

## Decision Paper

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<b>Meeting Date:</b>	23 February 2024
<b>Subject:</b>	<b>SWRB Funding review decision after consultation</b>
<b>Prepared by:</b>	Blair McCarthy – Director of Strategy Lynley Hutton – Project Lead

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### **Purpose**

This paper provides the Board with analysis and advice to inform decisions on the fees and disciplinary levy charged to registered social workers, after the change proposals put out for consultation from December 2023 to February 2024.

All consultation submissions have been provided to the Board for their information. These are provided on Board Pro.

### **Legislative Compliance**

1. This paper has been reviewed for legal compliance. Where decisions are required the relevant legislation and parts thereof are quoted, as appropriate.

### **Action (pick one or more of these)**

2. **NOTE** the contents of the paper
3. **AGREE/DISAGREE** with the recommendations set out in this paper (see next page)
4. **NOTE** (if agreed to) the date for Gazetted changes of 1 May 2024
5. **AGREE/DISAGREE** to release the Board's decision to the public, in the week following the decision.

## Recommendations

6. The table below outlines the proposed fee and levy changes to be decided by the Board.

Proposal number	Proposal	Current fee/levy level (\$ incl GST)	Proposed fee/levy (\$ incl GST) 2024/25	Recommendation	Decision
1	Practising certificate fee (annual)	470	552	Option one – Proceed with proposal	Yes / No
2	Disciplinary levy (annual)	135	219	Option one – Proceed with proposal	Yes / No
3	Registration Application fee	360	423	Option one – Proceed with proposal	Yes / No
4	Provisional to Full Registration Application fee from	60	70	Option one – Proceed with proposal	Yes / No
5	Overseas qualification assessment application	540	635	Option one – Proceed with proposal	Yes / No
6	Overseas applicant registration				
	a. Overseas applicant provisional registration competence assessment application fee	345	1,012	Option one – Proceed with proposal	Yes / No
	b. Overseas applicant full registration competence assessment application fee	345	1,012		
7	Certificate of Good Standing or replacement hard copy registration certificate fee ( <i>reduction</i> )	70	63	Option one – Proceed with proposal	Yes / No
8	Return to practise application fee ( <i>reduction</i> )	345	224	Option one – Proceed with proposal	Yes / No
	<b>Change in approach</b>				
1	Annual CPI (inflation) adjustments to the fees and disciplinary levy	n/a	n/a	Option one – Proceed with proposal	Yes / No

## Executive Summary

1. This paper provides information to support decisions on proposals for changing the fees and disciplinary levy charged to registered social workers. These changes were put out for consultation in December 2023, with consultation running until 7 February 2024.
2. The paper covers the following information:
  - a. a summary of submissions from individuals and sector groups
  - b. each proposal from the consultation with background, a summary of analysis of the common themes raised in the submissions, and any outlier views
  - c. the Secretariat's recommendation for each proposal
  - d. an overall summary and impact
  - e. response to specific issues raised in submissions
  - f. risks and issues to consider.
3. In December 2023 the Board approved the release of the consultation document on the fees and levy change proposals. The consultation document was released to the public on 14 December 2023. The consultation period closed on 7 February 2024.

At the end of the consultation period, we had received a total of 793 submissions (see explanation below), with 16 by email. 8 of those were group responses.

4. Overall, there has been a negative reaction to some aspects of the change proposals, in particular the proposed increases to the PC fee and disciplinary levy. This was to be expected after the 2021 consultation and is often experienced by other regulators when reviewing their fees and levies under a full cost recovery model. Other changes were more accepted and understood such as changes to overseas fees and reductions to the return to practise fee.
5. It is clear there is still significant financial pressure on the NGO sector for social workers, both with lower pay and funding constraints. **Note: Ability to pay isn't a specific consideration for a regulator when setting fees**, nor is it something SWRB can directly control. We would note that the ongoing rollout of pay equity to the sector will help to support NGO workers and employers with registration and practising certificate fees being directed provided for in contracts.
6. This provides a balanced approach to delivering our functions under our legislation, the Social Workers Registration Act 2003 (SWR Act), which sets how we regulate social workers in Aotearoa, noting that NGO providers are entering fair pay and funding negotiations with central government.
7. If the proposals above do not proceed, due to the cost recovery model under the Treasury and Auditor General guidelines and the requirements in our Act for setting fees and the levy, it is likely that SWRB would not be able to meet all of its obligations under the SWR Act and meet its financial sustainability obligations under the Crown Entities Act 2004. It also increases regulatory failure risk. Lessons from regulatory failures like Pike River, leaky buildings, and NZTA's third-party oversight practices have prompted a growing focus on a risk based, adaptive approach to regulation and oversight, and has increased regulatory stewardship expectations placed on regulators, including SWRB. SWRB's reduced regulatory functions will likely impact social workers. Also, those paying the practising certificate fee will continue to cross-subsidise activities provided directly to individual social workers, such as registration of overseas and experience pathway applicants, who under the Treasury and Auditor General guidelines should meet the cost themselves.

8. If the proposals do not proceed SWRB will breach the Reserves policy agreed to by the Board in June 2022.
9. For these reasons, the Secretariat recommends that the change proposals proceed as stated in the consultation document.
10. The options and recommendations put forward in this paper attempt to balance our legislative responsibilities as a modern regulator with the constraints put forward by the sector.

If the proposals are agreed by the Board, the dates proposed for these to be in effect, once the fees have been gazetted, for the next practising certificate round, likely starting in June 2024.

## **Background**

11. In December 2023 the Board approved for release the consultation document on the fees and levy change proposals (and related communications collateral), seeking submissions from the public, social workers, employers, and education providers about the change proposals for new fees, increases to existing fees, and an increase to the disciplinary levy.
12. While consultation is not necessary to change all the fees, it was seen as good practice to inform the sector of proposed changes ahead of time, so that they can understand why the changes are needed having applied the Government guidelines, and to gather feedback on whether the entity is acting within its statutory authority. Background to the government expectations and guidelines on charging can be found in **Appendix 1**.
13. The consultation document was released to the public on 14 December 2023. The document was posted on the homepage of the website alongside:
  - a. supporting information and FAQs
  - b. the online submission form (run via survey Monkey).
14. Emails were sent to social workers, employers and educators alerting them to the consultation process and how to provide a submission. Online meetings were held the day before the release with ANZASW, TWSWA and SSPA. Two public Zoom meetings were also held, with around 40 participants across the two sessions. A meeting was also held with ANZASW to give further information and background in January. The secretariat also briefed our external auditors on the process and approach. They were satisfied this was fit for purpose.
15. Additional information was added to the website Frequently Asked Questions in response to submissions on 22 December.
16. The consultation period was originally due to close on 28 January 2024. However, after a request from submitters, in particular SSPA on behalf of their members, the consultation period was extended until 7 February 2024.

