



Care Quality Commission
Citygate
Gallowgate
Newcastle upon Tyne
NE1 4PA

Telephone: 03000 616161
Fax: 03000 616171
Email: enquiries@cqc.org.uk

www.cqc.org.uk

Dear colleague

Care Quality Commission (CQC) fees for registered providers 2018/19

I am writing to let you know that the changes to CQC fees have now been confirmed and are outlined on the [fees consultation page](#) of our website. This page also contains our response to the consultation and supporting information and guidance. This follows the public consultation between 26 October 2017 and 18 January 2018 on our proposals for the fees that we will charge providers of health and adult social care in England from 1 April 2018.

I would like to thank everyone who took part in the consultation for your valuable contributions, which were all taken into consideration.

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, and we encourage services to improve.

CQC is continuing to make savings over the period to 2019/20. There will be a reduction of £32 million in the CQC budget for 2019/20 from 2015/16 when we began our four year spending review. As set out in our strategy, we are also seeking to move to a more responsive, targeted and collaborative approach. As we progress towards this goal we are looking to keep our costs as low as possible and improve our efficiency and effectiveness. This will be reflected in our fees.

Now that we have reached full chargeable cost recovery for most providers, we consulted on our fees scheme to ensure that fees continue to be charged and distributed fairly and in line with our resources. We also sought to make sure that the fees scheme captures current developments within each sector.

Following consideration of the responses, we have made a number of decisions on our fees scheme for 2018/19. Our decisions can be broken down into two common themes, and tailored to each sector.

The first of these was to charge fees in proportion to a provider's size, removing our previous banding structure. We will use the following as measures of size:

- for community social care providers, we will charge fees in proportion to the number of service users at a location;
- for NHS GPs, we will charge fees in proportion to the size of a provider in the sector using patient list size per location; and

- for NHS trusts we will charge fees in proportion to the size of a provider in the sector continuing to use annual turnover.

We will also introduce a minimum (floor) and a maximum (ceiling) fee for community social care providers and NHS GPs. This will ensure that there is no distortion due to outliers, and is particularly an issue where the range of the size of providers is large. This is not an issue for NHS trusts and so we will not set a minimum or a maximum fee.

Only the community social care sector will see an overall increase in fees, in line with our agreed four-year trajectory to full chargeable cost recovery. Our grant-in-aid funding from government will decrease by the same amount.

The changes for NHS trusts and GPs will not change the amount of fees that we collect overall, but they will see a readjustment so that generally, larger providers will see an increase in fees while smaller providers will see a reduction. This takes into account the responses we received, and our desire to take a more proportionate approach to charging fees.

Examples of the fee changes that community social care providers, NHS trusts and NHS GPs can expect include:

- A community social care provider with 1 location and 15 service users will see their fee decrease from £2,192 to £926
- A community social care provider with 3 locations and 50, 100 and 45 service users at each of the locations will see their fee increase from £6,093 to £9,643
- An NHS trust with a turnover of £120 million will see their fee decrease from £158,902 to £85,200
- An NHS trust with a turnover of £681 million will see their fee increase from £322,249 to £483,510
- An NHS GP provider with 1 location and a patient list size of 5,200 will see their fee decrease from £4,526 to £3,473
- An NHS GP provider with 2 locations and patient list sizes of 10,000 and 8,300 at each of the locations will see their fee increase from £8,371 to £11,449.

For all other sectors, the fee scheme remains unchanged, which means a provider's fee will remain the same as that for 2017/18, providing their registration remains unchanged.

Our fees represent around 0.16% of overall indicative turnover of the health and social care market.

You can find the annual fee for your service for 2018/19 using the fees calculator published on our [website](#). You can also find guidance on how and when to pay your fees, including information on paying by instalment.

We would like to thank you for your continued support and involvement in working with us.

Yours sincerely,

Sir David Behan CBE
Chief Executive
Care Quality Commission