

Accredited Registers Fee Consultation

Response Analysis

1. Introduction

- 1.1 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 2011 Command Paper, [Enabling Excellence: Autonomy and Accountability for Healthcare Workers, Social Workers and Social Care Workers](#) outlined the role that Accredited Registers could play in the regulatory landscape. This role was then brought into effect and provided to the Authority within the Health and Social Care Act 2012.
- 1.2 *Enabling Excellence* outlined the large number of unregulated healthcare workers (estimated at the time to be approximately 1.3 million) who might fall under statutory regulation in previously suggested models. The paper outlined that a proportionate approach was required to regulation, which the Accredited Registers programme fulfils.
- 1.3 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.
- 1.4 The programme is not financially self-sustainable, and the Department continues to provide financial support. The Department has asked 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.
- 1.5 We ran a consultation for eight weeks from September-November 2017 asking registers to respond to 10 questions (see appendix 1), one of which was to outline their preference of one of two fee models:
 - Dividing the cost of the programme between all registers equally. This would maintain the current flat fee model but at higher rates. It continues the original funding principle that assessment activity is the same for each organisation notwithstanding differences in registrant numbers
 - 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 and flattens the distribution of costs per registrant.

2. Responses

- 2.1 In total, we received 25 responses to the consultation. These are broken down by respondent type in table 1 below.

Table 1

Respondent type	Number of responses
Accredited Register	19
Register under initial assessment	2
Register that has not yet applied	1
Statutory professional regulator	1
Charity	1
Member of a Council of a register	1 ¹

2.2 The responses from the statutory regulator and charity did not answer the questions posed within the consultation and did not fit with any themes identified. The statutory regulator sought reassurance that there will continue to be no cross subsidy between the Authority’s regulatory oversight and Accredited Registers roles. The Charity showed some misunderstanding, stating that taxpayers’ money should not go towards funding, or subsidising, the provision of non-evidence-based treatments where evidence-based treatments are available. The Charity stated that it believes the full cost of the programme should be borne by registrants. We responded directly to both responses, which are not discussed further within this document.

3. Preferred fee model

3.1 20 of the 24 current Accredited Registers responded to the consultation². Of the 20 registers that responded, four did not state a preference for a fee model.

3.2 Two of the three registers currently under assessment responded to the consultation, as did one register that has not yet applied for accreditation. The two registers under assessment and the register that has not yet applied responded with their preferred fee model.

3.3 Of the four registers that did not state a preference:

- One register noted that neither option will be sustainable for it remaining within the programme
- One register provided no preference, and noted that either model would require a 50% increase in fees for its registrants
- One raised serious concerns about the assumptions within the consultation. This register suggested a more sophisticated charging scheme could be

¹ This response was very similar to that submitted by the Council member’s Accredited Register. For this reason, these two responses have been counted as one for the purpose of analysis.

² One response covered two registers who are assessed as a cluster.

devised and requested a deferral on the decision and further dialogue on this

- One raised concerns that all proposals within the consultation posed questions about the sustainability of the programme. The register stated that fee increases would cause it to evaluate the cost-benefit of the programme.

- 3.4 No consensus for a fee model was formed among the 19 respondents to this question. 10 stated their preferred fee model to be a base fee plus a per capita charge, while nine stated their preferred model to be a flat fee. We do not feel that this allows us to select a fee model with any degree of confidence that it will be accepted by all, or even a significant majority of, registers.
- 3.5 All those that preferred the base fee plus per capita charge model have registrant numbers of fewer than 2,000. Of those that preferred the flat fee model, all bar one have registrant numbers of greater than 2,000. In addition to this, three of the four registers that did not state a preference, but outlined serious concerns about the fee increase, have fewer than 1,000 registrants. There is a clear split between the smaller and larger registers, due in large part to the financial implications for these organisations.
- 3.6 Larger registers noted that the programme accredits registers, not registrants, and as such assessment burdens are similar for all registers. Smaller registers noted the vast discrepancies in the overall cost per registrant of accreditation, irrespective of the fee model chosen.
- 3.7 Some larger registers did note their willingness to contribute a higher fee than the smallest registers, but did not wish to pay the full fee that would be charged through the base fee plus per capita charge.
- 3.8 One register noted that it did not consider the proposals ambitious enough, and suggested significant increases to a per registrant charge and the overall programme budget. This view, however, was not shared by other registers.

4. Key themes

- 4.1 A number of themes emerged from the responses from registers, which are summarised within this section.

Registers willing to find pragmatic solutions

- 4.2 Through their responses, registers demonstrated that they value the programme and are willing to work towards pragmatic solutions to a sustainable model. However, this is tempered by the fact that the proposed fee increases are large, and that there is no consensus among registers as to a preferred model.

Impact on registers and registrants

- 4.3 Registers stated that the impact on them would be dependent on the fee model chosen. 15 of the 20 registers stated that they would have to pass the fee increases onto registrants. One smaller register calculated that a 50% increase in registrant fees would be required to cover the programme fee changes.

