



New Zealand  
**PSYCHOLOGISTS BOARD**  
Te Poari Kaimātai Hinengaro  
o Aotearoa

## **CONSULTATION ON PROPOSED FEE CHANGES FOR 2020/21: APC FEES AND CERTIFICATES OF REGISTRATION**

**December 2019**

The Psychologists Board invites practitioner and stakeholder comment on its proposal to gazette changes to all categories and durations of applications for practising certificates (referred to throughout this paper as APC fees for ease of reference), and the fee for a Certificate of Registration. No other fee changes are proposed. Appendix 1 includes a table setting out the proposed changes. All figures throughout this document are GST inclusive.

### **Key Points: What changes are proposed?**

#### **APCs**

In recent years psychologists applying for an APC have paid both a general levy and a disciplinary levy as part of the price of their application. In 2020/21 the Board proposes:

- To remove the disciplinary levy on all categories of application for an APC. By way of comparison, in 2019/20 most psychologists (that is, those applying to renew a current APC), paid a disciplinary levy of \$176.
- To increase the general levy by 15% on all categories of applications for an APC. Continuing the example above, in 2019/20 psychologists applying to renew a current APC paid a general levy of \$479. Under the proposal this would increase to \$550.85.

#### ***So how will that affect the price of an application for an APC overall?***

Overall, psychologists will pay less for any application for an APC in the new financial year than in 2019/20. In the example used above, psychologists applying to renew their current APC for the 2020/21 would pay \$550.85, rather than \$655 as in 2019/20.

***See Appendix 1 for a table of proposed changes to all categories of APC fees.***

***All figures are GST inclusive.***

## ***Certificate of Registration***

The Board proposes to reduce the fee for the (optional) Certificate of Registration from \$98.50 to \$69. The cost of producing this Certificate has reduced since the fee was set so the change is to set it at an appropriate cost recovery level. The \$69 fee covers postage for non-urgent delivery in New Zealand and Australia. Where more costly international postage or courier delivery is required the Board will pass those costs on to individual applicants.

## ***Background***

The Psychologists Board (the Board) is the regulatory authority charged under [section 3](#) of the Health Practitioners Competence Assurance Act 2003 (the HPCA Act) with protecting the health and safety of the public by putting in place mechanisms to ensure that psychologists are competent and fit to practise, both when they apply for registration and on an ongoing basis. The Board uses its income to fund the direct and indirect costs of fulfilling its functions as set out in section [118 of the HPCA Act](#). These s.118 functions include a range of responsibilities and activities directed at fulfilling the Board's purpose and meeting associated obligations.

Regulatory authorities like the Board receive no funding from government. They fund all their activities through fees and levies and any interest earned. By law, a regulatory authority must generate sufficient revenue to cover its operating costs. To accomplish this, it is empowered by the Act to prescribe fees ([s130 of the Act](#)) and may impose a disciplinary levy (under [s131](#) of the Act).

The fees and levy charged by the Board must be developed in accordance with the principles and guidelines published by the Office of the Auditor-General, Parliament's Regulations Review Committee and the New Zealand Treasury. The Board must ensure it considers (for example) the principles of efficiency, accountability, cost-recovery, and consultation. All fees are calculated on a cost recovery basis and to avoid cross subsidisation of activities. This is in line with the philosophy and expectations established by the Office of the Auditor-General<sup>1</sup> and Treasury.

The Board is not-for-profit but must maintain adequate reserves to ensure it is able to fund its functions and remains financially viable, and in line with the guidance noted above.

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<sup>1</sup> See in particular the Office of the Auditor General's [Charging fees for public sector goods and services](#)

## ***Why are changes to APC fees being proposed?***

### **APC General Levy Component**

Fees from applications for APCs (particularly fees from applications for APC renewals) fund the majority of the Board's activity. APC fees are set according to budgeted net expenditure after taking the Board's income from all other activities into account, so cover all of the indirect costs not directly attributable to any other fee or levy (such as registration or accreditation costs, for which separate fees are charged).

