

Finance and Resources Committee - 26 January 2012

Registrant Creditor Policy

Executive summary and recommendations

Introduction

The registrant creditor policy determines the approach HPC should take when a registrant's records have a positive balance but is no longer in an active status.

Decision

The Committee is requested to discuss and recommend the document to Council for approval.

Background information

HPC keeps a record of the balance on a registrant's records on the register and in the past when a registrant has lapsed off the register the balance would be refunded only on written request from the registrant. HPC now intends to take a more proactive approach and, where appropriate, make a refund as soon as practical after the registrant has lapsed.

The revised registrant creditor policy included in appendix one includes changes following legal advice to meet requirements of the Health Professions Order 2001.

Resource implications

Nil

Financial implications

Nil

Appendices

Appendix 1 – Registrant Creditor Policy

Date of paper

16 January 2012

HEALTH PROFESSIONS COUNCIL

Registrant Creditor Policy

1. Introduction

Under the Health Professions Council (Registration and Fees) Rules 2003 (the **Rules**), the Health Professions Council (**HPC**) obtains fee income from:

- scrutiny fees;
- admission (first registration) fees;
- renewal fees;
- readmission fees.

The Rules provide for the HPC to establish two year registration cycles for each of the professions it regulates. All of the fees identified above (**registration fees**) are due and payable when an application is made. However, the rules provide the HPC with the discretion to permit registrants to pay renewal fees in four instalments by direct debit collected every six months during a particular two year registration cycle.

Where the HPC has evidence that it may owe monies to applicants or registrants because it has collected registration fees to which it is not entitled, good faith efforts will be made to refund the money and without the person concerned necessarily being required to ask for a refund.

2. Refund Procedure

Applicants may seek a refund of their scrutiny fee if they decide to withdraw their application promptly and before any assessment has been made. The HPC may also refund scrutiny fees where it is immediately apparent that a person is not eligible for registration and no assessment or other detailed processing of the application has taken place.

Registrants may be eligible for a refund of other registration fees if:

- they remove their name from the register voluntarily;
- their registration is lapsed; or
- an overpayment of monies has been made.

The amount of any refund will depend on where the registrant is in the registration cycle for their profession.

The Rules enable a person who gives notice of retiring from the HPC Register before the second year of a registration cycle begins to receive a registration fee refund in respect of that second year. Similarly, the Rules provide that a registrant who is only registered for the second year of a two year registration cycle is only liable to pay for one year's registration. In line with those provisions, refunds will only be provided for full registration years and not for parts of a year.

In order to be eligible for a refund a registrant must either give notice or action must have been taken by the HPC (e.g. lapsing) before the second year of a registration cycle commences. In that event, either a refund of one year's fee will be made or direct debits will not be collected in respect of that fee, as appropriate.

As refunds are not provided for part years, the second direct debit payment in any year will be due and collected if a registrant has been registered for any part of that year.

In respect of renewal fees paid by direct debit, HPC's normal practice is to collect the first direct debit payment for the next registration cycle slightly in advance of that cycle. In the event that a registrant does not renew their registration for that cycle, any such direct debit payment will be refunded.

3. Refunds

As part of the monthly HPC Management Accounts, a schedule must be prepared which identifies, by application or registration number, cases where a refund has been authorised in NetRegulate and a cheque has been issued.

For operational reasons, except where a refund can be made by electronic transfer to the account from which a direct debit was collected, HPC will only make refunds by cheque. In accordance with HPC service standards, refund cheques will be sent to registrants and applicants within 10 working days of the Finance Department identifying or being notified that a refund is due. Refund cheques will be sent to the correspondence address of the registrant or applicant as it appears on NetRegulate. Registrants and applicants must inform the HPC of any change of address.

If a registrant or applicant fails to cash a refund cheque within six months, the Finance Department will send them a reminder letter. At that point, the relevant amount will be transferred from the Refund Control Account (a/c no 6307) to the Refund Holding Account (a/c no 6306). If the registrant or applicant does not contact the Finance Department within one month of the reminder being sent, the relevant monies will be treated as miscellaneous HPC income.

In the event that a person contacts the HPC seeking a refund after the reminder deadline has passed and the relevant funds have been treated as miscellaneous income, the Director of Finance has the discretion to process that refund as a miscellaneous expense.

In any case where a registrant or applicant requests a replacement refund cheque, the Finance Department must cancel the original cheque and obtain the bank's confirmation of cancellation before a replacement cheque is issued.

4. Authorisation

For internal control purposes, only the Director of Finance and designated finance personnel may authorise refunds on NetRegulate and issue related cheques. Those designated personnel are the Transaction Manager, Transaction Officer and Financial Controller & Financial Accountant.