



**Social Workers  
Registration Board**  
Kāhui Whakamana Tauwhiro

# **SWRB FEES POLICY**

Approved by: SWRB Board

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## Related documents

This policy should be read in conjunction with the

- Reserves and Investment Policy
- SWRB Regulatory Strategy
- He Arapaki Māori Strategy

## Purpose

1. This policy outlines the principles, process, and review cycle for the determination and adjustment of SWRB fees and levies. It ensures fees are set in accordance with government guidance and best practice principles.

### Scope

2. This policy applies to all fees charged for:
  - a. Regulatory approvals and assessments
  - b. Monitoring and compliance activities
  - c. Annual programme support services
  - d. Prescription and confirmation activities
  - e. Other statutory functions as authorised

### Context

3. As an occupational regulator and Crown Entity the SWRB uses a cost recovery framework that is consistent with guidelines published by the New Zealand Treasury (2017), and the Office of the Controller and Auditor General (2021). Under the guidelines, we can only charge for the work we are required to do under the Act at the level and standard expected by Government, with the costs recovered from the right person or group. We are also required to be financially sustainable without Crown funding.
4. This policy supports delivery of our Regulatory Strategy 2024-2028, which commits us to becoming a modern, trusted, and effective occupational regulator.
5. SWRB's regulatory functions are funded on a cost-recovery basis through fees and levies paid by registered social workers. Our workforce planning and system stewardship functions as lead agency are primarily funded through Crown appropriations. This enables SWRB to maintain clear cost allocation between our regulatory and workforce planning roles, ensuring that fees and levies are only used to recover costs associated with our regulatory functions under the Act."
6. Our approach to fee-setting enables key strategic outcomes:
  - Supporting regulatory excellence: Sustainable fee levels enable us to invest in continuous improvement of our regulatory systems, processes, and capability - moving beyond compliance to genuine stewardship of the social work profession.
  - Building regulatory understanding: Fees fund development of guidance, resources, and support that help social workers understand and meet their regulatory obligations, reducing harm and enhancing professionalism.
  - Enabling responsive regulation: Appropriate cost recovery allows us to apply the right regulatory tools at the right time - from education and support through to enforcement when needed - ensuring we're proportionate and effective.
  - System-wide stewardship: Financial sustainability enables us to take a long-term view, working collaboratively with the profession, employers, and education providers to strengthen the entire social work regulatory system.
7. Our fee-setting principles of equity, efficiency, justifiability, and transparency directly support our regulatory philosophy of being public safety focused, responsive, and intelligence-led. This policy ensures we can deliver our legislative functions to appropriate standards while supporting workforce sustainability.

## Our Approach to Te Tiriti o Waitangi

As a Crown entity, we recognise the Crown-Māori commitment as Te Tiriti o Waitangi partners and are committed to improving services and outcomes for Māori, strengthening the Crown's relationship with Māori, and developing our Māori capability. In fee-setting, this informs our commitment to workforce sustainability and ensures our processes enable broad participation in social work regulation. This includes:

- Seeking advice from te Kāhui Ringa Rehe on fee proposals to ensure we understand workforce implications across all communities
- Assessing whether fees create unintended barriers to workforce participation or retention
- Using engagement approaches that enable diverse stakeholder input
- Ensuring fees support development of regulatory resources accessible to all practitioners

These considerations are reflected throughout the principles below.

## Principles

8. Based on Treasury Guidelines for Setting Charges in the Public Sector and Office of the Auditor-General guidance, this policy is underpinned by four core principles:
  - a. Equity
    - Fees are administered in an administratively fair manner
    - Cost recovery is equitable between different user groups
    - No cross-subsidisation between services unless justified by policy objectives
    - Regular reviews prevent inequity between fee payer groups over time
  - b. Efficiency
    - Fees structure reflects the actual costs of providing services
    - Services are delivered as efficiently as possible
    - Cost allocation methods are proportionate to the significance of the service
    - Regular efficiency reviews are conducted
  - c. Justifiability
    - Fees reasonably relate to the goods or services provided
    - Both direct and indirect costs are accurately identified and allocated
    - Cross-subsidisation is eliminated where possible
    - Overhead allocation is reasonable and transparent
  - d. Transparency
    - Clear documentation of fee-setting methodology
    - Regular reporting to stakeholders on costs and revenues
    - Open consultation processes for significant fee changes
    - Accessible information about fee structures and rationale