The proposal to increase the general levy by 15% is not a step that the Board has taken lightly. However, the Board has now concluded that it is necessary to increase the fee to ensure cost recovery for services that are directly funded by APC fees (for example: assessing applications and issuing APCs, undertaking Continuing Competence Programme audits, assessing and managing notifications concerning competence and fitness to practice, processing and assessing complaints - prior to decisions being made on whether to progress these via an investigation or disciplinary pathway), and to ensure it is able to meet its obligations to protect the health and safety of the public through strategic initiatives and policy review and development.

APC fees also fund a proportion of the Board's indirect costs and we anticipate increases in general operating costs (particularly rent, IT, recruitment and associated costs) in the coming year. Where possible opportunities to reduce operational costs have already been identified and small savings are being made in areas such as postage, document retention and storage, and travel costs by conducting business by video conference where appropriate.

Following the 2019 amendments to the HPCA Act, the Board must also budget for regular Performance Reviews by an external Ministry of Health appointed reviewer and pay a portion of the Health Practitioner Disciplinary Tribunal (**HPDT**) general operating costs.

The Board is mindful of the impact any fee introduction or proposed increase may have on practitioners and makes every effort to balance fulfilling its statutory responsibilities against the fees that it collects.

### Disciplinary Levy

A Disciplinary Levy covers costs arising from Professional Conduct Committee investigations and cases referred to the HPDT, and associated processes. Such costs are extremely difficult to predict from year to year. Currently the Disciplinary Reserve significantly exceeds the level set by the reserves policy therefore needs to be reduced. This is largely because no cases have been referred to the HPDT in over two years, although there has been no reduction in the number or complexity of complaints per se. The Board is concerned to ensure practitioners are not charged in excess of what it requires to manage its disciplinary operations, and to rebalance the Disciplinary Reserve. Hence it will not impose any Disciplinary Levy in 2020/21. It will also monitor the Disciplinary Reserve and consider whether any further steps should be taken to reduce it further in the 2021/22 financial year.

Taken together these changes will result in an overall reduction in the fee psychologists pay for any application for an APC made in the 2020/21 financial year.

### ***Will the Board be changing registration fees?***

In the last year we were able to identify some efficiencies in processing applications for registration resulting in small reductions in the costs of most applications for registration. Registration fees also contribute to the indirect costs of the Board's operations, however, those savings already made mean we believe the current fee levels are largely adequate to absorb a share of indirect costs for the coming year. The Board also anticipates reviewing registration criteria and processes in 2020 so is likely to undertake a comprehensive review of registration fees at a later date.

### ***To comment***

Please send us your feedback on the above proposals by **January 13th, 2020**. The Board will carefully consider feedback and make its decisions promptly thereafter, so that a new fee schedule can be gazetted in time to take effect for the 2020/2021 financial year.

**Feedback can be sent to:**

**Email**            [consultation@nzpb.org.nz](mailto:consultation@nzpb.org.nz)

Subject line - Fees consultation

**Mail**            Fees consultation  
New Zealand Psychologists Board  
PO Box 9644  
Marion Square  
Wellington 6141

**Appendix 1 Proposed changes to fees for 2020/2021**

<b>Fees (GST inclusive)</b>	<b>(2019/20) Fee (\$)</b>	<b>Proposed (2020/21) Fee (\$)</b>
Application to renew a current practising certificate for the subsequent financial year (APC application + Disciplinary Levy where applicable)	<b>655</b> (479 + 176)	<b>550.85</b>
Application for a new practising certificate for a period of 12 months (or less) ((APC application + Disciplinary Levy where applicable)	<b>729</b> (553+ 176)	<b>635.95</b>
Application by a new graduate for their first (12-month) practising certificate (APC application + Disciplinary Levy where applicable)	<b>575</b> (399 + 176)	<b>458.85</b>
Application for a new practising certificate valid for a period of 3 months (or less) by a practitioner who has not been practising at any other time during that financial year (APC application + Disciplinary Levy where applicable)	<b>186.50</b> (142.50 + 44)	<b>163.85</b>
Application for a new practising certificate valid for a period of 1 month (or less) by a practitioner who has not been practising at any other time during that financial year (APC application + Disciplinary Levy where applicable)	<b>84.50</b> (69.50+15)	<b>79.90</b>
Certificate of Registration	<b>98.50</b>	<b>69</b>