

Education and Training Committee, 12 September 2013

Consultation on HCPC registration fees

Executive summary and recommendations

Introduction

The HCPC's registration fees were last increased from 1 April 2009. We are currently consulting on proposals to increase the fees.

In order to increase the fees, an amendment to the Registration and Fees (Order of Council) Rules 2003 is required. A copy of the draft rules is included with this paper. These rules fall within the remit of the Education and Training Committee and this paper is therefore presented to the Committee to note.

The results of the consultation will be reported to the Finance and Resources Committee, Education and Training Committee and the Council at their meetings in November and December 2013. We will also present the proposed amendments to the Rules at the Committee's meeting in November.

Decision

This paper is to note, no decision is required.

Background information

Article 7(1) of the Health and Social Work Professions Order 2001 ('the Order') requires the Council to 'consult' the Education and Training Committee before making Rules about registration and the payment of fees.

Article 7(3) of the Order means that the Council is required to consult publicly before varying its fees. This includes 'consulting' the Education and Training Committee.

Resource implications

- Amending the draft consultation document as necessary.
- Arranging for the launch of the consultation, including emailing the consultation list.
- Printing and sending hard copy consultation documents on request.
- Analysing the consultation responses and writing further Council papers for Committee and Council.

These resource implications are accounted for in Policy and Standards Department planning for 2013-2014.

Financial implications

- None as a result of the consultation. There would be a small project cost of approximately £3,500 for configuration and testing of IT systems should changes to the fees be agreed.

Appendices

None

Date of paper

2 September 2013

Consultation on HCPC registration fees

A consultation seeking the views of stakeholders on proposals to increase the registration fees charged by the Health and Care Professions Council.

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1. Introduction

- 1.1 We are the Health and Care Professions Council (HCPC). This consultation seeks the views of stakeholders on proposals to increase the fees we charge for registration.
- 1.2 The existing fees were introduced in April 2009 and, if agreed, our proposals mean that they would have remained unchanged for five financial years. We are proposing an increase in our fees in order to ensure that we can continue to function effectively as a regulator.
- 1.3 We are proposing a £4 increase (an increase of 5.3%) to the annual renewal fee. This increases the renewal fee from £76 to £80 per year and the percentage increase compares favourably to inflation of 13.7% over the last four years. We are also proposing a similar level increase to the other fees we charge.
- 1.4 If the proposals outlined in this document were agreed, the fees would be increased from 1 April 2014. We would continue to have the lowest renewal fee of all the independent statutory regulators of health and care professions.
- 1.5 Please note that social workers in Scotland, Wales and Northern Ireland are separately regulated in those countries and are unaffected by the proposals outlined in this document.
- 1.6 The consultation will run from **10 July 2013 to 1 October 2013**.

About us

- 1.7 We are a regulator and were set up to protect the public. To do this, we keep a register of professionals who meet our standards for their professional skills and behaviour. Individuals on our register are called 'registrants'.
- 1.8 We currently regulate 16 professions.
 - Arts therapists
 - Biomedical scientists
 - Chiropodists / podiatrists
 - Clinical scientists
 - Dietitians
 - Hearing aid dispensers
 - Occupational therapists
 - Operating department practitioners
 - Orthoptists
 - Paramedics
 - Physiotherapists
 - Practitioner psychologists
 - Prosthetists / orthotists
 - Radiographers
 - Social workers in England
 - Speech and language therapists

About this document

1.9 This document is divided into four sections.

- Section one introduces the document.
- Section two outlines our proposals.
- Section three outlines background to our proposals.
- Section four describes our proposals in more detail.

Consultation questions

1.10 We would welcome your response to our consultation and have listed some questions to help you. The questions are not designed to be exhaustive. We would welcome your comments on any aspect of our proposals.

1.11 The questions are included in section four of this document. However, they are also listed below.

Q1. Do you agree that the renewal fee should increase from £76 to £80?