## **Submissions received**

17. At the end of the consultation period, we had received a total of 793 submissions (see explanation below), with 16 by email. 8 of those were group responses.
18. In total responses were received through the online survey:
  - a. 893 people completed the first question identifying their employment area.

- b. 777 completed question two which was the first question on the change proposals. We have used this in the 793 figure above, as the first question was not directly related to the actual proposals.
  - c. 652 people completed the full survey.
19. In comparison to the last consultation, the vast majority of individual submissions came via the online survey. Very few emails were received.
20. A total of 893 respondents indicated their role/perspective in providing feedback:
- a. 82% social workers
  - b. 5% social work educators/academics
  - c. 3% manager/director/CE of social workers
21. A total of 652 respondents gave some demographic information:
- a. 78% identified as female
  - b. 22% identified as Māori (n=146)
  - c. 6% identified as Pasifika (n=42)
  - d. 52% identified as NZ European/Pakeha (n=339)
  - e. 7% identified as Other European (n=43)
  - f. 23% aged 40-49 years
  - g. 22% aged 50-59 years
22. Full demographic and background information can be found in the **Consultation Analysis Report on Board Pro.**

OIA, s 9(2)(ba)(i)

38. There was some confusion from educators who attended the online hui, regarding comments made in response to concerns raised about educators not being included in the NGO and community social worker pay equity claim and extension. This resulted in an official information request relating to the number of staff holding a social work qualification. The SWRB Social Work Special Advisor contacted the requestor directly to explain educators were not social workers for the purpose of the NGO pay equity claim.

OIA, s 9(2)(ba)(i)

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## Summary of survey responses

42. This section summarises the main points from the survey provided to the public. Further information can be found further in the document under each proposal, in the attached *Consultation Analysis Report* and in full on Board Pro.
43. Overall we had a larger response to the online survey than the last consultation in 2021. We asked for comments under each proposal. Most of the responses were general in nature and can be summarised as:

### *Not supporting proposals*

- SWRB told us that fees would go down – why are they going up?
- Fees are seen as ‘higher than’ other professions, with examples of nurses and teachers most cited.
- Increasing practising certificate fees may be a deterrent for those entering the profession, or employers may find non-registered workers doing similar work.
- Do not believe that ‘most employers’ pay these fees
- Many social workers can't see what they ‘get’ in return for their fees (as compared to ANZASW, for example).
- Overseas fees will be too high and discourage some from coming to New Zealand

### *Supporting the proposal*

- Understanding of rising costs and the SWRB’s need to recover these.
  - Support for the SWRB’s role and functions in maintaining high standards of social work practice and professionalism, and in protecting safety of social workers through their practising certificate.
44. This aligned with information provided in the Question and Answers to common questions which was put up on the SWRB website and is attached for the Board.
45. Further responses are summarised under each proposal in the next section of this paper.

## Proposal analysis and options

46. This section provides information and options on the proposed changes to fees and the disciplinary levy.
47. This information is provided to support the Board members to consider the consultation submissions alongside the rationale for the proposals and provides suggested options for the Board on each proposal. This can be considered alongside the group submissions summarised in the previous section.
48. The full list of submissions is available to the Board through the Board Pro system folders under the following titles:
  - a. *Consultation Analysis Report* – independently completed (within SWRB) report capturing themes emerging from the consultation overall, and themes applying to specific proposal questions in the consultation document.
  - b. *Individual submissions* – raw results from the online survey and all individual emailed submissions received.
  - c. *Group Submissions* – which contains all the sector group submissions received.
49. The information provided is:
  - a. policy rationale
  - b. impact for social workers
  - c. an analysis of feedback against each proposal, percentages for and against (taken from online public survey) and themes from all submissions provided against each proposal
  - d. option assessment, including:
    - i. an alternative option for each proposal from the Secretariat for the Board on each proposal
    - ii. consequences of not proceeding with the proposal consulted on - i.e. if the status quo remains
    - iii. does this proposal meet Treasury and Auditor General guidelines, which broadly instruct that fees and levies should:
      1. be no more than the amount necessary to recover costs
      2. be authorised under legislation
      3. not be used to cross-subsidise other activities or functions
      4. be based on the principles of equity, efficiency, justifiability and transparency.

**Note:** The Treasury and Office of the Auditor General provide broad guidance for all government agencies who charge for goods or services. This consultation is looking through the lens of a regulator, applied in a way that is consistent with other regulators. This is not a consultation on a policy proposal or framework, which the Treasury and AOG guidance also refers to.

## Section 1: Fees & disciplinary levy increases - Proposals 1-8

### Proposal 1: Practising certificate fee (full – annual) increase from \$470 to \$552

#### 50. Background

**Policy rationale:** The increase recovers the cost of additional capability and business support to meet our obligations under the SWR Act, under a mandatory regime. This includes functions funded by Government in the short-term, which need to be ongoing, e.g. communications and stakeholder engagement, support for IT systems. This fee is our main source of annual funding, which recovers the cost of issuing around 8,800 practising certificates a year (forecast) and meeting our regulatory and legislative requirements under the SWR Act (including enhancing the professionalism of social workers and meeting our obligations to Māori, Pacific peoples and the diverse communities of Aotearoa).

**Impact on social workers:** Employers pay for the majority of social workers (92%), either directly to SWRB or by reimbursement. This is, however, more likely to be the case in the public sector rather than the NGO sector. SWRB works with other agencies to encourage this to be done by all employers.

#### 51. Consultation analysis

##### a. Results from online survey:

Proposal 1 question: Do you agree that the practising certificate fee should increase to enable SWRB to cover the costs required to meet SWRBs obligations under the Act?			
Respondents	Yes	No	Don't Know
777	16%	75%	9%

##### b. Themed analysis of submissions on proposal 1:

Responses to this proposal were often general in nature as this and the disciplinary levy are paid by all practising social workers. Main themes of feedback include:

- i. Fees are seen as 'higher than' other professions, with examples of nurses and teachers most cited.
- ii. Increasing practising certificate fees may be a deterrent for those entering the profession.
- iii. Do not believe that 'most employers' pay these fees.
- iv. Lack of understanding of the SWRB's role and what social workers 'get' in return for their fees (as compared to ANZASW, for example).
- v. Understanding of rising costs and the SWRB's need to recover these.
- vi. Support for the SWRB's role and functions in maintaining high standards of social work practice and professionalism, and in protecting safety of social workers through their practising certificate.

#### 52. Option assessment

- a. **Option one:** Proceed with the proposal. The practising certificate fee would increase from \$470 to \$552 from 1 July 2024.
- b. **Option two:** Do not proceed with proposal, and continue with current practising certificate fee.
  - i. *Consequences of not proceeding*

Not proceeding would have a large financial impact on SWRB's operating balance and the reserves it holds. There would be regulatory functions that SWRB would either have to slow or forego. The reserves would fall below the levels agreed by the Board from the 2024/25 year.

ii. *Treasury and Auditor General guidelines, and our Act*

Under the guidelines, if this proposal does not proceed, SWRB would not be fully cost recovering the cost of its regulatory functions.

