
HCPC Registration Fees proposals

Executive Summary

In February 2019, the Council considered the outcomes of the consultation on changes to the registration fees we charge. Since that time, we have undertaken further stakeholder engagement and are proposing changes to the original proposals. This paper sets out the background to these changes, and the rationale behind them. It also highlights the impact assessment we have undertaken.

Previous consideration	The Council considered the outcomes of the consultation on our fees proposals at their meeting on 19 February 2019.
Decision	The Council is being asked to discuss this paper, and agree the fee levels set out in the attached documents effective from 1 September 2020.
Next steps	Having made the decision above, the Council is further invited to agree to make the Rules in Appendix 4 by applying the Council seal. The draft Rules will be laid in the UK and Scottish Parliaments.
Strategic priority	Strategic priority 3: Ensure the organisation is fit for the future and is agile in anticipating and adapting to changes in the external environment.
Risk	Strategic risk 4: failure to be an efficient regulator
Financial and resource implications	The outcome of the Council's discussion will have implications for budgets in future years.
Author	John Barwick, Chief Executive

1 Introduction

- 1.1 This paper provides an update to Council on the registration fees increases. It sets out the proposed changes and thinking behind these. It also highlights the further stakeholder engagement we have undertaken and our assessment of the impact we believe the proposals may have.

2 Stakeholder engagement and support

- 2.1 Over the last few months, we have spent time listening carefully to the concerns, arguments, and views raised about the impact our original proposals may have had. We have engaged with both Unison and Unite in Scotland and England, and have been in dialogue with the UK-wide professional bodies, as well as with Government and its officials.
- 2.2 These conversations have been productive and given us an opportunity to set out our vision for the HCPC, outline some of the immediate challenges and consider how we can work in partnership going forward. This engagement has led us to re-think our approach.

3 Proposed changes

- 3.1 Having listened carefully, we are proposing significant changes. These include reducing the increase in the registration fee from £16.00 to £8.12 and retaining the 50% discount graduate applicants receive for the first two professional years of registration.
- 3.2 The revised increase to the registration fee was calculated using year on year percentage raises given to Band 5 NHS professionals, the largest by volume grade, since 2015 when HCPC last increased its fees.
- 3.3 Annual increments of 1.8%, 1.8%, 1.7%, 1.7% and 1.7% were used giving HCPC registration fees of £91.62, £93.27, £94.86, £96.47 and £98.11 respectively. An overall increase of £8.11, which has been rounded up to £8.12 to enable equal direct debit payments should registrants choose.
- 3.4 We have applied this % increase formula to all the fees we charge. The full list is set out in the table in appendix 1.

4 Cost savings and efficiencies

- 4.1 To achieve the reduced increases, we have identified and implemented significant cost efficiencies. Our original budget for 2019-20 anticipated a deficit of £1.5 million. However, we have internally challenged all expenditure and reduced payroll costs by right-sizing the organisation following the exit of social workers in England. This means we are now targeting a deficit of £0.5 million for 2019-20.
- 4.2 We recognise that many professionals' salaries have not increased substantially for some time, so we are finding new ways of working as well as continuing to manage our costs to minimise the burden on registrants. We are also mindful that future fee increases must be reasonable and proportionate.

5 Why we need the increase

- 5.1 The combination of our cost efficiency focus and the reduced fee increase will ensure that HCPC remains resourced to carry out its statutory functions. It will also support the major exercise underway to re-engineer many regulatory processes and the investment in smarter technology. With the reduced increases, the benefits of these substantial changes will not all materialise immediately, but will result in more timely fitness to practise investigations and the shift to automated, online applications. It will also result in improvements in our ability to collect, interpret and share data that will enable us to predict and prevent issues arising in professionals' education and practice, and in our ability to engage our registrants.
- 5.2 The impact of inflation is also a contributory factor. The graph in appendix 2 shows that the proposed fee increase allows us to catch up to inflation in 2020. However, as professions have different renewal cycles, we will not receive the full value of the increase by the time all registrants pay the new fee as inflation will eat into the real value of our income. The triangular gap on the graph demonstrates we have underinvested in our activities for this reason. We have assumed inflation will continue at 1.8% after January 2020.
- 5.3 Even with the increases we will continue to have a deficit and will not return to a surplus position until 2022-23 once the full effect of the fee increase comes through. Our general reserves will also drop into a negative balance in 2022, recovering slowly afterwards. More detailed financial information is included in papers being presented to Council at this meeting.
- 5.4 However, without investment, which is in part funded through a modest fee increase, there is a risk to our ability to continue meeting our overarching statutory objective; ensuring the public are protected through effective regulation of health and care professionals.

