
Consultation on changes to fees

Executive Summary

The Council is required under the Health Professions Order 2001 to consult the Education and Training Committee before it varies the registration fees and before it makes Rules in connection with the payment of fees.

The HCPC is currently consulting on a proposed fee increase, requiring a formal response from the Committee.

Feedback from Committee at this meeting will be summarised by the Secretary and confirmed by the Chair of the Committee. This will then be submitted as the Committee's formal consultation response.

[The full public consultation document on changes to fees can be found here](#), the questions are included below for ease.

Consultation questions –

1. To what extent do you agree or disagree that the rationale for our proposed fee increase is clear?
2. Given the rationale set out, to what extent do you support the fee increase proposals?
3. To what extent do you agree or disagree that we should retain the 50% UK graduate discount for the first two years of registration?
4. In the consultation we set out two areas we would like to explore to mitigate the impact of the proposed fee rise. Please let us know the extent to which you support these. Please also tell us about any other mitigations you think we should explore.

The mitigations are:

- a: Increasing our promotion of tax relief
- b: Increasing the spread of direct debits payments

5. In the consultation we set out how the proposed fee rise will enable us to improve our core regulatory activities, including customer service and fitness to practise, developing our data analytics and improving our efficiency through legislative reform.
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We also set out additional areas that we would like to prioritise, based on stakeholder feedback. Please let us know the extent to which you agree with these. Please also tell us about any other areas you think we should prioritise.

The additional areas are:

- a. Working with employers to secure better protected CPD time
- b. Improving communications and engagement with registrants and stakeholders
- c. Developing further a compassionate approach to regulation

6. in addition to those equality impacts set out in the consultation document, do you think there are any other positive or negative impacts on individuals or groups who share any of the protected characteristics?

Protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

7. Do you have any suggestions about how any negative equality impacts you have identified could be mitigated?
8. Do you have any further comments to make about the proposals and information in the consultation?

Previous consideration	The Council has previously agreed to launch a public consultation on the HCPC's fees.
Decision	The Committee are asked to discuss the paper and agree how it wishes to respond to the consultation questions.
Next steps	Feedback from Committee at this meeting will summarised by the Secretary and confirmed by the Chair of the Committee. This will then be submitted as the Committee's formal consultation response and considered by the Council when it reviews the consultation response analysis.
Strategic priority	The HCPC's income is largely dependent on registrant fees. Meeting strategic aims is dependent on adequate funding.
Financial and resource implications	The proposals outlined in the consultation are vital to ensuring HCPC can continue to operate as a sustainable organisation, and able to deliver its statutory objectives.
EDI impact	The proposals will impact all registrants. The full EIA is linked here .
Author	Zoe Allan, Secretary to Committee zoe.allan@hcpc-uk.org



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A message from our Chair and Chief Executive

This document sets out the Health & Care Professions Council (HCPC) proposal to increase the fees we charge registrants and applicants. It provides information on the way we use the income we receive, the efficiencies and improvements we have made following our previous fee rise, and steps we have taken to delay the need for a fee increase. These proposals are underpinned by a careful financial analysis of what is necessary for the HCPC to continue delivering our regulatory responsibilities. Without the increase we are seeking, the HCPC faces no longer being financially sustainable.

This is a consultation; we want to hear the views of our registrants and others with an interest in our work. We will carefully consider the views you express and take them into account in finalising our proposals. The questions we are asking are set out at page 12 and we would encourage you to read the information set out in this document before you answer these questions.

If approved, an increase would come into effect for existing registrants at the start of their renewal window, beginning with professions whose window opens in July 2023. The majority of registrants would not pay the renewal fee increase until 2024 or 2025. Nevertheless, we know registrants face challenging times and so we are committed to considering ways in which we can provide them with further support.

We have set out suggestions of how we might do this below, and in Question 4. We welcome your views on those suggestions and your ideas on alternative measures.

