Regulatory fees from April 2019 under the Health and Social Care Act 2008 (as amended)

Our response to the consultation

March 2019

The Care Quality Commission is the independent regulator of health and adult social care in England.

Our purpose

We make sure health and social care services provide people with safe, effective, compassionate, high-quality care and we encourage care services to improve.

Our role

We monitor, inspect and regulate services to make sure they meet fundamental standards of quality and safety and we publish what we find, including performance ratings to help people choose care.

Our values

Excellence – being a high-performing organisation

Caring – treating everyone with dignity and respect

Integrity – doing the right thing

Teamwork – learning from each other to be the best we can

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Summary

Legal setting

The Health and Social Care Act 2008 includes powers for the Care Quality Commission (CQC) to set regulatory fees, subject to consultation. Fees are a charge for providers to enter and remain on our register. CQC is required by HM Treasury (HMT) policy to recover our chargeable costs and we are committed to achieving that obligation. Chargeable costs are the costs that we incur in undertaking our regulatory functions. CQC is legally required to consult on proposals for making changes to our fees scheme but can implement a new scheme only if the Secretary of State consents to it.

We consulted between 25 October 2018 and 17 January 2019 on our proposals for a fees scheme to take effect from 1 April 2019. We set out details of our proposals for this year's fee scheme in the consultation document and sought providers' views to the questions we posed. We invited respondents to comment on the fee proposals on their service, so that we could consider these views carefully in deciding our approach. We have set out those views to CQC's Board, the Department of Health and Social Care (DHSC) and HMT.

Fees response documents

This document is CQC's response to the comments we received on our recent consultation. It summarises the changes that will be made to the 2019/20 fees scheme.

We have also published separate documents alongside this summary on the fees consultation page of our website:

- An analysis report of the consultation responses.
- A regulatory impact assessment to assess the economic impact of the fees scheme.
- An equality and human rights duties impact assessment.

Information on fees for 2019/20 and our fees calculator can be found on the fees page of our website, which includes the following documents:

- The legal scheme of fees from April 2019.
- Fees guidance for providers.

Summary of responses to our consultation

We received 242 responses, with 11 from representatives of national organisations. A full analysis can be found in the accompanying consultation summary report prepared by Traverse, an independent research and consultancy organisation. The responses represent a a small number in comparison to the total number of providers, although the number of responses is similar to those for last year's fees consultation.

As with last year, the changes to the fees scheme have been targeted at specific sectors for specific reasons and providers responses reflect that, with most responses coming from those in the sectors affected by the proposals.

Our response to the consultation

In coming to our decisions on each of the proposals, we have taken account of the individual responses received and the voices of the national bodies, who represent many members. We have also taken note of arguments presented by providers who have commented on proposals on a different sector to the one to which they belong as appropriate.

We have assessed the comments that we have received alongside the necessity of the actions that we must take. We have set out our reasoning in this document in what we hope is a transparent and clear manner.

Our decision on fee charges in 2019/20

We intend to charge fees in 2019/20 as proposed in our consultation, as follows:

Proposal 1: Community social care providers

- We will increase fees for this sector by £1.5 million, as it is the final year of a four-year trajectory to full chargeable cost recovery. This means we will collect £24.5 million in total from the sector.

Proposal 2: Dental providers

- We will increase fees for this sector by £600,000. This means we will collect £8 million in total from the sector.

Proposal 3: Residential social care providers

- We will decrease fees for this sector by £800,000. This means we will collect £69 million in total from the sector.

Conclusion

The Secretary of State for Health and Social Care has consented to the fees scheme as described above, and it will take legal effect from 1 April 2019. We will not make any further changes to the scheme in 2019/20 other than those outlined above. Our consultation on fee charges for 2020/21 will be published in the autumn of 2019.

Details about why we have made the changes to our fees scheme are given in the chapter 'Responses to the proposals in our consultation'. Further information is also available in our regulatory impact assessment, and our analysis of responses report, which are available on our website.

We have sought to consult openly, comprehensively and with transparency about our costs and our income. We have read, analysed and considered every response and are grateful to all who took part in the consultation.

Overview of our response to the consultation

Background

At the time of our consultation for fees in 2018/19, all but one sector had moved to full chargeable cost recovery. We took that opportunity to review the structure of the fees scheme and to ensure that fees continue to be charged fairly. We began with sectors where the need to review was greatest due to the structure of the fee scheme inadequately reflecting the way the sector was structured.