6 Impact of our proposals

- 6.1 We have undertaken an impact assessment, which can be found in appendix 3. We have identified mitigating actions and these are in the assessment.

7 Next steps

- 7.1 There is consensus amongst our stakeholders around HCPC moving to be a lean and intelligent regulator which has a greater focus on supporting professionalism in the health and care sector. To achieve this ambition requires a degree of investment. Having listened we believe the proposed fee increase strikes a proportionate balance in terms of the impact on registrants and our ability to achieve cost savings.
- 7.2 Subject to the Council agreeing to make the Rules (in appendix 4), by applying the Council seal, and the necessary parliamentary approvals of these rules we anticipate the new rates will apply from 1 September 2020.

Proposed registration fees increase - Appendices

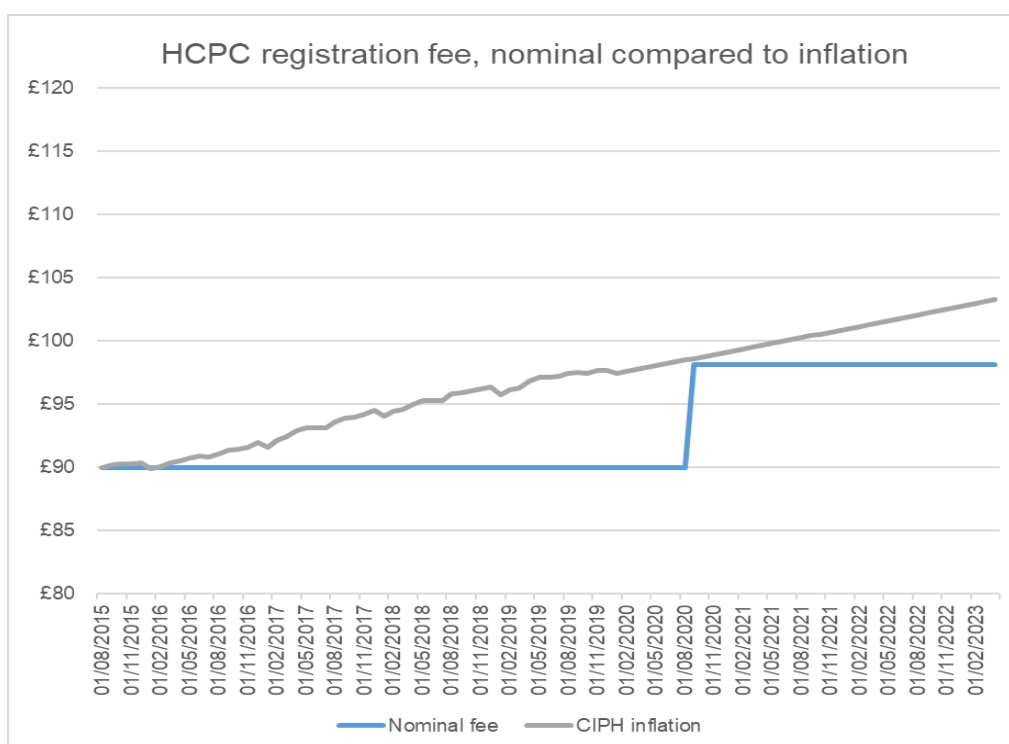
Appendix 1: Schedule of fees – registration and scrutiny fees

Route to registration	Existing scrutiny fee (£)	Increase to (£)
Approved programme	63	68.68
Renewal	n/a	
Readmission	135	147.18
Restoration	135	147.18
International	495	539.65
Grandparenting	495	539.65

Registration fees

Route to registration	Existing registration fee (£)	Increase to £
Approved programme	45	49.06
Renewal	90	98.12
Readmission	90	98.12
Restoration	90	98.12
International	90	98.12
Grandparenting	90	98.12

Appendix 2: Impact of inflation



Impact Assessment, including equality diversity and inclusion

Section 1: Project / Policy overview

Project / policy title: Fee rise	
Name of impact assessor: Jacqueline Ladds	Date agreed: 25 March 2020

What are the intended outcomes of this work?

- Ensure the organisation is financially viable¹ and able to meet its statutory duty to protect the public.
- It will also support
 - the major exercise underway to re-engineer our regulatory processes and the investment in smarter technology resulting in more timely fitness to practise investigations and the shift to automated, online applications
 - our ability to collect, interpret and share data that will enable us to predict and prevent issues arising in professionals’ education and practice.
- Increase the fees we charge for registration.
- Regularly review our fees to avoid infrequent but larger increase in future.

