

Finance and Resources Committee

Public minutes of the 56th meeting of the Finance and Resources Committee held as follows:-

Date: Wednesday 17 March 2010

Time: 10:30 am

Venue: The Council Chamber, Health Professions Council, Park House, 184 Kennington Park Road, London SE11 4BU

Present: Mr R Kennett (Chair)
Mrs M Clark-Glass
Ms J Drown
Dr A Midha
Mr K Ross
Mr N Willis

In attendance:

Mr C Bendall, Secretary to the Committee
Mr G Butler, Director of Finance
Mr R Dunn, Head of Business Process Improvement
Mr G Gaskins, Director of Information Technology
Ms L Hart, Secretary to Council
Ms T Haskins, Director of Human Resources
Mr R Houghton, Head of Registration
Ms C Milner, Financial Controller
Ms K Neuschafer, Partner Manager
Ms C Reed, Project Manager
Mr G Ross-Sampson, Director of Operations
Mr M J Seale, Chief Executive and Registrar
Dr A van der Gaag, Council Chair
Mr R Welsby, Information Technology Service Support Manager

Item 1.10/23 Apologies for absence

- 1.1 Apologies for absence were received from Mrs S Drayton, Professor J Lucas (observer of behalf of the Audit Committee) and Ms E Thornton.

Item 2.10/24 Approval of agenda

- 2.1 The Committee approved the agenda.

Item 3.10/25 Declarations of members' interests

- 3.1 Members had no interests to declare in connection with the items on the agenda.

Item 4.10/26 Minutes of the Finance and Resources Committee meeting of 10 February 2010 (report ref: FRC 17/10)

- 4.1 It was agreed that the minutes of the 55th meeting of the Finance and Resources Committee should be confirmed as a true record and signed by the Chair.

Item 5.10/27 Matters arising (report ref: FRC 18/10)

- 5.1 The Committee received a paper to note from the Executive.
- 5.2 The Committee noted the actions list as agreed at the last meeting.

Item 6.10/28 Finance report (report ref: FRC 19/10)

- 6.1 The Committee received a report on the work of the Finance Department.
- 6.2 The Committee noted that funds invested on the money market, held with Barclays, Lloyds and NatWest, had matured. The Executive was considering whether to change the allocation of funds between those institutions but was awaiting information about the rates which were available.
- 6.3 The Committee noted that, following instructions from the manager of the Capita Flexiplan pension scheme (the previous pension scheme for employees), HPC had ceased contributions for the six notional employees with effect from the end of January 2010.
- 6.4 The Committee noted that the department was working on a revised version of the five year plan and a proposed fee rise and that both items were due to be considered at the next meeting.

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6.5 The Committee agreed that the revised format of the financial information in the report was very useful.

Item 7.10/29 Human Resources report (report ref: FRC 20/10)

- 7.1 The Committee received a report on the work of the Human Resources Department.
- 7.2 The Committee noted that the department had been involved in recruitment for several posts in the Partners, Projects and Fitness to Practise departments.
- 7.3 The Committee noted that the department had recently arranged equality and diversity training and was analysing training needs arising out of annual performance and development reviews.
- 7.4 The Committee noted that the department was developing a project plan for the review of the pay system.

Item 8.10/30 Partner Manager report (report ref: FRC 21/10)

- 8.1 The Committee received a report on the work of the Partner Manager.
- 8.2 The Committee noted that, during January 2010, training and inductions had been held for a number of Partners. A number of vacancies had been filled for legal assessors and Continuing Professional Development assessors.
- 8.3 The Committee noted that the self-assessment process for panel members and panel chairs had started.

Item 9.10/31 Information Technology report (report ref: FRC 22/10)

- 9.1 The Committee received a report on the work of the Information Technology Department.
- 9.2 The Committee noted that the department was in the process of moving disaster recovery services to another provider and it was expected that this would be completed by 23 March 2010.
- 9.3 The Committee noted that, as part of the project to develop the new Fitness to Practise case management system, the department had held a series of meetings with the companies supplying the system. The project would continue into the 2010-11 financial year.
- 9.4 The Committee noted recent incidents affecting the online register and the online renewals system and the action taken to address the incidents.