The HCPC does an important job. Our duties are to protect the public by ensuring that our registrants deliver safe and high-quality care by meeting the standards we set, to take action where safety may be at risk or quality falls short, and to ensure that only those people who are registered with us can practise safely as members of the 15 health and care professions we regulate. We need to ensure we have the finances and resources that enable us to fulfil those duties to a high standard and on a sustainable basis.

Thank you for taking the time to read through this document, and for providing your feedback on the proposals.



Christine Elliott
Chair



John Barwick
Chief Executive and Registrar

Summary



The HCPC protects the public by regulating over 300,000 health and care professionals in critical roles. The HCPC's work is funded through the fees that those registrants pay. These fees have not kept pace with inflation and costs; currently they do not cover our operating costs.

This consultation proposes increasing HCPC's annual renewal fees by £19.62 per year to £117.74. Subject to legislative approvals, we propose that a fee rise would come into effect on a staggered basis in line with the registration renewal cycle for each profession: at the earliest in July 2023 for the first professions to renew, in 2024 for more than half of registrants, and in 2025 for around 20%. HCPC's annual fees would remain below those of all other professional healthcare regulators. Other HCPC fees paid by registrants would rise by the same proportion and be introduced at the same time as the renewal rise, in July 2023.

Before seeking this increase, we have made operational improvements and efficiencies without compromising our ability to fulfil

our statutory duties. We have significantly reduced our office space, saving £1 million per year, and introduced hybrid working. We have set deficit budgets, using our modest cash reserves to invest in improving our core systems and processes. These investments have delivered improvements in our Fitness to Practise (FTP) processes, online registration applications to provide registrants with a better experience and reduced waiting times for our core services. We have also strengthened our outreach in Scotland, Wales and Northern Ireland. However, these improvements are not sustainable as our reserves will be fully depleted by 2024 at the current rate.

This proposed increase is needed to ensure the HCPC can continue to protect the public, support our registered health and care professionals, ensure future professionals are well educated and trained, and meet the statutory objectives set for us by Parliament. Should this increase be implemented, our intention would be to move to smaller, incremental increases in the future.

What the HCPC does

The HCPC's job is to protect the public by ensuring our registrants practise safely, and by guarding against unregulated and untrained individuals illegally using regulated professional titles.

We regulate over 300,000 skilled and dedicated health and care professionals across 15 different professions. Our registrants work in frontline roles, including in emergency situations and with vulnerable children and adults, and play a vital role in the prevention, diagnosis, and treatment of a huge number of medical conditions. HCPC registrants have been at the forefront of the UK's response to the Covid pandemic and are vital to our recovery, including to the ongoing treatment and rehabilitation of patients with Covid and long Covid.

Each year the HCPC approves around 70 education programmes, handles over 1,000 FTP concerns and last year registered over 18,000 new registrants from both the UK and abroad. The HCPC makes difficult and high stakes decisions, for example, about a person's fitness to practise or whether they meet the standards to practice in the UK. The decisions we take require thorough, high quality investigation, systematic evidence gathering, and highly trained independent decision makers.

We maintain professional standards in these areas in the following ways:

1 Setting education standards for the professionals of the future
We review and assess each of the 820 education programmes that are taken to become qualified in our 15 professions. Last year over 30,000 learners completed an HCPC approved programme that would enable them to enter one of our regulated professions. Our approval of these programmes is vital to ensuring those entering our professions have the skills and experience they need to work safely and to a high standard.

2 Promoting high quality professional practice
We set and promote the professional and ethical standards that must be met by registrants.

3 Protecting the public and our professions from illegal practitioners
The titles of the professions we regulate are protected by law, which means that people using those titles must be regulated by us and meet the standards we set. We prevent unregulated and untrained people from illegally using these protected titles. We require them to stop using the title and we prosecute people who continue to do so.

4 Stopping unsafe practice
We take action to prevent practice where there is evidence this poses a risk to the public. This can include imposing conditions on someone's practice or stopping them from continuing to practise.

