

Title of Report	Decision on Review of Registration Fees
Public/Confidential	Public
Summary/purpose of report	To provide the outcome of the consultation on the review of registration fees and present options to Council for a decision on future fee levels
Recommendations	The Council is asked to a. approve option 2 and to b. delegate authority to the Convener to sign the Registration Rules required to implement the increase.
Author	Laura Shepherd Director of Strategy and Performance
Responsible Officer	Maree Allison, Chief Executive
Link to Strategic Plan	The information in this report links to: Outcome 1: Trusted People who use services are protected by a workforce that is fit to practise. Outcome 2: Skilled Our work supports the workforce to deliver high standards of professional practice. Outcome 3: Confident Our work enhances the confidence, competence and wellbeing of the workforce. Outcome 4: Valued The social work, social care and children and young people workforce is valued for the difference it makes to people's lives.
Link to Risk Register	Risk 6: The SSSC fails to secure sufficient budget resources to fulfil the financial plans required to deliver the strategic plan.

Impact Assessment	An Impact Assessment (IA) was developed. The impact assessment contains significant detail and can be accessed here
Documents attached	Appendix 1: Consultation Analysis
Background papers	Report 07/2024 review of Registration Fees

INTRODUCTION

1. As agreed at the Council meeting in February 2024, we carried out a consultation on reviewing fee levels, consulting for twelve weeks between 30 September and 23 December 2024. This consultation had been due to take place in 2020 but was delayed due to the pandemic.
2. We received 3,178 responses to the consultation. 2,935 of these were from registrants, being 1.7% of the 177,060 people on the Register as at 23 December 2024. We also received 161 responses from employers and 82 from other bodies.

The 2,935 registrant responses came from the following Register parts:

Register Part	Individuals on each Register Part	Number of Consultation Responses	Percent of Responses	Percent of Individuals on the Register
Social care worker	112,446	1,189	40.5%	1.1%
Children and young people worker	54,291	1,098	37.4%	2.0%
Social worker	10,881	614	20.9%	5.6%
Not Provided		22	0.7%	
Social work student	1,900	12	0.4%	0.6%

3. This paper sets out the proposal consulted on, the views received from responders, context of reviewing fees and options for Council. The detailed consultation response is at Appendix 1.

CONSULTATION QUESTIONS

4. In the consultation we set out the following proposal for regular, small fee increases over the next five years in recognition of the feedback from the previous occasion we increased fees in 2017:

	2024/25 Current fee	Proposed increase per year over five years	25/26	26/27	27/28	28/29	29/30
Social worker/ Manager/ Inspector	£80	£8	£88	£96	£104	£112	£120

Supervisor/ Practitioner	£35	£4	£39	£43	£47	£51	£55
Support worker	£25	£3	£28	£31	£34	£37	£40
Social work student	£15	£2	£17	£19	£21	£23	£25

5. We then asked three main questions:

- To what extent do you agree that the proposed fee increase is reasonable?
- Rather than one large increase we are proposing to raise the registration fees by increasing each fee by a small amount each year for five years from 1 April 2025 to 31 March 2030. For example, taking this approach would mean that the fee for support workers would go up by £3 per year for five years. Do you support increasing the fee by a small amount each year for five years?
- Do you have alternative options you would like us to consider?

CONSULTATION PROCESS

6. Before formal consultation, we engaged with key partners and stakeholders through our regular meetings and through the Future Proofing Programme Stakeholder Advisory Group, to inform the wider consultation.
7. We held a 12-week public consultation which opened on 30 September and closed on 23 December 2024.
8. We publicised the consultation throughout the 12 weeks directly to all registrants, countersignatories, employers and newsletter subscribers through SSSC news, our email newsletter and via social media (46 posts across all platforms) along with regular direct engagement with key partners including representative bodies and unions.
9. We sent seven email newsletters with an average of 4.5k people opening the article on the fee consultation in each edition. While the engagement in the content and the information was very good and higher than normal for an individual article, this did not then result in a similar number of responses to the consultation. We believe there will be several reasons for this which are outlined in the report, for example, around 44% of registrants have their fees paid by their local authority employers which may have resulted in them not responding.

