

<b>Title of report</b>	Review of registration fees
<b>Summary/purpose of report</b>	To provide an overview of registration fee levels and to propose that members approve conducting a consultation on reviewing registration fees.
<b>Recommendations</b>	The Council is asked to approve consulting on reviewing registration fees
<b>Responsible Officer and Author</b>	Maree Allison, Interim Chief Executive
<b>Link to Strategic Plan</b>	<p>The information in this report links to:</p> <p>Outcome 1: <b>Trusted</b> People who use services are protected by a workforce that is fit to practise.</p> <p>Outcome 2: <b>Skilled</b> Our work supports the workforce to deliver high standards of professional practice.</p> <p>Outcome 3: <b>Confident</b> Our work enhances the confidence, competence and wellbeing of the workforce.</p> <p>Outcome 4: <b>Valued</b> The social work, social care and children and young people workforce is valued for the difference it makes to people's lives.</p>
<b>Link to Risk Register</b>	Risk 6: The SSSC fails to secure sufficient budget resources required to deliver the strategic plan.
<b>Impact assessments</b>	<ol style="list-style-type: none"> <li>1. An Equalities Impact Assessment (EIA) was not required.</li> <li>2. A Data Protection Impact Assessment (DPIA) was not required.</li> <li>3. A Sustainability Impact Assessment (SIA) was not required.</li> </ol>
<b>Documents attached</b>	None
<b>Background papers</b>	<a href="#">Council Report November 2023 - Review of Registration Fees</a>

## INTRODUCTION

1. Since registration started in 2003, we have only reviewed registration fees once, in 2017, following a consultation in 2016. Fee levels increased by 66% for most registered workers, and 166% for social workers and managers.
2. In 2016 the then Minister for Early Years asked that we consider a longer-term plan for increasing fees incrementally. Work progressed on this in 2019/20 and was delayed due to COVID-19 and subsequent pressures on the registered workforce. This paper provides an overview of current fee levels and that of other regulators.
3. Members considered this issue at the meeting in November 2023 and requested that further information on the payment of fees for local authority staff and the proposed level of increase for consultation was obtained for consideration at this meeting. The Convener and I discussed these issues at our meeting with the Minister on 6 February.

## CURRENT FEE LEVELS

4. Our fees and that of the other social work regulators, who are all Non-Departmental Public Bodies (NDPB) and part funded by Government:

	<b>Number on Register</b>	<b>SSSC</b>	<b>NISCC</b> Northern Ireland Social Care Council	<b>SCW</b> Social Care Wales (have a return to practice fee)	<b>SWE</b> Social Work England
Social Worker/ Manager	18,700	£80	£65	£80	£90
Supervisor/ Practitioner	51,000	£35	-	-	-
Support Worker	101,000	£25	£30	£30	-
Student	2000	£15	£20	£15	-

5. Most people on the register pay the support worker fee.
6. The health regulators' fees, who are independent of government and fully self-funded:

<b>HEALTH CARE REGULATOR</b>	<b>FEE</b> Highest Fee for different registrant types
<b>GMC</b> General Medical Council	£433
<b>NMC</b>	£120

Nursing And Midwifery Council	
<b>GDC</b> General Dental Council	£690
<b>HCPC</b> Health Care Professions Council	£117.74

7. The HCPC increased their fees by £19.62 this year. The GDC increased their fees by £10 for 2023. The GMC increased their fees by £13 for 2023.