Improvements being delivered

In early 2021, the HCPC launched a 5-year [Strategy](#) under a new Chair and Chief Executive to modernise and improve the HCPC's performance. This set out our intention to be a high performing, adaptable and caring regulator ensuring public protection through strong, evidence based regulation. Under this new strategy, we have:

- 1. Improved the quality of our decision-making** in fitness to practise cases. The quality of our improvement work has been recognised by our regulator, the Professional Standards Authority (PSA).

"We have been impressed by the commitment of the HCPC to improving its processes and by the number of projects delivered."

"We have seen a noticeable improvement in the quality of panel decision making in the cases we have reviewed when considering whether those decisions are sufficient to protect the public."

HCPC Performance Report, Professional Standards Authority, June 2022

- 2. Reduced the time taken to conclude new fitness to practise cases**

Our pilot used for new cases has shown that focusing investigation activity on the early stages reduces the time taken to conclude fitness to practise cases.

For frontloaded cases, time taken from Investigating Committee panel to final hearing has reduced to 28 weeks, almost 3 months (11 weeks), faster than our 39-week service standard.

3. Created a step change in our approach to equality, diversity and inclusion (EDI)

In 2021 we introduced the HCPC's first EDI Strategy, setting an ambitious vision backed up by a clear action plan. In March 2022 we were the first regulator to move from not meeting, to meeting the PSA's EDI Standard.

"The HCPC continued to demonstrate a strong commitment to EDI."

"The HCPC's EDI action plan is ambitious and sets out clearly the actions it will carry out to meet the objectives set out in its 2021-26 EDI Strategy."

"Staff have continued to receive EDI training and we received positive feedback about the HCPC's collaborative development of its 2021-26 EDI Strategy."

"The HCPC has continued to work to deliver its commitment that everybody has equal access to its services and are treated fairly when doing so."

HCPC Performance Report, Professional Standards Authority, June 2022

*"For the first time I understand why sharing my EDI details is important."
(Registrant)*

Registrant feedback following EDI workshop

4. Created a new team dedicated to preventing harms from arising

The [Professional Liaison Service](#) has been established to promote high quality professional practice through education and support to registrants, employers and students. This work is a key part of our transition to risk based, preventative regulation. The Service has delivered 70 free training seminars for registrants, employers and students, promoting high professional standards, including in areas such as duty of candour, raising concerns, remote consultations, reflective practice, managing concerns and self-referrals.

94% of registrants attending our recent Duty of Candour webinar said that their practice would change as a result.

"[I will be] open & transparent in saying sorry without fear"

"Will feel more confident supporting staff with issues of candour."

"I was not aware that an apology is not considered an admission of wrongdoing. That makes me feel more comfortable with apologising when necessary."

Registrant feedback following Duty of Candour webinar

Our fee no longer covers the cost of regulation

The HCPC's work is funded by registrant fees; it is not funded by government or the NHS. All income that the HCPC receives is spent meeting our regulatory purpose. 80% of our £33 million operating expenditure in 2022/23 is on functions required by legislation and regulatory standards. Our corporate functions, such as Human Resources (HR), IT and digital, are essential to enabling the HCPC to fulfil its statutory purpose and are small and sized in line with sector benchmarks. How we spend our income is set out in the chart below:

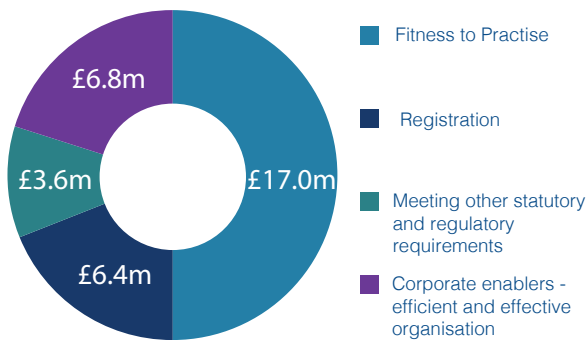


Figure 1 – How the HCPC's income is spent

We are committed to challenging ourselves internally over our use of resources and prioritisation, to ensure that we get best value from every pound of registrant fees. Our Council holds the senior executive to account for how our income is being spent every month. However, despite the efficiencies we have made, our fees have not kept pace with inflation and are already insufficient to cover our operating costs.

