



Department  
for Education

# **Fees and frequency of inspection regulations 2018 to 2019**

**Government consultation**

**Launch date 12 October 2017**

**Respond by 7 December 2017**

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## Introduction

The aim of this consultation is to seek views of key stakeholders on proposed changes to the Her Majesty's Chief Inspector of Education, Children's Services and Skills (Fees and Frequency of Inspections) (Children's Homes etc) Regulations 2015 ("the 2015 Regulations"), with a view to the amending regulations coming into force in April 2018.

The consultation will run for 8 weeks.

## Who this is for

- Local authorities
- Providers of children's homes
- Registered managers of children's homes
- Providers of holiday schemes for disabled children
- Parents and carers
- Ofsted
- Boarding schools and residential further educational colleges
- Residential special schools
- Voluntary adoption agencies
- Independent fostering agencies
- Residential family centres
- Organisations providing support and services for children and young people

## Issue date

The consultation was issued on 12 October 2017.

## Enquiries

If your enquiry is related to the policy content of the consultation you can contact the team by email at: [FeesandFrequency.CONULTATION@education.gov.uk](mailto:FeesandFrequency.CONULTATION@education.gov.uk)

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: [Consultations.Coordinator@education.gov.uk](mailto:Consultations.Coordinator@education.gov.uk) or by telephone: 0370 000 2288 or via the [DfE Contact us page](#).

## Additional copies

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

## The response

The results of the consultation and the Department's response will be [published on GOV.UK](#) in early 2018.

## About this consultation

The aim of this consultation is to seek the views of interested parties on 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](#).

These relate to the role and responsibilities of Ofsted under the Care Standards Act 2000. Ofsted is the Office for Standards in Education, Children's Services and Skills. Its role is to inspect and regulate services that care for children and young people, and services providing education and skills for learners of all ages.

This consultation seeks views on:

- A 10% increase on current fees, for those settings where fees are not already at full cost recovery. Annexes A and B (annual fee and registration/variation fee respectively) set out the proposed 2018-2019 fees;
- Reviewing the structure of future fees; and
- Ceasing annual inspections of children's homes which are registered, but closed (not operating).

## Respond online

To help us analyse the responses please use the online system wherever possible. You can reply to this consultation online at: <https://consult.education.gov.uk/children-in-care/childrens-social-care-fees-and-inspections>

## 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

- [FeesandFrequency.CONULTATION@education.gov.uk](mailto:FeesandFrequency.CONULTATION@education.gov.uk)

### By post

Emily Roling  
Children in Care and Permanence  
Department for Education, 8th Floor  
Sanctuary Buildings  
Great Smith Street  
London SW1P 3BT

## **Deadline**

The consultation closes on 7 December 2017.

# 1. Annual, registration and variation fees

- 1.1 Since 2010-11, the fees payable to Ofsted by children's social care providers in accordance with the Regulations have been set using a model for calculation developed by Ofsted in 2008-09 and updated on an annual basis. The cost of each inspection and regulatory activity is calculated based on a mix of direct and indirect costs, including the tariff for each inspection and/or visit and the wider costs of regulating the sector. 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 on inspection and regulatory activity.
- 1.2 The majority of providers are a long way from paying the full cost of the inspection and regulatory activity undertaken by Ofsted. A number of providers are paying less than 25% of full cost recovery with the vast majority paying less than 50% of full cost recovery. This means that taxpayers continue to subsidise the regulation of the majority of children's social care settings. The government wants to limit the financial burden placed on providers while moving towards the full cost recovery of fees.
- 1.3 We therefore propose to continue with a 10% increase on fees for 2018-2019 for those settings not yet at full cost recovery. The level of proposed increase has been designed to maintain stability in the market and avoid imposing unsustainable pressure on individual providers.
- 1.4 **Annexes A and B** set out proposed fees for different settings that take account of the proposed 10% increase.
- 1.5 As in previous years, the 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 settings.
- 1.6 The annual fees for residential holiday schemes for disabled children remain capped at a reduced rate and the provider and manager registration fee remains the same as 2017-2018. This continues to represent a proportionate fee structure in relation to the operating model for this specific setting.
- 1.7 DfE has noted [Ofsted's proposed changes](#) to the inspection of voluntary adoption agencies and whether any changes to the Regulations are needed as a result of this approach. At present, we do not propose any changes to be made. Any future proposed changes would be subject to consultation.