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The Committee noted that monitoring systems were in place to raise alerts if the services became unavailable.

Item 10.10/32 Operations report (report ref: FRC 23/10)

- 10.1 The Committee received a report on Operations, covering the Registration Department, project management, facilities management and business improvement. A chart was tabled, showing use of the online renewals system by registrants.
- 10.2 The Committee noted that 95% of radiographers had renewed their registration, which was a 5% improvement from the previous renewals period in 2007. The Committee noted that 40% of physiotherapists had renewed within three weeks of the renewals period starting.
- 10.3 The Committee noted that, despite the recent substantial increase in telephone calls to the Registration department, the Executive had no plans to increase the number of employees, as the department was more efficient at answering calls. It was expected that usage of the online renewals system would reduce the number of calls.
- 10.4 The Committee noted that, to date, 128 registrants had used the online renewals system. The Executive intended to write to all arts therapists and hearing aid dispensers to invite them to use the system during their renewals period. The Committee noted that the system would continue to be developed and refined to address issues which were identified.
- 10.5 The Committee noted that usage of the online renewals system would be included in future Operations reports. The Committee agreed that future reports should indicate the percentage of registrants who were using the system.

Action: GRS (ongoing)

- 10.6 The Committee noted that HPC had previously agreed that 2.5% of each profession would be audited for continuing professional development. The Committee noted that the size of the sample and the methodology could be reviewed, in the light of the findings of audits which were completed.
- 10.7 The Committee noted that the Project Manager would be on maternity leave from 31 March 2010. The Director of Operations and the Committee thanked the Project Manager for her hard work and dedication.

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Item 11.10/33 Budget for 2010-2011: Projected registrant numbers (report ref: FRC 24/10)

- 11.1 The Committee received a paper for discussion/approval from the Executive.
- 11.2 The Committee noted that the paper projected registrant numbers for each profession and for each type of application. The Committee agreed that, in future, it would be helpful to see how registrant numbers affected the finances of HPC.

Action: GB/MJS (ongoing from February 2011)

- 11.3 In discussion, the following points were made:
- it was expected that the number of graduates from approved programmes in the UK would fall over the next few years, due to programmes being reduced and a shortage of jobs for graduates; and
 - factors such as continuing professional development and potential developments such as a requirement for professional indemnity insurance might affect the number of registrants.

Item 12.10/34 Budget for 2010-2011: Narrative (report ref: FRC 25/10)

- 12.1 The Committee received a paper for discussion/approval from the Executive.
- 12.2 The Committee noted that the paper set out the major tasks and projects planned for 2010-11. The Committee noted that it was intended that there would be a small surplus for the year, but a 1% change in either income or expenditure could result in significant changes to the financial position. The Committee noted that some expenditure could be deferred if income was less than expected.
- 12.3 The Committee agreed that the paper should be amended to state that, although the budget did not include a contingency, HPC held reserves in the event of unexpected expenditure.
- 12.4 The Committee agreed that the budget was already focused on HPC's core functions. The Committee noted that it was likely that there would continue to be upward pressure on expenditure, particularly in the Fitness to Practise Department.

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Item 13.10/35 Budget for 2010-2011: Financial information (report ref: FRC 26/10)

- 13.1 The Committee received a paper for discussion/approval from the Executive.
- 13.2 The Committee noted that, following its meeting on 10 February 2010, the budget had been revised to include notes on significant variances in each department's budget. The Committee agreed that the layout of the budget was helpful. The Committee agreed that, in future, if budget responsibilities were transferred between departments, the proposed budget should also indicate expenditure in the previous year.

Action: GB (ongoing from February 2011)

- 13.3 The Committee noted that the project listed as 'credit/debit outsourcing' related to automation of credit and debit card payments. The Committee agreed that the title of the project should be clarified in the budget.

Action: GB (by 25 March 2010)

- 13.4 Subject to the amendment at paragraph 13.3, the Committee approved the budget for 2010-11.