There is no restriction on charging a lower fee under section 108 of the Act. However, reduced funding by charging a lower fee that impacts on the delivery of regulatory functions under the Act puts the Board at risk if there is an independent review, for example due to incidents of poor social worker practice or claims that SWRB is failing to properly engage with Māori.

As the PC fee is the main source of funding, depending on the level of the shortfall, it also puts the Board at risk of failing to meet its financial sustainability obligations under the Crown Entities Act.

53. **Secretariat proposal 1 recommendation:** Proceed with **option one** as it meets the guidelines and our obligations under the Act and the Crown Entities Act, and provides sustainable funding for SWRB to undertake its legislated regulatory activities.

**Proposal 2: Disciplinary levy (annual) increase from \$135 to \$219**

54. Background

- a. *Policy rationale:* This increases the disciplinary levy to \$219. This increase is to recover the cost of the:
- i. higher volume of complaints and notifications
  - ii. increased administrative support for PCCs and the Disciplinary Tribunal required as a result of the higher volume
  - iii. external costs of PCC cases and Disciplinary Tribunal hearings, including increased fees for PCC and Tribunal members and independent expert advisers and lawyers, which are externally driven.

PCCs and the Disciplinary Tribunal are external bodies, but they are funded by SWRB. With higher numbers of complaints and notifications resulting in more PCC cases and Disciplinary Tribunal hearings, we have to recover the costs. This includes recovering the cost of:

- i. the additional administration support SWRB provides
- ii. Increased external PCC and Tribunal member fees (noting that under the Act the Tribunal Chair and Deputy Chair must be practising lawyers, and three social workers and at least one lay member)<sup>1</sup>
- iii. independent expert and legal advice to PCCs and the Tribunal.

Absorbing this cost is impacting our ability to deliver other regulatory functions.

**Note:** Indirect, as well as direct costs, have been factored into our disciplinary levy costings.

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<sup>1</sup> It should be noted that the pool of members has been identified as too restrictive leading to delays, we are working with MSD on legislative amendments on this.

- b. *Impact on social workers:* social workers support the reputation of the profession by having other social workers held to account on disciplinary matters.

55. Consultation analysis

- a. results from online survey:

Proposal 2 question: Do you agree the disciplinary levy should increase to enable SWRB to cover the costs required to meet SWRB's obligations under the Act?			
Respondents	Yes	No	Don't know
731	20%	68%	11%

- b. Themed analysis of submissions on proposal 2:

Responses to this proposal were often general in nature, as this and the practising certificate are paid by all practising social workers. Main themes of feedback include:

- i. there was slightly more support for the disciplinary levy changes than the practising certificate fees
- ii. some responders recognised the need for increasing the levy to cover the increasing number of complaints
- iii. some responders thought that statutory care social workers (Oranga Tamariki) should pay more than others due to the number of complaints. Others did not see the need to cover those who display poor practice
- iv. some responders did not see a need for an increase and cited similar reasons as the practising certificate fees.

56. Option assessment

- a. **Option one:** Proceed with the proposal. This would increase the disciplinary levy to \$219, paid annually alongside the PC fee. This is to recover costs for the high and increasing number of complaints and disciplinary proceedings being received by SWRB.
- b. **Option two:** Any disciplinary levy shortfall is cross subsidised by the PC fee. Absorbing this cost is impacting our ability to deliver other regulatory functions.
- i. Consequences of proceeding with option two: It is likely there will be a continued and increasing deficit in disciplinary levy funding as cases are projected to continue to rise in the short to medium term. Absorbing this cost will impact SWRB's ability to deliver other regulatory functions.
  - ii. Treasury and Auditor General guidelines, and our Act  
Under the guidelines SWRB would not be fully cost recovering the cost of complaints and disciplinary proceedings but allowing a cross-subsidy that should be avoided.

57. **Secretariat proposal 2 recommendation:** Proceed with option one as it meets the guidelines and our obligations under the Act and the Crown Entities Act, and provides sustainable funding for SWRB to undertake its legislated regulatory activities.

**Proposal 3: Registration application fee increase from \$360 to \$423**

58. Background

- a. *Policy rationale:* The increase is to recover the cost of assessing applicants for registration.

- b. *Impact on social workers:* There is minimal impact of social workers applying to register as the increase is a one-off fee, which already registered social workers do not pay.

59. Consultation analysis

- a. Results from online survey:

<b>Proposal 3 question: Do you agree the registration application fee should increase to enable SWRB to cover the costs required to meet SWRBs obligations under the Act?</b>			
Respondents	Yes	No	Don't know
711	18%	72%	10%

- b. Themed analysis of submissions on proposal 11:

- i. For many that disagreed, similar reasons were given for the practising certificate and the disciplinary levy, that increases were just not required or would impact the sector greatly.
- ii. Some noted that this could impact newly graduated social workers who often have to pay for the registration up front before undertaking employment.
- iii. Other submitters agreed that the fee increases for reasonable to recover costs.

60. Option assessment

- a. **Option one:** Proceed with the proposal. This will recover the associated regulatory costs prevent any cross-subsidisation with other fees, and enable SWRB to better meet its legislative requirements.
- b. **Option two:** social workers cross-subsidise this activity through a further increase in the practising certificate fee to support others join the profession.
  - i. Consequences of proceeding with option two: If no additional Crown funding is provided, SWRB may be unable to deliver some of its regulatory functions. This would include enhancing the professionalism of social workers and meeting our obligations to Māori, Pacific peoples and the diverse communities of Aotearoa}. However, this is likely to be minor change overall so not likely to require re-consultation.
  - ii. Does option two meet Treasury and Auditor General guidelines, and our Act: No. Under the guidelines it would be a cross-subsidisation that should be avoided. There is no restriction on charging a lower the fee under section 108 of the Act. The reduced funding may have limited impact on SWRB's ability to deliver of regulatory functions under the Act. However, given the support for the proposal, it would be an unusual decision not to proceed with the proposal as stated.

61. **Secretariat proposal 3 recommendation:** Proceed with option one as it meets the guidelines and our obligations under the Act and the Crown Entities Act, and provides sustainable funding for SWRB to undertake its legislated regulatory activities.

**Proposal 4: Provisional to full registration application fee increase from \$60 to \$70**

*Applies to an applicant who is a provisionally registered social worker and has completed 2000 hours of practice and met any conditions on the applicant's provisional registration*

62. Background

- a. *Policy rationale:* The fee recovers the cost of assessing whether a provisionally registered social worker should move to full registration.

- b. *Impact on social workers*: It will discourage cross subsidisation of costs from the practising certificate fee for the operation costs of assessing social workers applying to move from provisional to full registration.