Our changes produced considerable debate, particularly amongst community social care providers. We believe that the changes we have made take us in the right direction, but we have spent the last year monitoring the effect of the structural changes and will continue to do so. We will continue to engage with the sector and their representative bodies.

For the most recent consultation on fees for 2019/20, our proposals concentrated on ensuring that our fees match as closely as possible to the costs of regulation for each sector. We proposed adjustments to fees for three areas.

We proposed an increase to community social care fees as the final year of their trajectory to full chargeable cost recovery. This means that all sectors will be at full cost recovery in line with our best measurement of this. The proposed increase is much lower than we estimated in the 2018/19 consultation proposal.

We also proposed a decrease in fees for residential adult social care providers and an increase in fees for dental providers, with the aim of bringing fees and costs into balance as far as possible.

Feedback from respondents

The overall number of responses was low – even within the sectors affected by the proposals. Generally, providers were not in favour of increases, which is understandable. There were a number of drivers behind this and this document reviews these under the relevant proposals.

Our decision for fee charges in 2019/20

Considering all the responses, we invited the consent of the Secretary of State for Health and Social Care to allow CQC to charge fees in 2019/20, based on the amounts we set out in our consultation. The outcome is that, from 1 April 2019, we will charge fees in 2019/20 as set out on page 4. Our individual responses to the three proposals are set out under each proposal.

Analysis of responses

Traverse, an independent research and consultancy organisation, have prepared an analysis report of the responses received to our fees consultation. This includes the analysis methods used, and details of the feedback received, including direct quotes. The report is available on our website. CQC has reviewed the report and are confident that it reflects provider responses. We have summarised the main areas of feedback from respondents in this consultation response document.

General approach – your comments and our response

We asked a general question in our consultation about our approach to assessing costs and fees. The proposals we made last year and this year reflect our approach to balancing the fees we charge with the costs we incur in regulating sectors carefully so that they do not fluctuate more than is necessary. The approach did not form a proposal, but we wanted to appreciate the issues raised, and reflect on them to either provide answers or to understand where we should consider making changes.

In setting the question, we highlighted the challenges in assessing the cost of regulation in the context of changes to our regulatory approach. However, respondents were more interested in how the fees are calculated, because this has a direct impact on individual providers and the sector. Many of the comments were influenced by sector specific circumstances.

More providers disagreed with our approach to assessing costs and fees for all sectors than agreed – 136 to 54. While there were supportive comments about our arguments and perceived transparency and fairness in our fee-setting, there were many that did not consider our fees to be fair and that the work we did failed to justify the level of fees.

An actual visit to a provider forms only part of the costs of our work as by our operating model we also register, inspect, monitor and rate providers. This is important to remember as we move to the intelligence-driven approach to regulation that we set out in our strategy. In terms of costs, we need to include the support costs of staff, such as training, equipment, IT and facilities, as these allow CQC staff to carry out their work effectively whether they are inspecting, rating, monitoring or registering providers.

A number expressed concerns about rising fees. Our fees have risen consistently over the past four years. Our budget, and the costs relating to our operating model, has also fallen consistently during the same period. We have explained that fees have risen because government policy requires providers to pay directly for the cost of regulation. This has been a direct switch of funding: as our fees have risen, our direct grant from government has fallen by exactly the same amount.

Many comments came from the community social care sector, which last year saw a major change in the ways that fees are charged. The effect of this change is still being felt and we are monitoring the impact of this on the sector. Their comments were focused around the view that fees were unfair to all providers and would particularly

affect smaller providers. We argue that the reason for the change was to focus the fee on the cost of regulating the specific service. The impact of this change has been that each provider is assessed on its size and cost of regulating it. Because this is an argument specific to the sector, we expand on this further as part of proposal 1 on page 8.

More widely, providers continued to raise their concerns about the level of CQC fees against a backdrop of increases in staff wages and a freezing of funding from commissioners of services. These are concerns that have been raised previously and comments on the uncertainty of Brexit are now added to that. CQC has stated in its own surveys and State of Care reports about its concerns over the fragility of sectors. While we recognise that any increases are difficult for providers, some perspective is required as to the impact that an increase fees can have on the financial viability of a provider. CQC fees are on average no more than 1.5% of a provider's income.

