

Changes to General Rule 17

1. Introduction

- 1.1 General Rule 17 is the rule that lays down the prescribed time period for architects to pay their retention fee. We have given particular consideration to this rule to see whether we could streamline the procedure and make it fairer and more equitable for all.
- 1.2 When ARB was first established in 1997, the Board agreed that the prescribed period for paying the retention fee should be 90 days from the date upon which the fee falls due. Currently, the retention fee notice is sent out by the beginning of December in the year before the fee is due to be paid. The due date for payment of the fee is 1 January each year, and the final payment date is 90 days later on 31 March. Anyone who has not paid the fee by this date is removed from the Register.
- 1.3 The operational processes supporting the retention fee collection have remained almost unchanged since the original decision was taken and while it has worked over the years, there are some drawbacks and disadvantages. There is a potential lack of clarity and fairness inherent in the process, and the administrative burden is relatively onerous. There is, however, scope to realise cost and time savings if the process were to be changed.

2. Issues for consideration

- 2.1 The set-up of the current process allows architects to remain on the Register effectively for free for the first three months of the year. If they then choose to resign, or if they fail to pay the fee, and have their name removed from the Register, they will still have enjoyed free use of the title “architect” for a full three months. This is patently unfair on those architects who do pay the fee by 1 January, as well as being potentially misleading for consumers.
- 2.2 Under the Act, the Registrar may remove an architect’s name from the Register if they don’t pay the annual retention fee within the given timescale. Annually, approximately 600 people fail to pay the fee by the given date, and we have to write to each one of those individuals to inform them that their names have been removed from the Register for non-payment of the fee. Because we operate a pro rata retention fee system, when they then apply to rejoin the Register, they are paying a lower level of retention fee (although they do have to pay an application fee and penalty fee on top of the retention fee) than those architects who pay the fee promptly by the due date of 1 January. Also, given the length of time between sending out the invoice and final payment date, considerable office time is devoted to sending out reminders to those architects whose fees have yet to be paid.
- 2.3 There is also the consumer interest to consider. If members of the public call us, or visit the online register to check an architect’s registration during January to March, we confirm that an architect is registered even though technically, the status of those who haven’t paid their fee is in limbo.
- 2.4 Ultimately, we don’t want to be in a position where we remove architects’ names from the Register for non-payment. What we are striving to achieve is an accurate Register, that is a helpful resource to members of the public and guarantees the registered status of every architect whose name appears in it. Under the existing system, the status of architects who haven’t paid the fee is unclear for the first three months of the year.
- 2.5 Our drive to keep the fee to as low a level as possible, while still discharging our responsibilities under the Architects Act, is continuous. Collecting in the region of 33,000 retention fees is a resource-intensive exercise, and we keep our processes under constant review to ensure we are offering not only an efficient service, but one in which we offer a number of different, but convenient, methods of payment. We are always looking for new ways that will help us to keep costs to a minimum, for example, by introducing automated systems, and encouraging a “self serve” culture, whereby architects pay their fees and update their records online, all supported by timely and clear guidance. Of course, we are always at the end of a phone if an architect needs to speak to somebody, but by encouraging them to self-serve wherever possible, we can keep costs to a minimum.

3. Proposals for the way forward

- 3.1 The Act explicitly states that payment is for a calendar year. If the fee payment period were brought within the calendar year prior to that in which the fee falls due, the current ambiguity relating to registered status is eliminated, because only those architects who pay their fee by the final payment date will appear on the Register from 1 January each year.
- 3.2 We are proposing to reduce the prescribed payment period from 90 days to 60 days, but also to introduce a new fee payment time frame which will expire before the start of the calendar year for which the fee is payable.
- 3.3 The proposed timetable is:
- In **September** of each year, the Board sets the level of retention fee for the forthcoming year
 - In **October** each year and in line with General Rule 16, the fee level is published on ARB's website
 - Immediately following publication of the fee level, the fee notice is sent out, allowing a 60-day time frame for architects to pay the fee.
 - The final payment date will be **15 December**(or, where this falls on a Saturday or Sunday, the next working day), with removals from the Register taking place on **1 January** (or the first working day after the New Year's bank holiday).
- 3.4 At first sight, it may seem more appropriate to select 31 December rather than 15 December as the final payment date. We did consider this, but there are a number of reasons for selecting a slightly earlier date. First, a final payment date of 31 December would mean that we wouldn't be able to effect removals from the Register until mid-January, which defeats the object of clarifying who is entitled to be on the Register at the start of the calendar year. Second, an earlier final payment date will give us time to send out an email reminder to pay the fee. The closer we get to the seasonal holiday, the less likely we are to get responses from architects. Finally, we will need a short period of time to deal with any payment anomalies and queries that arise before the removal date.
- 3.5 We considered a number of other options to identify when the fee should be paid. Among these were the anniversary of joining the Register and paying by instalments, but none of the scenarios we explored fulfilled the objective of clarifying rightful entry on the Register, streamlining the payment process or generating efficiencies to save costs and keep the fee at a low level.
- 3.6 While there is no statutory obligation for us to consult on when the fee should be collected, we believe it is vital to seek feedback on what is a fundamental change of practice. This will give us time to effect any changes that might be needed before introducing the new system in 2012, in time for the 2013 fee collection.
- 3.7 We anticipate that the proposals are likely to generate concerns and questions from the profession, so to try to offset some of these we have prepared a Q&A fact sheet.