



write

Feedback on fee options

Results from the NZRAB consultation survey

November 2024

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About this report

This report summarises feedback from our October–November survey on changes to our fees.

Since the last fees review five years ago, the cost of providing services has increased.

- Our operating costs are significantly higher than income and we've had to defer investment, such as in better digital systems and processes.
- We need to increase fees to ensure that we're financially sustainable and fit for the future.

We asked for feedback on three funding options and participants could add their own options and comments.

This report gives the overall ratings for each of the three options and summarises feedback themes for each option. At the end of the report, you can find a link to all anonymised comments.

Good engagement from the sector

Four hundred and three individuals or organisations took part in the survey, which was open for 20 working days. We're grateful to everyone who took part and for their considered and thoughtful comments about the future of our profession.

We also received three emailed submissions, which we've summarised in the relevant sections or included at the end.

Most participants were registered architects or graduates

This graph below breaks down the professional category of participants, where they have wanted to answer this question. Two people skipped the question.

Feedback on fee options

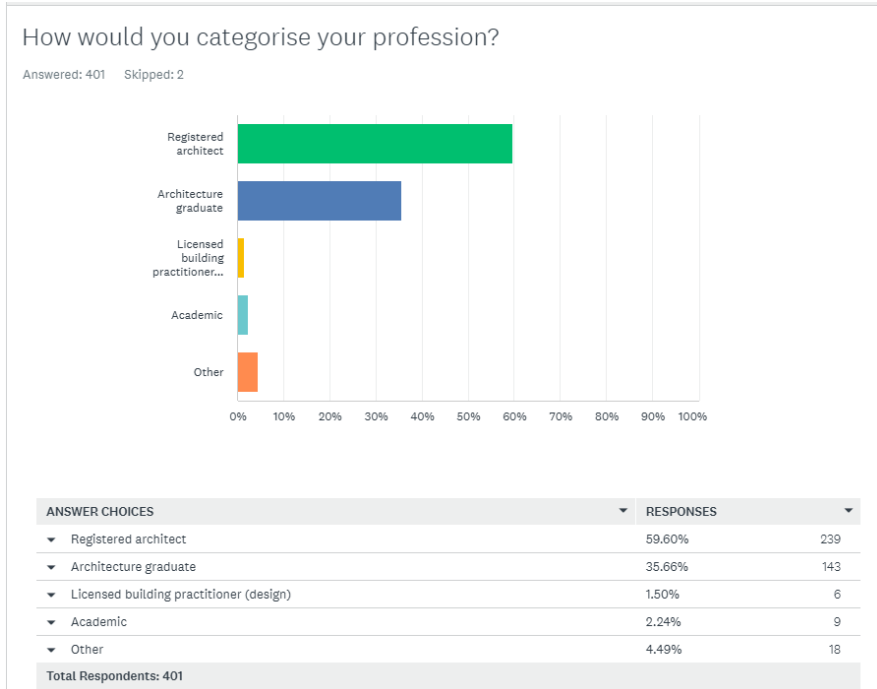


Figure 1: Professions of survey participants

Most people preferred to keep the same level of cross-subsidy

Most participants rated option 2 as their preferred option – to keep the same level of cross-subsidy. Figure 2 shows preferences from all participants for each of the three funding options. Figure 3 breaks down preferences by professional category.

The remaining sections of this report summarise participants' specific feedback on each option, from the most to the least preferred.