10. There are registrants who opt out of receiving SSSC News and we emailed them separately about the consultation. There are a very small number of registrants who do not want to receive any emails from the SSSC and they were sent information on the consultation by post.

CONSULTATION QUESTIONS AND REPONSES

11. **Q1** To what extent do you agree that the proposed fee increase is reasonable?

There were 3,151 responses to this question.

Level of agreement	Number	Percent
1 (Strongly disagree)	2,138	67.9%
2	430	13.6%
3	287	9.1%
4	150	4.8%
5 (Strongly agree)	146	4.6%

12. **Q2** Rather than one large increase we are proposing to raise the registration fees by increasing each fee by a small amount each year for five years from 1 April 2025 to 31 March 2030. For example, taking this approach would mean that the fee for support workers would go up by £3 per year for five years. Do you support increasing the fee by a small amount each year for five years?

There were 3,152 responses to this question.

Response	Number	Percent
No	2,465	78.2%
Yes	687	21.8%

13. **Q3** We are proposing to keep the differences between the fee levels for the different parts of the Register. To what extent do you agree with this approach?

There were 3,128 responses to this question.

Level of agreement	Number	Percent
1 (Strongly disagree)	911	29.1%
2	238	7.6%
3	696	22.3%
4	460	14.7%
5 (Strongly agree)	823	26.3%

14. A more detailed breakdown of the responses is contained within Appendix 1. We can see that:

- Proportionately we received more responses from social workers and children and young people’s workers than from social care workers.
- There was a fairly even split of registrant responses from those working in local authority settings, private settings and voluntary settings.
- A higher proportion of employer and organisation responses came from voluntary and private settings than local authority settings.
- Proportionately we received more responses from managers than from support workers or practitioners.

15. Many of the text comments demonstrated deep unhappiness at the thought of an increase in fees, particularly in the current economic climate. There were also comments about matters outwith our control, such as the impact of increased employer national insurance contributions, the decision in 2022 for Scottish Government to pay fees for those employed by local authorities as part of the settlement with COSLA and the general concern about the different funding arrangements for private and voluntary provider versus local authority providers.

16. We received the following concerns from key stakeholders, none of whom supported the proposals:

<p>Scottish Association of Social Work</p>	<ul style="list-style-type: none"> • Proposed increase is much higher than annual salary increase • Concern about impact on recruitment which is already challenging • Social Work England fee at £90 is currently the highest – proposing we move to £95 over five years • Request for salary related fees • Highlighted female nature of the workforce
<p>Coalition of Care and Support Providers in Scotland</p>	<ul style="list-style-type: none"> • Request that SSSC advocate for government funding of fees • Highlights timing coincides with Disclosure fee increases • Deterrence to recruitment • Financial burden on employers who reimburse fees may impact on professional development • Impact on morale and value of the workforce • Lack of awareness of the role of the SSSC
<p>National Day Nurseries Association</p>	<ul style="list-style-type: none"> • Discrepancy between local authority levels of pay/fees being paid, and that of the private and voluntary sector • View that they do not know what they get from the SSSC for the fee

	<ul style="list-style-type: none"> • Request for option to pay by instalments and a scale based on salary • Comments about the manager fee being disproportionately high • Highlighted female nature of the workforce
Scottish Care	<ul style="list-style-type: none"> • Concern about impact on recruitment and retention • More transparency in the way fees are used • Request for instalments • Unfairness of local authority fee settlement • Highlighted female nature of the workforce

ALTERNATIVE OPTIONS

17. We did ask a question for any alternative options. Many of the responses simply proposed no fee or a lesser fee. The more specific suggestions are considered below:

Options	Response
Scottish Government or employers to pay all fees	<p>We are aware that like local authority staff, other registrants have their fees paid as part of their contractual arrangements with their employer.</p> <p>This is outwith our control. Our legislation only permits us to charge fees to registrants.</p>
New fee level for Managers of Care Services	<p>We recognise there is a difference in role and generally in salary between a social worker and a registered care service manager, including the requirement for social workers to be qualified before they can practice.</p> <p>It would be within our competence to introduce a new fee level for Managers of Care Services, sitting between social workers and supervisors/practitioners. (Care Inspectorate Inspectors would also fall into this category).</p> <p>This is included in Option 2 below with a proposal that the existing fee of £80 be introduced and then frozen for the five year period.</p>
No increase for social work students	<p>Scottish Government have taken steps to improve support to social work students through bursaries and placement grants and hardship funds. It is open to Members to not apply an increase to the 1,900 social work students.</p> <p>This is included in Option 2 below, with a proposal that the fee for students remains at £2.</p>
No increase for those who are lowest paid	<p>Fees are currently tapered so that generally fee level is commensurate with seniority of role.</p>

	<p>A point raised through the consultation was the impact of the increase in employer national insurance contributions not being factored into contracts and chargeable rates. For those employers who do pay their workforce's registration fees this will add another unplanned financial burden.</p> <p>It is open to Members to delay the increase of fees for the lowest paid parts of the Register to permit a period of adjustment.</p> <p>This is incorporated into Option 2.</p>
Fees should be based on salary/sector and part/full time hours not register part	<p>Regulators across the UK do not link fees to job title or role, but to the category on the register. It is not feasible for the SSSC to determine appropriate salary levels or establish a fair sliding scale. Public sector workers may work part-time or earn less than their private sector counterparts, and many may work multiple jobs or have zero-hour contracts. Rules around full- and part-time hours vary by organisation, creating potential for fee discrepancies.</p> <p>Verifying salaries or part time hours would require additional resources, create opportunities for fraud, and would face employer resistance due to verification requirements. Changes would disrupt efficient processes like the green channel applications and the annual declaration process, which currently has minimal employer intervention.</p>
Fees paid by instalments	<p>To allow payment by instalments we would require to revert to the previous debt management process to manage missed instalments including a process to chase instalments, remove registrants who missed instalments and make decisions about the cost-effectiveness of recovering outstanding fees. As well as requiring additional staff and systems development it would risk actually decreasing fee income due to turnover.</p> <p>Given annual fee levels the cost and lost income would have a significant impact on fee income.</p>

CONTEXT

18. The SSSC was established in 2001 with the intention that fees would cover the direct costs of maintaining the Register (which includes the registration and fitness to practise function), to ensure effective public protection. The Executive Framework between Scottish Government and the SSSC requires the Council set fees with the longer-term aim of balancing income and expenditure for registration. Currently fee income

covers 60% of the direct cost of regulation (the cost of staff and running fitness to practise hearings).

19. Fees have only been increased once, in 2017. The increase was significant, being 67% for support workers and 167% for social workers and managers. The feedback from respondents to the consultation and from Ministers was that future increases should be small and regular. We were planning to consult in 2020 with a potential increase in 2021. Due to the pandemic the consultation was delayed and we are now eight years away from the previous fee increase with resultant impact on our financial sustainability.
20. During that time we have continued to focus on our efficiency and effectiveness as a regulator and our cost per registrant has decreased from £154 to £112 since 2017, which is the lowest of the social work and healthcare regulators we benchmarked against.
21. Although only a very small number of the registered workforce have decided to respond to the consultation, the responses do highlight the concerns about the health of the sector as a whole, impact on recruitment and retention and general financial pressures. Although payment of fees is not a significant cause for leaving the sector referenced in our leaver's survey, we do understand the challenging times. Members have the task of balancing their role in securing the financial sustainability of the SSSC, moving further towards the objective of fee income funding regulation to support public protection, and the concerns expressed through the consultation.
22. In Option 2 below, we have set out concessions targeted at the points raised in the consultation which would still move the dial on the SSSC's financial sustainability whilst recognising the areas of concern in the consultation.