Since 2015 there has been only one increase in the HCPC's fees. This was due in 2020 but delayed to 2021 and the amount was reduced, in part because of concerns about the impact on registrants of the Covid pandemic. This delay and reduction have contributed to the shortfall between our income and our expenditure.

At the 2022 rate of inflation projected by the Bank of England, the value of the 2021 fee rise has already been wiped out and our fee is now lower by 9% in real terms than it was in 2015. Without an increase, the real value of our fees will continue to decline.

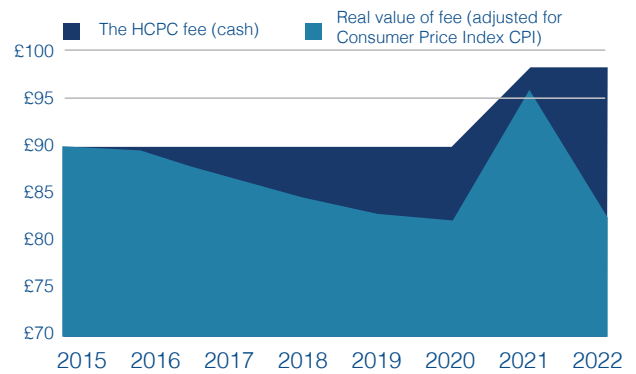


Figure 2 – Impact of inflation on HCPC fees 2015-2022

Over the past three years we have been using our modest cash reserves to address this funding shortfall, but this is not sustainable. Even assuming continued efficiency improvements, and after making assumptions about future inflation in line with Bank of England projections, our reserves will soon be fully depleted. Figure 3 below demonstrates that, without additional income, the HCPC is likely to have no reserves left by 2024, which means we risk no longer being able to operate.

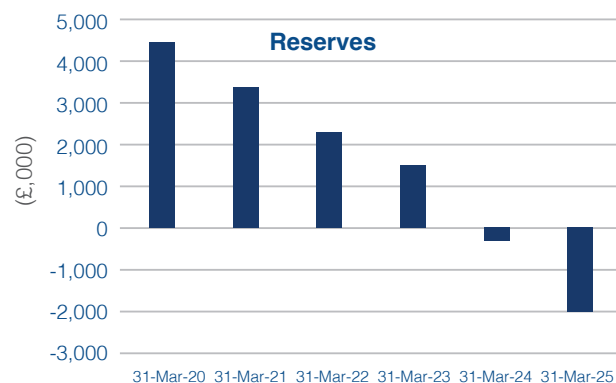


Figure 3 – Past, current and predicted HCPC reserves 2020-2025

Our proposals

To address this shortfall in our income and enable us to continue protecting the public we are proposing to increase our annual registrant fee by £19.62. This would mean it increases from £98.12 per year to £117.74 per year.

The increase would be effective from July 2023 at the earliest, subject to legislative approval and timing. For some professions, based on the staggered registration renewal cycles for each profession, it would not take effect until 2025. The HCPC's renewal periods for each of our 15 professions are determined by primary legislation and are set out in Annex A.

We are proposing to maintain the current 50% graduate discount¹ for the first two years of registration.

The impacts of this increase on the HCPC's different fees would be as follows:

Registration fees		
	Current	Proposed
Approved programme (reduced) ²	£49.06	£58.87
Approved programme (full)	£98.12	£117.74
Renewal	£98.12	£117.74
Readmission	£98.12	£117.74
Restoration	£98.12	£117.74
International	£98.12	£117.74
Grandparenting ³	£98.12	£117.74

Application scrutiny fees		
	Current	Proposed
Approved programme	£68.68	£82.42
Readmission	£147.18	£176.62
Restoration	£147.18	£176.62
International	£539.65	£647.58
Grandparenting	£539.65	£647.58

Graduate fees		
	Current	Proposed
Scrutiny fee	£68.68	£82.42
Year 1	£49.06	£58.87
Year 2	£49.06	£58.87
Year 3	£98.12	£117.74

¹ Currently UK graduate applicants receive a 50 per cent discount on their registration fees for the first two professional years of registration, as long as they apply within two years of completing their approved programme.