Feedback on fee options

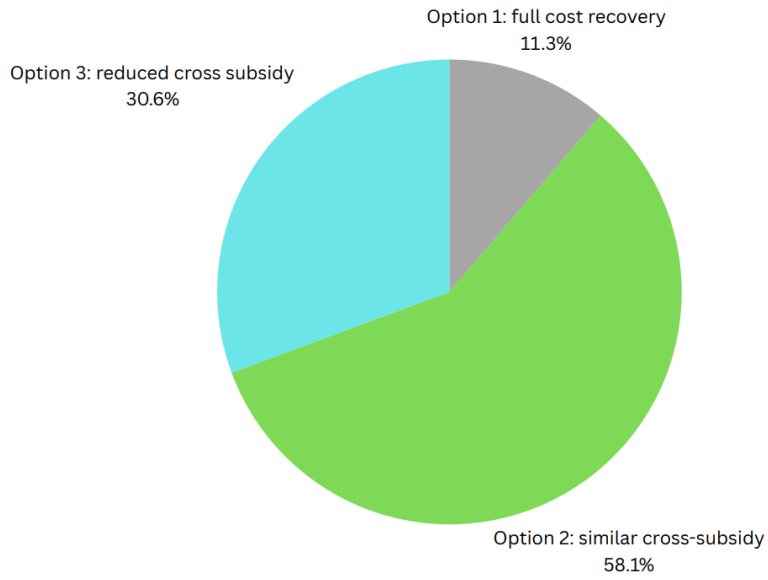


Figure 2: Overall option preferences from survey participants

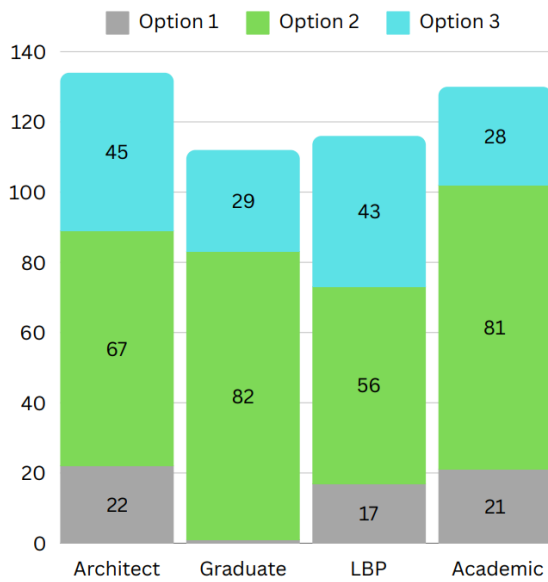


Figure 3: Option preferences by profession

Feedback on option 2: same level of cross-subsidy

Three hundred and ninety-four participants rated option two on the slide scale and nine skipped this question. The average rating on the scale for this option was 72 (out of 100).

The figure below shows the rating for this option.

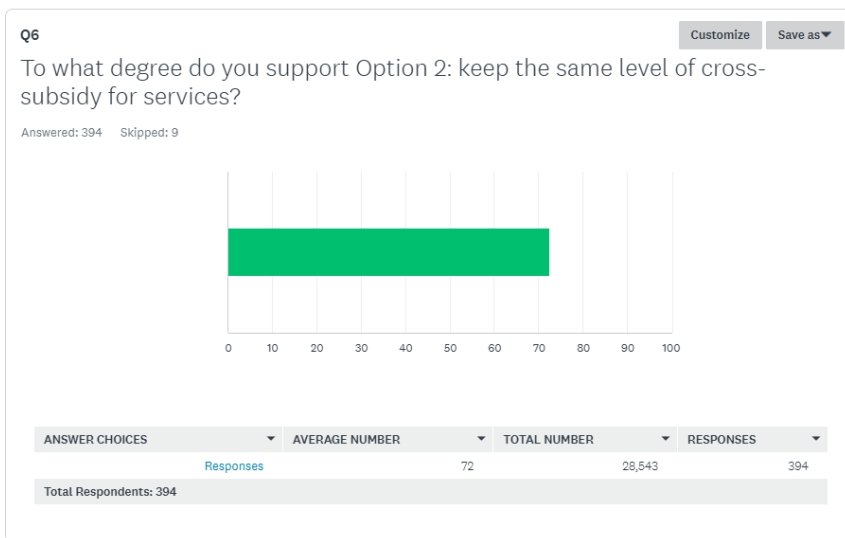


Figure 4: Average rating for option 2 to keep the same level of cross subsidy for services.

Themes from the feedback on option 2

The following section introduces themes that came through from the comments on option 2.

People agreed that subsidising new architects was important

Most comments in favour of keeping the same level of cross subsidy agreed that reducing constraints on graduates being able to register was very important. People felt that this option best supports those starting out.

Feedback on fee options

“

I can see both the pros and cons of this option; however, my registration cost must have been subsidised and now I am passing that on, so would like to continue to this.

“

The spirit of supporting young professionals is retained

“

As an architectural graduate seeking registration in the next year or two, I wholly support this option more so than the others for obvious financial reasons. In addition, I believe to sustain the architectural industry going forward, this is the most fitting approach.