63. Consultation analysis

- a. Results from online survey:

Proposal 4 question: Do you agree that the provisional to full registration application fee should increase to enable SWRB to cover the costs required to meet SWRB's obligations under the Act?			
Respondents	Yes	No	Don't know
703	40%	50%	10%

- b. Themed analysis of submissions on proposal 4:

- i. A relatively higher proportion of submitters supported the increase, as it was needed to cover the costs and was a relatively small fee.
- ii. Others stated that this fee shouldn't be needed at all, and similar to other proposals should not increase at all.

64. Option assessment

- a. **Option one**: Proceed with the proposal. Applicants who are a provisionally registered social worker and have completed 2000 hours of practise and met any conditions on their provisional registration will pay an increased fee of \$70. This will recover the associated regulatory costs, prevent any cross-subsidisation with other fees, and enable SWRB to better meet its legislative requirements.

- b. **Option two**: Fee remains at \$60 and extra costs are cross subsidised by other fees.

- i. Consequences of proceeding with option two: social workers will cross-subsidise the increased operational costs of provisional to full registration.
- ii. Does option two meet Treasury and Auditor General guidelines, and our Act: **No**. Under the guidelines this is a cross-subsidisation, which should be avoided. Not fully cost recovering without increasing the practising certificate fee would reduce SWRB's ability to deliver its regulatory functions. There is no requirement to charge the fee under section 108 of the Act. However, reducing funding by not charging a fee that impacts on the delivery of regulatory functions under the Act puts the Boards at risk if there is an independent review due to, e.g. incidents of poor social worker practise, or claims that SWRB is failing to properly engage with Māori.

65. **Secretariat proposal 4 recommendation**: Proceed with **option one** as it meets the guidelines and our obligations under the Act and the Crown Entities Act, and provides sustainable funding for SWRB to undertake its legislated regulatory activities.

**Proposal 5: Overseas applicant assessment application increase from \$540 to \$635**

66. Background

- a. *Policy rationale*: The fees recover the cost of overseas applicant's competence assessments.
- b. *Impact on social workers*: New Zealand social workers do not cross-subsidise the cost of applicants from overseas.

67. Consultation analysis

- a. Results from Online Survey:

Proposal 5 question: <i>Do you agree the Overseas qualification assessment application fee levy should increase to enable SWRB to cover the costs required to meet SWRBs obligations under the Act?</i>			
Respondents	Yes	No	Don't know
697	41%	41%	18%

b. Themed analysis of submissions on proposal 5:

- i. A relatively higher proportion of submitters supported the increase, as it was seen as needed to cover the costs of the work required.
- ii. Others saw it as discouraging those from coming to New Zealand and putting barriers up for migrant social workers.

68. Option assessment

- a. **Option one:** Proceed with the proposal. This will recover the associated regulatory costs, prevent any cross-subsidisation with other fees, and enable SWRB to better meet its legislative requirements.
- c. **Option two:** Fee remains at \$540 and extra costs are cross subsidised by other fees.
  - i. Consequences of proceeding with option two: social workers will cross-subsidise the increased operational costs of application.
  - ii. Does option two meet Treasury and Auditor General guidelines, and our Act: No. Under the guidelines this is a cross-subsidisation, which should be avoided. Not fully cost recovering without increasing the practising certificate fee would reduce SWRB's ability to deliver its regulatory functions. There is no requirement to charge the fee under section 108 of the Act. However, reducing funding by not charging a fee that impacts on the delivery of regulatory functions under the Act puts the Boards at risk if there is an independent review due to, e.g. incidents of poor social worker practice, or claims that SWRB is failing to properly engage with Māori.

69. Secretariat proposal 5 recommendation: Proceed with option one as it meets the guidelines and our obligations under the Act and the Crown Entities Act, and ensures work on overseas applications and assessments is recovered and not cross-subsidised by practising certificate fees.

**Proposal 6: Overseas applicant registration**

- a. Overseas applicant provisional registration competence assessment application fee increase from \$345 to \$1,012
- b. Overseas applicant full registration competence assessment application fee increase from \$345 to \$1,012.

*Note: The fees apply to a registration application by an applicant who has an overseas qualification and does not have a SWRB-recognised New Zealand qualification. If the applicant has been in Aotearoa for 6 months or more and has 2000 hours or more social work experience in New Zealand they do not pay the provisional assessment fee*

70. Background

- a. *Policy rationale:* The fees recover the cost of overseas applicant's competence assessments, provision and full.
- b. *Impact on social workers:* social workers in New Zealand do not cross-subsidise the cost of applicants from overseas.

71. Consultation analysis

- c. Results from Online Survey:

**Proposal 6 question: Do you agree the overseas qualification assessment fees should increase to enable SWRB to cover the costs required to meet SWRBs obligations under the Act?**

Respondents	Yes	No	Don't know
689	30%	50%	20%

d. Themed analysis of submissions on proposal 5:

- i. there was support for the proposal from some, who saw that it was important to make sure those entering the country were of sufficient professional standing
- ii. a higher proportion disagreed, with some reasons provided for this including increasing barriers for those wanting to become social workers in New Zealand, particularly with social worker shortages.
- iii. others did agree with an increase, but not this high.

72. Option assessment

b. **Option one:** Proceed with the proposal. The fees payable by overseas applicants would be as follows:

Application Fee (proposed)	Overseas applicant type		
	Not in Aotearoa or in Aotearoa less than 6 months	In Aotearoa 6 months or more, and	
		Less than 2000 hours social work experience in Aotearoa	2000 hours or more social work experience in Aotearoa
Registration	\$423	\$423	\$423
Overseas qualifications assessment	\$635	\$635	\$635
Provisional registration competence assessment (per assessment)	\$1,012	\$1,012	Does not apply
Full registration competence assessment (per assessment)	\$1,012	\$1,012	\$1,012
<b>Total</b>	<b>\$3,082</b>	<b>\$3,082</b>	<b>\$2,070</b>

This will recover the associated regulatory costs, prevent any cross-subsidisation with other fees, and enable SWRB to better meet its legislative requirements.

- c. **Option two:** social workers cross-subsidise this activity through a further increase in the practising certificate fee to support others in the profession.
- i. Consequences of proceeding with option two: social workers would cross-subsidise overseas applicants. With large increase in overseas applicants, the PC fee would need to increase, perhaps significantly. This is a material change, which would require further consultation.
  - ii. Does option two meet Treasury and Auditor General guidelines, and our Act: **No**. Under the guidelines this is a cross-subsidisation, which should be avoided. Not fully cost recovering without increasing the practising certificate fee would reduce SWRB's ability to deliver its regulatory functions. There is no restriction on charging a lower fee under section 108 of the Act. However, reduced funding by charging a lower fee that impacts on the delivery of regulatory functions under the Act puts the Boards at risk if there is an independent review due to, e.g. incidents of poor social worker practice or claims that SWRB is failing to properly engage with Māori.