Who will be affected?

Registrants are likely to feel the most significant impact of this work. They will:

- Be able to interact with us through improved technology.
- Where relevant, feel the impact of improved quality and timeliness of fitness to practise processes.
- Pay higher fees.
- Experience more frequent, but smaller rises in their fees.

Service users will also feel the impacts of this work; benefiting from our prevention work and improved quality and timeliness of fitness to practise performance. Both these outputs will increase our public protection reach and impact.

Employers will feel the impact of our prevention work; receiving increased engagement and support.

¹ <https://www.hcpc-uk.org/globalassets/meetings-attachments3/council-meeting/2018/september/enc-08---5-year-plan/>
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Section 2: Evidence and Engagement

Lack of data should not prevent a thorough IA. Be proactive in seeking the information you need.

What evidence have you considered towards this impact assessment?

- Public consultation, resulting in 2,349 responses. We asked respondents:

“Do you consider there are any aspects of our proposals that could result in equality and diversity implications for groups or individuals based on one or more of the following protected characteristics, as defined by the Equality Act 2010 and equivalent Northern Irish legislation? (Age, Disability, Gender reassignment, Marriage and civil partnership, Pregnancy and maternity, Race, religion and belief, Sex, Sexual orientation)”

- House of Commons briefing paper ‘Women and the economy’² (March 2018).
- House of Commons Women and Equalities Committee report entitled ‘Fathers and the workplace’ (March 2018)³

Have you engaged stakeholders in gathering or analysing this evidence?

In addition to our public consultation, our Chair and Chief Executive met with our stakeholders to discuss, in particular professional bodies and unions representing our registrants. In light of the feedback we have received, our Chair and Chief Executive have undertaken further engagement with these groups.

Section 3: Analysis by equality group

The Equality and Human Rights Commission offers information on the [protected characteristics](#). Describe any impact to groups or individuals with the protected characteristics listed below that might result from the proposed project or policy. Draw upon evidence where relevant.

For all characteristics, consider **discrimination, victimisation, harassment and equality of opportunity** as well as issues highlighted in the guidance text.

Age (includes children, young people and older people)

Many of the graduates applying to our Register for the first time are younger people, and will benefit from the continued 50% discount we apply for the first two years of professional registration. This may adversely impact existing registrants, or those who have been on the Register longer as they may typically older. This may be offset by older registrants receiving greater income.

Renewal fees are also proposed to increase in line with the increases to the scrutiny fee for applicants from approved programmes, and so we consider the overall impact of the proposed fee rises will be felt equally across different age groups. Scrutiny fees will inevitably be required to be set at a higher level than renewal fees given the work involved in processing an application for the first time.

² <http://researchbriefings.files.parliament.uk/documents/SN06838/SN06838.pdf>

³ <https://publications.parliament.uk/pa/cm201719/cmselect/cmwomeq/358/358.pdf>

Disability (includes physical and mental impairment. Remember ‘invisible disabilities’)

Online renewals may impact this group, where they have difficulties using computers or the web pages. To make the website easy to view, we have designed it in accordance with guidelines laid down by the Web Accessibility Initiative (WAI) and we strive, wherever possible, to conform to 'Double-A' standards. Should anyone require assistance in renewing online, reasonable adjustments will be made where appropriate, in line with the HCPC’s reasonable adjustments policy.

Some consultation responses suggested that disabled registrants often work shorter hours, so fee rises may impact this group. We have not been able to evidence this, but have considered the impact nonetheless. However, the resources required to adjust fees according to salary would require significant investment.

Gender reassignment (consider that individuals at different stages of transition may have different needs)

No impacts are expected to arise from this work for this group.

Marriage and civil partnerships (includes same-sex unions)

No impacts are expected to arise from this work for this group.

Pregnancy and maternity (includes people who are pregnant, expecting a baby, up to 26 weeks post-natal or are breastfeeding)

An increase in the readmission fee may impact individuals who have come off the Register. This can include those taking a career break, those who have inadvertently come off the Register because they did not renew, and potentially those taking maternity or paternity leave.

The House of Commons Women and Equalities Committee report entitled ‘Fathers and the workplace’ (March 2018)⁴ indicates that take-up for shared leave remains low, at under 10 percent. Therefore, if registrants come off the Register during periods of maternity or paternity leave, there may be an impact on women through raising the readmission fee. We are unable to assess the impact this may have on those taking maternity or paternity leave as we do not know the numbers of registrants who leave the Register during this time compared with those who remain Registered during maternity or paternity leave.