² 'Approved programme' means a UK programme of education and training that we approve allowing someone successfully completing that programme to apply to us for registration.

³ 'Grandparenting' allows a route of entry to our Register. When we regulate a new profession, we have opened a time-limited grandparenting period during which individuals who do not hold an approved qualification, but who can demonstrate through their training and experience that they meet our criteria, can be registered.

Comparative information

Our annual fees are currently the lowest of all the nine professional healthcare regulators. They would remain the lowest under these proposals:

Regulator	Annual registrant fee
General Chiropractic Council (GCC) ARF	£750
General Dental Council (GDC)	£680 Dentists (£114 Dental Care Professionals)
General Medical Council (GMC)	£406
Pharmaceutical Society of Northern Ireland (PSNI)	£398 (Pharmacist); £133 (Premises)
General Optical Council	£360
General Osteopathic Council	£320 (Year 1 entry); £430 (Year 2 UK); £215 (Year 2 reduced rate); £570 (Year 3 UK); £320 (Year 3 reduced rate)
General Pharmaceutical Council (GPC)	£257 (Pharmacist), £121 (Pharmacy Technicians)
Nursing and Midwifery Council (NMC)	£120
Health and Care Professions Council (HCPC)	Current: £98.12 Proposed: £117.74

This fee increase will secure the future of effective regulation

This fee rise will secure the future of regulation for 15 critical health and care professions. It will allow us to continue to invest so that we can continue to protect the public and provide the service that registrants expect from a modern regulator. We will make further significant improvements to the way we work:

1. Customer service

While we have made improvements in recent months, for example, halving our response times to emails, we want to be much more responsive to registrants and to provide real time information to applicants.

2. Regulatory functions

Continued investment in these critical processes will improve the time taken to process registration applications and renewals, approve education and training programmes and conclude fitness to practise cases in line with our regulatory standards.

3. Developing data analytics to ensure fairness and support workforce development

We will continue our work to analyse regulatory outcomes by protected characteristics, to make sure our processes are fair to all. We will develop our ability to mine our data to support workforce planning which in turn supports the safe delivery of healthcare.

4. Increase our longer term efficiency

Our current legislation is cumbersome and requires us to take every fitness to practise case, where sanctions are possible, through the entire fitness to practise process including a final hearing. The proposed fee rise will provide the resources we need to implement the regulatory reforms we are seeking, working with the Department for Health and Social Care to reform our underlying legislation.

How we currently help registrants with fees

Promoting tax relief

Registrants can claim tax relief against their fees, and registrants who claim this relief can save around £24.00 per year (dependent on the tax rates being paid). We currently promote this to registrants via our website.

However, a recent survey we conducted (August 2022) suggests that only 10% of registrants are claiming tax relief on their registration fee, and over 60% are unaware of this option.

If a registrant not claiming this relief were to start claiming it, this would cover the cost of the proposed increase and result in a net saving to the registrant.

Enabling phased payments

Registrants can pay their fee in four instalments over the two-year registration period, helping to spread the cost over the period.

What more can we do to respond to what registrants are telling us?

We have spoken with a wide range of stakeholder groups, including professional bodies and trades union, as we have been developing these proposals. From this engagement we already know that securing time to undertake high quality continuing professional development (CPD) is a challenge for many registrants. Opportunities to undertake CPD have been significantly disrupted during the pandemic and registrants are looking to their regulator for support. Registrants also tell us they would like more regular, tailored communication and opportunities to engage directly in the HCPC's work.

We have listened carefully to these views and value all the comments and suggestions. We fully recognise that increasing our fee, however necessary, is not a proposal which is easy to support. We agree with the stakeholders who have said to us that we need to demonstrate the value of regulation to our registrants and to try to mitigate the impact of the fee rise.

The following are mitigations to the increase that we would like to explore:

1. Increasing promotion of tax relief

We could promote this more widely ourselves and also work with professional bodies and partners to make more registrants aware of this option for saving money.