- 4.4 Registers that did not specifically state that they would pass fee increases onto registrants noted the additional pressure that increased fees would place on their resources.

Risk of losing registers

- 4.5 As there is such a strong split between the preferred fee models of large and small registers, the risk of losing registers based on the fee model chosen has been particularly highlighted. Given the split, there is a risk of losing approximately half of the registers within the programme if either model is chosen.
- 4.6 Seven registers state within their consultation responses that they may decide to withdraw from the programme due to increased fees, and a further two imply that this would be the case; a total of 45%. This was stated to be for a number of reasons, including the increased percentage of a register's overall budget spent on accreditation fees (rising from 20% to 30% for one small register), potentially not being able to justify fee increases to registrants, and the cost-benefit of the programme no longer being favourable to their continued accreditation.
- 4.7 All four registers that did not state a fee model preference mentioned withdrawing from the programme, as did three registers that prefer the base fee plus per capita charge model and two that prefer the flat fee model. Six of the nine registers that mention withdrawing have fewer than 1,000 registrants, which would indicate that the programme would be more likely to lose smaller registers with the planned fee increases.
- 4.8 The responses raise serious concerns that registers will withdraw from the programme due to increased fees. An alternative to this is that some registers may decide to merge or cluster their accreditation. This provides the benefit of maintaining public protection through keeping practitioners on Accredited Registers, but, based on the current fee models, would negatively impact the programme's ability to become financially self-sustainable.

Concerns about sustainability

- 4.9 Concerns raised by registers clearly show that there are serious risks associated with raising the fees. Registers expressed concern that smaller registers may not be able to afford increased fees, especially the flat fee model, or may not be able to justify increasing their registration fees for registrants to cover the costs. Larger registers may choose to withdraw rather than pay the increased costs associated with the per capita model.
- 4.10 This caused some registers to call into question the sustainability of a programme that requires such large increases to fees in a relatively short timeframe. Some registers noted that increasing the fees could actively damage the sustainability of the programme, due to withdrawals from the programme.
- 4.11 The loss of any register will transfer costs onto other registers, which could cause a snowball effect of more registers leaving due to increased costs. This would quickly reach a tipping point where the programme was no longer viable.

Timeframes for introduction

- 4.12 The majority of registers stated that the timeframes for implementation (introduction of new fee model in April 2018 and three-year phased increase) were appropriate. However, some registers did note that budgets for 2018 had already been set, making an April 2018 introduction difficult. Other registers stated that the three-year plan for self-sustainability was not reasonable as the programme is still relatively new and should be granted more time to increase its register-base before self-sustainability is required.
- 4.13 Registers expressed the opinion that discussion around withdrawal of funding from the Department should not take place until the programme covers at least 30 Accredited Registers. This would allow the programme greater time to become embedded, and would reduce the currently proposed large fee increases over three years.
- 4.14 A number of registers stated that *'An assessment of sustainability should be made by reference to the number of Accredited Registers not the time that has elapsed since the programme opened.'*

Registers found neither model to be ideal

- 4.15 A number of registers noted that, while they had chosen one of the two fee models, this was due to having to choose one as part of their response. An increase in fees to some registers would represent a significant risk to their continued involvement in the scheme.

5. Public protection

- 5.1 A number of concerns raised by registers throughout the consultation revolve around the issue of public protection. Any withdrawal of a register, or attrition of registrants from a register, caused by increases to fees would negatively impact the public protection benefit brought by the programme. Registers highlighted that through passing on fee increases to registrants, attrition is likely to occur, which could cause a spiral of increasing registration fees and attrition for individual registers. These registers would then be unable to afford to remain within the programme.
- 5.2 The Accredited Registers programme was introduced to enhance public protection in occupations not statutorily regulated. The concerns raised by Accredited Registers would imply that the programme's purpose would be negatively impacted through the proposed fee increases. For example, one response stated: *'Increase the fee equally and many small registers may withdraw, implement the per capita model and larger registers may withdraw, rather than subsidise smaller ones, particularly where there are several ARs for the same occupations and they are effectively in competition with each other in their capacity as professional associations.'*
- 5.3 Another response stated: *'Potentially any increase in fees of a programme runs the risk of it being exclusive to those that can afford it. Therefore any programme which seeks to protect the public and accredit registers which quality assure practice in health and social care should be affordable and accessible to as many as possible (if standards are met).'*

- 5.4 An important point made by one register is that *'The key is not the fees but retaining the registers'*.
- 5.5 Put simply, the entire purpose of the programme is likely to be jeopardised by the introduction of either fee model proposed in the consultation.

6. Additional staff member

- 6.1 As part of the consultation, at the request of the Accredited Registers, we included calculations of fees if we were to increase our staffing complement by one Accreditation Officer. This additional post was proposed to help manage the increased workload with an increased number of registers, and increased communications work.
- 6.2 A small number of registers stated their support for increased staffing levels. However, given that the majority of registers stated that the fee increases with current staffing levels would be prohibitive, we do not determine this to currently be a feasible proposal.