73. **Secretariat proposal 6 recommendation:** Proceed with **option one** as it meets the guidelines and our obligations under the Act and the Crown Entities Act, and ensures work on overseas applications and assessments is recovered and not cross-subsidised by practising certificate fees.

**Proposal 7: Certificate of Good Standing or replacement hard copy registration certificate fee decrease from \$70 to \$63**

Applies to a request for a Certificate of Good Standing for overseas registration purposes or a hard copy of a registration certificate

74. Background

- a. *Policy rationale*: The decrease better reflects the cost of the work required, which can now be more accurately assessed due to the digital systems. There is no charge for digital copies of practising certificates or registration certificates.
- b. *Impact on social workers*: social workers will not cross-subsidise increasing operational costs of these requests, these costs will fall to the applicants.

75. Consultation analysis

- a. Results from online survey:

Proposal 7 question: Do you agree that the Certificate of Good standing or replacement hard copy registration certificate fee should decrease?			
Respondents	Yes	No	Don't know
687	63%	19%	19%

- b. Themed analysis of submissions on proposal 7:

- i. There was overall support for the proposal.

76. Option assessment

- a. **Option one**: Proceed with the proposal. This will recover the associated regulatory costs and prevent any over charging for work in this area.
- b. **Option two**: The fee remains unchanged and we over recover for the cost of the work undertaken.

Does option two meet Treasury and Auditor General guidelines, and our Act:

- a. Under the guidelines over recovery of costs should be avoided. There is no restriction on not charging the fee under section 108 of the Act.

77. **Secretariat proposal 15 recommendation**: Proceed with option one as it meets the guidelines and our obligations under the Act, and would ensure there is not an over recovery of costs for this work.

**Proposal 8: Return to practise application fee decreases from \$345 to \$224**

78. Background

- a. *Policy rationale*: The fee recovers the cost of checking a registered social worker's health, competence, and fitness to practise where their practising certificate expired three years or more ago. The decrease better reflects the cost of the work required.
- b. *Impact on social workers*: Those social workers returning to practice will have a lower fee charged.

79. Consultation

- a. Results from Online Survey:

Proposal 8 question: Do you agree that the return to practise application fee should decrease?			
Respondents	Yes	No	Don't know
678	79%	13%	8%

- b. Themed analysis of submissions on proposal 7:
  - i. There was large support for this proposal. Submitters added that this could help reduce costs to return to social work practice.

80. Option assessment

- a. **Option one:** Proceed with the proposal. Applicants who return to practise three years or more after a previous practising certificate expiry date will pay a lower fee of \$224. This will recover the associated regulatory costs and prevent any over charging for work in this area.
- b. **Option two:** The fee remains unchanged and we over recover for the cost of the work undertaken.

Does option two meet Treasury and Auditor General guidelines, and our Act:

- c. Under the guidelines it would be over recovery of costs should be avoided. There is no restriction on not charging the fee under section 108 of the Act.

81. **Secretariat proposal seven recommendation:** Proceed with **option one** as it meets the guidelines and our obligations under the Act, and would ensure there is not an over recovery of costs for this work.

## Section 2: Changes in approach

### Proposal 1: Annual CPI (inflation) adjustments to the fees and disciplinary levy

#### 82. Background

- a. *Policy rationale:* The input costs for our regulatory functions have increased since the last fee and levy review in 2020, as they have for other organisations, but fees and the levy have not kept pace. Doing annual CPI adjustments reduces the need for large increases all at once.

Since SWRB's costs in undertaking consultation are met by social workers, we would only consult if the increase to the fees and levy is for significant change projects or significant changes to CPI. This approach is taken by other Crown entity regulators, where, like SWRB, their Act authorises the Board to set fees by a Gazette notice and does not require them or their Minister to consult.

Consultation does cost money for the organisation and also has an opportunity cost of other regulatory priorities not undertaken.

- b. *Impact on social workers:* While the fees and levy are likely to increase annually, linking this to the CPI will provide certainty. We will consult on any proposed new fees, increases due to significant change projects, and if there are significant changes to CPI.

#### 83. Consultation analysis

- a. Results from Online Survey:

Proposal 1 question: <i>Do you agree SWRB should annually CPI (inflation) adjust the fees and levy to keep pace with inflation without doing public consultation?</i>			
Respondents	Yes	No	Don't know
667	20%	65%	15%

- b. Themed analysis of submissions on proposal 1:

- i. There was some support for this proposal, with some submitters (including ANZASW) adding it provides clarity and reduces the need for large increases.
- ii. Others were against the proposal, outlining the need for transparency and that wage increases aren't always pegged to CPI.

#### 84. Option assessment

- a. **Option one:** Proceed with the proposal, with a CPI adjustment occurring from 1 July 2025, determined on the CPI from the preceding financial year. This was also supported by ANZASW in its submission. Not delaying a CPI adjustment means the fees and levy are less likely to become out of step. A CPI adjustment is designed to make sure the relative purchasing power of the fees and levy do not diminish.
- i. Does option one meet the Treasury and Auditor General guidelines, and our Act: **Yes.** The guidelines suggest that public consultation be done for significant changes to fees and levies unless it is difficult to do so. We do not believe a CPI adjustment annually would be deemed a significant change to fees and the levy, and therefore does not warrant an annual consultation. This approach is taken by other Crown entity regulators, where, like SWRB, their Act authorises the Board to set fees by a Gazetting a notice and does not require them or their Minister to consult. However, the guidelines also suggest ongoing engagement with the sector on the level of our costs and any adjustments required.

b. **Option two:** SWRB can choose not to undertake regular CPI adjustments. This would mean that likely every 2-3 years SWRB would need to undertake a consultation on changes to the fees and levy. This would increase costs, including the cost of other regulatory work that could be undertaken instead. It would also increase the risk of fees being out of step with costs, and give less certainty to employers and the sector from year to year.

i. Does option two meet Treasury and Auditor General guidelines, and our Act:

Yes, it would be similar to how reviews have been run in the past, however, it would be costlier to the organisation and the benefits likely would be negligible.

85. **Secretariat proposal one recommendation:** Proceed with **option one** as it meets the guidelines and our obligations under the Act provides sustainable funding for SWRB to undertake its legislated regulatory activities.