Q2. Do you agree that the scrutiny fee for applicants from approved programmes should increase from £53 to £56?

Q3. Do you agree that the readmission fee should increase from £191 to £200?

Q4. Do you agree that the restoration fee should increase from £191 to £200?

Q5. Do you agree that the scrutiny fee for international and EEA applications should increase from £420 to £440?

Q6. Do you agree that the scrutiny fee for grandparenting applications should increase from £420 to £440?

Q7. Do you have any further comments on our proposals?

How to respond to the consultation

1.12 You can respond to this consultation in the following ways.

- By completing our easy-to-use online survey:
<https://www.research.net/s/HCPRegistrationfees>
- By emailing us at: consultation@hcpc-uk.org.

- By writing to us at the following address.

Consultation on fees
Policy and Standards Department
Health and Care Professions Council
Park House
184 Kennington Park Road
London
SE11 4BU
Fax: +44(0)20 7820 9684

- 1.13 Please note that we do not normally accept responses by telephone or in person. We normally ask that consultation responses are made in writing. However, if you are unable to respond in writing, please contact us on +44(0)20 7840 9815 to discuss any reasonable adjustments that would help you to respond.
- 1.14 Please complete the online survey or send us your response by **1 October 2013**.
- 1.15 **Please contact us to request a copy of this document in Welsh or in an alternative format.**
- 1.16 Once the consultation period is completed, we will analyse the responses we receive. We will then publish a document which summarises the comments we received and explains the decisions we have taken as a result. This will be published on our website.

2. Summary of our proposals

- 2.1 We propose to increase our registration fees as shown in the tables below. This includes the fees we charge for applications for registration which are known as ‘scrutiny fees’.
- 2.2 There are six different ‘routes to registration’ shown in each table. We charge different fees depending on how someone joins the Register. Please see section four for more information about the routes to registration and proposed increases to our fees.

Table 1: Our existing fees¹

Route to registration	Scrutiny fee (£)	Registration fee (£)
Approved programme*	53	38 (for each year of the first two year cycle)
Renewal	n/a	76
Readmission	n/a	191
Restoration	n/a	191
International / EEA	420	76
Grandparenting	420	76

Table 2: Our proposed fees from 1 April 2014

Route to registration	Scrutiny fee (£)	Increase (%)	Registration fee (£)	Increase (%)
Approved programme	56	5.7	40	5.3
Renewal	n/a	n/a	80	5.3
Readmission	n/a	n/a	200	4.7
Restoration	n/a	n/a	200	4.7
International / EEA	440	4.8	80	5.3
Grandparenting	440	4.8	80	5.3

Notes to table

- % figures have been rounded.
- There is information on how the proposed fee increases compare with rates of inflation in paragraphs 3.09 – 3.10.
- *‘Approved programme’ means a UK programme of education and training that we approve so that someone successfully completing that programme is eligible to apply to us for registration. There is more information about this in paragraph 4.12.

¹ We have rules which set out the detailed procedures and requirements for some of our functions, including registration and fees. In the rules, the fees (apart from scrutiny fees) are set out for a two year registration cycle. However, we use annual figures in this document for clarity.

