

Regulatory fees 2017/18

Frequently asked questions

These questions and answers accompany the consultation about CQC fees in 2017/18. More detailed guidance relating to our current fees scheme can be found at *Fees scheme 2016/17: Guidance for providers* at:

www.cqc.org.uk/organisations-we-regulate/registered-services/fees

Questions relating to 2017/18 fees consultation

Why do you charge fees in the way that you do?

We view fees as being the charge providers pay to be able to enter and remain in a regulated market and not a direct charge for an individual cost of inspection. This allows us to keep a relatively simple system for charging and also allows us to distribute fees fairly between providers so that we can protect smaller providers. To do this, we calculate the cost of regulation for each sector and use this to distribute our fees amongst providers in each sector.

How do you take account of feedback?

We publish a response to the consultation once the consultation is closed which reflects all responses, whether received by webform, email or post. A separate analytical report is published alongside this showing these responses in detail.

The opinions and views we receive are important as they allow us to reflect openly and honestly the views of those directly affected by this consultation to our Board and the Secretary of State.

Since you agreed the approach last year, why are you going out to consultation again?

We must consult providers and the public whenever we propose to make any changes to our fees scheme. The indicative fees for future years were set out in last year's consultation, as a best estimate at that time of what future charges might look like. This year's consultation now sets out specified figures for fees in 2017/18. These are in line with the previous indicative figures, but with some adjustments made.

Once you have reached full chargeable cost recovery will there be any more consultations?

Once cost recovery is achieved for each sector this does not mean that fees will always stay at the same level, as we will continuously evaluate and monitor the

ongoing costs of regulating each sector and set fees accordingly. Any changes we need to make to the fees scheme in future would be subject to consultation as already described in our consultation document. Comments provided as feedback to this consultation will be used to inform the development of proposals before we go out to consult next year on our fees scheme for 2018/19.

Why are there variations between sectors in the size of fee increases?

CQC has always been open about the fact that it is obliged by government to fully recover the chargeable cost of regulation through its fees. Increases we make to fees are in order to reach full chargeable cost recovery. Any increase in fees is matched by an equivalent reduction in CQC's funding from the Department of Health. Some sectors will pay differentially higher fees over the two-year trajectory, as their current level of cost recovery is at a lower base than others. This difference in the recovery base is reflected in the differential fee increase we are proposing.

What is Government policy for cost recovery?

We are obliged to achieve full chargeable cost recovery by HM Treasury. This is a non-negotiable requirement set out in HM Treasury's published document *Managing Public Money*. The requirements for the recovery of costs by a public body, are:

“...designed to recover full costs. If the legislation permits, the charge can cover the costs of the statutory body, e.g. a regulator could recover the cost of registration to provide a licence and of associated supervision. It may be appropriate to charge different levies to different kinds of licensees, depending on the cost of providing different kinds of licences” (para 6.5.2)

and that the body should:

“...always seek to control their costs so that public money is used efficiently and effectively. The impact of lower costs should normally be passed on to consumers in lower charges.” (para 6.2.3).

Why are you charging fees to publically-funded organisations which are also funded by other Government departments?

We charge all providers irrespective of their status or funding streams. This means that all providers are directly responsible and accountable for paying fees associated with their regulation. It also allows us to be transparent and accountable to all providers whether publically or privately funded.

Why do charities and voluntary organisations are expected pay on the same fee scales as public or for-profit organisations?

Charitable and voluntary providers are treated in the same way as any other providers under our fees scheme. We consider that it would not be fair or equitable to reduce or waive fees for certain groups of providers, nor should providers cross-subsidise fees for other providers. Most charitable and voluntary organisations fall into the small or medium bandings in our fees proposals, and we believe that we have set the fee rates within those bands at a level which does not penalise small providers.

Why are you changing the definition of single location minor injuries units or urgent care centres?

We are proposing to change a definition in the fees scheme to ensure that single-location providers of NHS primary medical services, where all or part of that location is a minor injuries unit or an urgent care centre, are charged on the same basis as single-location providers of NHS primary medical services where all or part of that location is a walk-in centre. This will not result in any change to the fee category for these providers.

Why are you changing the definition providers of substance misuse treatment services?

We are proposing to change a definition in the fees scheme to reclassify providers of substance misuse treatment services as providers of healthcare activities, rather than social care activities. A small number of providers will be affected by this change. These providers will be charged fees based on the Community healthcare service fee category instead of the Care services fee category.

What the fee scheme covers

What is included in my fee?

The fees scheme consists of an annual fee. This annual fee is charged once a service provider is registered and is payable in advance.

The fee covers the costs of our registration and reviews and performance assessment activities, which includes initial registration, any changes you wish to make to vary or add to your registration during the year, and our activities associated with monitoring, inspecting, regulating and rating services.

Will I have to pay a fee for initial registration?

No. We don't charge a separate fee for any new applications for registration.

Will I have to pay a fee for an application to make a variation to a condition on my registration?

No. We don't charge a separate fee for any applications to make a variation to your conditions of registration.

Will I have to pay a fee to add a new regulated activity?

No. We don't charge a separate fee to add a regulated activity to your existing registration.