OPTIONS

23. **OPTION 1 – Consultation Option**

- £8 a year increase for social workers and care service managers
- £4 a year increase for practitioners/supervisors
- £3 a year increase for support workers
- £2 a year increase for student social workers

	2024/25	Proposed increase per year over five years	25/26	26/27	27/28	28/29	29/30
	Current fee						

Social worker/ Manager/ Inspector	£80	£8	£88	£96	£104	£112	£120
Supervisor/ Practitioner	£35	£4	£39	£43	£47	£51	£55
Support worker	£25	£3	£28	£31	£34	£37	£40
Social work student	£15	£2	£17	£19	£21	£23	£25

24. **OPTION 2 - Concessions:**

- £8 a year increase for social workers
- Introduce a care service managers fee and freeze it at £80
- No fee increase year one for practitioners/supervisors and £4 a year for the following four years
- No fee increase year one for support workers and £3 a year for the following four years
- No increase for student social workers

	2024/25 Current fee	Proposed increase per year over five years	25/26	26/27	27/28	28/29	29/30
Social worker	£80	£8	£88	£96	£104	£112	£120
Managers of Care services and Inspectors	£80	0	£80	£80	£80	£80	£80
Supervisor/ Practitioner	£35	£4 but £0 in first year	£35	£39	£43	£47	£51
Support worker	£25	£3 but £0 in first year	£25	£28	£31	£34	£37
Social work student	£15	0	£15	£15	£15	£15	£15

25. This proposal would result in social workers being the only Register part to see a fee increase in 25/26. Whilst most social workers are employed by local authorities some are employed by other organisations or are independent and pay their own fee.

RISKS

26. 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.
27. 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.
28. There are risks to our financial sustainability if we do not take the opportunity to review fees, which have not been reviewed for seven years, and the planned review has already been delayed by three years. An increase will improve our financial sustainability and contribute to lowering our strategic risk.

IMPLICATIONS

Resourcing

29. The impact of Option 1 and Option 2 on the financial sustainability of the SSSC:

	Fee income at end of 5 years	Proportion of cost of regulation funded by fees	Funding Gap
No fee increase	£6m	51%	£5.7m
Option 1	£9.4m	85%	£2.3m
Option 2	£8.6m	78%	£3.1m

30. We require to develop changes to the system for notifying registrants of their fee value. This has cost approximately £40,000 and means that we will be able to apply future changes without the need for extra systems development work.

Compliance

31. Fee levels are set within our Registration Rules. We are required to consult with the sector on any changes to our Registration Rules. If Members decide to change fee levels then the next step is to request that the Minister approve changes to our Registration Rules to implement the new fee levels.

IMPACT ASSESSMENT

32. An impact assessment was carried out. The impact on women was highlighted through the consultation responses and as our Register is predominately female regulation, including fees, affects more women than men. Many comments referred to women being low-paid and working part-time due to caring responsibilities. The tiered structure of fees already links fee to pay level and Option 2 proposes concessions for the lower paid parts of the Register.
33. There are a few areas we will consider in future for registrants that are identified in the assessment, such as those with care experience. However, we need to explore these further, some are not technically possible and some are reliant on national decisions such as the outcome of Scottish Government consultation on a defining care experience. We will consider the category of care experienced following the outcome of that consultation.

CONCLUSION

34. Council is asked to reach a decision on future fee levels, recognising that Members must balance the potential impact on registrants with their responsibility as a Council Member to the financial sustainability of the SSSC.
35. Considering the low number of responses, the unavoidable delay in progressing the review process due to the pandemic, the aim to improve the proportion of our regulatory function which is funded by fee income rather than Scottish Government funding, my recommendation is to implement Option 2, which incorporates targeted concessions based on the feedback received through the consultation.