



Department
for Education

Fees and frequency of inspections regulations 2016 to 2017

Government consultation

Launch date 03 November 2015

Respond by 15 December 2015

Fees and frequency of inspections regulations consultation

The aim of this consultation is to seek the views of key stakeholders on proposed changes to the Fees and frequency of inspections regulations, with a view to regulations coming into force in April 2016.

Who this is for

- Local authorities
- Providers of children's homes
- Registered managers of children's homes
- Voluntary organisations providing support and services for disabled young people and their families
- Parents
- Ofsted
- Boarding schools and residential further educational colleges
- Residential special schools
- Residential family centres
- Holiday schemes for disabled children

Issue date

03 November 2015

Enquiries

If your enquiry is related to the policy content of the consultation you can contact the department on 0370 000 2288 or email:

FeesandFrequencies.CONSULTATION@education.gsi.gov.uk

Contact details

If your enquiry is related to the DfE e-consultation website or the consultation process in general, you can contact the DfE Ministerial and Public Communications Division by email: consultation.unit@education.gsi.gov.uk or by telephone: 0370 000 2288 or via the [DfE Contact us page](#).

1 Foreword

1.1 The aim of this consultation is to seek the views of interested parties on the proposed changes to Her Majesty's Chief Inspector of Education, Children's Services and Skills (Fees and Frequency of Inspections) (Children's Homes etc.) Regulations 2015.

1.2 This consultation seeks views on:

A 10% increase on current social care inspection and regulation costs where fees are not already at full cost recovery. Annex A sets out the fees for 16/17 and the 10% increase.

A 10% increase on the registration/variation fees charged by Ofsted, so that they also move towards full cost recovery. See Annex B for a list of the proposed registration/variation fees.

2 Fees and Frequency for Inspections Regulations

2.1 Since 2010-11, the inspection and regulation fees charged by Ofsted for children's social care providers have been set using a model for calculating fees developed by Ofsted in 2008-09 ("the 2008-09 Ofsted cost model"). The cost of each inspection and regulatory activity is calculated based on a mix of direct and indirect costs, including the tariff of inspection for each inspection type plus inspector day rates.

2.2 Ofsted developed this model to give greater transparency to providers on how fees were set, providing a more accurate and readily understandable indication of the time and resource involved in each inspection activity. Alongside this, the policy of moving providers to the 'full cost recovery of fees' was introduced in line with HM Treasury guidance.

2.3 The majority of providers are still a long way from paying the full cost of their inspections. This means that the government continues to subsidise these inspections and therefore the market as a whole. We therefore propose to continue with a 10% increase for this coming year with a clear intent to consulting in the near future on a set structure for all fees to be at cost recovery against a set timetable.

2.4 This staged approach to fee increases recognises the cost sensitivity of the children's social care market and seeks to avoid too large an increase year on year while still working towards full cost recovery.

- 2.5 Ofsted has achieved efficiencies over the previous spending review as detailed within its 2014/15 Annual Report <http://tinyurl.com/nn42ev8>. It is also developing proposals for achieving future efficiencies as part of the next spending review with an assumption that the gap between the proposed fees and the full cost will be regularly reviewed. However, future savings are predicated on working towards a full cost recovery model which will not be fully implemented until April 2025. A further consultation will provide a clearer set of proposals when the government's spending review decisions are known.
- 2.6 As in previous years, the inspection fees for settings that have already reached "full-cost recovery" level will be capped at the full-cost rate. This only applies to a small number of larger settings and holiday schemes for disabled children.
- 2.7 **Consultation questions**

Proposal – A 10% increase on current social care inspection and regulation costs

An across-the-board 10% increase in all fees, except for settings already at full cost recovery and holiday schemes for disabled children. The current expectation is that all settings will have reached full cost recovery by no later than 2024/25 with the vast majority having achieved this point considerably earlier.

Question 1 - Do you agree with the proposed 10% increase for 2016-2017?

Proposal - Move towards full cost recovery of inspection fees

At the moment there is a wide variety in the starting points for providers paying fees. Some providers are only paying 8% of full cost recovery and the majority of providers are paying less than 50% of full cost recovery.

We are therefore proposing that by 2024 all providers will be paying full cost recovery. We reserve the right to assess this on an annual basis to ensure the anticipated uplift remains appropriate and the full cost amount has not been adjusted in a way that would result in an over cost charge or an under recovery. We do not, however, intend to consult every year where we do not foresee an issue.

Question 2 - Do you agree with the principle of full cost recovery for these fees?

Question 3 - How would the proposed annual increase affect you as a provider?

3 Further sources of information

3.1 You may be interested in the following links:

Office for Standards in Education, Children's Services and Skills

www.ofsted.gov.uk

Association of Directors of Children's Services www.adcs.org.uk

British Association for Adoption and Fostering <http://www.baaf.org.uk/>

Local Government Association - <http://www.local.gov.uk/>

Society of Local Authority Chief Executives www.solace.org.uk

Local authorities

<http://www.direct.gov.uk/en/dl1/directories/localcouncils/index.htm>

4 How To Respond

4.1 Respond online

To help us analyse responses to this consultation please use the online system wherever possible. Visit www.education.gov.uk/consultations to submit your response.