2. Increasing the spread of direct debit payments

This would mean that payments could be spread out into more regular, smaller amounts throughout the year to help make them more manageable. We could explore how best we could change our financial and IT systems to support this.

We have considered whether lower fees could be levied for lower paid healthcare professionals. However, this would involve additional administrative processes and system costs which, even after the proposed fee rise, would not be affordable. Nonetheless, this is something we would like to consider in the longer term once we have realised the efficiency gains that we expect from modernisation of the legislative regime within which we operate. We are currently waiting for confirmation from the Department for Health and Social Care of the timetable for this work. In future, we would also like to move to smaller, more incremental fee reviews, in line with good financial management across the public and regulatory sectors.

In response to the feedback we have received, we would also like to focus on the following:

3. Working with employers to secure protected CPD time

We know that registrants can find it hard to carve out protected time for mandatory CPD and can find the prospect of CPD audits daunting. We could explore what more we can do to support registrants in this area, for example, by resourcing work with employers to promote the importance of protected CPD time as a mandatory regulatory requirement.

4. Improving communications and engagement

We would like to invest in improving and tailoring our communications to registrants and other stakeholders, and to make contacting us easier for everyone. We also want to provide information that is more relevant and available in a timely manner. We would like to improve our ability to work more closely with registrants, service users and other stakeholders to inform what we do and how we work.

5. Developing further a compassionate approach to regulation

We would like to invest in making further improvements to provide greater support to registrants engaging with our regulatory processes, including registration and fitness to practise.

These are suggestions that we have received and that we would be able to explore following the realisation of the proposed fee rise. While we could not immediately put these in place (as the proposed rise would not be fully realised until 2025), we could begin planning for these once any fee rise is confirmed.

We would welcome stakeholders' views on these five suggestions, and on which are most important for immediate consideration. We would also like to hear other suggestions about priorities we should focus on.

Equality impacts

Our equality impact assessment of these proposals is at Annex C. This identifies possible positive and negative impacts of our proposals. Any proposal to increase our fee is likely to have greater negative impact on those registrants who are more likely to be lower paid, such as younger professionals, who may be more likely to be at the start of their careers, women, those with disabilities, registrants from some ethnic minority backgrounds and those with more than one of these characteristics.

The impact on younger workers is mitigated by our 50% graduate discount, which we are proposing to retain. This reduces the cost to first time student joiners to the Register, for one registration cycle (2 years). If a new graduate joins the Register less than six months before the start of the next professional year, they also receive the remainder of the period free of charge (the 'free period').

We have set out above some of the ways we could mitigate the financial impact of this fee rise, including promoting tax relief and increasing the spread of direct debits.

We would like to hear your views on the potential equality impacts of these proposals and how these can be mitigated. Question 5 below asks whether you know of any other possible negative or positive equality impacts arising from these proposals. Question 6 asks whether you have any suggestions about how any negative effects could be mitigated. We will carefully consider all responses to our consultation questions as we review responses received.

Consultation questions

1. To what extent do you agree or disagree that the rationale for our proposed fee increase is clear?

2. Given the rationale set out, to what extent do you support the fee increase proposals?

3. To what extent do you agree or disagree that we should retain the 50% UK graduate discount for the first two years of registration?

4. In the consultation we set out two areas we would like to explore to mitigate the impact of the proposed fee rise. Please let us know the extent to which you support these. Please also tell us about any other mitigations you think we should explore.

The mitigations are:

- a: Increasing our promotion of tax relief
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We also set out additional areas that we would like to prioritise, based on stakeholder feedback. Please let us know the extent to which you agree with these. Please also tell us about any other areas you think we should prioritise.

The additional areas are:

- a. Working with employers to secure better protected CPD time
 - b. Improving communications and engagement with registrants and stakeholders
 - c. Developing further a compassionate approach to regulation
-

6. In addition to those equality impacts set out in the consultation document, do you think there are any other positive or negative impacts on individuals or groups who share any of the protected characteristics?

Protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

7. Do you have any suggestions about how any negative equality impacts you have identified could be mitigated?

8. Do you have any further comments to make about the proposals and information in the consultation?

How to respond to the consultation

To respond to this consultation go to www.smartsurvey.co.uk/s/HCP_C_Fee_Consultation/ and complete our online survey.

If you would like a paper version of this document, a version in Welsh or in an alternative format, or would like to respond in an alternative way, please email consultation@hcpc-uk.org or write to:

**Health and Care Professions Council,
Park House, 184-186 Kennington Park Road
London
SE11 4BU**

The consultation and survey close at 23:59 on Thursday 15 December

Annexes:

Annex A Renewal periods July 2023 - June 2025

HPC registered profession	Renewal period starts
Clinical scientists	1 July 2023
Prosthetists / orthotists	1 July 2023
Speech and language therapists	1 July 2023
Occupational therapists	1 August 2023
Biomedical scientists	1 September 2023
Radiographers	1 December 2023
Physiotherapists	1 February 2024
Arts therapists	1 March 2024
Dietitians	1 April 2024
Chiropodists / podiatrists	1 May 2024
Hearing aid dispensers	1 May 2024
Operating department practitioners	1 September 2024
Practitioner psychologists	1 March 2025
Orthoptists	1 June 2025
Paramedics	1 June 2025

Annex B

Information on how to claim tax relief on fees and survey results

UK taxpayers can claim back tax on their HCPC renewal fee every year. If you pay tax at the standard rate of 20%, you can claim around £19 back on your current one-year £98.12 renewal fee.

How to claim

- If you complete a self-assessment tax return, you can claim tax relief from your registration fees on the employment page of the return.
- If you do not file a tax return, you can claim tax relief using form P87: Tax relief for expenses of employment, available to download from the HMRC website - <https://www.gov.uk/guidance/claim-income-tax-relief-for-your-employment-expenses-p87>
- You can telephone HMRC and ask for relief on your fees. Contact details are on the HMRC website - <https://www.gov.uk/contact-hmrc>

Survey results

This survey of HCPC registrants ran from 15 to 22 August 2022. There were 1,105 respondents.

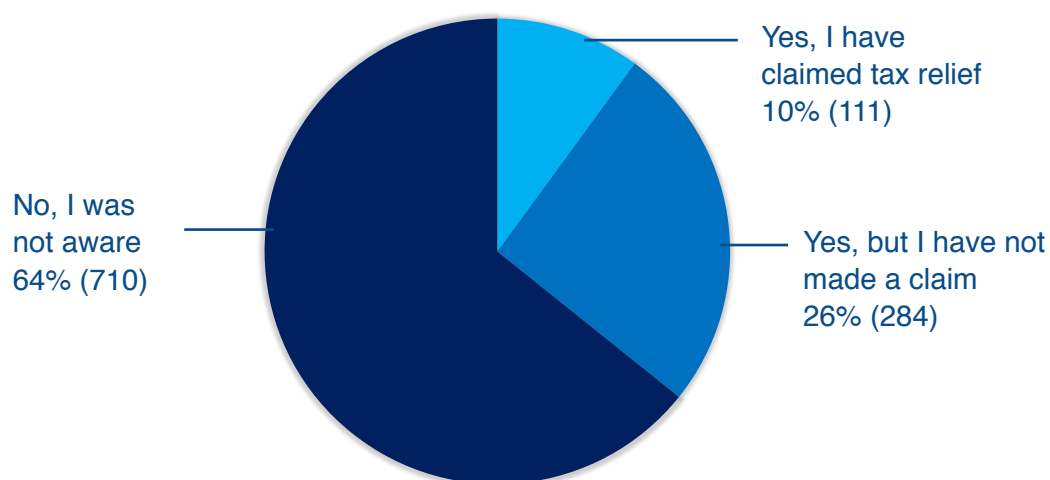


Figure 4 – Registrant awareness of tax relief

Annex C

Equality impact assessment

You can download this on our website:

www.hcpc-uk.org/consultation-on-changes-to-fees-eia/