1.8 DfE would also like to seek views on an initial proposal with regards to amending the structure of fees. This will not affect fees for 2018-2019, and would be consulted on before being implemented. Currently, the fees that providers must pay are based on a historic structure according to a number of different measures depending on the type of provider. This mainly includes the number of registered places or whether a setting is defined as small or large. This fee structure has rolled forward annually and was in place prior to Ofsted becoming the regulator in 2007. Some of these measures now seem quite arbitrary as they do not reflect either the sector or inspection practice. We propose that Ofsted undertakes a review of the basis on which fees are set at all levels (annual, registration and variation to conditions of registration), with the aim of simplifying the fee structure by introducing flat fees, if possible, within the various provider types.

1.9 The general principles to be applied for this review would be:

- the overall fee income level is no less than the current fee structure would provide for FY2019-20;
- we will continue to move towards charging fees that meet the full cost of associated regulatory and inspection activity;
- we will adhere to any other government principles that the sector and Ofsted may be subject to.

With this in mind, your views on this initial proposal are invited.

**Questions on fees:**

1. Do you agree with the proposed 10% increases for 2018-2019 (as at Annexes A and B)?
2. How would the proposed annual increases affect you as a provider?
3. Do you agree that a review of fee structures should be undertaken?



## 2. Frequency of inspections for closed children's homes

2.1 Ofsted is required to inspect all registered children's homes annually in accordance with the the 2015 Regulations. Where a registered provider informs Ofsted they have a closed home, but have not applied for voluntary cancellation of their registration, Ofsted imposes a condition of registration under section 13(5) of the Care Standards Act 2000. The condition is that they must inform Ofsted three months before starting to accommodate children again. Before the home is re-opened, it will be subject to an inspection by Ofsted.

2.2 As at October 2017, there were 28 registered, but closed children's homes with the condition that they must notify Ofsted in advance of accepting a child. This is a small cohort of homes which, at the time of their inspection:

- do not have any children in the placement,
- indicate that they have no intention to take any children and
- plan to remain closed for some time.

2.3 Some homes remain closed for years, but if they continue to pay their annual registration fee, inspectors are required to continue to carry out inspections in accordance with the 2015 Regulations.

2.4 Currently the frequency for inspection for closed homes is:

- If the home was judged good or outstanding in 2016-17, Ofsted will carry out at least one interim inspection; a further interim inspection may be carried out at inspector discretion during the course of the reporting year.
- If the home was judged requires improvement or inadequate at its most recent full inspection in 2016-2017, two interim inspections are carried out per year.
- If the home has never received a full inspection, or it did not receive a full inspection in 2016-17, two interim inspections are carried out per year.

2.5 Interim inspections of closed homes have an inspection outcome of 'not judged'. Often these homes do not have a registered manager in post.

2.6 We propose that Ofsted ceases to carry out these annual inspections of children's homes which are registered, but closed (not operating). Ofsted will remain in contact with the provider to decide when an inspection visit is necessary.

2.7 Some homes may be active, but at the time of inspection have no children in placement. This could be due to being in between placements or because they

are newly registered. There will be no change in the inspection frequency of homes that temporarily have no placements, or homes that have recently registered and have not yet started accommodating children.

2.8 The proposal above only applies to closed children's homes upon which a condition of registration under section 13(5) of the Care Standards Act 2000 has been imposed by Ofsted. Notwithstanding any proposed changes, inspections may be carried out at any time under section 31 of the Care Standards Act 2000.

**Questions on closed homes:**

1. Do you agree with the proposal to cease inspections for closed children's homes? If not, why not?
2. Do you foresee any problems or issues that this proposal might create?

### 3. Equalities Assessment

3.1 This very short section asks for your help in identifying any impacts of our proposals on people with protected characteristics. The protected characteristics are: age; disability; gender reassignment; pregnancy and maternity; race (including ethnicity); religion or belief; sex; and sexual orientation.

Please provide any representations / evidence on the impact of our proposals on people with protected characteristics for the purposes of the Public Sector Equality Duty (Equality Act 2010).