In absolute terms, fee increases have had considerably less impact than the introduction of the minimum wage, pension costs and inflation. CQC has stated consistently our understanding of the fragility that exists within health and social care. Nevertheless, with costs increasing, it is understandable that providers question why our fees are also increasing. Our fees have risen because of the requirement to switch our funding in line with HM treasury policy while our cost base has reduced accordingly.

Providers suggested other measurements that should be used or considered when setting fees. A number, mainly from the dental sector, suggested that the level of risk that a provider represented should be taken in to account so that those with lower risk pay a lower fee since less intervention is required. We are not opposed to considering this, but would require good indicators to be clear how it is being applied, as well as showing clearly how it relates to our use of resource. As we move to a more risk-based approach to our regulation we will continue to consider it.

Other providers also argued that we should use turnover or profit as a measure of the size of a provider. We already use turnover for NHS trusts, since they are a small group of entities that are very similar. The turnover information is also easy to obtain and in the public domain. It is harder for other sectors, since there are a variety of public and private organisations with differing public disclosure requirements and different legal structures, which will not often align directly with the costs of their regulation by CQC. Profit is an even more difficult measure. Its availability suffers from the same problems as turnover and its size is more a measure of how well an organisation has performed that year rather than how large it is or the cost of regulation.

Responses to the proposals in our consultation

Proposal 1
We proposed to increase fees for community social care for 2019/20 by £1.5 million. (This is the final year of our four-year trajectory to full chargeable cost recovery.)

Your response and comments to proposal 1

The majority of community social care providers who responded (47 out of 61) disagreed with the increase. Those who agreed stated that they understood the reason for the increase and that it was important that all sectors were making a proportional contribution to their full cost recovery.

Some of those who disagreed expressed the view that the proposed increases would be unfair and not proportionate to the level of service and regulation that CQC offered in return. More were concerned by the impact of the increases on the sector, given the crisis that the sector is facing as a result of rising costs and funding that is not keeping pace with these increases. A number also believed that increases would affect the quality of the care provided and reduce the availability of care, particularly to the more vulnerable. These themes were picked up by respondents from outside the sector.

We also received concerns about the structural changes we implemented in determining fees by the number of service users. Providers who responded to this showed concern that it was the wrong measure, in that it did not accurately reflect the size, or the change in size, of a provider. Other suggestions were offered, such as hours of care provided and the burden that a provider poses to CQC.

National organisations underlined many of the above arguments, providing further perspective on the challenges of recruitment in the light of the uncertainties of Brexit and funding. They underlined that the sector has seen substantial fee increases over a number of years, impacting on providers' ability to deliver high-quality care. They also challenged CQC over providing insufficient justification for the fee increases.

There was some support for the fees increases from those outside the sector, but most opposed it and covered the same issues as those within the sector: that increasing fees against a background of constrained funding threatens the quality of the service offered and the costs to service users.

Our decision on proposal 1

We will increase fees for this sector by £1.5 million as the last year of a four-year trajectory to full chargeable cost recovery.

Our response to your feedback on proposal 1

While opposition to fee increases is understandable, we do need to reiterate the fact that this is the final year of a four-year increase that was agreed in 2016. This proposed increase represents the final year of that trajectory for this sector. Our proposed increase of £1.5 million is less than the £3 million that we estimated in previous years. As we approach the point of full cost recovery we have assessed our costs carefully using the information we have gathered over the previous three years.

It is necessary for the proposed increase to go ahead as this brings community social care into line with all other sectors, so that from April 2019 CQC will be recovering full regulatory costs from all sectors. By this we mean that our regulatory costs are no longer covered by grant-in-aid funding by HMT. The fact that we have adjusted the fee as a result of better cost estimates shows that we have been careful to ensure that we only recover the costs of regulation.

The question of rising fees impacting the quality of care and its cost and availability to users is also understandable. Clearly every pound that is spent on regulation is one less pound on direct services. It is important to remember that CQC's budget has fallen during this time. The source of our funding has changed: from government to providers. So within the system as a whole, the cost of CQC regulation has fallen. This addresses one point about the total cost of regulation to the sector, but it does not address the fact that the switch in funding does impact individual providers.

The change is a requirement of government policy. However, CQC has not applied fees unthinkingly to providers but have looked to ensure that fees fairly match the cost of regulation and ensured that fees are spread according to their size and in proportion to the cost of regulating the service. Generally fees are no more than 1.5% of a provider's turnover. Larger providers do pay much more than smaller providers in absolute terms, but the percentage is usually much lower than for smaller providers. Across the sector, while fees may not be welcome, we have made their impact as light as possible at every level.