Action: GB (by 25 March 2010)

Item 14.10/36 Finance department workplan (report ref: FRC 27/10)

- 14.1 The Committee received a paper for discussion/approval from the Executive.
- 14.2 The Committee noted that the workplan proposed that the Finance Department would be reorganised during 2010-11, in order to help employees develop their skills.
- 14.3 The Committee noted that a number of projects were planned for 2010-11, including the fees project, the five year plan, development of the electronic Purchase Requisition System and development of the Sage accounting system (automating transactions and linking Sage to other systems).
- 14.4 The Committee noted that the workplan mentioned revalidation as a development likely to happen in future, although the HPC had not yet agreed to pursue revalidation. The Committee agreed that the workplan should be amended to make it clear that revalidation was only a possibility, which was dependent on policy decisions.

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- 14.5 Subject to the amendment at paragraph 14.4, the Committee agreed the workplan.

Action: GB (ongoing to March 2011)

Item 15.10/37 Human Resources workplan (report ref: FRC 28/10)

- 15.1 The Committee received a paper for discussion/approval from the Executive.
- 15.2 The Committee noted that the workplan had 11 objectives for 2010-11, including development of a new pay system, a survey of employees and central provision of training and development. The Committee noted that the objectives for the Partners department including appraisal of partners, a review of information held on partners and redrafting the partner agreement.
- 15.3 The Committee noted that appraisal of partners had commenced in 2007. The Committee agreed that the workplan should be amended to make it clear that the partner appraisal process was being extended, as it was not a new development.
- 15.4 Subject to the amendment at paragraph 15.3, the Committee agreed the workplan.

Action: TH (ongoing to March 2011)

Item 16.10/38 Information Technology workplan (report ref: FRC 29/10)

- 16.1 The Committee received a paper for discussion/approval from the Executive.
- 16.2 The Committee noted that the paper contained the proposed workplan for 2010-11 and the Information Technology strategy, which had been amended and restructured.
- 16.3 The Committee noted that the workplan included four objectives for 2010-11, covering 32 items of work. The activities planned included development of a new Fitness to Practise case management system, upgrading desktop applications and replacing elements of the telephone system.
- 16.4 The Committee noted that work planned for 2011-12 included an operating system upgrade for personal computers and a review of the Net Regulate registration system, in preparation for possible future development or replacement of the system.
- 16.5 The Committee approved the workplan.

Action: GG (ongoing to March 2011)

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Item 17.10/39 Registration department workplan (report ref: FRC 30/10)

- 17.1 The Committee received a paper for discussion/approval from the Executive.
- 17.2 The Committee noted that the Registration department would continue to fulfil operational processes in 2010-11. Activities planned included enhancements to the Net Regulate system and a revised approach to verification checks. The Committee noted that, although no fraudulent applications had been identified, the Executive would be more pro-active in checking applications.
- 17.3 The Committee noted that, during the year, the department intended to provide publicly available data on registrants to the NHS Electronic Staff Record (ESR) system in England. The Committee noted that this development had been requested by the ESR project team and would enable NHS organisations to identify changes in the registration status of their employees. The Committee noted that, provided the project was successful, HPC would be willing to consider similar requests from organisations in the other home countries.
- 17.4 The Committee noted that the Registration Department would undertake initial work during the year to record the reference number for new registrants under the Independent Safeguarding Authority's (ISA) Vetting and Barring Scheme. The Committee noted that, once the ISA had developed its systems, the Executive would consider whether it would be technically possible for HPC to share its data with the ISA.
- 17.5 The Committee approved the workplan.
Action: RH (ongoing to March 2011)

Item 18.10/40 Projects workplan (report ref: FRC 31/10)

- 18.1 The Committee received a paper for discussion/approval from the Executive.
- 18.2 The Committee noted that 15 projects were planned for 2010-11, comprising 11 new projects, two projects which were expected to be closed and two ongoing projects. The Committee noted that major projects included development of the Fitness to Practise case management system and the Education system.
- 18.3 The Committee noted that the Executive intended to present a paper on projects completed in 2009-10 to the next meeting.
- 18.4 The Committee approved the workplan.
Action: Project Manager (ongoing to March 2011)