### Policy Statements

9. Fee reviews are guided by Treasury (2017) and OAG (2021) principles-based guidelines. These provide a framework of equity, efficiency, justifiability, and transparency rather than prescriptive requirements.
10. Where these principles create tensions, the Board will exercise judgment considering:
  - Current and forecast financial position (including reserves)
  - Workforce sustainability and sector capacity
  - Service standards and quality commitments - Comparative practice with similar regulators.
11. The Board will document its reasoning and advise the Minister where interpretation of guidelines involves significant policy choices.

### Fee Reviews

12. A comprehensive fee review is to be undertaken every 3-5 years taking account of the factors and requirements outlined in this policy including:
  - a. An annual assessment of cost recovery rates
  - b. Ongoing efficiency reviews of service delivery against the Regulatory Strategy and Code of Service.
  - c. A review of any changes in function or delivery of services.
13. Where significant changes to regulatory requirements or service delivery are being implemented, fee reviews for affected areas may be deferred to enable accurate cost modelling and appropriate sector engagement on implementation impacts.
14. As a Crown entity required to be financially sustainable without Crown funding, fee setting must enable SWRB to deliver its statutory functions at the level and standard expected by Government.
15. Yearly CPI increases can be agreed by the Board without the further requirement for consultation with the sector as long as the agreement for CPI increases is communicated.

### Cost Recovery

16. Cost recovery for SWRB regulatory costs will be used as a general principle. Legitimate policy considerations may justify charging less than full cost recovery where:
  - a. Access to essential services may be compromised
  - b. Sector capacity constraints exist
  - c. Broader public benefit considerations apply
  - d. Cross-subsidisation serves legitimate policy objectives.
17. Where cross-subsidisation occurs, the rationale and extent will be explicitly stated in consultation documents and reviewed through the comprehensive fee review cycle.

### Current Cost Recovery Approaches

18. SWRB currently operates the following cost recovery approaches:
  - Disciplinary Functions: All costs associated with complaints, notifications, Professional Conduct Committee investigations, and Complaints and Disciplinary Tribunal proceedings

are fully recovered through the annual disciplinary levy paid by all practising certificate holders. This ensures that the costs of maintaining professional accountability are shared across the profession rather than borne only by those subject to complaints.

- Registration Pathways: Different registration pathways incur different processing and assessment costs. SWRB charges differentiated fees that reflect these cost differences, ensuring equity between applicant groups and avoiding cross-subsidisation between pathways.
- Education Programme Approval and Monitoring: SWRB works with the sector to understand the implementation impacts of education standards and monitoring frameworks before finalising the cost recovery approach for education functions. This ensures that fee-setting is informed by accurate cost modelling and sector capability considerations.
- Other Regulatory Functions: Registration and practising certificate fees recover the direct and indirect costs attributable to maintaining the register, issuing practising certificates, and related regulatory functions.

### Cross-Subsidisation Between Services

#### General Principle

19. As a general principle, SWRB seeks to minimise cross-subsidisation between different regulatory services, with each fee or levy area covering its attributable direct and indirect costs. This approach ensures equity between user groups and transparency in cost allocation.

#### When Cross-Subsidisation May Be Justified

20. Cross-subsidisation may be justified where it serves legitimate policy objectives aligned with SWRB's legislative purpose and Regulatory Strategy, including:

- Supporting access to registration or practice where full cost recovery would create barriers to public safety
- Enabling proportionate regulatory responses that support sector capability development
- Managing transitions in regulatory requirements or sector capacity
- Supporting workforce sustainability objectives that align with our regulatory functions

#### Board Decision-Making Process

21. Where a policy issue arises that may involve cross-subsidisation (such as education provider fee-setting, new registration pathways, or transitional arrangements), the Board will:

- i) Receive information including:
  - Full cost analysis of the service or function
  - Current and projected cost recovery rates
  - Impact on affected user groups and the broader sector
  - Workforce sustainability implications
  - Comparison with similar regulators where relevant
  - Alignment with SWRB's Regulatory Strategy and statutory purpose
- ii) Consider the policy objectives that might justify cross-subsidisation, weighing:
  - Public safety and protection imperatives
  - Workforce sustainability and sector capacity
  - Equity between different user groups