“

As a profession, I think we need to help remove as many barriers for applicants as possible.

The same level of cross subsidy was seen as the most practical, fair, and balanced

People commented that this option was a more realistic, sensible, workable option. They agreed it minimised financial barriers and helped align with wages and the cost of living. Some people wanted to know how the fees compared with other professions.

“

This option is most in keeping the ethos of the architectural profession in NZ.

“

The option is the most sensible of the three. The fees are still steep in comparison to \$1200. A few weeks ago, the NZRAB released some important statistics, highlighting 51% of registered architects are aged 50 or older, 17% being over the age of 65. While these are significant milestones for the individuals bringing a wealth of knowledge to the profession, young emerging professionals are going to be the future of this industry and the decisions made now will have a significant impact to graduates, and students considering architecture as a profession.

Feedback on fee options



This is a more realistic option, still a raise in initial registration cost but not significant. When I become a registered architect, I wouldn't mind paying this level of annual cost.



This option reflects a manageable and fair incentive to candidates.



I think keeping the same model is the most fair approach. Why should future applicants get treated different? Honesty and fairness is part of ethical conduct; to me it seems very unfair for previous registered architects to have had their application subsidised whilst new ones bear the total cost.

Although fair, option 2 is still expensive and value for money matters

While most people preferred option 2, they preferred any increase to be in line with inflation and to know that processes were efficient and transparent. People wanted a breakdown of registration fees and costs and to know how fee increases would improve services or processes.



It may be best to reconsider how the application process itself is run and organised if the current system is unavoidably costly.

With a clearer framework and some refinement this is the best option forward.



Further clarification on how these increases will improve services or processes within NZRAB would be helpful for applicants to understand the value added by the fee increase.



An increase to reflect inflation would be fair; these costs are higher than inflation.

People care about accessibility, diversity, and inclusion

Many people highlighted the importance of being a diverse profession and having a fee structure that would most encourage and support traditionally disadvantaged groups.



This keeps the playing field level and accessible for those of different means and in different employment scenarios and support. It will encourage diversity in the industry (as women and people of colour are usually disadvantaged in most financial statistics) and ensure more graduates become NZRAB registered rather than LBPs. This aligns with the goals of both the NZRAB and the NZIA.



For graduates that are not well off, it could become a hurdle for them to getting registered. The socioeconomic and demographic factors are a consideration here to support diversity in the profession.

I would support incentivising the companies that are employing the graduate to make a contribution in some way, then that allows the annual fees to be a bit lower.



We are concerned about the financial impact on our practice as we currently cover both our team members initial registration fees and their ongoing fee. Despite this though, our primary concern is accessibility of initial registration to a diverse base of graduates. We actively work to encourage and support a more diverse industry than has been traditional.

We struggle to see how anyone on a graduate salary would have the financial means to pay a respective initial registration fee under Option 1 \$6,520 or Option 3 \$3,150, in the instance that they work for a practice that do not cover this. Based on the NZIA Salary survey results in 2023, there are only 28 practices that cover the cost of registration and 11 that cover professional membership ongoing. In particular, the costs proposed in Option 1 are extremely prohibitive to a graduate that does not have family or independent support.

We are concerned that each of the three options have a cost proposed for voluntary suspension. We see this as disproportionately impacting women and at a time where their finances are often most pressed. In our experience, it is primarily women who use this option when going on parental leave. Despite the impact on our firm and the estimated net cost increase to us, we consider that option 2 is the least prohibitive to graduates seeking to obtain registration.

Feedback on fee options

High fees for QEAP were highlighted

Qualifications and experience assessment panel (QEAP) fees were frequently mentioned as being too high.

“

QEAP increase is a big thing for people. This seems more equitable - with one exception. The QEAP cost seems significant – I still strongly disagree with the ridiculously high fee for QEAP combined with registration and the higher costs for alternative candidates which I will be in and if it's that much money I won't bother getting registered and remain an LBP. There is no reason for QEAP to be so high compared to the other items on the list. If it costs less to administer it should cost less to apply.

“

Out of the three proposed options, this one seems the most balanced, considering that costs are rising and need to be recovered through fees. However, as someone following Pathway 2, a nearly fivefold increase in the QEAP fee is particularly discouraging and unaffordable.

