



Health and Care Professions Council: imposition of excessive registration fees on health professionals

MSP briefing – June 2015

Background

1. The Health and Sport Committee will consider a substantial increase in professional fees for those registered with the HCPC at its [meeting](#) on 16 June 2015.
2. The Health and Care Professions Council (HCPC) regulates 15 health professions across the UK,¹ together with social workers in England. Operating department practitioners and practitioner psychologists fall within the legislative competence of the Scottish Parliament because they have been regulated since the Scotland Act 1998.
3. In 2014 it increased registration fees by an inflation-busting 5% but indicated to registrants that their fees would not be reviewed again for two years.
4. However, in April 2015 it launched a short consultation on another unexpected fee increase of 12.5%, to take effect in August 2015. The consultation lasted less than six weeks and included three bank holidays and the pre-election purdah period. This has left registrants strongly suspecting an attempt to rush the increase through under the radar at a time when UK parliamentary scrutiny would not be possible.
5. The HCPC claimed that it had been forced to raise fees again in 2015 because the government had ceased funding for the Professional Standards Authority (PSA) – the body that oversees the health regulators including the HCPC, the Nursing and Midwifery Council and the General Medical Council. The UK

¹ Arts therapists, biomedical scientists, chiropodists/podiatrists, clinical scientists, dieticians, hearing aid dispensers, OTs, ODPs, orthoptists, paramedics, physios, practitioner psychologists, prosthetists/orthotists, radiographers, speech and language therapists

government had instead introduced a levy on individual regulators² to fund the activities of the PSA and the HCPC said it had no choice but to pass this cost on to registrants.

6. However, the HCPC admits that the PSA levy only comes to £3 per year per registrant, yet its proposal was for a £10 a year increase. The remaining £7 a year it has proposed is in order to buy new hearing accommodation, IT and quality assurance systems. This has angered registrants as it looks opportunistic and they are not convinced that HCPC has done everything it can to reduce unnecessary hearings and other costs before going ahead with new spending commitments which it is requiring registrants to fund. Registrants are also concerned that the HCPC appears to have license to keep increasing fees year on year well above inflation, while registrants face ongoing pay restraint.
7. The consultation closed on 6 May, the day before the UK general election, and the HCPC received 521 responses from organisations and individual registrants. Over three quarters of respondents opposed the fee increases, rising to 86% among individual respondents. A UNISON survey of over 4,800 registrants found an overwhelming 97% opposed to the fee increases. The HCPC itself noted the strength of feeling and anger reflected in the responses.
8. Despite this, the HCPC took just 7 days to consider before announcing on 14 May their intention to press ahead with the proposals for a 12.5% increase.
9. The increase must be implemented through a change to the HCPC's rules, the *Health and Care Professions Council (Registration and Fees) Rules 2003*, with Rule amendments to be laid in both the UK and Scottish Parliaments and approved by an order of the Privy Council.

Disproportionate increase

“Housing costs are rising, childcare costs are rising and frozen salaries over the several years in the NHS mean even small fee increases are significant to me.”

CLINICALSCIENTIST

10. Coming hot on the heels of the 5% rise the HCPC implemented from April 2014, UNISON believes that an unexpected 12.5% increase is unacceptable at a time when HCPC registrants have suffered five years of pay freezes/pay restraint, and attacks on terms and conditions. Many registrants are suffering high levels of debt and struggling to make ends meet. They were told by HCPC there would be no fee review until 2016 and they believe that HCPC should exercise restraint and sensitivity at this time.

² The Professional Standards Authority for Health and Social Care (Fees) Regulations 2015

I am already spending half my earnings on childcare and travel. Cannot afford more costs!"

PROSTHETIST/ORTHOTIST

"Stealth tax...I work 21 hours so it is a higher proportion of my measly £15,000 a year wage."

PARAMEDIC

11. An overwhelming 97% of the 4,841 respondents to UNISON's registrants' survey were opposed to this increase to the registration renewal fee.

Breaking down the proposed fee increase into its constituent parts:

- only 9% support the £3 increase accounted for by the PSA levy;
- only 5% support the roughly £5 increase proposed to pay for fitness to practice facilities;
- only 6% support the roughly £2 increase proposed to pay for improved IT and quality control systems.

The strength of feeling is illustrated by these typical comments from our survey:

"I resent any further increase and suspect the fee will rise annually as a means of generating income for itself [HCPC]. It seems to be another cash cow that offers little benefit for workers."

SOCIAL WORKER

"Why are we funding their new IT systems and facilities? Don't they have to try and make internal efficiencies, like the rest of us do in councils where government money has been cut."

OCCUPATIONAL THERAPIST

"In a time that my pay is decreasing year on year I really worry that even a small increase pushes me closer to leaving the NHS and joining an agency"

OPERATING DEPARTMENT PRACTITIONER

12. In relation to the PSA, 78% of our respondents believe that if the PSA is necessary then the UK government should fund it, while 15% believe employers should. Only 3% believe there should be a levy on regulators which is passed on to registrants.