- Financial sustainability and reserve position
  - Service standards and quality commitments
- iii) Make an explicit decision on whether cross-subsidisation is justified, documenting:
- The policy rationale for the decision
  - The extent and duration of any cross-subsidisation
  - Review triggers and timeframes
  - How the decision will be communicated to stakeholders

### Transparency and Review

22. Where the Board approves cross-subsidisation between service areas, the rationale and extent of cross-subsidisation will be:

- Explicitly stated in consultation documents
- Reviewed as part of the comprehensive fee review cycle (3-5 years)
- Reported in annual fee recovery analysis
- Subject to ongoing monitoring against the policy objectives that justified it

### Framework Purpose

23. This framework ensures that any departure from full cost recovery for individual services is a deliberate, transparent, and time-bound policy choice rather than an inadvertent outcome of fee-setting processes.

### Consultation and engagement on fee and levy changes

#### Purpose and value of engagement

24. Meaningful consultation enables us to:

- Explain what drives our costs and what services fees enable
- Understand impacts across different practice settings, demographics, and communities
- Identify implementation approaches that support workforce sustainability
- Test our assumptions about sector capacity and affordability
- Build trust through transparency about our financial position and service priorities
- Make better decisions informed by diverse perspectives and lived experience

#### Our engagement approach:

25. Recognising that engagement is fundamental to effective regulation (per Ministry for Regulation guidance), we will:

- Inform clearly: Provide accessible information including:
  - Plain language explanation of proposed changes
  - Detailed cost breakdowns by regulatory function
  - Service standards that fees enable (where determined)
  - Comparative context (similar regulators, historical trends)

- Analysis of impacts on different groups
- Consult broadly: Enable diverse participation and actively engage (including te Kāhui Ringa Rehe, professional associations, employers, education providers)
  - Written submissions (online and hardcopy)
  - Online forums or webinars for questions and discussion
  - Consultation period of at least 6 weeks
  - Timing in second half of calendar year (enabling communication well before May/June implementation)
- Listen actively: Ensure genuine consideration of feedback:
  - All submissions reviewed and themed
  - Stakeholder concerns explicitly addressed in Board papers
  - Alternative approaches suggested through consultation genuinely assessed
  - Impact assessments updated based on consultation insights
- Report transparently: Demonstrate how consultation shaped decisions:
  - Published summary of all feedback received (anonymised where appropriate)
  - "You said, we did" format showing how feedback influenced outcomes
  - Clear explanation of where we adjusted our approach
  - Straightforward explanation of where we were constrained and why (e.g., legislative requirements, financial sustainability)
  - Board decision rationale published on website alongside final fee schedule
- Special considerations for engagement: We will ensure our engagement:
  - Respects tikanga: Consultation with te Kāhui Ringa Rehe on fee proposals occurs early, enabling their advice to inform consultation design and materials
  - Considers accessibility: Materials are plain language, available in formats accessible to all, and consultation methods enable participation by those with different capacities and preferences
  - Recognises power dynamics: We acknowledge the inherent power imbalance in regulator-regulated party relationships and design engagement to enable genuine feedback even on difficult topics
  - Supports informed participation: We provide enough information and time for collective discussion and organisational response, not just individual reaction

### Accountability

26. We will assess the effectiveness of our consultation approach after each major fee review by:

- Analysing participation rates and diversity of respondents
- Seeking feedback on the consultation process itself

- Reviewing how well feedback influenced the final decision
  - Identifying improvements for future engagement
27. This commitment to genuine engagement reflects our regulatory philosophy of stewardship, not just oversight.

### Cost Analysis

28. For each fee-setting exercise we will:
- a. Identify all activities and functions covered by the fee
  - b. Calculate direct costs using time tracking and resource allocation
  - c. Determine appropriate indirect cost allocation methodology
  - d. Apply overhead allocation using consistent cost drivers
  - e. Consider demand forecasts and volume projections
  - f. Comparing approaches with similar regulatory organisations.

