

Proposed options for changes to the Accredited Registers fee model

Consultation paper

September 2017

About the Professional Standards Authority

The Professional Standards Authority for Health and Social Care¹ promotes the health, safety and wellbeing of patients, service users and the public by raising standards of regulation and voluntary registration of people working in health and care. We are an independent body, accountable to the UK Parliament.

We oversee the work of nine statutory bodies that regulate health professionals in the UK and social workers in England. We review the regulators' performance and audit and scrutinise their decisions about whether people on their registers are fit to practise.

We also set standards for organisations holding voluntary registers for people in unregulated health and care occupations and accredit those organisations that meet our standards.

To encourage improvement we share good practice and knowledge, conduct research and introduce new ideas including our concept of right-touch regulation.² We monitor policy developments in the UK and internationally and provide advice to governments and others on matters relating to people working in health and care. We also undertake some international commissions to extend our understanding of regulation and to promote safety in the mobility of the health and care workforce.

We are committed to being independent, impartial, fair, accessible and consistent. More information about our work and the approach we take is available at www.professionalstandards.org.uk.

¹ The Professional Standards Authority for Health and Social Care was previously known as the Council for Healthcare Regulatory Excellence

² CHRE. 2010. *Right-touch regulation*. Available at <http://www.professionalstandards.org.uk/policy-and-research/right-touch-regulation>

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1. Scope of this consultation

- 1.1 This consultation sets out options for fee models that will enable the Accredited Registers programme to be financially self-sustainable by the end of the 2020-21 financial year.

2. Introduction

- 2.1 The Accredited Registers programme was created in 2012 to enhance public protection for individuals using the services of those working in health and care occupations not regulated by law. The programme was set up with funding support from the Department of Health, and the first register was accredited in 2013. The Department provided funding to the programme on the understanding that it would become financially self-sustainable within five years, and committed to funding for this time period.
- 2.2 The programme is not currently financially self-sustainable, and the Department continues to provide financial support. The Department requires the Authority to put in place a plan for the programme to be financially self-sustainable by the end of the 2020-21 financial year, with initial changes to fees taking place from April 2018.

3. Current position

- 3.1 The programme currently generates income that covers approximately 60% of its costs through the fees paid by registers. The remaining 40% is provided through a Department subvention. The cost of running the programme for 2017-18 is £404,000. This currently covers 23 registers and 80,000 practitioners.
- 3.2 Fees for 2017-18 are set at £12,735 for initial application and £9,550 for renewal. Fees are increased at a rate of 2% per year, and as such current fees are similar to those at the beginning of the programme of £12,000 for initial application and £9,000 for renewal.
- 3.3 The Department is fully supportive of the programme and its role in public protection, but wishes for the original plan for the programme to be financially independent to be achieved.
- 3.4 We have cut operating costs, and will need to increase participation in the programme and increase fees to achieve financial self-sustainability.
- 3.5 We have previously reviewed the possibility of reducing staff numbers to limit costs. However, we are not confident that the quality of oversight provided by the programme can be maintained with a lower staff complement. Our staffing complement is 3.4 FTE, which has remained consistent through increased register numbers and workload. We are also entering a critical phase of raising the profile of the programme, and any cuts to the communications budget or

staffing would negatively impact on this. Both the programme and registers benefit from the communications work of the Accreditation team.

- 3.6 As more registers join the programme, which is growing by two to four registers per year, the gap between income and expenditure will decrease. At the current rate of expansion, and with the current 2% annual fee increases, the programme would become financially self-sustainable by the end of 2023-24, assuming programme costs were not greatly increased. However, it is likely that additional staffing would be required to manage the larger pool of registers, and therefore programme costs would increase significantly.

4. Principles

- 4.1 The Authority has worked to a number of principles when developing the options for financial self-sustainability of the Accredited Registers programme. These are further to the foundations of the programme and its core remit to enhance public protection. The principles are to seek to develop a fee structure that:
- Uses criteria that are equitable and transparent
 - Can be easily used
 - Uses readily available, reliable data
 - Does not add to the running costs of the programme
 - Can be readily repeated annually.

5. Options

- 5.1 A number of registers have raised the issue of the programme charging equal fees to all registers. The current flat fee model is popular with some registers, but not others. Some registers, typically those with lower incomes and smaller registrant numbers, believe a more proportionate system would include some form of assessment of the size of the organisation in the fee paid. We have considered several options for increasing the fees, and following discussions with registers, provide two models:
- Dividing the cost of the programme between all registers equally. This maintains the current flat fee model but at higher rates
 - Implementing a flat fee with a per capita adjustment based on the number of registrants to cover the cost of the programme. This respects the principle that assessment activity is the same for each organisation but also reflects the number of registrants. This would result in higher fees for larger registers
- 5.2 These models are summarised within this section. We recognise the additional financial burden this will place on registers, and as such both models use incremental fee increases to close the funding gap by 2020-21. Following discussion with registers, we have also included the costs for an additional Accreditation Officer within each model.

