

**Human Tissue Authority**  
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To: Designated Individuals and Licence Holders, and stakeholders in the licensed sectors

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**Date** 24 March 2010

### **Consultation on proposed fees structure from 2011/12**

I am writing to invite you to take part in a consultation on the proposed licence fee structure that would be implemented by the Human Tissue Authority (HTA) from April 2011. The consultation runs from 24 March 2010 to 16 June 2010.

#### **Background**

The HTA takes a proportionate and efficient approach to regulating the 850 establishments we license. The Hampton Implementation Review published in July 2009 independently assessed the HTA and praised our adherence to all five principles of Better Regulation. In particular, we were rated highly on minimising inspection and data-collection burdens, and on the quality and availability of our advice and guidance. We have established ourselves as a modern, high-performing and forward-looking regulator. We have, through working with our regulated sectors, been progressive in safeguarding the storage and use of human tissue – work that is vitally important to reassure the public that their wishes are respected and that tissue is used appropriately. There are many challenges facing us, though, including the uncertain financial climate, and this emphasises the importance of our efforts to continually seek more efficient and more effective delivery of our services. And we know that many of those we licence are also affected by these challenges.

We are acutely aware of the economic climate that is affecting both the private and public sectors and the financial burden that licence fees put on the establishments we regulate. Therefore we are determined to seek the most efficient and effective delivery of services in order to keep fees to a minimum. The efficiencies we know we can deliver by 2011/12, mainly through improved use of IT, mean that we will recover no more than 2008/09 costs through fees in 2011/12. This represents a reduction in real terms of at least 4%. We continue to look at making further efficiencies and you can be assured that we these will be reflected in reductions to licence fees.

The current HTA licence fee structure came into force in April 2009. Those who responded to our consultation made many valuable points which we explored further in subsequent consultation workshops in 2009. Workshop participants asked us to look at charging for activities, such as site visits, and to provide better information on what the fees paid for. As you know, the HTA decided to hold fees at the same level for 2010/11 and to develop a new structure for 2011/12.

The proposals for 2011/12, which take account of the points made in the 2009 consultation, were approved for consultation by the HTA Board at the public Authority meeting on 23 March 2010.

### **Activities funded by licence fees**

We are required to set fees to recover the costs of licensing work and there can be no cross subsidisation between sectors. The main costs are:

- evaluating licence applications, making licensing decisions and issuing licences
- site visit inspections
- providing advice and guidance to licensed establishments
- processing licensing variations
- placing additional conditions on licences
- taking enforcement action to ensure compliance
- holding regulatory action panels, representation hearings and appeals committees
- providing extensive advice and guidance through our website
- phone and email contacts from stakeholders
- face-to-face training and e-learning
- conferences and events for the regulated sectors
- interpreting legislation
- streamlining regulation by working with other organisations
- reporting to Parliament, Ministers, and the European Commission (in the case of the human application sector)
- paying for a proportion of overheads

### **Summary of proposals**

The key features of the proposals for the new fees structure are that:

- there would be a separate application fee
- site visits would be charged for separately
- the annual fee would better reflect the cost of licensing satellite establishments
- in the human application sector, the annual fee would also better reflect licensable activity and the tissue types held
- annual fees could be paid in two instalments
- the first annual fee for new licence holders would be charged on a pro-rata basis for the number of months remaining in the year before the next fee is due
- fees for public display would better reflect the HTA work involved in licensing, with fees for temporary displays being established on a case-by-case basis

The detailed considerations and proposals are set out in the attached paper, which also includes the indicative fee rates for each sector. The final fees are due to be announced in September 2010 and will reflect any further efficiencies.

Please remember that the fee rates in the paper are **for illustrative purposes only**, to help you see the potential impact of the proposals. We are consulting on the fee model rather than the fee rates.

## **Consultation**

The HTA would like to hear your views on the proposals. Fees must recover the cost of regulating each sector but we will take account of the views that emerge from the consultation in deciding whether to charge for specific activities, banding satellites, tissue types and licensable activities and staggering and applying pro-rata payments.

The specific consultation questions are included in the attached paper. You can respond by using the online form on our website <http://www.hta.gov.uk/consultations/htaconsultations.cfm/843-Licence-fee-consultation-2011-12.html>

The HTA plans to hold three workshops to explain the proposals in more detail and hear your views. The workshops will take place in the period between mid May and mid June. Two will be in London and one in Manchester. More details will be available soon. Places are limited and will be allocated on a first come first served basis. If you would like to attend a workshop, please register your interest by emailing [consultation.responses@hta.gov.uk](mailto:consultation.responses@hta.gov.uk).

If you are unable to use the online forms, please email [consultation.responses@hta.gov.uk](mailto:consultation.responses@hta.gov.uk) or write to:

Nicola Harlow  
Finance Manager  
Human Tissue Authority  
Finlaison House  
15-17 Furnival Street  
LONDON EC4A 1AB.

If you are emailing or sending your response to the consultation questions by mail, please include: your name and contact details, organisation, licence number (if applicable), sector, your role and details of others whose views contribute to your response.

## **Freedom of information and data protection**

Information provided in response to this consultation, including personal information, may be subject to publication or disclosure in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004).

If you want information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the HTA.

The HTA will process your personal data in accordance with the DPA and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties.

## **Consultation responses**

We will review all responses made and they will inform the Authority when they agree the fee structure and rates for 2011/12, in July 2010. A summary of the consultation responses and the HTA's approach in finalising the fees structure will be published on our website. We plan to publish the fees for 2011/12 on our website in September 2010.

Yours sincerely

A handwritten signature in cursive script that reads "Sue Martin".

**Sue Martin**  
Director of Resources