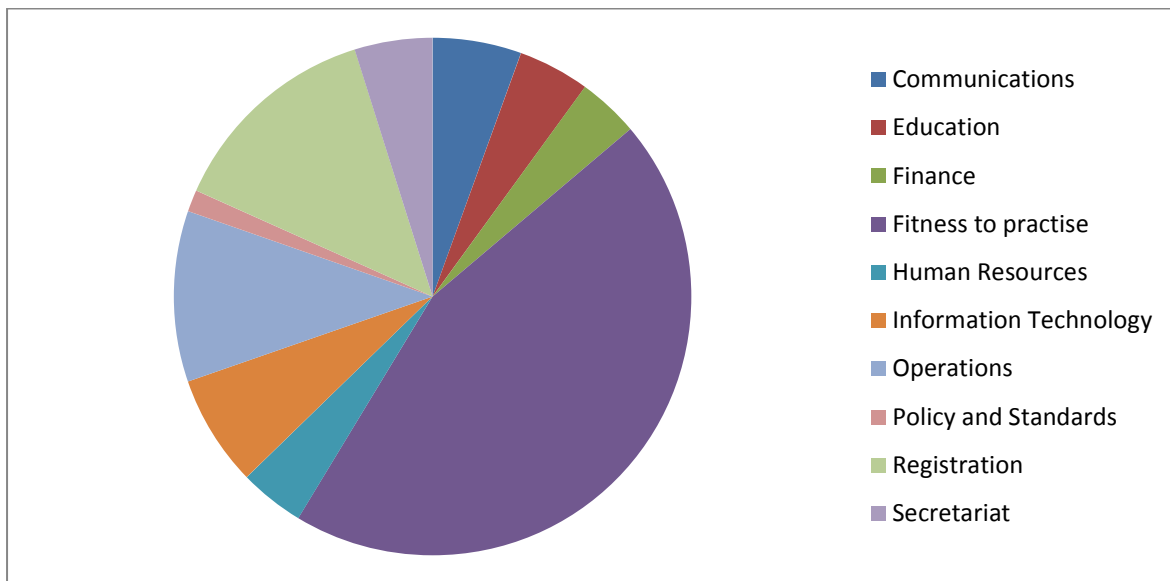
3. Background to our proposals

What registrants' fees are spent on

3.1 Figure 1 below shows how we spent our income in the 2012-2013 financial year by directorate. The three areas accounting for the highest proportion of our budget are:

- **Fitness to practise.** This includes the costs of investigating and hearing allegations about registrants, health and character cases and appeals against registration decisions. This area of our work accounted for approximately 45% of our expenditure in 2012-2013.
- **Registration** includes the costs involved in handling and processing applications for registration. This area of our work accounted for approximately 13% of our expenditure in 2012-2013.
- **Operations** includes the costs of maintaining our facilities and running projects to develop and improve our work. This area of our work accounted for approximately 11% of our expenditure in 2012-2013.

Figure 1: Breakdown of expenditure by department 2012-2013



Note to chart

- Excludes depreciation and exceptional items.
- Some costs have been grouped together for the clarity of this chart.

Our financial performance

3.2 Table 3 below outlines our financial performance in the period since 2008-2009. It shows that we made a small surplus in the 2012-2013 financial year.

Table 3: Our financial performance 2008-2009 to 2012-2013

Income / expenditure	Year				
	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
	£000				
Total fee income	13,549	16,088	16,928	17,419	20,152
Operating expenditure	12,928	16,234	16,257	17,322	20,049
Operating (deficit) / surplus	621	(146)	671	97	103
Investment income, grants and impairments	(997)	47	(51)	(160)	(96)
(Deficit)/Surplus before taxation	(376)	(99)	620	(63)	7

Notes to table

- Investment income, grants and impairments is an overall (deficit) / surplus figure and includes items such as grants from Government to regulate new professions and investment gains / losses.

3.3 Our financial performance is scrutinised regularly by our Finance and Resources Committee and Council. The papers considered by the Committee and the Council and minutes from their meetings are available on our website here: <http://www.hcpc-uk.org/aboutus/committees/>

3.4 You can also find out more information about our financial performance by looking at our annual reports. These are available from the 'publications' section of our website: www.hcpc-uk.org/publications

Why the fee increases are needed

3.5 We are an independent regulator which means that we are self-financing - our operating costs are funded entirely from the fees our registrants pay. We do not receive any regular funding from the Government. The only occasion on which we receive funding from the Government is to cover the costs associated with bringing a new profession onto the Register.