“

Having a lesser fee for a reassessment is justified, as applicants would have already demonstrated competencies in some of the assessment areas in the first interview. 2) I have grave concerns about a 400% rise in proposed QEAP assessment fees. I believe this will give inequitable advantage to graduates whose families could afford to subsidise their Master's study, and who were not required to start full-time employment immediately following Bachelor's study

People who didn't support this option focused on need, cost, and value for money

A minority of people opposed this option. People who did not support this option did not see any need to subsidise registration. They also commented on the high costs and the value for services.

“

The cost of living is high. Everything has increased in cost. I disagree with the fee going up this much. As a sole practitioner I already pay for my NZRAB ACR plus my NZIA individual and practice memberships. This ends up being quite a large chunk of money.

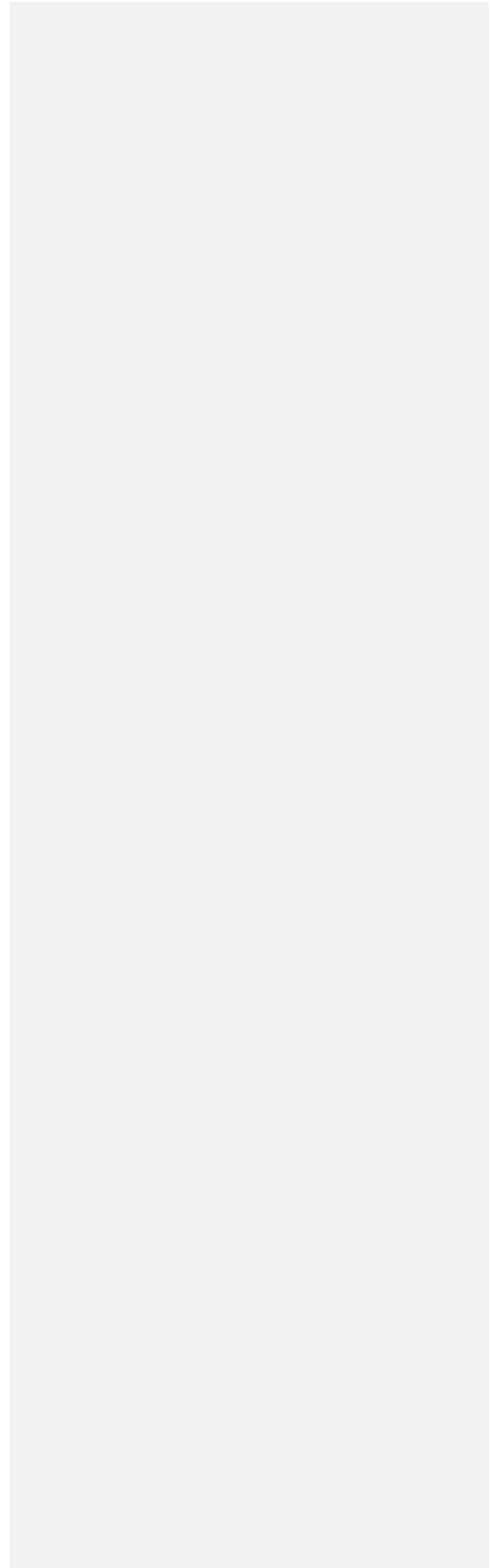
I do not feel like we need to subsidise people getting registered by this much.

What additional services are we actually paying more for anyway?! I don't feel like we get that much from the NZRAB anyway. I feel organisations like this tend to waste money, and not be efficient with costs... Can we see a break-down of these additional services?

Feedback on fee options



User pays. Stick to your core service of protecting the profession.

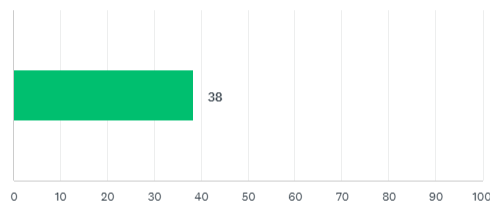


Feedback on option 3: reduced level of cross-subsidy

Option 3 was the second most popular option. Three hundred and sixty-three participants gave a rating for option 3 on the slider scale and 40 skipped this question. The average rating for this option was 38 (out of 100).

