Isle of Man
Chamber of Commerce

Chamber Response – Regulation of Health and Social Care Bill

Introduction

Chamber supports proportionate regulation where there is a proven risk to public safety. However, the Regulation of Health and Social Care Bill, in its current form, is **disproportionate, duplicative, and economically damaging.** It risks closing viable businesses, undermining services that thousands of residents rely on, and placing additional strain on already overstretched public healthcare.

The Bill is intended to prevent unsafe or unlicensed practice — for example, stopping unqualified individuals from offering cosmetic injections or invasive procedures. That principle is widely supported. However, under current arrangements, professional standards are already upheld through insurance, continuing professional development, and membership of recognised bodies. The new legislation would replace this proportionate system with a costly, centralised licensing regime that extends far beyond high-risk activities. As drafted, it would capture legitimate, well-regulated small businesses that already operate safely and responsibly, imposing costs and bureaucracy that many simply cannot sustain.

The Economic Cost

- **Unsustainable fees:** Registration fees of £1,060–£1,270 and annual renewals of £320–£635 are six to ten times higher than the UK norm. For many small providers operating on tight margins, this will mean closure.
- **Impact on the workforce:** The affected sectors — complementary therapies, nurseries, domiciliary care, aesthetics, and beauty — are dominated by micro businesses and sole traders. Many are female-led, meaning this Bill risks driving women out of business and out of work.

- **Wider economic fallout:** Business closures mean fewer jobs, reduced income tax receipts, and more demand for social security support. Far from saving money, this Bill could worsen Government's fiscal position.
- **Knock-on effect on health services:** Independent practitioners reduce demand on Manx Care by providing preventative and complementary services. If they are forced to close, more patients will turn to NHS and Manx Care — increasing waiting lists and costs.

Key Problems with the Bill

1. **Disproportionate Fees:** Costs that bear no comparison to UK benchmarks, creating an unfair burden on Manx businesses.
2. **Duplicate Regulation:** Most practitioners are already regulated through professional bodies with CPD, codes of conduct, and insurance. This Bill imposes a costly second layer.
3. **Unqualified Auditing:** Allowing audits by staff without subject expertise risks undermining fairness and credibility.
4. **No Evidence of Risk:** Government has not published evidence that these services present a risk requiring statutory regulation.
5. **Misapplication of the Jonathan Michael Report:** The 2019 review focused on weaknesses in Manx Care and the NHS. None of its recommendations suggested revenue-raising through the regulation of private providers. Using it to justify this Bill is a misrepresentation. Meanwhile, the issues it highlighted in the public system remain unresolved — waiting lists, staffing pressures, and financial overruns have only worsened.

The Real Cost of This Bill

If passed unchanged, the Bill would:

- Force the closure of many small businesses across the Island.
- Remove valuable health and wellbeing services that improve resilience, recovery, and quality of life.
- Increase dependency on public healthcare at a time when it cannot cope with demand.

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- Reduce economic participation of women, undermining equality and entrepreneurship.
- Cut into the tax base while expanding public costs — an outcome directly at odds with the Island's economic sustainability.

Chamber calls on Government to:

1. Withdraw or redraft the Bill in its current form.
2. Align registration costs with UK practice (£120–£175 one-off, no annual charge).
3. Recognise existing safeguards already provided by professional bodies.
4. Ensure inspections are conducted by qualified experts.
5. Revisit the Jonathan Michael Report – return to its original purpose of strengthening Manx Care and addressing inefficiencies in the public system, rather than extending costly regulation into the private sector.
6. Demonstrate proportionality with clear evidence that new regulation is required, and that it justifies the economic harm it will cause.

Conclusion

This Bill risks creating an expensive bureaucracy that achieves little in terms of safety, but causes serious economic harm. Small businesses will close, jobs will be lost, women entrepreneurs will be pushed out of the market, and pressure on Manx Care will increase.

Government must focus on fixing the deep-rooted issues in the public health system identified by the Jonathan Michael Report, not burdening private providers with unjustified fees and regulation.

Chamber supports regulation that protects the public. But regulation must also protect the Island's economy. In its current form, this Bill fails on both counts.

Submitted by Isle of Man Chamber of Commerce – October 2025

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