3.6 We agreed as a result of feedback during a previous consultation that we would review our fees every two years, on the basis that our stakeholders would prefer us to take an incremental approach, avoiding substantial unexpected increases in our fees. The level of increase to our fees proposed in this document is consistent with that commitment. This is also consistent with good financial management, ensuring that we have sufficient funds to

continue to function effectively as a regulator, and avoiding financial difficulties which might necessitate large, unplanned increases in our fees.

3.7 Based on our projections of future activity levels, we forecast that without the proposed increase to our fees we would make an unsustainable deficit

3.8 In reviewing our fees, we are mindful that because we register each profession on two-year cycle, it will take two full financial years before any increase in the renewal fee has full effect.

Inflation

3.9 The fees were last increased from 1 April 2009. Since then, inflation has averaged over 3% per year.

3.10 Table 4 below shows that the proposed increase to our fees is well below the rate of inflation in the period 2009-2010 to 2012-2013.

Table 4: Inflation 2009-2010 to 2012-2013

Year	Inflation %	Fee (if maintained in line with inflation)
1 April 2009	n/a	£76
March 2010	3.4	£78.58
March 2011	4.0	£81.72
March 2012	3.5	£84.58
March 2013	2.8	£86.95
Total	13.7	

Notes to table

- Bold type shows fee introduced on 1 April 2009.
- 'Fee (if maintained in line with inflation)' is the cost of the renewal fee if it had increased in step with inflation. Figures have been rounded.
- Inflation figures are from the Consumer Prices Index (CPI). Source: Office for National Statistics.

How the proposed renewal fee compares with other regulators

- 3.11 Table 5 overleaf shows the registration renewal fees charged by the regulators overseen by the Professional Standards Authority for Health and Social Care (formerly the Council for Healthcare Regulatory Excellence).
- 3.12 The table shows that our proposed renewal fee would still be the lowest of all these regulators. We are able to charge relatively lower fees due to the efficiencies and cost-savings associated with having a larger number of registrants. This is illustrated in Figure 2.

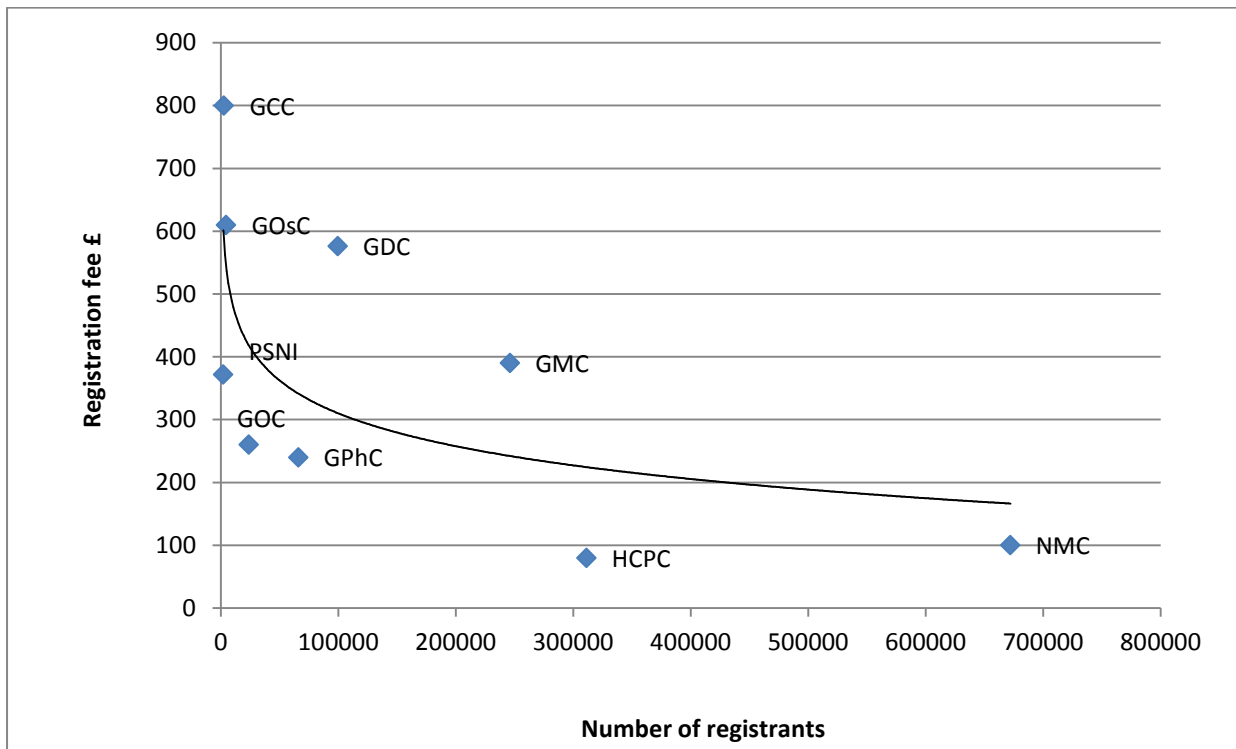
Table 5: Comparison of renewal fees across independent UK health and care professional regulators