## **FEE STRATEGY**

8. Fee levels are set out in our Registration Rules and any change to the Rules requires us to conduct a public consultation and then obtain ministerial consent.
9. Council papers from when the SSSC was established in 2001 indicate that the original intention was for registration fees to cover the cost of the regulation function. The direct cost of registration is £2.3m and fitness to practise is £7.1m. The funding we receive from fees is £5.66m. Registration fees currently cover 63% of regulation direct costs. To achieve full funding of the direct costs for these functions would require all people on the Register to pay approximately £55. For most people on the Register this would be a 120% increase.
10. Our grant in aid and fee income is currently insufficient to meet the cost of delivering our statutory functions and strategic plan and we have a £2m spending pressure in 2023/24, anticipated to increase in 2024/25. Fee income is an important part of our financial sustainability. Had the planned review of fee levels proceeded in 2020, and an annual increase implemented in 2021, our annual fee income would by now be 22% (£1.2m) higher. To address the projected spending pressure for 2024/25 would require a 60% increase in fee levels.
11. Our priorities in reviewing fees are:
- Sustainable, secure funding to enable long-term planning, including the ability to invest in the development of the workforce, along with efficiencies and improvements.
  - Development of small, annual increases in fee levels.
  - Retention of tapering across the different register parts, so the lowest paid parts of the workforce pay less.
12. In 2022 Scottish Government decided to fund fees for those employed by local authorities as part of the financial settlement with local authorities. Approximately 40% of our fee income is from local authority employees. At the November 2023 Council meeting, Members raised their concern about the lack of parity across the registered workforce, given those employed by private or third sector providers pay their own fees. We

discussed this matter with the Minister, who confirmed that currently there is no expectation that the funding arrangement will change.

## PROPOSALS TO INCREASE FEES

13. Following discussions with Scottish Government different options for annual increases were considered and the recommended proposal for consultation is suggested as:

- Year 1 - increase fees for social workers and managers from £80 to £90 in line with Social Work England and increase other fees by the same 12% (rounded to the nearest £).
- Year 2 onward – apply an automatic increase of 5% (rounded to the nearest £) every year to give certainty to registrants and remove the need to consult regularly, although there would still be the option to review in the future.

14. If implemented the fee levels for the next five years would be:

	<b>Current</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Social Worker/ Manager	£80	£90	£95	£99	£104	£109
Supervisor/ Practitioner	£35	£39	£41	£43	£45	£48
Support Worker	£25	£28	£29	£31	£32	£34
Student	£15	£17	£18	£18	£19	£20

## IMPACT ON INCOME

15. The increase in income for a full year is set out below:

	<b>Current Fee income</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>
<b>Additional fee income</b>		£ 676,000	£ 311,000	£ 326,000	£ 343,000
<b>Total fee income</b>	£ 5,660,000	£ 6,336,000	£ 6,647,000	£ 6,973,000	£ 7,316,000

We discussed the proposal and impact on our financial sustainability at our meeting with the Minister.

## **CONSULTATION**

16. If Council approves proceeding with a consultation, we will likely start the consultation in late Summer after the launch of the Future Proofing Programme. It would run for the recommended 12-week period with a report back to Council in November 2024 or February 2025.

## **RISKS**

17. We have a cautious risk appetite for financial management. We have a cautious risk appetite for decisions affecting how we will be perceived by our stakeholders.
18. There is a risk to the sector that any increase in fee levels leads to an increase in people leaving the sector or a barrier to people joining the sector. There is no evidence of such an impact when we raised fees in 2017. However the financial landscape has changed.
19. In 2022 Scottish Government decided to fund fees for those employed by local authorities as part of the financial settlement with local authorities. We receive additional grant in aid from Scottish Government in respect of these fees. This decision was outwith our control but will likely be a significant factor in consultation responses.
20. There are risks to our financial sustainability if we do not take the opportunity to review fees, which have not been reviewed for six years, and the planned review has already been delayed by three years.

## **IMPLICATIONS**

### **Resourcing**

21. The income the proposal would generate is set out at Paragraph 13. However, as registration fee income is accrued and grant in aid is cash-based we will not account for the full amounts charged in the first year.

### **Compliance**

22. Our power to charge fees is contained in our founding legislation and the level is set within our Registration Rules. The legislation requires us to consult on Rule changes and obtain ministerial consent.
23. Any consultation must be genuine with the results of the consultation having the ability to influence the final decision. We will comply with legislative requirements for consultation.

## **IMPACT ASSESSMENTS**

24. We will conduct impact assessments if Members approve proceeding with a consultation.

## **CONCLUSION**

25. It is seven years since the last review of registration fees. Whilst the delay in conducting a review is understandable given the unprecedented issues of the last three years, the expectation from Ministers in 2016/17 was for a further review by 2019/20. We recommend that Members approve proceeding with a consultation.