## Annex A: Proposed social care fees for 2018-2019

Proposed annual fees for 2018-19	2017-18 Annual fee	2018-19 Annual Fee	Increase
Voluntary Adoption Agency (with small principle office) ***	740	814	74
Voluntary Adoption Agency (other than with small principle office) ***	1,395	1,535	140
Independent Fostering Agency	2,339	2,573	234
Adoption Support Agency (Small)	740	814	74
Adoption Support Agency (Large)	1,400	1,540	140
Residential Family Centre (0-3)	1,419	1,561	142
Residential Family Centre (4)	1,597	1,757	160
Residential Family Centre (5+)	1,667	1,834	167
Children's homes (0-3)	2,131	2,344	213
Children's homes (4-31)	2,131	2,344	213
Children's homes (4-31) per place fee	213	234	21
Children's homes (32+)	8,279	9,107	828
Boarding School (0-3) *	842	842	0
Boarding School (4-12) *	842	842	0
Boarding School (4-12) per place fee *	51	51	0
Boarding School (13-50) *	1,323	1,323	0
Boarding School (51-500) *	1,851	1,851	0
Boarding School (500+) *	2,223	2,223	0
Residential FE College (0-3)	926	1,019	93
Residential FE College (4-11)	926	1,019	93
Residential FE College (4-11) per place fee	56	62	6
Residential FE College (12+)	1,419	1,561	142
Residential Special School (0-3)	1,704	1,874	170
Residential Special School (4-18)	1,704	1,874	170
Residential Special School (4-18) per place fee	169	186	17
Residential Special School (19+)	4,245	4,670	425
LA Adoption functions	1,702	1,872	170
LA Fostering functions	2,659	2,925	266
Holiday Schemes for Disabled Children **	500	500	0

\* Full cost recovery achieved

\*\* No increase in fees as set out in the Fees and Frequency consultation for 2017-18 fees

\*\*\* An additional sum is paid for each branch dependent upon size (£814 for small branch; £1,535 for other than a small branch)

## Annex B: Proposed registration/variation fees for 2018-2019

### Children's Home (small)

Type	2017-18 fee	2018-19 fee	Increase
Provider registration	794	873	79
Manager registration	no fee		
Minor variation	132	145	13
Variation requiring visit	794	873	79

### Children's Home (large)

Type	2017-18 fee	2018-19 fee	Increase
Provider registration *	2,646	2,646	0
Manager registration	794	873	79
Minor variation	132	145	13
Variation requiring visit *	1,322	1,322	0

### Voluntary Adoption Agency (with small principle office)

Type	2017-18 fee	2018-19 fee	Increase
Provider registration	551	606	55
Manager registration	not applicable		
Minor variation	92	101	9
Variation requiring visit	551	606	55

Note: an additional sum is paid for each branch dependent on size.

### Voluntary Adoption Agency (other than with small principle office)

Type	2017-18 fee	2018-19 fee	Increase
Provider registration	2,021	2,223	202
Manager registration	not applicable		
Minor variation	92	101	9
Variation requiring visit *	919	919	0

Note: an additional sum is paid for each branch dependent on size.

### Independent Fostering Agency

Type	2017-18 fee	2018-19 fee	Increase
Provider registration *	2,646	2,646	0
Manager registration	794	873	79
Minor variation	132	145	13
Variation requiring visit *	1,322	1,322	0

### Adoption Support Agency (small)

Type	2017-18 fee	2018-19 fee	Increase
Provider registration	551	606	55
Manager registration	no fee		
Minor variation	92	101	9
Variation requiring visit	551	606	55

### Adoption Support Agency (large)

Type	2017-18 fee	2018-19 fee	Increase
Provider registration	2,021	2,223	202
Manager registration	551	606	55
Minor variation	92	101	9
Variation requiring visit *	919	919	0

### Residential Family Centre (small)

Type	2017-18 fee	2018-19 fee	Increase
Provider registration	662	728	66
Manager registration	no fee		
Minor variation	110	121	11
Variation requiring visit	662	728	66

### Residential Family Centre (large)

Type	2017-18 fee	2018-19 fee	Increase
Provider registration	2,424	2,646*	222
Manager registration	662	728	66
Minor variation	110	121	11
Variation requiring visit *	1,102	1,102	0

### Holiday Schemes for Disabled Children

Type	2017-18 fee	2018-19 fee	Increase
Provider registration **	596	596	0
Manager registration **	596	596	0
Minor variation	no fee		
Variation requiring visit	no fee		

\* Full cost recovery achieved

\*\* No increase in fees as set out in the Fees and Frequency consultation for 2017-18 fees

The [2015 Regulations](#) set out the definitions regarding the size of settings.



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