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Item 19.10/41 Expenses policies (report ref: FRC 32/10)

- 19.1 The Committee received a paper for discussion/approval from the Executive.
- 19.2 The Committee noted that, at its meeting in July 2009, it had considered an expenses policy for witnesses in fitness to practise cases. The Committee had agreed that the policy should be re-drafted to incorporate those comments made during the course of discussion. However, given that the policy was inextricably linked to those other expenses policies adopted across the organisation, the Executive conducted a review and made a number of changes across the four policies for clarity and consistency. The Committee noted that some members had pointed out some typing errors and minor amendments, which would be incorporated into the policies.
- 19.3 In discussion, the following points were made:
- first class air fares would be reimbursed for any journey which lasted more than five hours, with the duration of the journey measured from the time a member left home to the time they arrived at the meeting;
 - some additional conditions had been incorporated around use of taxis and it was noted that an additional clause had been incorporated to allow those people who were disabled or had mobility difficulties to claim for taxi journeys;
 - the expenses policy for partners should be amended to include an allowance for carers accompanying an individual to a meeting of HPC where that individual's attendance is required, which was already included in the policy for Council and Committee members; and
 - in the policy for Council and committee members, the requirement for a child carer to be registered should be qualified so that the carer was registered 'where appropriate.'
- 19.4 The Committee noted that some members felt that first class travel for Council and committee members was inappropriate and felt that the policy should be amended in the long-term.
- 19.5 Subject to the amendments made in paragraph 19.3, the Committee approved the expenses policies for Council and committee members; employees; partners; and witnesses. The Committee noted that the policies were due to be considered by the Council on 25 March 2010.

Action: LH (by 25 March 2010)

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Item 20.10/42 Any other business

20.1 There was no other business.

Item 21.10/43 Date and time of next meeting

21.1 The next meeting of the Committee would be held at 10.30 am on Thursday 29 April 2010.

21.2 Subsequent meetings would be held at 10.30 am on
Thursday 17 June 2010
Thursday 29 July 2010
Monday 6 September 2010
Monday 22 November 2010
Thursday 27 January 2011
Thursday 3 March 2011 (Remuneration Committee)
Thursday 17 March 2011
Thursday 28 April 2011
Tuesday 21 June 2011
Wednesday 7 September 2011
Thursday 24 November 2011

Resolution

The Committee agreed to adopt the following resolution:

'The Committee hereby resolves that the remainder of the meeting shall be held in private, because the matters being discussed relate to one or more of the following;

- (1) information relating to a registrant, former registrant or applicant for registration;
- (2) information relating to an employee or officer holder, former employee or applicant for any post or office;
- (3) the terms of, or expenditure under, a tender or contract for the purchase or supply of goods or services or the acquisition or disposal of property;
- (4) negotiations or consultation concerning labour relations between the Council and its employees;
- (5) any issue relating to legal proceedings which are being contemplated or instituted by or against the Committee or the Council;
- (6) action being taken to prevent or detect crime or to prosecute offenders;
- (7) the source of information given to the Committee in confidence; or
- (8) any other matter which, in the opinion of the Chair, is confidential or the public disclosure of which would prejudice the effective discharge of the Committee's or Council's functions.'

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Summary of those matters considered whilst the public were excluded

Item 22.10/44 Minutes of the private part of the Finance and Resources Committee of 10 February 2010 (report ref: FRC 33/10)

The Committee considered and approved the minutes of the private part of the Finance and Resources Committee meeting held on 10 February 2010.

Item 23.10/45 Matters arising

There were no matters arising.

Item 24.10/46 Office accommodation (report ref: FRC 34/10)

The Committee noted the financial effects of proposals relating to HPC's office accommodation.

Item 25.10/47 Capita Flexiplan pension scheme: Update (report ref: FRC 35/10)

The Committee noted progress towards winding up the former employee pension scheme.

Item 26.10/48 Any other business

There was no other business.

Chair

Date

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