The structural change initiated for the 2018/19 scheme also reflects this approach, particularly spreading the burden proportionately among smaller and larger providers. The regulatory impact assessment demonstrates that. Opposition has been expressed by providers, though it is difficult to assess the full position of the sector. Providers who see their fees rise are much more likely to protest than those who see their fees fall. So, we must focus on the clarity and relevance of the arguments offered that oppose the change we have made. The challenges offered can be grouped in to three areas:

1. That the measure is insufficient or does not reflect the change in size of the provider.
2. That it will influence the packages of care that providers offer.
3. That it is unfairly burdensome on larger providers and does not truly reflect the cost of regulating them.

The consultation last year covered these points. This year we did not consult on last year's decision to set fees by reference to the number of service users. Therefore, notwithstanding the responses received, we could not depart from that decision without further consultation. Nevertheless, there are a number of points to be made about this and much analysis is provided in the regulatory impact assessment. Using the number of service users as a measure of size may not be perfect, but it is much better than other proposals for the purposes of calculating and charging fees in accordance with the proportionate approach that was adopted in the light of last year's consultation. It is certainly superior to locations, which were used under the banded approach which meant that 90% of providers paid the same fee regardless of size. Service users and number of hours of care were the two most popular options from providers who responded to last year's consultation. Overall, we remain of the view that the number of service users is easier to count and record. The provider will always change in size, but we do canvas their position as close to invoicing as possible to be able to assess their fee.

A number of providers and national organisations said that using this measure means that some providers might hand back small care packages on the basis that the fee increases as the number of service users increases, needs to be monitored. We agree that it is important to monitor the data over time. At the heart of the issue is a consideration as to whether fees can drive behaviour. We try to ensure that it does not, which is why we have reviewed the methodology of calculating fees and the structure of charging in a number of sectors. The cost of a care package depends on a number of things, the regulatory fee being only a small part of it. Our view, based on early analysis, is that the additional cost of the fee is insufficient to drive behaviours.

In terms of the burden of fees, larger providers have seen their fees rise, but it more accurately reflects the cost of their regulation. We will review the balance of fees charged between larger and smaller providers as part of our ongoing work. Details of this are covered in our accompanying regulatory impact assessment.

Impact on the fees scheme in 2019/20

As a result of this proposal, we will collect a further £1.5 million from the sector. Our funding from the government will decrease by the same amount, because our overall costs of regulating the sector do not change. The effect on providers will vary as each will be individually affected by the results of proposal 1.

Proposal 2
We proposed to increase fees for dental providers for 2019/20 by £600,000 so that we collect £8.0 million in fees.

Your response and comments to proposal 2

Of the 59 responses from dental providers, 56 opposed this proposal (51 strongly). The main objections were based around the views that the fee increases were unjustified, given the high level of compliance and low level of risk within the sector compared to other sectors.

Others commented that there was a funding crisis within the sector, exacerbated by stagnant/declining income. In consequence, they said the increased fee from CQC would eat into already reduced profit margins. This increase would be passed on to people using services by either a reduced service or increased fees.

Several providers argued that smaller providers were disadvantaged by the fees scheme. Others noted that the sector was already highly regulated and in this context the fee increase appeared excessive.

National bodies also opposed the increase, holding the view that it seemed unfair as the increase was happening at a time when they understand that the number of inspections are decreasing. They challenged CQC to be more transparent over its methodology so that the sector might have more confidence in the figures given.

Our decision on proposal 2

We will increase fees for dental providers by £600,000, which will mean an increase in fees of 13% for all providers.

Our response to your feedback on proposal 2

It is understandable that a sector would oppose a proposal to raise its fees, particularly after a period of little change. In our consultation paper, we were clear that in earlier years we had assessed our costs as best as we could, using the data we had available. Over the last three years we have built up a much more detailed model using the increased amount of data that we have been able to collect using our national resource planning tool. This shows us that we underestimated the costs of regulating dentistry in earlier years.