Regulator	Annual renewal fee	Number of registrants
Health and Care Professions Council (HCPC)	£80	311,366
Nursing and Midwifery Council (NMC)	£100	672,095
General Pharmaceutical Council (GPhC)	£108 (pharmacy technicians) £240 (pharmacists)	66,179
General Dental Council (GDC)	£120 (dental care professionals) £576 (dentists)	99,518
General Optical Council (GOC)	£260	23,935
Pharmaceutical Society of Northern Ireland (PSNI)	£372	2,098
General Medical Council (GMC)	£390 (registration with a licence to practice)	246,075
General Osteopathic Council (GOsC)	£610	4,585
General Chiropractic Council (GCC)	£800	2,700

Notes to table

- Ascending order from lowest renewal fee. HCPC figure is the proposed new renewal fee. All other fees correct as of date of publication.
- This table does not include the following (where such fee types exist).
 - Discounts on fees in the first or early years of registration.
 - Discounts on fees on the basis of income.
 - Fees for 'non-practising' registrants.
 - Fees for student registers.
- Registrant numbers are from the Council for Healthcare Regulatory Excellence (CHRE) performance review report 2011-2012, with the exception of the figure for HCPC which is correct as of 1 May 2013.

Figure 2: Relationship between renewal fee levels and registrant numbers



Notes

- Renewal fees are for dentists (GDC); pharmacists (GPhC); and registration with a licence to practice (GMC).
- Figures correct as of June 2013.

4. Our proposals in detail

- 4.1 In this section we explain our fees proposals in more detail. We have asked a number of questions on our proposals.
- 4.2 If the proposals described here were subsequently agreed, they would be effective from 1 April 2014.

Paying our fees

- 4.3 We charge fees when someone applies to become registered, when they come back on to the Register after a break, and when they renew their registration.
- 4.4 Registrants are able to pay for their registration either in one payment for the two years of their registration cycle, or they can pay the fee in instalments, by direct debit every six months. Scrutiny fees are non-refundable and payable in full when we receive an application.

Tax relief

- 4.5 Registration fees are tax deductible for standard rate UK taxpayers. This means that the proposed £80 renewal fee would in effect be reduced by 20%, reducing the proposed fee by £16 to £64.
- 4.6 There are three different ways in which registrants can claim back tax relief on their registration fees:
- by providing details of the payment on their tax return;
 - by writing to their tax office, including their national insurance number and details of the payment; or
 - by obtaining form P358 from their local tax enquiry office and sending the completed form to their tax office.
- 4.7 For more information about our fees and tax relief visit our website at: www.hcpc-uk.org/registrants/fees

Renewal fees

- 4.8 Registrants in each profession renew their registration in two year cycles. We send a letter to each registrant inviting them to renew their registration online, or by requesting a paper renewal form. They have to renew their registration by the renewal date we set by completing a declaration and paying the renewal fee or completing a direct debit authorisation.
- 4.9 The renewal fee is the same for all registrants, including those who may be working part time. We do not offer a discount for part time working because our costs in undertaking our role as a regulator are the same, regardless of whether someone is working full or part-time hours. We also consider that the increased costs associated with establishing such a system and introducing measures to check whether people who registered as 'part-time' were not

working over a certain number of hours would be disproportionate and prohibitive.