### Implementation

29. We will consider phased implementation where applicable under circumstances including:
- a. Fee increases exceed 100% of current levels
  - b. Sector faces significant restructuring or financial pressure
  - c. New regulatory frameworks are being introduced
  - d. Stakeholder capacity may be compromised

### Consumer Price Index changes

30. In 2024 the Board agreed to being able to undertake Consumer Price Index (CPI)<sup>1</sup> changes to fees and the levy on an annual basis, should it choose to, without consultation with the public.

31. Consultation will occur for:
- a. Any proposed new fees
  - b. Increases to existing fees due to significant change projects,
  - c. If there are significant changes to CPI, ie inflation is increasing at a higher rate than the 1-3% target band set by the Reserve Bank.
32. The process will be:
- a. Advice is provided to FAR and then the Board for the first meetings of the calendar year (February/March)
  - b. This will analyse existing regulatory costs and the forecast level of reserves (see information further in the document) with advice as to whether there should be a CPI adjustment to fees and the levy
  - c. If the analysis suggests a CPI increase, it will be set at a maximum of the CPI rate set in October of that year

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<sup>1</sup> If the analysis suggests a CPI increase, it will be set at a maximum of the annual movement in the Consumers Price Index (All Groups) for the September quarter, published by Stats NZ in October of that year.

- d. FAR and the Board will then decide whether a CPI adjustment is required. Any changes will then be communicated to the sector and gazetted prior to the Practising Certificate round in May/June of that year.

### Service Standards and Value for Money

33. The fees and levies we charge enable SWRB to deliver regulatory services to defined standards. Our service commitments, funded through fees, include:

- Registration and Practising Certificates:
  - Timely processing of applications and renewals
  - Effective monitoring and management of conditions on practice
  - Clear communication and accessible information for applicants and registrants
  - Accurate registry data and reporting
- Competence and Professional Development:
  - Maintenance and review of Core Competence Standards and Code of Conduct
  - Development of practice guidance and regulatory resources
  - Support for understanding CPD and supervision requirements
  - Regular engagement with the profession on regulatory expectations
- Complaints and Accountability:
  - Effective triage and management of complaints and notifications
  - Reduction of backlogs and improved timeliness in case processing
  - Clear communication with complainants and respondents
  - Support for the PCC and Tribunal processes
- System Stewardship:
  - Workforce data collection and analysis
  - Engagement with stakeholders, employers, and education providers
  - Evidence-based policy development
  - Regulatory system improvements and technology investment (including iMIS the database)

34. These service standards are detailed in our Code of Service and monitored through our annual reporting. Fee levels must be sufficient to deliver these standards while maintaining efficiency and value for money.

### Use of this policy and guidance

The Policy and Guidance will always apply in the following circumstances:

35. When a fees review is undertaken it is undertaken within SWRB.
36. When decisions or actions involve a changing to fees charged by SWRB
37. When compliance with relevant legislation, standards, or internal frameworks is required.

### When does this policy and guidance not apply?

This policy may not apply under the following circumstances:

38. This policy does not apply to SWRB's workforce planning and system leadership functions as lead agency for the social work workforce, which are primarily Crown funded through Vote Social Development. Where staff or resources support both regulatory and workforce planning functions, SWRB will maintain clear cost allocation methodologies to ensure fees and levies only recover regulatory costs. Other activities which primarily attributed to Crown related activities will also be excluded.

### Responsibilities

#### Policy Governance

39. This section sets out who is responsible for decisions about fee and levy setting.

Board	<ul style="list-style-type: none"><li>• Final decision</li></ul>
Finance Audit and Risk Committee	<ul style="list-style-type: none"><li>• Agreement to Board</li></ul>
Chief Executive	<ul style="list-style-type: none"><li>• Advice to FAR/Board</li></ul>
Director of Business Operations	<ul style="list-style-type: none"><li>• Advice to CE/FAR/Board</li></ul>
Finance and Procurement Manager	<ul style="list-style-type: none"><li>• Advice to CE/Director of Business Ops/FAR/Board</li></ul>

#### Service Delivery Accountability

40. Responsibility for delivering the service standards enabled by fees sits with:

Board:	Oversight of value for money and service quality standards
Chief Executive:	Overall service delivery performance, system improvements
Registrar:	Registration services, competence monitoring, complaints triage
Director of Business Operations:	Cost efficiency, financial sustainability