### Consideration of Section 100 of the Act – Obligations of Board in relation to Māori

86. While there weren't high numbers addressing concerns specifically for Māori in the submissions, there were specific points raised by some submitters through the consultation process. These have been summarised on the section above analysing the overall themes and potential impacts of changes.
87. Almost a quarter of those who gave feedback identified as Māori (22%, or 146 respondents)
88. Some submissions suggested that the increased fees would disproportionately affect Māori. A larger proportion of Māori work in the NGO sector when compared to government organisations such as Health New Zealand and Oranga Tamariki. SWRB's data from its Workforce Survey showed that there is a larger proportion of Māori in the NGO sector than the total in government organisations.
89. Due to the reasons outlined above, there is a concern the pay disparity between NGO's and government organisations may make it hard to achieve the SWRB's vision: *'to be an active partner with Māori, and responsiveness to diverse communities.'*
90. However, this is in respect to Māori members of the public who are interacting with social workers and their safety, not Māori social workers themselves. Our key responsibility is therefore to their safety.
91. As the regulator of the profession, SWRB has no mandate for input to the service design, management of government funding / cost models, or advocacy on behalf of social workers for better working conditions and/or remuneration adjustments. These issues sit with the various representative bodies such as the ANZASW, TWSWA, PSA and SSPA.

### Consideration of Section 101 of the Act – Obtaining views of ethnic and cultural groups

92. Submissions did not provide specific feedback on proposals in relation to the perspectives of ethnic and cultural groups in Aotearoa. However, analysis relating to the community and voluntary sector in particular is likely to incorporate views of ethnic and cultural groups, including Pacific peoples, given high proportion of these groups that access social work services.

### Overall summary analysis and impact assessment

93. This section provides an overall summary of the submission of the potential impacts of change proposals contained in the consultation document.
94. Overall, there has been a negative reaction to some of the changes put forward, in particular the proposed increases to the PC fee and disciplinary levy. This was to be expected and is often experienced by other regulators when reviewing their fees under a full cost recovery model. This is largely because a regulator's fees and levies relate to a 'grudge purchase' of the functions needed to regulate a sector. They are not a desired purchase in the same sense as a consumer product or service. In these circumstances, it is not unusual for strong sector push back on fees and levies increases. In particular, often issues of ability to pay are raised that are not caused by the regulator and have no relationship to the statutory functions the regulator has to deliver.
95. As mentioned previously, some submissions suggested that the increased fees would disproportionately affect Māori. A larger proportion of Māori work in the NGO sector when compared to government organisations such as Te Whatu Ora/Health New Zealand and Oranga Tamariki.
96. It is clear there is significant financial pressure on the NGO sector for social workers, both with lower pay and funding constraints, although this should be alleviated somewhat with the rollout of pay equity.  
**Ability to pay isn't a specific consideration for a regulator when setting fees, nor is it something SWRB can directly control.**

97. However, through the options put forward in this paper, and the original consultation, there can be seen a clear attempt to balance our legislative responsibilities as a modern regulator with the constraints put forward by the sector.
98. Treasury guidance for cost recovery outlines that: “*Understanding the impact of a cost recovery regime on current and potential users is an important step in assessing whether the cost recovery regime is appropriate.*”<sup>2</sup> Treasury guidance outlines that questions that should be considered include:
- What is the cumulative impact of government cost recovery charges on those who pay the charges? (ie, there should be consideration of the impact of the range of charges that affect those who pay charges, not just a narrow focus on the impact of a particular cost recovery regime)
  - Is the cost recovery charge likely to be a barrier to entry for new entrants to the market?
  - What incentives and behaviours is the regime likely to create for those who pay charges?
  - What incentives and behaviours is the regime likely to create for the charging entities?
99. This analysis has been factored into the funding review and decision making in this report, alongside the Auditor General guidelines. While the Board could consider them further this should be viewed against the Board’s obligations to deliver its statutory functions under the Act and to meet financial sustainability obligations under the Crown Entities Act. The only realistic way the Board could take the factors into consideration is if Crown funding is received to meet any shortfall a decision to reduce fees or the levy produces.

**Response to specific issues raised in submissions:**

100. A Questions and Answers sheet was provided to the public during the consultation. This mirrored many of the main themes that largely remained unchanged. These have been attached as an appendix for the Board.
101. Responses to key themes can be found in *Appendix two: Responses to submission themes*.

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<sup>2</sup> <https://www.treasury.govt.nz/publications/guide/guidelines-setting-charges-public-sector-2017-html>

**Financial Implications of proposed changes**

- 102. In 2022, the Board agreed to an updated the Financial Reserves Policy for SWRB. This policy set sustainable levels of Reserves held by SWRB to protect from any unforeseen events or significant and sudden drops in revenue streams for the Board. This must be taken into account when setting SWRB fees and levies.
- 103. The graph below from the most recent Spotlight report (January 2024) projects SWRB is to be at the bottom of the Reserves (Equity) range at the end of the financial year. This is not sustainable in the medium to longer term.



- 104. The table over page outlines indicative revenue if the proposed changes are agreed to.

<b>*Figure includes: Workforce planning Government funding and expenses</b>		2021/22 Actual	2022/23 Actual	2023/24 Forecast revenue as at September 2023	2024/25 Indicative	2025/26 Indicative
<b>Revenue (GST exclusive)</b>		\$5,103,694	\$7,965,044	\$5,338,000	\$7,675,436	\$7,835,581
<b>From fees, Disciplinary Levy, Crown funding, and interest &amp; sundry</b>						
<b>Expenses (including staff salaries)</b>		\$5,224,690	\$6,649,194	\$6,722,669	\$7,242,920	\$7,273,136
<b>Revenue less expenses</b>		-\$120,997	\$1,315,850	-\$1,384,669	\$432,516	\$562,445
<b>Reserves (To cover short-term variations in revenue and economic shocks)</b>		\$566,193	\$1,882,042	\$497,373	\$929,889	\$1,492,334

**Note:** The first two columns of the above table show actual figures from the Annual reports. The third column is from the 2023 forecast, and the last two columns are indicative revenue and expense forecasts based off the September 2023 forecast. (this does not include the one off \$800k from MSD which was for Crown funding). These last two are not budget figures, these will be undertaken through the usual SPE process.

105. The revenue from the proposal would mean that SWRB will be able to better meet its regulatory functions AND be in the mid-point of its reserves policy.

#### **What happens if the proposals do not proceed?**

106. If the Board chooses to reduce the fees and levy and incidents of poor practice causing harm comes to light, it is likely that under the mandatory regime SWRB would be independently reviewed where the reviewer will look at failures in delivering SWRB's statutory obligations. In the current accountability environment an independent reviewer is unlikely to consider SWRB funding levels or prioritisation that reduces some functions in order to have lower fees and levies in response to opposition from the sector due to the ability to pay issues for part of the sector.

107. In fact, it is more likely that the lack of funding due to lower fees and levies is viewed as evidence of 'regulatory capture'. This is where the regulator is so 'captured' by those it regulates that it makes decisions which negatively impact the regulator's ability to undertake its statutory functions. This has been the case for other regulators that have been independently reviewed in the past few years due to incidents of poor practice occurring that have caused harm.

