

Council, 2 December 2015

European Professional Card (EPC) fees

Executive summary and recommendation

Introduction

The Executive is preparing to implement the revised EU Recognition of Professional Qualifications Directive (the Directive) which Member States must comply with by 18 January 2016.

The Directive will affect how the HCPC processes applications for registration based upon mutual recognition from applicants who are from another relevant European State (an EU Member State, an European Economic Area (EEA) State or Switzerland) and who are fully qualified to practise a relevant profession in one of those States.

One key element of the Directive is the introduction of the European Professional Card (EPC). This will only apply to physiotherapists in the first instance, but may be extended to other professions in the future.

The paper proposes the fees to be charged for handling EPC applications.

Decision

The Council is invited to discuss and approve the attached paper; and agree (subject to the relevant implementing legislation being in force) to:

- set an EPC scrutiny fee, for applications where the HCPC is the host State competent authority, of £220;
- set an EPC scrutiny fee, for applications where the HCPC is the host State and the application is limited to the provision of services on a temporary and occasional basis, of £25;
- set an EPC scrutiny fee, for applications where the HCPC is the home State, of £25;
- instruct the Executive to keep the cost of processing EPC applications under review and to inform the Council if the costs incurred are significantly above or below the fees charged.

Background information

Implementing the revised recognition of professional qualifications RPQ Directive an update for paper to Council on 24 September 2015.

Resource implications

Outlined in the paper attached.

Financial implications

Outlined in the paper attached.

Appendices

European Professional Card (EPC) fees paper

Date of paper

2 December 2015

European Professional Card (EPC) fees

1. Introduction

- 1.1 The Executive is preparing to implement the revised EU Recognition of Professional Qualifications Directive (the Directive) which Member States must comply with by 18 January 2016. The Council considered an update on the Executive's work in respect of the Directive at its meeting in September 2015.¹
- 1.2 The Directive will affect how the HCPC processes applications for registration based upon mutual recognition from applicants who are from another relevant European State (an EU Member State, an European Economic Area (EEA) State or Switzerland) and who are fully qualified to practise a relevant profession in one of those States.
- 1.3 One key element of the revised Directive is the introduction of the European Professional Card (EPC). This will only apply to physiotherapists in the first instance, but may be extended to other professions in the future.
- 1.4 This paper proposes the fees to be charged for handling EPC applications.

About the European Professional Card (EPC)

- 1.5 The EPC is intended to promote free movement and make the system of recognition of professional qualifications between relevant States and their regulatory bodies (referred to as 'competent authorities') more efficient and transparent, whilst also introducing cost and operational efficiencies. It will take the form of an electronic certificate issued to applicants under streamlined recognition procedures. It will be available for both full HCPC registration (known as 'establishment') and for those who want to provide services on a temporary and occasional basis (we call this 'temporary registration').
- 1.6 The EPC changes the application process to be followed by the competent authorities in the 'home' and 'host' State. . The home State is the country in which an applicant is qualified to practise the relevant profession; the host State is the country in which the EEA applicant wishes to become established or to provide services on a temporary and occasional basis.

¹ Council meeting, 24 September 2015. Implementing the revised Recognition of Professional Qualifications (RPQ) Directive – an update for Council.
<http://www.hcpc-uk.org/assets/documents/10004D3CEnc10-ImplementingtherevisedrecognitionofprofessionalqualificationsRPQDirectiveanupdateforCouncil.pdf>

- 1.7 The following illustrates how the EPC process is intended to work for a physiotherapist seeking to become established in the UK:
- the physiotherapist will begin the application process in their home State by applying for an EPC via an online tool provided by the European Commission. The applicant will complete the required fields in the application form and upload the necessary evidence electronically (for example, proof of professional qualifications and identity).
 - the application will then be sent directly to the home State's competent authority who will check and verify the application and the documents it contains.
 - the application will then be forwarded to us as the host State competent authority. We will then carry out the necessary assessment of the applicant's regulated education and professional experience against our standards of proficiency. If substantial differences are identified, we can impose a compensation measure – a period of adaptation (POA) or aptitude test – which the applicant must meet before being eligible for registration. The main change for us is needing to adhere to stricter deadlines in order to process EPC applications in a timely manner.
- 1.8 For HCPC-registered physiotherapists who wish to practise in another relevant State, we are the home State competent authority. For those applicants who wish to become established in another relevant State, we will verify the EPC application before sending it on to the host State's competent authority, which will then make a decision about issuing the EPC.
- 1.9 A similar process will be followed (ie we will have a role in verifying the application when a HCPC-registered physiotherapist seeks an EPC in order to provide services in another relevant State on a temporary and occasional basis. However, depending on the host State's requirements, we may issue the EPC or send the application to the host State's competent authority for it to make a decision. The EPC will give access to the profession in another State on a temporary and occasional basis and can be renewed at the request of a visiting physiotherapist.
- 1.10 The communications and processing of EPCs by competent authorities will be handled via the Internal Market Information (IMI) system.²

