.95% |
| 2014 | £ 21.10 | £ 22.55             | 0.71% |
| 2015 | £ 21.31 | £ 22.66             | 0.50% |
| 2016 | £ 21.31 | £ 23.07             | 1.79% |
| 2017 | £ 21.31 | £ 23.70             | 2.74% |
| 2018 | £ 21.31 | £ 24.18             | 2.00% |
| 2019 | £ 21.31 | £ 24.49             | 1.31% |
| 2020 | £ 21.31 | £ 24.74             | 1.00% |
| 2021 | £ 21.71 | £ 25.58             | 3.40% |