108. In addition, as previously raised with the Board, a material change to a proposal will require re-consultation.

### *Reduced SWRB regulatory functions*

109. If the proposals above do not proceed, due to the cost recovery model under the Treasury and Auditor General guidelines and the requirements in our Act for setting fees and the levy, it is likely that SWRB would not be able to meet all of its obligations under the Act.
110. It also increases regulatory failure risk. Lessons from regulatory failures like Pike River, leaky buildings, and Waka Kotahi's third-party oversight practices have prompted a growing focus on a risk based, adaptive approach to regulation and oversight, and has increased regulatory stewardship expectations placed on regulators, including SWRB.

### *Reduced SWRB regulatory functions impacts registered social workers*

111. If the proposals above do not proceed, SWRB's reduced regulatory functions will likely impact social workers as follows.
112. Social workers paying the practising certificate fee will increasingly cross-subsidise activities provided to individual social workers, such as registration of overseas and experience pathway applicants, who under the Treasury and Auditor General guidelines should meet the cost.
113. Social workers who are notified to SWRB, or who a complaint is made about, may not be held accountable and continue to practise, negatively impacting the profession's reputation.
114. Because of reduced staffing, SWRB would be likely be less responsive, and there are fewer opportunities to enhance social worker professionalism due to:
  - a. Continuing to be unable to run educational campaigns with social workers. The current level of educational activity cannot be sustained without additional communications and stakeholder engagement resources.
  - b. Limited resource to be an active partner with Māori to meet SWRB's obligations under Te Tiriti o Waitangi and section 100 of the Act and to seek the views of Pacific peoples and cultural groups in Aotearoa to meet SWRB's obligations under section 101 of the Act.
  - c. Reduced resource to promote and encourage high standards of practice and professional conduct among social workers and the employers of social workers to meet SWRB's obligations under section 99 of the Act.

### **Next steps**

115. If the Board agrees to proceed with the proposals and those changes that do not require core-consultation, it is proposed that the decision is released to the public in the fortnight after the Board meeting, likely between 29 February 2024 and 7<sup>th</sup> March.
116. It is proposed that the release contains a summary version of this document, with decisions that are agreed by the Board on each proposal. This will be provided to the Board in advance. On the day of the release phone calls will be made by the SWRB Chair and Chief Executive to sector organisations, similar to that undertaken for the consultation document release.

### **Consultation**

117. This paper was drafted and then checked from a Quality Assurance perspective from a number of specialists within the Secretariat prior to going to the Board.
118. This included a review by the Special Advisor to SLT to provide a social work perspective on the paper.

## Recommendation / Decisions Required

It is recommended that the SWRB Board:

Proposal number	Proposal	Current fee/levy level (\$ incl GST)	Proposed fee/levy (\$ incl GST) 2024/25	Recommendation	Decision
1	Practising certificate fee (annual)	470	552	Option one	Yes / No
2	Disciplinary levy (annual)	135	219	Option one	Yes / No
3	Registration Application fee	360	423	Option one	Yes / No
4	Provisional to Full Registration Application fee from	60	70	Option one	Yes / No
5	Overseas qualification assessment application	540	635	Option one	Yes / No
6	Overseas applicant registration				
	a. Overseas applicant provisional registration competence assessment application fee	345	1,012	Option one	Yes / No
	b. Overseas applicant full registration competence assessment application fee	345	1,012		
7	Certificate of Good Standing or replacement hard copy registration certificate fee ( <i>reduction</i> )	70	63	Option one	Yes / No
8	Return to practise application fee ( <i>reduction</i> )	345	224	Option one	Yes / No
	<b>Change in approach</b>				
1	Annual CPI (inflation) adjustments to the fees and disciplinary levy	n/a	n/a	Option one	Yes / No

**Agrees to release the Board's decision to the public, in the week following their decision**      **Yes/No**

## Appendix 1 – Government standards for charging

### Understanding what the government intends SWRB to achieve through charges

1. The functions set out in section 99 of the SWR Act are the outputs the Government expects SWRB to deliver to meet the primary policy outcome of protecting the safety of members of the public.
2. While the Government's intended policy outcome has some public good aspects in that the ultimate benefit is received by members of the public, social workers primarily cause the need for SWRB's statutory functions. Government enacted the SWR Act to regulate social workers as a profession to mitigate risks of the harmful effects on members of the public presented by social workers not practising professionally.
3. This means that under the Treasury<sup>3</sup> and Auditor General guidelines<sup>4</sup>, SWRB has to recover the costs of its regulatory functions from social workers. The only exception to this are the SWRB functions provided directly to education providers in relation to education programmes, where the cost has to be recovered from them.

### Understanding the standard expected of government entities undertaking funding reviews

4. It is important to be aware that the funding review process for assessing the resources and costs, setting the fees and levy, and undertaking consultation should be proportionate. SWRB is not required to satisfy a forensic accountant, provide alternative options, nor to reduce fees and levies to a level that means it cannot do its job in order to respond to ability to pay issues raised by those being regulated by. Instead as the Treasury guidelines state:
  - a. *"As with all aspects of developing cost recovery regimes, the effort put into this should be proportionate to the size and complexity of the costs to be recovered."*
  - b. *"All entities are expected to know the detailed costs of delivering their outputs. Understanding these is important to support key decisions such as what outputs to provide, who is best placed to provide them and to what quality. This information is also necessary so that appropriate costs are recovered, over- or under-recovery of costs is minimised, and the entity can manage costs and monitor performance over time, and demonstrate that it is operating efficiently."*
  - c. *"Once the outputs and processes have been determined, entities should prepare detailed information on the cost." And "Assumptions should be made clear. The approach taken and the level of detail should be proportionate to the complexity and sensitivity of the process."*
  - d. *"The consultation process should be designed in a way that gives those paying the best opportunity to provide feedback on costs, charges, and service standards and levels. However, it should be clear that consultation assists with the decision-making process, but is not a negotiation or undertaking to reach an agreement."*

<sup>3</sup> The Treasury Guidelines states "The guidance should be used when there is statutory authority to charge third parties to cover the costs of an activity undertaken by the government (or local government) **and** the government is a monopoly supplier of the activity."

<sup>4</sup> See Auditor General guidelines clause 1.6. Noting:

- clause 1.11 states "The focus of this guide is on recovering costs. This guide is not intended to provide detailed information on all possible charging arrangements. Rather, this guide sets out the principles and administrative matters that you need to consider when setting and administering charges, noting that you always need to work within the confines of the specific empowering provisions in the relevant legislation."
- Clause 1.24 states "The Treasury's guidance discusses issues that we have no mandate to comment on. This includes who should be charged a fee or levy and why, and whether you should recover less than the full costs of producing the goods or providing the services."