- 4.10 We are proposing that the annual renewal fee should increase from £76 to £80.

Q1. Do you agree that the renewal fee should increase from £76 to £80?

- 4.11 If this change was agreed, existing registrants would pay the new renewal fee the next time that they renew their registration after 1 April 2014. Renewal dates are provided in Table 6 below.

Table 6: Dates when the proposed new renewal fee would apply for each profession

Profession	Renewal period starts
Dietitians	April 2014
Hearing aid dispensers	May 2014
Chiropodists / podiatrists	May 2014
Social workers in England	September 2014
Operating department practitioners	September 2014
Practitioner psychologists	March 2015
Orthoptists	June 2015
Paramedics	June 2015
Clinical scientists	July 2015
Prosthetists / orthotists	July 2015
Speech and language therapists	July 2015
Occupational therapists	August 2015
Biomedical scientists	September 2015
Radiographers	December 2015
Physiotherapists	February 2016
Arts therapists	March 2016

Registration fees – UK approved programme route

- 4.12 The majority of people we register for the first time have successfully completed an ‘approved programme’. An ‘approved programme’ is a UK programme of education and training that we approve so that someone successfully completing that programme is eligible to apply to us for registration. We sometimes refer to this as the ‘UK approved course’ route.
- 4.13 The non-refundable scrutiny fee is currently £53. This covers the costs we incur in processing applications. Applicants for registration who are newly qualified who apply via this route receive a 50 per cent discount on their registration fee for the first two professional years of registration, as long as they apply within two years of completing their approved programme.

- 4.14 We are proposing that the scrutiny fee charged to applicants who have successfully completed an approved programme should increase from £53 to £56. We propose that this group of applicants would continue to receive a 50 per cent discount on the cost of registration for the two years of professional registration, as long as they apply within two years of gaining their approved qualification. This would increase from £38 to £40 per year for each of those years.

Q2. Do you agree that the scrutiny fee for applicants from approved programmes should increase from £53 to £56?

Readmission fee

- 4.15 Registrants come off the Register and subsequently seek to re-register for a number of reasons. These might include career breaks or because they fail to renew in time. When someone comes off the Register and wants to be registered again, we refer to this as 'readmission'.
- 4.16 We charge a higher readmission fee to cover our costs in processing applications for readmission. We recognise that sometimes registrants might come off the Register unintentionally, perhaps because they forgot to renew their registration by the due date, or because they forgot to tell us about a change of address. The higher readmission fee is therefore not charged if we receive an application to come back on to the Register within one month of a registrant coming off the Register.
- 4.17 We are proposing that the fee charged to applicants applying for readmission should increase from £191 to £200. This includes the registration fee for the first year of registration. Registrants who apply to come back on to the Register within one month of coming off would not have to pay the higher readmission fee.

Q3. Do you agree that the readmission fee should increase from £191 to £200?

Restoration fee

- 4.18 Our fitness to practise process is the way in which we consider allegations about the fitness to practise of registrants. If a case is proven at a final hearing, one of the options open to a panel is to direct that the registrant's name be 'struck off' the Register.
- 4.19 When a registrant is struck-off the Register, they can apply to us to be registered again after five years. Restoration is not automatic, but if a panel decides that they can be registered again, they need to fill in a registration form and pay the appropriate fee. We call this process 'restoration' to the Register.