- 5.3 As the full cost of the programme will be split between registers, additional fees for notifications of change will no longer be charged.
- 5.4 Consideration was given to a model based solely on registrant numbers. However, due to the wide variation in registrant numbers (registers range from fewer than 200 to more than 33,000 registrants), a fee structure calculated solely on registrant numbers would mean that some registers would not cover the cost of their assessment activity and so some registers would subsidise the assessment cost of others.
- 5.5 Consideration was also given to a model dividing registers into bands based on their registrant numbers. However, this model would not meet the principles within section 4 of this paper. The banded model cannot be readily repeated annually, as bands may have to be recalculated based on the registers joining the programme and any changes to registrant numbers of current registers. Without knowing the number of registrants covered by the individual registers who will join the programme in the next three years, it is also not possible to determine the bands that will be used in 2020-21, when the programme is required to be financially self-sustainable. Due to the increased workload to calculate the bands annually, we cannot confidently state that this will not add to the running costs of the programme.
- 5.6 At a meeting on 5 September 2017, Accredited Registers recognised the increased workload of the Accreditation team and requested that the Authority include the fees that would be required if an additional Accreditation Officer was recruited. An additional Accreditation Officer would cost the programme approximately £75,000 including on costs and overheads. This has been included in the models within this section.

Increase the fee equally for all registers

- 5.7 This model maintains the current fee structure, increasing the annual renewal fee by £950 in April 2018, and £1,250 for the next two years. The yearly fees will be:
- 2018-19: £10,500
 - 2019-20: £11,750
 - 2020-21: £13,000.
- 5.8 The application fee would be raised to £15,000 from April 2018 and would not increase each year thereafter.
- 5.9 If the programme were to recruit one additional Accreditation Officer, the fees would be as follows:
- 2018-19: £13,400
 - 2019-20: £14,250
 - 2020-21: £15,250
- 5.10 The application fee would rise to £18,000 from April 2018 and would not increase each year thereafter.

Introduce a base fee with a supplementary per capita fee

5.11 A base fee and supplementary registrant fee has been agreed with the Department as an appropriate model for consultation. This model will use a base fee similar to the annual renewal fee currently, plus a per capita fee. The base fee and per capita fee will increase annually. Table 1 shows three options for this: increasing the base fee and per capita fee; keeping base fees at 2017-18 levels and increasing the per capita fee; reducing base fees and increasing per capita fees. Table 2 shows the same models for one additional Accreditation Officer.

Table 1: Current staffing

2018-19	2019-20	2020-21
Increased base fee		
Base: £10,000 Per capita: £0.20	Base: £10,750 Per capita: £0.35	Base: £11,500 Per capita: £0.50
Base fee held at 2017-18 levels		
Base: £9,500 Per capita: £0.35	Base: £9,500 Per capita: £0.75	Base: £9,500 Per capita: £1.19
Reduced base fee		
Base: £8,000 Per capita: £0.80	Base: £8,000 Per capita: £1.25	Base: £8,000 Per capita: £1.71

Table 2: Increased staffing

2018-19	2019-20	2020-21
Increased base fee		
Base: £10,000 Per capita: £1.10	Base: £10,750 Per capita: £1.25	Base: £11,500 Per capita: £1.36
Base fee held at 2017-18 levels		
Base: £9,500 Per capita: £1.25	Base: £9,500 Per capita: £1.60	Base: £9,500 Per capita: £2.05
Reduced base fee		
Base: £8,000 Per capita: £1.70	Base: £8,000 Per capita: £2.10	Base: £8,000 Per capita: £2.57

- 5.12 The figures within these tables are calculated on the predicted fees required for the programme to cover its costs in 2020-21, assuming a total of 90,000 registrants in the programme at that time. The registrant fee may change over time if the estimated total number of registrants covered by the programme, or the number of registers, differs from the forecast.
- 5.13 This model will allow fees to be calculated each year for each register, and for the per capita fee beyond 2020-21 to be calculated each year based on the total number of registrants. We will seek registrant numbers from all registers in February each year to allow us to calculate the fee for each register for the forthcoming financial year.
- 5.14 The initial application fee will rise to £15,000, as with the flat fee model. New applicants will be required to pay a £15,000 initial application fee, plus the registrant fee calculated for that year. If this generates any additional income, this will be either used to increase communications work or reduce the fee increase for the following year.

