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Dear colleague

Care Quality Commission fees consultation – have your say

Today we have published a consultation document about the fees we propose to charge registered providers in 2018/19 and we are inviting you to have your say.

The fees paid by providers enable CQC to fulfil its purpose of making sure health and social care services provide people with safe, effective, compassionate, high-quality care.

Last year, following consultation, we completed the path to achieve full chargeable cost recovery, set over a two-year period for most providers in line with government requirement. The exception was for community social care providers (including home care agencies) whose trajectory was set over four years. We therefore propose to increase fees for the community social care sector for 2018/19. This is the third year of our four year trajectory to full chargeable cost recovery for this sector.

Now that we have reached full chargeable cost recovery for most of our providers, we are reviewing the fees scheme to ensure that fees are charged and distributed proportionately, and that the structure of the fees scheme captures current developments within each sector and can start to address anticipated changes. We have focused on those changes in the sectors that suggest to us should be prioritised for adjustment. We are therefore making specific proposals for:

- community social care
- NHS trusts
- NHS GPs.

For all other sectors the fee scheme remains unchanged, which means your fee will remain the same as that for 2017/18, providing your registration remains unchanged. We will review and consult as appropriate on fees for other sectors in the coming years.

Our proposals are tailored for each sector we are focusing on, but are broadly based on two common themes. Firstly, we propose to charge fees in proportion to a provider's size, removing the current banding structure. Secondly, we are proposing that an introduction of a minimum fee (floor) and a maximum fee (ceiling) across

providers within a sector may be appropriate. We have offered a number of options in each sector.

We recognise the financial challenges that providers face, and we do not underestimate the impact of fees on providers. Our proposals for 2018/19 will seek to make sure that our fees scheme continues to distribute fees in a proportionate way for all our registered providers.

Apart from the required increase to community social care providers, no sector sees an increase in their total fees. However, our proposals will change the fees for individual providers affected by the structural changes, depending on the options chosen (some providers' fees will increase and some decrease). The following examples are based on our calculations, which use sample data and assumptions we have made on the structure of each sector:

- For community social care providers the proposals could see around 70% of providers paying lower fees and around 30% higher fees. Smaller providers will be the main beneficiaries. Our proposals are based on consultation with the sector.
- For NHS trusts, the proposals could see around 75% of individual trusts paying reduced fees and the largest 25% seeing an increase.
- Broadly, NHS GP providers with one location, who represent 90% of the sector, who have a below average list size (estimated at 7,785) will pay a lower fee, while those with a higher list size will pay a higher fee.

We have always consulted widely on any proposed changes to the fees we charge and we will continue to give providers and their representatives the opportunity to review and be able to plan for any changes that will affect them.

Full details and descriptions of each of our proposals are given in the consultation document and draft regulatory impact assessment.

When we have analysed the feedback from this consultation in January 2018, we will prepare a response and a final fees scheme. CQC's Board will recommend the scheme to the Secretary of State, whose consent is required in order for the scheme to come into effect. We expect to publish our response and our final fees scheme in March 2018, for implementation on 1 April 2018.

You can find the consultation document and respond using our online form by visiting the [consultation page on our website](#). The consultation is open for responses until midday on 18 January 2018.

Yours sincerely,

Sir David Behan CBE
Chief Executive