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5. As stated in the Auditor General guidelines **regarding the principle of Equity**:
- a. “2.10 Equity is about ensuring that you administer and manage fees and levies in a way that is **administratively fair**.
  - b. 2.11 When implementing and reviewing fees or levies, it is important that you consider equity matters so that the recovery of costs from fee and levy payers is fair. This means that you do not seek to recover costs **from one group that could benefit a previous or future group**.
  - c. 2.12 If you do not review your fees or levies regularly, equity issues between groups of fee payers could develop over time.
  - d. 2.13 Equity might also be an important consideration when determining when and who to charge, but these are policy choices that are outside the scope of this guide. For more information on this, see the Treasury’s guidance.”
6. The only realistic way SWRB can address ability to pay and barriers to entry equity issues is for the Government to make the policy decision to provide SWRB with Crown funding to meet the specific fees, so that SWRB does not have to charge the social workers concerned. In the current fiscal environment it is unlikely that this would occur in the near to medium term future.
7. The standards required for providing sufficient information and options on the level of expenditure and services rendered was confirmed by the High Court in its decision on the judicial review of the Teaching Council’s consultation, which stated that:
- “While it is possible that a reduction of services might have produced some savings, the reality was that **the Act was prescriptive in relation to the functions the Council was required to deliver**. The other reality was that, even if services could be reduced, cost savings would be minimal. It is also not possible to seriously dispute the proposition that, the only source of income that was going to permit the Council to meet its estimated operating costs was a substantial fee increase.”*
- And *“While the estimated operating costs of \$18.3 million were an assumption and the consultation document did not identify alternatives to a fee increase... it cannot be said that fairness required more of the Council. This ground of review is accordingly not made out.”*
8. A deliberate and concerted approach has been taken to robustly apply the Treasury and Auditor General guidelines in setting the fees and levy. Over the past three years, SWRB has identified the level of resources needed to meet the functions required under the SWR Act, and the cost of those resources, to achieve Government’s intended policy outcome. This has required significant work, including:
- a. two independent operational structure reviews
  - b. satisfaction and workforce surveys of social workers and employers
  - c. detailed assessments of the minimum viable tasks and effort required for the functions
  - d. following the Public Sector Commission guidance on remuneration of staff and the standard of work conditions
  - e. the development of a detailed financial model applying Crown entity standard accounting practices, including to attribute costs to the right function
  - f. appropriate benchmarking of the fees and levies charged by similar sized regulators in the health sector. Noting that those regulators are not Crown entities, so do not have the cost of meeting the requirements of the Crown Entities Act 2004, which for SWRB is only partly met by the Crown

- g. improving SWRB's performance reporting monitored by MSD and reviewed by Audit New Zealand as required of Crown entities.
- 9. This was the basis for identifying the change proposals set out in the consultation document.

## Appendix two: Responses to key themes of feedback – February 2024

The table below provides some responses to some of the key themes and questions raised by submitters to the SWRB fee and levy review.

Theme	Response
I/We don't believe that employers actually pay for practising certificate fees, especially for private practitioners.	Our survey of social workers shows 92% of social workers have their fees and levy paid for by their employer, either directly or reimbursed. However there appears a sense in the sector that there is a larger number of people who pay themselves. This might be a combination of those who pay upfront and are reimbursed, and those who are on contract to services such as through ACC where they receive a contracting rate that reflects professional costs. We are also aware that set their own fee (supervisors etc) have the ability to adjust their fees, but may be reluctant. However this is the model for a number of professions and most independent contractors.
Have you thought about the impact on social workers and how they can pay their fees?	We do understand the pressures on the sector, and can see with our workforce lens, that this may have an impact on the availability of social workers. High fees may be a disincentive for the profession but the action required is at a system level including recognition and funding for the profession. As a regulator our responsibility is to ensure that the SWRB has adequate funding to fulfil its legislative functions (and the ability to pay is not included as an offset). SWRB has no mandate for input to the service design, management of government funding / cost models, or advocacy on behalf of social workers for better working conditions and/or remuneration adjustments.
But we haven't got pay equity funding yet	The money to pay the fees of a significant number of NGO workers starting this year has been appropriated and is already available:. This includes direct funding for registration and practising fees and levy. The SWRB shouldn't be held responsible nor carry the impact for: <ul style="list-style-type: none"> <li>• Ministries have not been able to get that funding distributed yet</li> <li>• those NGO organisations who chose not to participate in the extension</li> <li>• workers who were outside the scope of the extension of the NGO; there are collective bargaining processes available and both unions and individuals can lodge pay equity claims.</li> </ul>
Didn't you say fees would fall under mandatory	Those comments are cited in the SWRB's 2015 review of the Act. It stated: 'mandatory registration would likely lead to a reduction in costs as a result of economy of scale.' Since 2015, a lot has changed: <ul style="list-style-type: none"> <li>• SWRB advice at the time was based on limited information and understanding about the financial costs of mandatory registration.</li> <li>• SWRB didn't know until February 2021 how many registered social workers there would be.</li> <li>• Since mandatory registration came into effect we've seen more activity around complaints, and the need for more efficient registration processes. We have also identified the need to provide more information for employers and practitioners about what being in</li> </ul>

	<p>a mandatory environment means – and we understand more about work we need to do in the regulatory space.</p> <ul style="list-style-type: none"> <li>• Mandatory registration and certification have led to increased demands on SWRB and more scrutiny of social workers. Complaints and notifications are continuing to increase, and we have more work to</li> </ul>
Nurses and teachers pay so much less	<p>The Teaching Council practising certificate fee is paid by around 110,000 registered teachers, Nursing Council has around 65,000 registered nurses. In comparison, the SWRB practising certificate fee is paid by around 8,700 registered social workers. The Teaching and Nursing Council's higher numbers allows some economies of scale to be achieved, which lowers its practising certificate fee.</p> <p>Our fees are in line with similar sized occupational regulators, our disciplinary levy is higher because of the higher number of complaints we receive</p>
I don't get anything for my fees, especially in comparison to ANZASW	<p>As a regulator, the SWRB charges its fees to social workers for its regulatory costs. Our focus is on public safety and meeting the requirements under the Social Workers Registration Act.</p> <p>But SWRB does more than just the regulatory work – we help build the evidence base around the workforce, and help join up information and insights from around the sector. We leverage off our regulatory activity to join the pieces up, and in doing so enhance the professionalism of social workers.</p> <p>We also are part of building public trust and confidence in the profession. We know through some research this year that there is more that we and the profession need to do.</p>
This will stop people entering the profession or employers will just employ non-social workers	<p>This was raised as a question during the last review and didn't appear to eventuate at scale. At this point in time we have not seen this because of practising fees, rather it appears to be because of supply issues. SWRB is responsible for fulfilling its functions under the Act. We acknowledge the system limitations that exist and will work with agencies to help highlight potential public loopholes.</p>
You only just changed fees why are they going up again?	<p>Fees were last assessed at the end of 2020, which resulted in the 2021 consultation. While it seems recent, the numbers the consultation were based on were from some time ago.</p>