To what degree do you support Option 3: reduce the level of cross-subsidy for services?

Answered: 365 Skipped: 40



ANSWER CHOICES	AVERAGE NUMBER	TOTAL NUMBER	RESPONSES
Responses	38	13,974	365
Total Respondents: 365			

Figure 5: Average rating for option 3 to reduce the level of cross subsidy for services

Themes from the feedback on option 3

People in favour of this option saw it as a good compromise.



This is definitely my preference of the 3 options, as it is a good compromise between the status quo and the more extreme option 1 (full cost recovery).



Not preferred but better than option 1 (full cost recovery)

Feedback on fee options



This option finds the goldilocks zone in application fees. It's not too high to apply for registration; however, it remains a worthwhile consideration for new applications to instill a level of importance on the professional body they are trying to join.



I could see some 'dollar each way' thinking here. But I still think the applicants should pay up front, not pay it back over 30 years. Again, my opinion only.

Option 3 was still a disincentive to registration

People not in support of this option said it was better than full cost recovery but still too high and a disincentive for registration. While, not as tough for graduates as option 1 (cost recovery), it was still a strain on graduates and disproportionate with earning capacity.



This is slightly more manageable than option 1; however, it is still a massive hike in pricing that at the very least would mean delaying going for registration to save money for the fees.



Option 3 is better than option 1, but still not ideal. I feel this fee would still push graduates toward the LBP option, in turn lowering the number of registered architects. This is a risk to the future of the profession.



Several thousand dollars for initial registration is prohibitive. Is this what you want for an industry that is already viewed as elitist with underrepresentation from minorities?



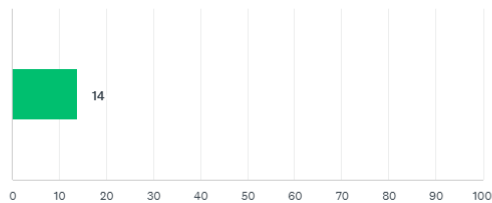
Our graduates are the future of the profession. Registration coincides with mortgages and sometimes children. The ability to pay is limited. We need to pay our staff more by at least as much as the cost of registration, or have employers pay, or pay with conditions around staying at the firm for say a year after registration. We need more creative thinking on this.

Feedback on option 1: full cost recovery

Option 1 was the least preferred option. Three hundred and fifty-nine participants gave a rating for option 1 on the slider scale and 44 skipped this question. The average rating on the scale for this option was 14 (out of 100).

To what degree do you support Option 1: to remove cross-subsidy for services (full cost recovery)?

Answered: 360 Skipped: 45



ANSWER CHOICES	AVERAGE NUMBER	TOTAL NUMBER	RESPONSES
Responses	14	5,002	360

Total Respondents: 360

Figure 6: Average rating for option 1 to remove cross subsidy for services (full cost recovery)

Themes from the feedback on option 1

A very small proportion of comments were in favour of option3 (full cost recovery). Of those, comments centred on fairness and an individual ability to pay.



This is reasonable given the costs involved – given that to get to this point the Unis would have charged \$50k - this seems a small amount albeit it's still quite a lot of cost upfront.



I'm a working professional so I'm happy to pay for full cost and maybe a bit more to cover some additional NZRAB activities.

Most people strongly disagreed with option 3 (cost recovery)

Opinions were strong and almost all agreed that for this option:

- the cost was too high
- the cost would be a deterrent, which could threaten the industry
- employers would not be able to subsidise the cost.

“

I don't know enough about the financial position of the NZRAB to know where they are at, or exactly where the proposal is coming from. However, for pathway 1 candidates will have invested in at least 5 years of Tertiary education. The proposed fee is similar to an additional year of study. This feels like the organisation is out of touch with the financial investment Architectural Graduates have already made vs the reality of what they actually earn, particularly in the current economy. There is a concern high fees will create a monoculture the profession is probably trying to disrupt as it seems to be trying to develop a more diverse population

“

I spoke with fellow Architectural Graduates in the office and we all agreed that this would be a huge barrier for registration. Most of us would not bother with getting registered if this is the associated cost. Architectural Graduate salaries are fairly modest relative to other professional careers. If you don't pass your first attempt at registration, the effective cost would be \$13,000. This is outrageous and it would cause a ridiculous amount of pressure on a graduate to pass the first time. I suspect this would cause most graduates to wait until they are much older before getting registered.