The fact that we are raising fees at a time when we have moved to a lighter-touch model seems counter-intuitive. However, we are confident that we have a much better understanding of the cost of regulating all sectors. We are not charging dental providers disproportionately, nor are we suddenly charging more. Our costings are based on all aspects of our regulatory model, which includes registration, monitoring and inspection. Site visits are only a part of this work. Our current approach is to inspect around 10% of dental providers each year but in the context of a full monitoring exercise on all

providers over the course of the year. Finally, it is worth emphasising that the total cost of regulating dental providers amounts to only 4.5% of our total resources, while the number of dental providers forms nearly 20% of our providers. While we would not argue that there is a direct correlation between the two, the fact that there is such a divergence between the two figures is strong evidence that we are cost effective in our regulation of the sector. These figures also show that the high level of compliance is factored into the overall costs. The challenges relating to the difference in fees charged between smaller and larger providers is one that we wish to explore further with national representatives as we review the structure of the fee scheme for the sector overall.

Points on levels of risk and the financial challenge in the sector are made in the comments and response to our general approach to fees on pages 6 and 7. In response to the specific point that cost increases will impact people who use the service either in costs or reduced services, we need to maintain a perspective. The increase for a dental provider with two chairs at one location will be £86 for the whole year.

Our regulatory impact assessment carries further information on the detailed impact on the change in fees on providers

We will continue to meet with representative bodies to review the output of costing work that we do. We said in the consultation document that the actual cost of regulation is higher than the proposed recovery of fees. However, we need to review the analysis that we have, particularly in relation to the cost of registration and monitoring. We propose to do this alongside national bodies so that we can demonstrate our methodology and they can help us to test it thoroughly.

Impact on fees scheme 2019/20

Overall the income from the sector will increase to £8 million, which is an increase of 8.1% in total income. To achieve these providers will see an increase in their fees of 13%. The difference in percentage increases is due to the change in the value of the invoice.

As an example, consider if we raise an invoice on 1 October when we have a financial year end of 31 March. If the invoice raised for last year is £10,000, then £5,000 will be shown as income in last year, and £5,000 in this year – splitting it equally between the two years. If the new invoice raised for this year is £20,000, then £10,000 will be shown as income for this year and £10,000 for next year. This means that the income for this year is £15,000 (£5,000 + £10,000) even though the invoice raised was £20,000.

Translating this to our fees scheme, means that our income for next year will be a mixture of invoices raised under the current fee scheme and invoices raised under next year's fees scheme. Therefore, the increase in actual income received is lower than the increase in individual invoices.

The adjusted fees can be seen at appendix 1, which are as orginally detailed in the consultation proposal document.

Proposal 3
We proposed to decrease fees for residential care providers for 2019/20 by £800,000, so that we collect £69.5 million in fees.

Your response and comments to proposal 3

Providers from this sector were mainly in agreement with the move to reduce fees (18 out of 24 respondents). Most comments expressed the view this sector had borne the brunt of fee increases over the years and that the reduction would give some relief to a sector in a precarious financial position and that it would bring greater fairness between sectors.

The small opposition largely seems to have been because some providers misread the proposal and assumed that there would be an increase. One provider argued cogently that they would rather CQC maintain fee levels and use the money to invest in improving our services as they were of the view that they suffered a greater burden in delays as a result of due to our processes.

National organisations welcomed the decrease, but did challenge CQC to offer a greater reduction as they believed that providers in this sector had been charged too much in the past.

There was some opposition from other sectors, particularly community social care providers, who felt that it was unfair to decrease fees in this sector while increasing fees for their sector.

Our decision on proposal 3

We will decrease fees for residential care providers by £800,000 which will mean a decrease in fees of 2.4% for all providers.

Our response to your feedback on proposal 3

We welcome the general agreement for the reduction in fees for this sector. We also understand the challenge to reduce fees even more. We did state in our original consultation that we will continue to assess and make changes to fees as we obtain more information from our costing model and evaluate it. We will continue this process and engage with the sector as we do so.

The suggestion we had about investing the money in our systems rather than reducing provider fees is also a good challenge. We are already investing in our registration and monitoring processes, with the aims of streamlining them, and using digital technology to make them more efficient.

It is reasonable for providers from other sectors to compare what has happened in their sector with other sectors. In this instance, the community social care sector is seeing their own fees rise. This needs to be understood in the overall context of how fees have

been set for each sector. Four years ago, we had to bring all providers to a position where their fees recovered our full costs of regulation. We agreed two extra years for community social care providers, which is the reason for the increase in their fees in 2019/20. Residential social care has, with all other providers, been at full cost recovery for two years and this stability has given us the opportunity to assess whether the level of fee recovery is correct. In both cases we are interested in ensuring that fees are aligned with costs, but they are at a different stage in their development, which is why we made different proposals for them.