7. Risks of implementing the new fee model

- 7.1 The responses to the consultation highlight the risks to sustainability of the programme presented by the proposed fee increases. More importantly, any risk to the sustainability of the programme poses risks to the public protection benefit it provides.
- 7.2 These risks were all identified prior to the consultation, but we now consider the likelihood of these risks occurring to be much greater than previously thought.
- 7.3 Some key headline risks are
- Withdrawal of registers from the programme
 - Attrition of registrants from registers, if registers pass fee increases onto registrants
 - Merging or clustering of registers, reducing the income of the programme and increasing costs for other registers
 - The withdrawal of one large register under the base fee plus per capita model may leave a budget deficit that cannot be covered by the remaining registers
 - Reduction, or delay, in applications by registers that would otherwise join the programme
- 7.4 Based on the responses to the consultation, the occurrence of some of these risks, especially those that would jeopardise the programme, would be inevitable with the introduction of either model consulted on. From the feedback received, it is almost impossible to expect that there will be no withdrawal of registers from the programme in response to implementation of the proposed fee increases.

Clustering and merging

- 7.5 One of the principles of the programme has been that registers should be able to cluster to make the cost of accreditation more affordable for smaller registers.
- 7.6 This poses a significant risk to the sustainability of the programme if registers that are not able to afford the increases to fees cluster or merge with each other. Each merger or cluster formed would result in increased fees for registers, as the loss of income would need to be shared across the programme.
- 7.7 The loss of fees through mergers of clusters would be partly covered by a model that included a per registrant charge, but would still leave the base fee to be shared across the other registers.

8. Update to assumptions within the consultation document

- 8.1 Following on from heightened risks, and based on the responses to the consultation, we find it necessary to update the assumptions that were included within the consultation document.
- 8.2 One of our assumptions stated: *'Annual retention rates will remain at, or close to 100%. Any non-renewal by registers will be mitigated by increased recruitment activity.'* Given the feedback received from registers, and the lack of consensus on a preferred fee model, we no longer believe that we will be able to maintain renewal rates at or close to 100%. We believe it is highly likely that some registers will either merge, cluster or withdraw. One register's response provides a succinct summary: *'The assumption in the consultation paper that annual retention rates will remain at, or close to, 100% will be severely tested if the proposed increases in charges go ahead.'*
- 8.3 Given the feedback that many registers would pass on the fee increases to registrants, our assumption that *'The number of registrants will rise steadily over time, particularly as new registers are accredited'* is unlikely to be valid. Any increase in fees for registrants, particularly those required to keep the smaller registers in the programme, will likely cause attrition in registrant numbers.
- 8.4 While we believe that the majority of *'Registers are able, and willing, to pay increased fees for the programme'*, it is clear that the proposed fee increases are not feasible for some registers, due to either small budgets, or vast fee increases.

9. Conclusion

- 9.1 We believe registers have taken a pragmatic approach to the move towards financial self-sustainability, and are willing, if able, to contribute financially to closing the funding gap. However, the cost increase required in the next three years to achieve this goal by April 2021 would put the registers under significant strain and compromise their ability and desire to continue with the programme.
- 9.2 We believe that implementing either of the proposed fee models in the consultation will have serious negative impacts on the ongoing sustainability of the programme and could cause it to fail. We are committed to achieving financial self-sustainability, but are concerned that our current proposals could

have the opposite effect to that intended by forcing registers from the programme.

- 9.3 As noted within section 4, nine registers explicitly or implicitly stated that they would reassess their ongoing accreditation with the proposed fee changes. Any loss of registers would increase the fees for all other registers, which may in turn cause further registers to leave the programme. The specific impact of each register leaving would depend on the fee model and the register that withdrew. Based on current registrant numbers, in 2018-19, this would be a minimum of £10,040 and a maximum of £16,800, rising to a minimum of £11,600 and maximum of £28,500 in 2020-21. This represents a significant cost to be shared among the remaining registers and remains a significant concern for the long-term sustainability of the programme.
- 9.4 Concerns about our current proposals that have been raised through this consultation have led us to conclude that a different model is required for 2018-19. We reviewed a number of possibilities, including an income-based model, and have concluded that the model within section 10 is presently the most feasible option.

10. Outcome and fee model for 2018-19

- 10.1 We have both a responsibility to the registers, to take into account their views on the proposed fee models, and a responsibility to the Department of Health to move towards financial self-sustainability. For this reason, we will increase the fees by an amount less than we consulted on for 2018-19. This will allow some movement towards financial self-sustainability, while allowing further time for discussions with the Department.
- 10.2 We will implement the following fee model for 2018-19:
- Increase the base fee to £10,000 and implement £0.10 per registrant charge.
 - Increase the application fee by a similar amount as the base fee, to £13,250.
- 10.3 All future fee increases will be by a minimum of the Consumer Prices Index (2.7% average for 2017) until the programme reaches financial self-sustainability.

Appendix 1

Questions posed within the consultation

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.