Will I have to pay a fee for a new registered manager application?

No. We don't charge a separate fee for any applications to register a manager.

What fee will I pay if I am a charitable provider?

Charitable organisations will pay the fee amount that is applicable to the type of health or social care service they provide.

Fees are set against the cost of regulating each of the sectors, and charitable organisations are treated in the same way as any other equivalent provider of their type and size.

Fee categories 2017/18

How will my fee be calculated?

The annual fee amount you will pay depends on what category you fall into under our fees scheme. We have seven main fee categories:

- NHS trusts.
- Care services.
- Community social care services.
- Healthcare – hospitals.
- Healthcare – single speciality services.
- Community healthcare services.
- Primary care services.

What type of provider does the NHS trusts fee category include?

The NHS trusts fee category includes all NHS foundation and non-foundation trusts:

- Acute.
- Mental health.
- Learning disability.
- Ambulance.
- Care trust.
- Community trust.

Fees for NHS trusts are set out in Part 1 of CQC's fees scheme, which can be found at: www.cqc.org.uk/organisations-we-regulate/registered-services/fees

What type of provider does the Care services fee category include?

The Care services fee category includes:

- Care homes without nursing.
- Care homes with nursing.
- Specialist colleges.
- Hospices.

Fees for Care homes and specialist colleges are set out in Part 8 of CQC's fees scheme

Fees for hospice providers are set out in Part 9 of CQC's fees scheme

What type of provider does the Community social care services fee category include?

The Community social care services fee category includes:

- Domiciliary care agencies.
- Providers of care for people living in specialist housing.
- Nurses agencies.

Fees for Community social care services are set out in Part 10 of CQC's fees scheme

What type of provider does the Healthcare, hospital services fee category include?

The Healthcare, hospital services fee category includes non-NHS trust providers of:

- Acute hospitals.
- Mental health hospitals.
- Learning disability hospitals.
- Inpatient substance misuse services.
- Long term conditions services.

Fees for Healthcare, hospitals services are set out in Part 2, column 2 of CQC's fees scheme

What type of provider does the Healthcare, single speciality services fee category include?

The Healthcare, single speciality services fee category includes non-NHS trust providers' services where the main or only service provided is:

- Treatment carried out under general anaesthesia or intravenously administered sedation.
- Obstetric services and medical services in connection with childbirth.
- Termination of pregnancies.
- Cosmetic surgery.
- Haemodialysis or peritoneal dialysis.
- Refractive eye surgery.
- Surgical procedures associated with in vitro fertilisation or assisted conception.
- Activities where the service type Acute Services (ACS) applies, but which do not involve the provision of overnight beds for patients.
- The provision of hyperbaric therapy, carried out by or under the supervision of or direction of a medical practitioner.

Fees for Healthcare, single speciality services are set out in Part 2, column 4 of CQC's fees scheme

What type of provider does the Community healthcare services fee category include?

The Community healthcare services fee category includes non-NHS trust providers of:

- Private doctors/clinics/slimming clinics/online services.
- Independent ambulance services.
- Diagnostic services (organisations or partnerships).
- Diagnostic services (individuals).
- Laboratories.
- Prison healthcare services.
- Rehabilitation services.
- Hospice at home.
- Community health visiting.
- District nursing.
- School nursing.
- Mental health/Learning disability community services.
- Substance misuse treatment services (subject to consultation)
- NHS Blood and Transplant.

- NHS 111 services.

Fees for Community healthcare services are set out in Part 2, column 3 of CQC's fees scheme

Fees for independent ambulance services are set out in Part 3 of CQC's fees scheme

What type of provider does the Primary care services fee category include?

The Primary care services fee category includes:

- NHS GPs.
- NHS walk-in-centres.
- NHS minor injuries units (MIU) and urgent care centres (UCC) (subject to consultation)
- NHS GP out-of-hours services.
- NHS dentists.
- Private dentists.

Fees for single location primary care services including NHS GP, walk-in, MIU, UCC and out of hours services are set out in Part 4 of CQC's fees scheme

Fees for multiple location primary care services are set out in Part 5 of CQC's fees scheme

Fees for single location dental services are set out in Part 6 of CQC's fees scheme

Fees for multiple location dental services are set out in Part 7 of CQC's fees scheme

I provide a range of services that span across more than one of the fees categories. What fee will I have to pay?

(N.B This does not apply to NHS trusts.)

If you are a provider of services that span over one or more of the fee categories, you will pay the separate annual fees associated with that category for each location where that applies.

An example where this would apply would be if you are a provider in the category of Care services and you run, for example a care home and you also run a domiciliary care service from the same location, which falls into the Community social care services category. This would mean that you would need to pay the relevant level of fee from each category for that location.

However, if you are an independent healthcare provider who carries on both single specialty and community healthcare services at the same location, you will pay only the single specialty fee charge for that location.

Any separate fees you are liable for will be combined together as one annual payment on a single date.

What fee will I have to pay in 2017/18?

Subject to the final decision made on fees after the consultation, the fees proposed for each category for 2017/18 are set out in Annex A of the consultation document at www.cqc.org.uk/FeesConsultation2016.