



Subject	Registration and other Fees 2016		
Status	Open Session		
Purpose	For Decision		
From	Registration Team Leader		
History	Parent Committee	First Submitted	Revision Number
	N/A	17/09/2015	1

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1. Purpose

In line with the Architects Act and the Board's General Rules, the Board is asked to review and agree the 2016 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 14), with the exception of;
- ii. A reduction to the Prescribed Fee (for Reinstatement applications) from £20 to £10.

3. Terms of Reference

The Board determines the fees charged by ARB under the terms of the Act.

4. Open

5. Contribution to the Board's Purpose and Objectives

In delivering the Act, ARB's objectives are:

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, including fees payable to join, re-join or remain on the Register, along with the fees charged for undertaking the prescribed examination. The income from registration and retention fees must be sufficient to enable ARB to deliver its statutory functions. Under the provisions of the Act, the Board is able to charge a prescribed fee for providing a Certificate of Architectural Education and copies of the Register of Architects.

6. Key Points

i. **Current fee regime for applications**

The Architects Act gives the Board powers to charge for aspects of its work. The beginning of 2011 saw the introduction of a new fee structure for those joining and re-joining the Register. The basis of the change was a "user pays" approach. The new approach included the introduction of an application fee, along with a reduction in the associated prescribed fee (the fee charged for anyone having been removed for non-payment) and a pro-rata retention fee, which reduces in four quarterly increments.

When the new fee structure was approved, the Board also agreed that the structure and the amounts payable would be reviewed annually to ensure proportionate fees continue to be charged, especially in light of the introduction of online self-service facilities and streamlining of back office system to deliver efficiencies. The Board also considered feedback received from the users of ARB's services as part of the first annual review.

ii. In addition to the fee structure for applications to join and re-join the Register, there are three further areas where the Board prescribes a fee. This includes a copy of the Register (which is provided electronically), Certificates of Architectural Education. There are also Prescribed Examination fees payable.

iii. Having reviewed the costs associated with processing applications, in line with the agreed approach to ensuring the fees charged reflect the "users pay" objective, **Annex A** sets out a table illustrating current fees with the recommendation to further reduce the prescribed fee applicable to those re-joining the Register after removal for non-payment (the retention fee element of any of the fees is subject to change, dependent upon the discussion at agenda item 14). All other fees have been reviewed and there are no proposed changes.

iv. Each fee highlighted in (item 12 Annex A) is payable at the point of submission. In the event that an application is not successful, a scrutiny fee is charged, with the remainder of the fee returned to the applicant.

v. **Proposed Amendment**

The proposed amendment to the fees chargeable has been factored into the budget proposed in agenda item 14.

Prescribed Fee – Reinstatement

In 2014 a reduction to the prescribed fee element payable by applicants wishing to re-join the Register. This was reduced in 2014 by £10 (from £40 to £30), and a further £10 in 2015 (from £30 to £20). A further reduction of £10 is proposed to reflect the use of the 'user pays' model, as more applications are received on-line, reducing the costs of processing further. After removal for non-payment and removal under Section 11 of the Architects Act (failure to provide up to date contact details) was made possible due to the on-going streamlining of the

electronic systems, predominately through the introduction of the online application process.

This year, having reviewed the costs associated with removing and reinstating an individual to the Register for non-payment of the annual retention fee and removal under Section 11, it is again possible to reduce the costs associated with these types of applications. This has been made possible due an increase in the number of applications being received online, enhancement of back office systems and efficiencies.

It is important to encourage those on the Register to pay the annual retention fee on time, not only from an internal resource perspective, but also in terms of the accuracy of the Register. Removing and reinstating those that do not pay the retention fee, remains resource intensive, due to the numbers involved, but also causes a lack of clarity for users and potential users of architects' services. The same applies to those registrants whose information is out of date.

Whilst the fee associated with reinstatement to the Register is factored on the cost of executing the processes involved, the additional cost to the applicant of being reinstated may be deemed as a sufficient deterrent, in order to ensure payment is made on time. (The additional cost to an architect of being removed, then subsequently reinstated within two years if removed, based on the proposed reduction, will be an additional £45.00 on top of the annual retention fee).

The Board have always been committed to ensuring that the minority of individuals who do not pay the annual retention fee on time, should not be subsidised by those that do pay.

vi. **Improving Efficiency and Lowering Risk**

In 2014 an amendment was made to the online Application Process to facilitate collection of the following year's annual retention fee. Applicants were offered the chance from October onwards to pay the subsequent year's retention fee. The amendment removed the risk of someone coming onto the Register late in the year but then forgetting to pay the fee.

Last year's paper confirmed that the changes would be monitored and reviewed with further changes made if necessary. Currently no further changes or amendments to this system are needed but a review will take place in early 2016, when the system will have been running for just over a year.

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. On-going 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. Resource Implications

The financial implications have been factored into the 2016 budget.

9. 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 (as the retention fee element is split into quarter-years).

The recommended table of fees shown in [Annex A](#) includes a decrease in the prescribed fee for those re-joining after removal for non-payment, supporting the Board's commitment to the "user pays" approach, underlining the view held that those on the Register should not be subsidising those using other processes.

10. Growth Duty Considerations

The setting of fees must be reasonable and proportionate to achieve the stated aim; they should not impose an unnecessary burden on the profession, nor act as an unreasonable obstacle to registration.

11. 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 process of setting the retention and other fees has not been subject to a full equality impact assessment at this stage. It is therefore not possible to report on any potential impact that the fee-setting process might have on different equality groups. However, as the associated costs relate directly to the costs of securing registration for all, it is considered that no one group will be disadvantaged.

As we continue to collect equality information of registrants, an analysis can be undertaken where appropriate.