13. Registrants have also noted from the HCPC's annual report that in the year ending March 2014, it ran a surplus of £1.3m after operational costs. The retained surplus for the year was £726,000. General reserves rose to £3m from £2.1m.

Impact of HCPC's conduct on trust and confidence

14. UNISON is concerned about how the HCPC has gone about the consultation on this sensitive issue and the suspicion and ill-feeling this has generated among registrants.

15. **Breach of undertaking:** Large numbers of survey respondents expressed their disappointment that HCPC had led registrants to believe there would be no fee increase this year. This has caused them to question HCPC's integrity.

16. **Misleading attribution of the proposals to the PSA levy:** The consultation document said that HCPC has been forced to review fees early because of the PSA levy. But 70% of the fee increase is for other purposes. Registrants are entitled to ask why HCPC is now making spending commitments which registrants must fund in a year when it would otherwise not have reviewed fees.

17. **Consultation timing and haste:** The consultation was much shorter than usual – less than six weeks and including three bank holidays – and coincided with the dissolution of the UK Parliament and the general election campaign. This has prevented any democratic scrutiny of these proposals to date. A recent debate at Westminster on Nursing and Midwifery Council fee increases suggests that parliamentarians take a close interest in fee decisions that may impact negatively on health and social care professionals providing public services vital to their constituents. We believe MSPs would take a similar position.

18. UNISON firmly believes that statutory professional regulation can only operate effectively by consent. This proposal for a 12.5% fee hike, in a year when registrants were led to believe there would be none, has left our members angry that the HCPC appears to be exploiting the stranglehold it has over registrants' livelihoods. This is seen as effectively a tax on practising, unilaterally raised with little public scrutiny or debate.

19. Only 6% of UNISON's survey respondents say they believe HCPC provides good value for money and this should be a worrying finding for HCPC. Registrants question why they should suffer ever-rising fee increases to fund a system which deals with complaints against only 0.64% of registrants and sanctions only 0.06%. Many comment that they receive no benefit or professional services at all from their registration, and that if society believes professional regulation is necessary for public protection then society should pay for it.

“I have no idea what my fees that I give to HCPC pay for. I have only ever received a letter from them and a certificate of registration. When I rang them up with concerns over a registrant they were not helpful!”

DIETICIAN

20. UNISON fears that if HCPC continues to disregard registrants' views in consultations and push through excessive fee increases there could be far-reaching consequences:

- Damage to registrants' willingness to co-operate with HCPC's systems and processes
- Growing unrest and resentment
- Tipping the balance for some registrants to decide not to continue to practise on reduced hours – thus depriving health and social care services of desperately needed staffing capacity*
- Pushing some registrants to move to non-regulated posts/job titles and causing some registrants who work in posts where registration is not a requirement to decide not to renew. This could reduce registrant numbers and HCPC's fee income just as it spends large sums on extra facilities. It could also worsen the current recruitment and retention crisis in areas like the ambulance service.*

**While 80% of our survey respondents say they have no choice but to maintain their registration, 11% say that the fee increase would make them consider not renewing their registration.*

“It will influence my decision regarding gradual reduction in hours until retirement... It will certainly influence my decision whether or not to remain available to practise for a while after retirement if needed to help out where staffing difficulties arise.”

OCCUPATIONAL THERAPIST

Strong case for HCPC to pause

21. The draft Bill drawn up by the English Law Commission, *Regulation of health and social care professionals*, received cross-party support. Unfortunately the UK government did not make legislative time for it in the previous Parliament. This Bill has the potential to help regulators streamline their operations, reform their fitness to practice processes, and enable them to share and reduce costs. UNISON therefore believes that HCPC should not jump the gun on fee increases until it has explored the opportunities and potential for savings that enactment of this Bill will bring.

22. The HCPC has presided over a sharp rise in the allegations it receives together with a fall in 'case to answer' rates. UNISON believes that these partly reflect inappropriate referrals, which require better filtering and deterrence measures. The case to answer rate has fallen to 53% from 58% the previous year, 22% of cases going to final hearing were not well-founded, and a third of this was because the facts were not established to the required standard.³ This corroborates UNISON's experience that too many cases are going to hearings unnecessarily. Before pursuing further fee increases in order to expand its fitness to practice accommodation, UNISON believes HCPC should do everything in its power, working with trade unions and employers, to eliminate costs arising from unwarranted investigations and hearings.

23. Part-time workers are disproportionately affected by registration fee increases because the HCPC insists on charging a flat-rate. UNISON strongly believes that it should, as part of a pause, reconsider its position and introduce a part-time pro-rata rate. It should also consider a sliding scale of fees to reflect income levels and ability to pay.

Conclusion

24. On behalf of registrants in the 16 affected health and social care professions, UNISON would be grateful for the support of MSPs in opposing this subordinate legislation. While there are a limited number of professions regulated in Scotland, it would send an important message to HCPC that they should have greater regard to affordability in these difficult times.

For further information:

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³ <http://www.hcpc-uk.org/assets/documents/100049B8Fitnessstopractiseannualreport2014.pdf>