We will continue our review of our returning to practice processes and guidance in 2020-21, and, as part of that review, are considering how we might develop our understanding of this issue.

⁴ <https://publications.parliament.uk/pa/cm201719/cmselect/cmwomeq/358/358.pdf>

Race (includes race, colour, and nationality, citizenship, ethnic or national origins)

Given the diversity of international applicants, any rise in the international scrutiny fee may impact this group. It would not currently impact EU applicants, although may in the future, subject to any decisions made through Brexit negotiations.

International applicants who have not qualified through one of the HCPC's approved programmes and therefore require rigorous checks to ensure they have the appropriate skills, knowledge and experience to practise safely and effectively. Our statutory duty to protect the public requires us to undertake these checks, which will inevitable cost more than the checks undertaken for applicants who have qualified through an HCPC approved programme.

Applicants who have no UK nationality/citizenship, but have completed an approved UK

Religion or belief (includes religious and philosophical beliefs, including lack of belief)

No impacts are expected to arise from this work for this group.

Sex (includes men and women)

A recent House of Commons briefing paper⁵ (March 2018) highlighted that '42% of women in employment were working part-time compared to 13% of men'. As such, increased fees may impact women. The burden of fees is already higher for part-time workers due to their reduced earning ability and this remains the case with the proposed fee increases. The resources required to adjust fees according to mode of work would require significant investment.

The House of Commons briefing paper⁶ indicates that at April 2017, 'the gender pay gap for median hourly pay excluding overtime was: 9.1% for full-time employees; -5.1% for part-time employees (meaning women earned more than men); and 18.4% for all employees. As such, increased fees may impact women in full time employment, and may impact men in part-time employment. The resources required to adjust fees according to salary level would require significant investment.

Sexual orientation (includes heterosexual, lesbian, gay, bi-sexual, queer and other orientations)

No impacts are expected to arise from this work for this group.

Other identified groups

Poverty is associated with a number of protected characteristics, and so an increase in fees would affect these group. Measuring and mitigating the impact on those experiencing poverty is challenging as we do not have access to data in this regard. However, by mitigating the impacts felt across each of the protected groups as far as possible, the impact on those experiencing poverty should be reduced.

⁵ <http://researchbriefings.files.parliament.uk/documents/SN06838/SN06838.pdf>

⁶ <http://researchbriefings.files.parliament.uk/documents/SN06838/SN06838.pdf>

Four countries diversity

No impacts are expected to arise from this work for this group.

Section 4: Welsh Language Scheme

How might this project / policy engage our commitments under the Welsh Language Scheme?

As any information published in this regard would be targeted at registrants, for the purpose of the Welsh Language Scheme (WLS)⁷ this would be technical or specialised material aimed at professionals (see para 4.2 of the Scheme). We therefore do not need to translate any materials, but could provide a translation on request.

Section 5: Businesses, charities and voluntary bodies

How might this project / policy impact on activities undertaken by businesses, charities or the public sector?

As the HCPC is a regulator of professionals, the impact on organisations is likely to be minimal. There may be impact to service delivery if individuals, for example those returning to practice or working part time do not renew their registration.

As already indicated, we are reviewing our returning to practice process and this may mitigate this impact. We will also continue to promote that tax relief on registration fees is available and the option to spread the cost of payment through direct debit.

⁷ <https://www.hcpc-uk.org/globalassets/about-us/governance/welsh-language-scheme.pdf>

Section 6: Summary of Analysis

What is the overall impact of this work?

The groups who may be impacted by any fee rise include:

- Age (Younger registrants may be impacted by the increase in scrutiny fees for applicants from approved programmes, but this is mitigated by increases across other fees impacting other age groups in the same way.)
- Disability (Online renewals may impact this group but would be mitigated by reasonable adjustments. They may also be impacted if they are part-time workers, but this is a burden they face under the current model)
- Pregnancy and maternity (If individuals come off the Register for a period of maternity of paternity leave, and reapply afterwards, they may be impacted by the readmission fees. However, we have an obligation to ensure that those returning to practice are fit to practise in order to fulfil our statutory role to protect the public)
- Race (Given the diversity of international applicants, any rise in the international scrutiny fee may impact this group. However, rigorous checks of international applications are a requirement in order to fulfil our statutory function to protect the public.)
- Sex (Increased fees may impact women as a greater proportion are part-time workers, however, there may also be an impact on men who work part-time as compared with women who work part-time (see above for detail).)