2. Setting fees for EPC applications

- 2.1 We need to set fees for EPC applications – both for when we are acting as the home State competent authority and as the host State competent authority for those applicants wishing to practise in the UK on a an established basis.

² IMI is an electronic information tool provided by the European Commission which competent authorities use to exchange information.

- 2.2 Delegated legislation made by the European Commission envisages both home and host competent authorities being allowed to charge a fee for processing and / or issuing EPC applications. The applicant will be informed of the various EPC fees via the IMI system and a reasonable deadline for payment will be set.³
- 2.3 The UK Government is in the process of making changes to domestic legislation, in order to implement the changes made to the Directive. These can be briefly summarised as follows:
- the Department of Business Innovation and Skills (BIS) has already consulted on regulations which will implement some of the more generic parts of the revised Directive into UK law. These includes a provision which refers to regulators setting a reasonable fee to cover the costs of processing an application for the EPC.
 - the Department of Health is currently preparing regulations which will make specific amendments to the Health and Social Work Professions Order 2001, giving further and specific effect to the Directive in respect of the HCPC professions. We understand that these will enable the Council to set fees for the EPC that are proportionate to the costs involved and at a level which does not act as a deterrent to applicants.
- 2.4 The Council is being invited to set fees on the assumption That the relevant legislation will be made and take effect by 18 January 2016. However, any decision taken may need to be re-considered if there is any delay in the implementing legislation being brought into effect.

3. The proposed EPC scrutiny fees

- 3.1 Currently, all applicants and regardless of entry route, pay a one-off scrutiny fee to cover the cost of processing their application. The only exception is for those visiting European health and social care professionals who make a declaration to provide their services in the UK on a temporary and occasional basis under the Directive (as there is no statutory provision for a fee to be paid for doing so).
- 3.2 HCPC's current scrutiny fees are as follows:

Scrutiny fee for applicants from approved programmes	£63
Scrutiny fee for international and European mutual recognition applications	£495
Scrutiny fee for grandparenting applications	£495

³ For further information please see Commission Implementing Regulation (EU) 2015/983 of 24 June 2015 on the procedure for the issuance of the European Professional Card and the application of the alert mechanism under Directive 2005/36/EC of the European Parliament and of the Council: <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32015R0983&from=EN>

3.3 The proposed EPC scrutiny fees are as follows:

Scrutiny fee for establishment where the HCPC is the host State competent authority	£220
Scrutiny fee for establishment where the HCPC is the home State competent authority	£25
Scrutiny fee for and temporary and occasional service provision where the HCPC is either Home or Host State competent authority	£25

3.4 The proposed fees have been calculated based on the expected direct costs without an allocation of indirect costs. Direct costs include the estimated time taken to process each application, based upon the current pay rate for Registration Advisors plus employer's pension and social security costs together with any direct non-payroll costs such as external assessors' fees and postage. Indirect costs, such as management salaries within the Registration Department and the costs of HCPC's support functions, have not been included.

3.5 The Executive asks Council to agree to set the EPC scrutiny fees outlined above.

4. Forecasted income from the EPC fees

4.1 It is difficult to forecast the number of physiotherapists who will apply through the EPC routes. In 2014, approximately 257 physiotherapists applied for mutual recognition. It is estimated that about a third of that number may apply via the EPC establishment route in the future. It has been assumed that we may get up to one home State establishment or temporary and occasional service provision application a week. Therefore we anticipate the following anticipated gross income:

	Anticipated applications	Proposed fee	Anticipated gross income
Home State: establishment and temporary and occasional service provision	52	£25	£1,300
Host State: establishment	85	£220	£18,700
Total			£20,000

4.2 Since physiotherapists are the only one HCPC profession to which the EPC will apply, the number of applications is expected to be relatively low, and the gross income and overall financial impact on HCPC to be relatively small.

5. Reviewing the EPC fees

The actual direct costs of processing applications will be monitored, and the fee level can be adjusted if the costs are found to be significantly above or below the actual costs.