Other ways to respond

If, for exceptional reasons, you are unable to use the online system, for example because you use specialist accessibility software that is not compatible with the system, you may download a word document version of the form and email it or post it.

By email

FeesandFrequencies.CONSULTATION@education.gsi.gov.uk

By post

FAO Dilu Sultana
Department for Education
Sanctuary Buildings
Great Smith Street
Westminster
London SW1P 3BT

5 Deadline

5.1 The consultation closes on 15 December 2015

6 Additional Copies

6.1 Additional copies are available electronically and can be downloaded from [GOV.UK DfE consultations](#).

7 Plans for making results public

7.1 The results of the consultation and the Department's response will be [published on GOV.UK](#) in February 2016.

Annex A: Social care inspection fees for 2016-17

Proposed annual inspection fees 2016-17	2015-16 Annual fee	2016-17 Annual fee	Increase
Voluntary Adoption Agency (Small)	621	683	62
Voluntary Adoption Agency (Large)	1153	1268	115
Independent Fostering Agency	1933	2126	193
Adoption Support Agency (Small)	612	673	61
Adoption Support Agency (Large)	1157	1273	116
Residential Family Centre (0-3)	1173	1290	117
Residential Family Centre (4)	1320	1452	132
Residential Family Centre (5+)	1377	1515	138
Children's homes (0-3)	1761	1937	176
Children's homes (4-33)	1761	1937	176
Children's homes (4-33) per place fee	176	194	18
Children's homes (33+)	7039	7743	704
Boarding School (0-3)	765	842	77
Boarding School (4-12)	765	842	77
Boarding School (4-12) per place fee	46	51	5
Boarding School (13-50)	1203	1323	120
Boarding School (51-500)	1683	1851	168
Boarding School (500+)*	2021	2021	0
Residential FE College (0-3)	765	842	77
Residential FE College (4-11)	765	842	77
Residential FE College (4-11) per place fee	46	51	5
Residential FE College (12+)	1173	1290	117
Residential Special School (0-3)	1408	1549	141
Residential Special School (4-18)	1408	1549	141
Residential Special School (4-18) per place fee	140	154	14
Residential Special School (19+)	3508	3859	351
LA Adoption functions	1406	1547	141
LA Fostering functions	2197	2417	220
Holiday Care*	2259	2259	0

* These fees have reached full-cost recovery and will be capped at this amount

Annex B: Proposed registration/variation fees for 2016-17

Children's Home (Small)

Type	2015-16 Annual fee	2016-17 Annual fee	Increase
Provider registration	656	722	66
Manager registration	no fee		
Minor variation	109	120	11
Variation requiring visit	656	722	66

Children's Home (Large)

Type	2015-16 Annual fee	2016-17 Annual fee	Increase
Provider registration	2405	2646	241
Manager registration	656	722	66
Minor variation	109	120	11
Variation requiring visit	1202	1322	120

Voluntary Adoption Agency (Small)

Type	2015-16 Annual fee	2016-17 Annual fee	Increase
Provider registration	455	501	46
Manager registration	no fee		
Minor variation	76	84	8
Variation requiring visit	455	501	46

Voluntary Adoption Agency (Large)

Type	2015-16 Annual fee	2016-17 Annual fee	Increase
Provider registration	1670	1837	167
Manager registration	no fee		
Minor variation	76	84	8
Variation requiring visit	835	919	84

Independent Fostering Agency

Type	2015-16 Annual fee	2016-17 Annual fee	Increase
Provider registration	2405	2646	241
Manager registration	656	722	66
Minor variation	109	120	11
Variation requiring visit	1202	1322	120

Adoption Support Agency (Small)

Type	2015-16 Annual fee	2016-17 Annual fee	Increase
Provider registration	455	501	46
Manager registration	no fee		
Minor variation	76	84	8
Variation requiring visit	455	501	46

Adoption Support Agency (Large)

Type	2015-16 Annual fee	2016-17 Annual fee	Increase
Provider registration	1670	1837	167
Manager registration	455	501	46
Minor variation	76	84	8
Variation requiring visit	835	919	84

Residential Family Centre (Small)

Type	2015-16 Annual fee	2016-17 Annual fee	Increase
Provider registration	547	602	55
Manager registration	no fee		
Minor variation	109	120	11
Variation requiring visit	656	722	66

Residential Family Centre (Large)

Type	2015-16 Annual fee	2016-17 Annual fee	Increase
Provider registration	2004	2204	200
Manager registration	547	602	55
Minor variation	109	120	11
Variation requiring visit	1002	1102	100

Holiday Schemes for Disabled Children

Type	2015-16 Annual fee	2016-17 Annual fee	Increase
Provider registration	596	656	60
Manager registration	596	656	60
Minor variation	no fee		



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