Impact on fees scheme 2019/20

Overall the income from the sector will drop to £68.5 million. All providers will see a fall in their fees of 2.4%. The adjusted fees can be seen at appendix 1.

Changes to calculations requiring no consultation

As a result of the 2018/19 fees scheme NHS trusts, NHS GPs and community social care providers are all calculated according to a formula dependent on the proportionate size of the provider against the size of the total sector. This means that for sectors where total fee income does not change (NHS trusts and NHS GPs), individual fees are likely to change. This will be because of a provider growing or shrinking and the whole sector growing or shrinking.

How a provider calculates their fee is unchanged, so no consultation is required where the total fees collected do not change. This is the position for NHS Trusts and NHS GPs.

NHS trusts are measured using turnover. NHS GPs are measured using list size. The calculation can be found in appendix 1 for the relevant details. Providers from these two sectors are advised to check the calculations so that they can calculate their fees accurately for the new financial year.

Full details for these two sectors is contained in our regulatory impact assessment.

Appendix 1 – Table of fee charges in 2019/20 for all providers by fee category

NHS trusts (Part 1 of Schedule of existing fee scheme)

The fee payable by **NHS trust** providers (registered by 1st April 2019) is calculated by determining the Trust's turnover as a proportion of the turnover of all NHS trusts. Multiplying this figure by the cost of CQC regulating all NHS trusts produces the fee payable.

The fee payable by **new NHS trust** providers (registered after 1 April 2019) is calculated by multiplying the trust's estimated operating revenue by 0.0768%.

Further details are set out below:

A. How NHS trust fees are calculated Part 1:

Turnover / Total turnover	**X**	**£ Cost**	**=**	**£ Fee payable**

B. We use these definitions when calculating NHS Trust fees:

1) **Turnover**: is

   (a) the total operating revenue received by a NHS trust as shown in the latest audited accounts to be published for the trust as at the date the fee falls due, or

   (b) where no such accounts are available, or where the trust is a new NHS trust or has had services transferred to it from another NHS trust since the date of those accounts, the estimated operating revenue as shown in the trust's business plan for the year in which the fee falls due;

2) **Total turnover**: is the total annual turnover of all NHS trusts.

3) **£ Cost**: is the current full chargeable budgeted cost to CQC of regulating NHS trusts.

4) **£ Fee payable**: is the amount to be paid by providers who are NHS trusts.

C. Calculating new NHS trust fees under Part 1:

5) For any new NHS trust created after 1 April 2019 the calculation (with the definitions and amounts being identical to those used in the calculation in Paragraph **A** of **Part 1**) will be as follows:

£ Cost / Total turnover	**=**	**0.0768%**			
	Turnover	**X**	**0.0768%**	**=**	**£ Fee payable**

Turnover in the calculation in C.5 is the estimated operating revenue as shown in the trust's business plan for the year in which the fee falls due.

6) Any recalculation of fees for NHS trusts (and guidance in relation to that) which may be necessary as a result of, for example, changes in their composition/structure will be published on the CQC website (www.cqc.org.uk/fees).

Part 2

The fee payable

(i) for providers of **health care hospital services**, the fee is specified as follows;

Number of locations	*Fee payable (for providers of health care hospital services)*
1	£10,968
2 to 3	£21,917
4 to 6	£43,836
7 to 10	£87,670
11 to 15	£141,820
More than 15	£193,390

(ii) for providers of **hospice services**, other than in a person's home, the fee is specified as follows:

Number of locations	*Fee payable (for providers of care services who also provide beds or beds for use at nights)*
1	£1,933
2 to 3	£3,861
4 to 6	£7,721

7 to 10	£16,242
11 to 15	£30,885
More than 15	£61,771

(iii) for providers of **community health care services** or **NHS Blood and transplant services**, the fee is specified as follows:

Number of locations	*Fee payable (for providers of community health care services or NHS Blood and Transplant)*
1	£1,867
2 to 3	£3,728
4 to 6	£7,456
7 to 10	£14,910
11 to 15	£29,820
More than 15	£59,640

(iv) for providers of **health care single speciality services**, the fee is specified as follows:

Column 1 *Number of locations*	*Column 4* *Fee payable (for providers of health care single specialty services)*
1	£1,743
2 to 3	£3,479
4 to 6	£6,958
7 to 10	£13,915
11 to 15	£27,831
More than 15	£55,662

Part 3

The fee payable by providers of **independent ambulance services** at the number of locations in column 1 of the following table, is the fee specified in the corresponding entry in column 2 of that table:

Column 1 *Number of locations*	*Column 2* *Fee payable (for providers of independent ambulance services)*
1	£994
2 to 3	£1,988
4 to 10	£4,970
11 to 50	£12,425
51 to 100	£29,820
More than 100	£59,640

Part 4

The fee payable by providers of **NHS GP services** is calculated by determining the registered patients at each location as a proportion of all registered patients. Multiplying this figure by the cost of CQC regulating all NHS GP services and adding a minimum standing cost of regulation provides the fee payable. The fee payable is limited where there are more than 100,000 registered patients.

The fee payable by **new NHS GP service** providers (registered after 1 April 2019) is calculated by multiplying the number of registered patients by 1.7545 and adding the minimum standing cost of regulation.

A. How NHS GP service fees are calculated under Part 4:

One location:

Step 1 – work out the chargeable fee for that single location based on the number of **registered patients at that location ('RPAL')**

£ floor	**+**	**(**	**RPAL / Total RPALs**	**X**	**£ cost**	**)**	**=**	**£ Fee payable**

More than one location:

Step 2 – repeat Step 1 for each *additional* location and then add together the ***£* Fee payable** for Step 1 and each of the locations in Step 2 to give the total ***£* Fee payable** by the provider.

B. We use these definitions when calculating fees under Part 4:

1) RPAL / registered patients at that location): is those –

(a) who are recorded by NHS England as being on the provider's list of patients at that location, or

(b) whom the provider has accepted for inclusion on its list of patients (whether or not notification has been received by NHS England) and who has not been notified by NHS England to the provider as having ceased to be on that list;

2) Total RPALs: is the total number of registered patients across all NHS primary medical services providers in Part 4.

3) *£* cost: is the current full chargeable budgeted cost to CQC of regulating providers of NHS primary medical services.

4) **£ fee payable**: is the amount to be paid by providers with single locations (calculated using Step 1) or those with more than one location (calculated using Step 1 and Step 2).

5) **£ floor**: is the minimum fee applicable to each provider (at location level) and represents the standing cost for regulatory activity regardless of the size of the provider.

6) **Ceiling**: is the ceiling for a location with a registered patient list size of 100,000. The maximum fee for a location will be calculated using that list size where the registered patient list size exceeds 100,000.

C. £ floor and calculating new NHS GP service fees under Part 4:

7) Each location will pay the **£ floor** of £509 and a fee calculated by reference to registered patient list size, which will be the registered patient list size divided by 1.7545.

8) For any new locations created after collation of the reference data the calculation (with the definitions and amounts being identical to those used in the calculation in Paragraph **A** of **Part 4**) will be as follows:

£ cost / Total RPALs	**=**	**1.7545**				
(	**RPAL / 1.7545**	**)**	**+**	**£ floor (£509)**	**=**	**£ fee payable**

9) Any recalculation of fees for NHS GP services providers (and guidance in relation to that) which may be necessary as a result of, for example, changes to registered patient list size will be published on the CQC website (www.cqc.org.uk/fees).

Part 5

The fee payable by providers of **NHS out of hours services and/or walk in centres** at the number of locations in column 1 of the following table, is the fee specified in the corresponding entry in column 2 of that table:

Column 1 *Number of locations*	*Column 2* *Fee payable for providers of NHS out-of-hours services and/or providers of NHS walk-in centres*
1	£5,918
2	£8,371
3	£11,161
4	£13,951
5	£16,736
6 to 10	£20,924
11 to 40	£41,848
More than 40	£104,614

Part 6

The fee payable by providers of **dental services** at a single location for the number of **dental chairs** mentioned in column 1 of the following table, is the fee specified in the corresponding entry in column 2 of that table:

Column 1 *Number of dental chairs*	*Column 2* *Fee payable (for providers of dental services having one location)*
1	£598
2	£747
3	£846
4	£946
5 or 6	£1,095
More than 6	£1,294