Section 7: Action plan

Summarise the key actions required to improve the project or policy plan based on any gaps, challenges and opportunities you have identified through this assessment. Include information about how you will monitor any impact on equality, diversity and inclusion.

Summary of action plan

A detailed table is not considered to be required to set out the action plan. However, we propose undertaking the following actions in light of the findings of the impact assessment.

- We will take account of the issues highlighted in this impact assessment in developing our data and intelligence strategy.
- We will continue to consider issues relating to maternity and paternity leave as part of the review of our returning to practice process and guidance.
- Once we have built up sufficient reserves to maintain cash flow, we will explore offering monthly direct debits to registrants to spread the cost of fees.
- We will continue to raise awareness of that tax relief is available on registration fees and the cost can be spread out through payment by direct debit

Below, explain how the action plan you have formed meets our public sector equality duty.

How will the project / policy eliminate discrimination, harassment and victimisation?

The project will not actively eliminate discrimination, harassment and victimisation.

How will the project / policy advance equality of opportunity?

The project will not actively advance equality of opportunity.

How will the project / policy promote good relations between groups?

The project will not actively promote good relations between groups.

About this form

The Public Sector Equality Duty

The public sector equality duty (PSED) set out in the Equality Act 2010 requires that the HCPC must, in the exercise of its public functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act;
- Advance equality of opportunity between people who share a protected characteristic and those who do not; and
- Foster good relations between people who share a protected characteristic and those who do not.

The Act does not specify how public authorities should analyse the effect of their new and existing policies and practices on equality, but doing so is an important aspect of complying with the PSED. This form is designed to help HCPC staff meet our equality duties under the Act.

To review the HCPC's 12 Equality, Diversity and Inclusion (EDI) objectives and how we are working to achieve them, please refer to our EDI Policy and current EDI Action Plan. You can find these in the [Publications](#) section of our website.

Should you have any queries or suggestions about this form, please contact the Policy and Standards team on 0207 840 9815 or policy@hcpc-uk.org. Your EDI Manager is Katherine Timms.

How to complete this form

This form is intended for use in **new or major** projects or policies. It is structured to consider the 9 protected characteristics set out in the Equality Act 2010. It is therefore important that you complete every section of the form.

You should consider and document **positive and negative** impacts which might result from the proposed project or policy. Impacts might be **indirect**. If you consider that there will be **no impact** to groups or individuals with a particular protected characteristic, this **should still be documented**.

The EDI impact assessment is not intended as a 'tick box' exercise. Instead, it offers a tool to help you embed equality, diversity and inclusion throughout your work planning and delivery. We encourage you to consult with colleagues, stakeholders and where possible, people with protected characteristics throughout this process.

Appendix 4: Draft HCPC fee rules

DRAFT

These Rules, if made by the HCPC, would be a Schedule to an Order of Council made by the Privy Council and laid before the UK and Scottish Parliaments.

The Health and Care Professions Council (Registration and Fees) (Amendment) Rules 2020

The Health and Care Professions Council makes the following Rules in exercise of the powers conferred by articles 7(1) and (2) and 41(2) of the Health Professions Order 2001.

In accordance with articles 7(1) and (3) and 41(3) of that Order, the Health and Care Professions Council has consulted the Education and Training Committee and representatives of groups of persons it considers appropriate, including representatives of the groups listed in article 41(3) of that Order.

Citation and commencement

1. These Rules may be cited as the Health and Care Professions Council (Registration and Fees) (Amendment) Rules 2020 and come into force on [date].

Amendment of the Health and Care Professions Council (Registration and Fees) Rules 2003

2.—(1) The Health and Care Professions Council (Registration and Fees) Rules 2003 are amended as follows.

(2) In rule 14 (registration fee)—

- (a) in paragraph (a), for “£90” substitute “£98.12”; and
- (b) in paragraph (b), for “£180” substitute “£196.24”.

(3) In rule 15 (renewal fee), for “£180” substitute “£196.24”.

(4) In rule 15A (readmission fee), for “£135” substitute “£147.18”.

(5) In rule 16 (restoration fee), for “£135” substitute “£147.18”.

(6) In rule 17 (scrutiny fees)—

- (a) in paragraph (1) for “£63” substitute “£68.68”; and
- (b) in paragraph (2) for “£495” substitute “£539.65”.

Given under the official seal of the Health and Care Professions Council this *** day of *** 2020.