“

This is madness. We, as members of the NZRAB, benefit most from new people joining the body as registered professionals. We should not be putting up more barriers to conscientious, enthusiastic professionals from joining our ranks.

“

The proposed fees in Option 1 may hinder many aspiring architects from applying for registration due to cost barriers. With an initial registration fee for first attempts proposed to increase by nearly 450% at \$6,520 and a substantial increase in fees for pathways 3-8, this model could reduce the accessibility of registration and affect overall participation. This model shifts all cost burdens to new applicants and may disincentivise entry to the profession, limiting the talent pipeline and diversity among future architects.

Other comments and suggestions

We're very grateful for participants' extra suggestions and comments. These comments centred on the following themes.

- Streamline processes and procedures.
- Clarify costs and improve transparency.
- Consider a tiered or staggered approach to fees.
- Reconsider the fee and name for voluntary suspension.
- Involve the industry and consider the relationship to LBP.

Streamline processes and procedures

Comments about processes and procedures focused on simplifying processes, exploring cost effective ways to achieve the same purpose, considering virtual assessments and zoom calls, and lowering operational costs.

“

Reconsider how the registration process works!!! It's already so unnecessarily convoluted and frustratingly academic, if its also expensive then its probably time this was changed. Why not at least streamline the process so that graduates are filling in a template, reducing time for assessors to read through each case study. If the goal is to assess the competency of applicants, then consider whether writing a huge document is the best way to achieve this. Bullet points, outlines, templates could all make it much easier to both apply and assess.

“

Too much discrepancy between interviews.

Clarify costs and improve transparency

Many commentators asked for more transparency about the costs of services. People want clarity around how the money is spent and more information on the costs. People were also curious about comparisons with other professions and countries.

“

For transparency, can you please provide a breakdown of where the fees are going? The notice issued on 14 Oct 2024 mentions an increase in operating costs and investing in digital systems - what exactly are the operating costs?

Feedback on fee options



It would be useful to have more information on the full costs for registration on the NZRAB website. For example, does the initial registration attempt currently cost \$1,200.60 registration + \$724.50 ACR? The ARB UK website is much clearer on this point. In comparison with NZ CPEng registration and annual practicing fees, and other overseas architecture registration and annual practicing certificate fees, the NZRAB fees are relatively high. It would be good to know why, and if there are any efficiencies that could be made within the NZRAB registration system.



I did not receive the initial invitation to this survey. It would have been helpful to have more information on trends regarding numbers of applicants for registration, success rates, pathways, repeat applications etc, vs numbers of ACRs.



It would be helpful to receive a more granular breakdown of the costs so that members can better understand why the registration fees are so high.

Consider a tiered or staggered approach to fees

A few people suggested exploring a tiered or staggered approach to setting fees.



Potential to investigate a tiered annual reregistration fee. Say for first five years after initial reregistration the annual registration fee is discounted from that paid by longer registered architects, who will have time to establish their career.



Has there been any consideration to staggering the fees paid by current registered architects? In the UK, fees are staggered, with less experienced registered architects paying a lesser amount than more experienced architects. This would enable greater fees to be captured to enable subsidies for initial registration and ideally allow for fees proportional to income earned. There is clearly a problem with the industry as a whole, for the costs required to gain the qualifications (both university and registration) to be so high in comparison with the average income of those working in the profession.



The NZRAB should have a tiered fee structure for annual registered. Example for sole practitioner the annual registration fee should be the lowest and followed by a practice having the number of registered Architect under their employment.

Reconsider the fee and name for voluntary suspension

A strong theme that came through in comments for all questions concerned having a fee for voluntary suspension and renaming voluntary suspension to something more accurate and positive.



Across all 3 options I don't agree with a \$250 fee for voluntary suspension. I think if warranted, further clarity is needed regarding the administration cost required for this.



There should definitely be an alternative option for maternity leave perhaps named 'parental break', rather than voluntary suspension. The first 12 months of 'parental break' should be free. Any longer than 12 months, I believe a \$250 fee per year would be acceptable.