6. New fee introduction

- 6.1 We will take into account feedback provided by registers through the consultation when determining which model is the most appropriate, and whether changes should be made to the models proposed.
- 6.2 The new fee model will be introduced from April 2018. Registers will maintain their current renewal and payment dates.
- 6.3 Fees will increase incrementally up to 2020-21, at which point the programme will be financially self-sustainable. From 2021-22 onwards, any increase in costs will be raised with registers prior to these increases. Based on our current models, this will be covered by the accreditation of one new register, or an increase in the region of £100-200 per register (assuming an equal spread of costs).

7. Assumptions

- 7.1 The proposals we set out within this document contain a number of assumptions necessary to develop these models:
- The Department will not provide further funding to that already agreed
 - There will be no change to legislation affecting the accredited registers in the near to mid future
 - Registers are able, and willing, to pay increased fees for the programme
 - Annual retention rates will remain at, or close to 100%. Any non-renewal by registers will be mitigated by increased recruitment activity
 - The number of registrants will rise steadily over time, particularly as new registers are accredited
 - We will be able to accredit a net additional 10 registers by April 2021

- The assessment of 33 registers will be possible within the current resources of the programme, while still enabling significant communications work. A new annual renewal process will contribute to this.
- 7.2 We have reviewed our models to determine the necessary funding if the above assumptions are not valid. For the flat fee model, each withdrawal by a register would increase the 2020-21 fee by £500.
- 7.3 For the per capita and banded fees, any increase in fees would be dependent on the size of the register that withdrew.

8. Summary of questions and how to respond

Q1: Which fee model would you prefer to see implemented and why?

Q2: Do you think our proposals offer a reasonable solution to ensuring long-term financial self-sustainability?

Q3: Are the timeframes for implementation of the new fees appropriate – both the introduction in April 2018, and the three-year incremental increases to achieve self-sustainability?

Q4: What will the impact of increasing fees be on your register?

Q5: What will be the unintended consequences of raising fees on your register, if any?

Q6: What could be the impact on public protection of raising the fees?

Q7: Do you think our assumptions relating to retention and recruitment of registers are reasonable? Why?

Q8: Do you think our assumptions relating to DH funding are reasonable? Why?

Q9: Are there any aspects of these proposals that you feel could result in differential treatment of or impact on groups or individuals based on the following characteristics, as defined under the Equality Act 2010?

- Age
- Gender reassignment
- Ethnicity
- Disability
- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation
- Other (please specify)

If yes to any of the above, please explain why and what could be done to change this.

Q10: Please provide any further comments you have on the proposals within this document.

- 8.1 We recognise that changing the fees poses a number of risks. We would appreciate registers being candid in their feedback to enable us to judge the risks to the programme from the proposed changes.
- 8.2 Responses to this consultation should address the questions posed and be sent to the Accreditation team (accreditationteam@professionalstandards.org.uk) by Tuesday 21 November 2017. Responses can also be posted to the following address:
- Accreditation team
Professional Standards Authority
157-197 Buckingham Palace Road
London
SW1W 9SP
- 8.3 If you have any queries, or require an accessible version of this document, please contact the Accreditation team on 020 7389 8037 or by email at accreditationteam@professionalstandards.org.uk.
- 8.4 Responses will be analysed and used to inform the changes to the programme. Any changes will need to be ratified by the Authority's Board prior to implementation. Registers will be informed of any changes prior to their implementation.

9. Confidentiality of information

- 9.1 We will manage the information you provide in response to this consultation paper in accordance with our information security policies which can be found on our website (www.professionalstandards.org.uk).
- 9.2 Any information we receive, including personal information, may be published or disclosed in accordance with the access to information regimes (primarily the Freedom of Information Act 2000 (FOIA) the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004).
- 9.3 If you want the information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence. In view of this, it would be helpful if you could explain to us why you regard the information you have provided as confidential.
- 9.4 If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality will be maintained in all circumstances. An automatic confidentiality disclaimer

generated by your IT system will not, of itself, be regarded as binding on the Professional Standards Authority.

- 9.5 The Professional Standards Authority will process your personal data in accordance with the DPA and in most circumstances this will mean that your personal data will not be disclosed to third parties.

10. Consultation process feedback

- 10.1 If you have any concerns or comments to make regarding our consultation process, please contact:

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