- 4.20 We currently charge the same fee for restoration as for readmission and we are proposing the same increase from £191 to £200 (which includes the registration fee for the first year of registration).

Q4. Do you agree that the restoration fee should increase from £191 to £200?

International and EEA scrutiny fee

- 4.21 We receive applications from applicants who have qualified outside the UK via our international route to registration. This group includes applicants exercising European Economic Area (EEA) mutual recognition rights. We look at each application individually so that we can decide whether the combination of an applicant's education, training and experience means that they meet our standards for safe and effective practice.
- 4.22 We charge a scrutiny fee to cover our costs in processing applications for registration from this group of applicants. This includes the costs involved in paying registration assessors to assess each application and the resources involved in processing applications.
- 4.23 We are proposing that the International and EEA scrutiny fee should increase from £420 to £440. This does not include the cost of registration. The cost of registration would be £80 per year.

Q5. Do you agree that the scrutiny fee for international and EEA applications should increase from £420 to £440?

Grandparenting scrutiny fee

- 4.24 'Grandparenting' is a transitional route of entry to our Register. It allows individuals to register who do not hold a qualification approved by us, but who meet the criteria for registration. We look at each application individually to decide whether the applicant has met our requirements and is able to be registered. This route to registration is only open for a limited time period when a profession first becomes statutorily regulated. The grandparenting route to registration has closed for all the currently regulated professions.
- 4.25 We charge a scrutiny fee to cover our costs in processing applications for registration from this group of applicants. This includes the costs involved in paying registration assessors to assess each application and the resources involved in processing applications.
- 4.26 We propose to increase the scrutiny fee from £420 to £440. This does not include the cost of registration. The cost of registration would be £80 per year. The proposed fee would apply should we regulate further professions in the future for which grandparenting is required.

Q6. Do you agree that the scrutiny fee for grandparenting applications should increase from £420 to £440?

Rule changes

- 4.27 If the proposals set-out in this document are adopted, they would require amendments to our Rules. The Rules set out the detailed procedures and requirements for some of our functions, including registration and fees.
- 4.28 We propose to amend the Health Professions Council (Registration and Fees) Rules 2003 to reflect the increased level of our fees.
- 4.29 Under the Health and Social Work Professions Order 2001, any amendment to the Rules must be made by the Council and then approved by an order of the Privy Council.
- 4.30 You can find copies of our existing rules as well as the draft fees rules in the publications section of our website at: www.hcpc-uk.org/publications/ruleslegislation

Further comments

- 4.31 We would be happy to receive any further comments you might have.

Q7. Do you have any further comments on our proposals?

[SCHEDULE]

The Health and Care Professions Council (Registration and Fees) (Amendment) Rules 2013

The Health and Care Professions Council makes the following Rules in exercise of the powers conferred by articles 7(1) and (2), 9(2), 33(7) and 41(2) of the Health and Social Work Professions Order 2001(a).

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 2013 and come into force on 1st April 2014.

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

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

(2) In rule 14 (registration fee)—

(a) in paragraph (1)(a), for “£76” substitute “£80”; and

(b) in paragraph (1)(b), for “£152” substitute “£160”.

(3) In rule 15 (renewal fee), in sub-paragraph (b), for “£152” substitute “£160”.

(4) In rule 15A (readmission fee), for “£267” substitute “£120 plus the registration fee prescribed by rule 14(1)(b)”.

(5) In rule 16 (restoration fee), for “£267” substitute “£120 plus the registration fee prescribed by rule 14(1)(b)”.

(6) In rule 16A (reduced fees), for “, readmission fee or restoration fee” substitute “or renewal fee”.

(7) In rule 17 (scrutiny fee)—

(a) in paragraph (1), for “£53” substitute “£56”; and

(b) in paragraph (2), for “£420” substitute “£440”.

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

Anna van der Gaag
Chair

Marc Seale
Registrar