I believe that the fee for voluntary suspension should be \$0. Those going into voluntary suspension are often on leave from practicing architecture and not earning. A fee would likely unfairly affect more women on maternity leave. I would support the cost for these applicants to be added to the ACR fee.



I am concerned about charging for voluntary suspension. Architects go into voluntary suspension for a number of reasons, common ones include after being made redundant or when they are on maternity leave. Other times it could be due to their health or family members health. In all those situations they can be quite financially stretched. I think there should continue to be no charge for this service and the cost spread into other areas to subsidize this service.



Why do we need to pay for voluntary suspension and can we call it something else. Parents and people working overseas are affected.

Involve the industry and consider the relationship to LBP system

The LBP system was mentioned many times in answers for all three options and in the extra comments section of the survey. People felt, if fees were too high, it would push people away

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from NZRAB registration and towards the LBP system. A few people wanted wider discussion amongst the industry.

“

I think it would be better if they were asking us to brainstorm ideas about this. It's hard to provide quality comment to the proposal. If the fees covered a quality professional studies course that prepared candidates and provided credit for registration, it could find more success as a proposal. I think this is something we need to be talking about.

“

We need architects as professionals, or we will lose the profession completely to the creep of LBPs and other untrained organisations as a lesser pathway. Perhaps tiered architectural registration not unlike the LBP pathways is a sensible option, to encourage house design done by professionals, leaving the complex structures to higher tiers is worth considering?

“

Perhaps it's time to wrap the NZRAB into the LBP system? A registered architect is also an LBP3 anyway.

“

How could the initial registration cost be reduced without affecting the quality of applicant? How can one sit an LBP test and become qualified for \$1,102 and have the same authority to lodge building consents as a registered Architect that had to spend up to \$6,520 to become registered? Is the government subsidising LBP registration to keep the standard of construction high in NZ? If so, why aren't the NZRAB accessing this funding?

We received feedback outside the survey

Thank you to those submitters who gave us feedback separately to the survey. We've included their anonymised submissions below.

Submission 1

We can see option 2 as a workable solution, with more transparency and explanation. Options 1 and 3 would be too much of a barrier to graduates. We believe that the whole profession should prioritise a conversation around the financial sustainability of the initial registration programme.

We would like answers to the following questions:

Feedback on fee options

1. Can more evidence/information be provided in regard to the 'financial mode' mentioned in the consultation document?
2. Has the NZRAB looked at options for reducing the service cost of initial registration as the most significant?
3. Why is the Initial Registration QEAP the same across all three options?
4. Does the NZRAB have historical data relating to annual registration numbers (successful and declined) under the original fee scheme as per the Registered Architects Rules 2006 for the period that it was in effect? If so, was there a difference in application numbers?
5. Irrespective of options presented, would the NZRAB consider the fees paid in instalments to help alleviate any cost barriers?
6. Does video-conferencing (Zoom etc.) reduce the costs of initial registration attempts for the NZRAB?
7. If the Ministry of Business, Innovation & Employment were to enact reform and create a single registration entity as per the NZRAB's submission in response to the Occupation Regulations Reform consultation in 2023, what would this mean for the associated cost of becoming a registered architect (or related professional)? Is it possible that such reform would create efficiencies of scale and reduce the costs of regulating architects?

Submission 2

We recommend a variation on 'Option 2' provided by NZRAB, where;

- the fee for Initial Registration to increase from \$1200.60 to \$1750.00 (incl. GST)
- a zero fee for those in Voluntary Suspension
- a minimal increase to the suggested ACR fee to subsidise both of the above, with a maximum cap of \$1000.00 (incl. GST).

The rationale for these recommendations is:

- Keeping the cost for initial registration as low as possible to keep the numbers of those getting registered at, hopefully, the current rate.
- The ACR increase should be expected, as inflation has increased and the current fee hasn't been raised in a number of years, while other costs practising architects are aware of have - insurances, Council fees, etc.
- Architects go into Voluntary Suspension for a wide range of reasons; maternity leave, travel, health issues, etc. which often means they are not earning. We note that this is also likely to disproportionately affect women. We recommend providing a supportive system which encourages professionals to return.

Feedback on fee options

Appendix 1 – anonymised comments

[See separate comments document]

Commented [JW1]: Add link? The document is 80 pages long