Part 7

The fee payable in respect of **dental services** at more than one location, for the number of locations in column 1 of the following table, is the fee specified in the corresponding entry in column 2 of that table:

Column 1 *Number of locations*	*Column 2* *Fee payable (for providers of dental services having more than one location)*
2	£1,593
3	£2,389
4	£3,185
5	£3,982
6 to 10	£4,779
11 to 40	£9,955
41 to 99	£29,865
More than 99	£59,728

Part 8

The fee payable by **providers of care services who also provide accommodation** for the maximum number of service users mentioned in column 1 of the following table, is the fee specified in the corresponding entry in column 2 of that table:

Column 1 *Maximum number of service users*	*Column 2* *Fee payable (for providers of care services who also provide accommodation)*
Less than 4	£313
From 4 to 10	£816
From 11 to 15	£1,634
From 16 to 20	£2,388
From 21 to 25	£3,268
From 26 to 30	£4,270
From 31 to 35	£5,023
From 36 to 40	£5,779
From 41 to 45	£6,533
From 46 to 50	£7,289
From 51 to 55	£8,037
From 56 to 60	£8,792
From 61 to 65	£10,048
From 66 to 70	£11,050
From 71 to 75	£12,058
From 76 to 80	£13,062
From 81 to 90	£14,069
More than 90	£15,710

Part 9

The fee payable by providers of **community social care services** is calculated by determining the number of service users at each location as a proportion of all service users. Multiplying this figure by the cost of CQC regulating all community social care services and adding a minimum standing cost of regulation provides the fee payable. The fee payable is limited where there are more than 1,700 service users.

The fee payable by **new community social care service** providers (registered after 1 April 2019) is calculated by multiplying the number of service users at the location by 54.305 and adding the minimum standing cost of regulation.

A. **How community social care service fees are calculated under Part 9:**

One location:

Step 1 – work out the chargeable fee for that single location based on **Location SUs:**

£ floor	**+**	**(**	**Location SUs / Total SUs**	**X**	**£ cost**	**)**	**=**	**£ fee payable**

More than one location:

Step 2 – repeat Step 1 for each *additional* location and then add together the ***£*** **fee payable** for Step 1 and each of the locations in Step 2 to give the total ***£*** **fee payable** by the provider.

B. **We use these definitions when calculating fees under Part 9:**

1) **Location SUs**: is the number of service users who received regulated activities from and/or were supported in their use of regulated activities from a single location by a provider of community social care services over a 7-day period.

2) **Total SUs**: is the total number of service users who received regulated activities and/or were supported in their use of regulated activities from providers of community social care services.

3) ***£*** **cost**: is the current full chargeable budgeted cost to CQC of regulating providers of community social care services

4) ***£*** **fee payable**: is the amount to be paid by providers with single locations (calculated using Step 1) or those with more than one location (calculated using Step 1 and Step 2).

5) **£ floor**: is the minimum fee applicable to each provider (at location level) and represents the standing cost for regulatory activity regardless of the size of the provider.

6) **Ceiling**: the Ceiling for a location will be a **Location SUs** figure of 1,700. Namely, the maximum fee for a location will be calculated using that **Location SUs** figure where the total **Location SUs** figure exceeds 1,700. The maximum fee will be £92,558.

C. **£ floor and calculating new NHS GP fees under Part 9:**

Each location will pay the **£ floor** of £239 and a fee calculated by reference to **Location SUs**, which will be the **Location SUs** multiplied by 54.305

8) For any new Locations created after collation of the reference data the calculation (with the definitions and amounts being identical to those used in the calculation in Paragraph **A** of **Part 10**) will be as follows:

£ cost / Total SUs	**=**	**54.305**				
	(Location SUs X 54.305)		**+**	**£ Floor (£239)**	**=**	**£ Fee payable**

9) Any recalculation of fees for Community Social Care providers (and guidance in relation to that) which may be necessary as a result of, for example, changes in the number of locations/Location Sus will be published on the CQC website (www.cqc.org.uk/fees).

Part 10

The fee payable where the community social care service provided is **Nursing care** for the number of locations mentioned in column 1 of the following table, the fee is specified in the corresponding entry in column 2 of that table –

Column 1 *Number of locations*	*Column 2* *Fee payable (where the community social care service provided is Nursing care)*
1	£2,192
2 to 3	£6,093
4 to 6	£12,184
7 to 12	£24,370
13 to 25	£48,740
More than 25	£97,476