

14/09/2017

nda Item 1



Subject Registration and other Fees 2018

Purpose For Decision

From Rob Jones, Head of Registration

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# 1. Summary

In line with the Architects Act 1997 ('the Act') and the Board's General Rules, the Board is asked to review and agree the 2018 fee charges for joining and re-joining the Register, undertaking the Prescribed Exam (including referral to lead examiner), the annual cost of providing a Register of Architects (in PDF format) and providing Certificates of Architectural Education.

#### 2. Recommendations

It is recommended that the Board:

i) agree no change to the current fees, as illustrated in Annex A (the retention fee element is subject to separate approval under Agenda Item 10).

# 3. Open Session

## 4. Contribution to the Board's Purpose and Objectives

In delivering the Act, ARB's objectives are:

to protect the users and potential users of architects' services, and to support architects through regulation.

ARB is funded by the fees that the Act states it may charge. Income is generated from registration and retention fees to enable ARB to deliver its statutory functions so must be set at an appropriate and proportionate level to ensure that ARB can carry them out effectively. The Board is also able to charge a prescribed fee for providing additional services such as the provision of an electronic version of the Register. These fees must be set to cover the processing and material costs of the respective activities.

## 5. Key Points

# i. Current fee regime for applications

The Act gives the Board powers to charge for aspects of its work. In 2011, ARB introduced a new fee structure for those joining and re-joining the Register. The basis of the change was a 'user pays' approach and the rationale for this was that

those on the Register should not be carrying the costs associated with individuals seeking to join it. The new approach included:

- the introduction of an application fee;
- a reduction in the associated prescribed fee (the fee charged for anyone having been removed for non-payment wishing to re-join the register); and
- a pro-rata retention fee, meaning that applicants who join the Register at different stages of the year do not pay for the full quarters they have not been registered for.

Processing fees are non-refundable, even where a refund may be given to an applicant for a withdrawn or rejected application.

When the new fee structure was approved, the Board agreed that the structure and the amounts payable would be reviewed annually to ensure proportionate fees continue to be charged.

As different types of application require varying degrees of administration, whilst the retention fee is the same for all applicants, the associated fees charged will vary. The broad principles are detailed below:

#### **UK Qualified**

- first time applicants who qualify in the UK and/or via the prescribed examination route and who submit their application within two years of passing their Part 3, will pay an application fee of £35 as well as the retention fee;
- first time applications who qualify in the UK and/or via the prescribed examination route and submit their application more than two years after passing their Part 3, will be subject to assessment by the competency standards group (CSG) and will need to pay an application fee of £110 as well as the retention fee;

#### **EU** rights

- first time applicants who apply for registration in line with the Professional Qualifications Directive will pay an application fee of £35 as well as the retention fee;
- applicants who apply to join the Register and who apply through the General System will be subject to a exercise whereby their experience and qualification is mapped against Part 3 and are subject to fee of £1720 which includes the retention fee.

## Rejoining the Register

- applicants rejoining the Register who were from the Register for either not providing an up to date address or not paying the retention fee will be subject to an additional £10 prescribed fee, on top of the £35 application fee and £107 retention fee;
- applicants rejoining the Register who came off of the Register by resigning will not need pay the £10 prescribed fee, but will be subject to the £35

- application as well as the £107 retention fee; and
- applicants returning to the Register following erasure for disciplinary reasons will not have been able to reapply for at least two years, meaning that they are charged £110 for assessment by the CSG for assessment of their competence, as well as the retention fee. The Board make the final decision as to the suitability for return to the Register following the CSG recommendation on competence, but this activity is not chargeable.
- ii. ARB can also charge a fee for:
  - providing an electronic copy of the Register;
  - providing Certificates of Architectural Education; and the Prescribed Examination.

# iii. Proposed fee regime for applications for 2018

Application fees will remain payable at the point of submission. ARB will continue to offer refunds for unsuccessful and withdrawn applications. Processing costs such as the application fee will remain non-refundable.

iv. The Operational Management Group has considered the other fees highlighted in Annex A (excluding the retention fee which will be discussed under Item 10) and concluded that whilst systems improvements are being put in place which should become operational in late 2017/early 2018, there is no evidence at this stage that the resources required to assess an application have reduced.

## 6. Resource implications

The financial implications have been factored into the 2018 budget.

# 7. Risk Implications

ARB relies on the income generated by the chargeable activities, as defined in the Act, to finance the running of the organisation. Ongoing scrutiny of the costs associated with each activity ensures the fees charged are both proportionate and as accurate as possible.

The numbers used to calculate income are based on movements on the Register over several years, taking into consideration any trends identified.

The Board operates a pro-rata retention fee for those joining or re-joining the Register. It is difficult to predict the exact amount of income that will be generated from this activity, as this will be dependent on the time of year when individuals join or re-join, which can vary on a year by year basis.

To mitigate the risk, the Board undertakes an annual review of costs associated with processing applications. This ensures that fees fairly reflect associated costs in line with the Board's approach to 'user pays'. Further efficiencies through investment in technology and self-service processes to reduce costs, currently make an annual review desirable.

#### 8. Communication

The review of the fees payable demonstrates transparency in formulating the fees and remains in line with the Board's view that the user should pay.

Having a clear table of fees on the Board's website, along with detailed information in the Board's online registration facility, enables applicants to make an informed decision about when they apply for registration and how much they will need to pay.

# 9. Equality and Diversity Implications

While no specific equality and diversity implications have been identified in the course of the review, there is a possibility that as fees generally increase so too does the likelihood of disadvantages to those on lower incomes. The fees outlined in this paper, as they currently stand, are a reflection of the Board's 'user pays' approach and any review of this approach would need to take equality and diversity implications of this approach into consideration.

#### 10. Further Actions

We will need to ensure that the website is updated to include the agreed fees schedule and that any amendments are made to our online portal.