

**Agenda Item 5**

**Enclosure 1**

**Health and Care Professions Council  
20 March 2019**

**Minutes of the Council meeting of 14 February  
2019**

**For approval**

**From Claire Amor, Secretary to Council**

**Council**

**Private minutes of the 122<sup>nd</sup> meeting of the Health and Care Professions Council as follows:-**

**Date:** Thursday 14 February 2019

**Time:** 9.30 am

**Venue:** Room K, Health and Care Professions Council, Park House,  
184 Kennington Park Road, London SE11 4BU

**Present:** Stephen Cohen (Deputy Chair)  
Maureen Drake  
Kathryn Foreman  
Sue Gallone  
Sonya Lam  
Eileen Mullan  
Joanna Mussen  
Gavin Scott  
Robert Templeton  
Stephen Wordsworth

**In attendance:**

Claire Amor, Secretary to Council  
John Barwick, Executive Director of Regulation  
Jane Beach, UNITE  
Olivia Bird, Acting Policy Manager  
Alan Clamp, Professional Standards Authority  
Hannah Farndon, British Psychological Society  
Guy Gaskins, Executive Director of Operations and IT  
Nike Gustave, Professional Standards Authority  
Jacqueline Ladds, Executive Director of Policy and External Relations  
Celestine Laporte, UNISON  
Joanna Mark-Richards, Director of HR and Organisational Development  
Deborah Oluwole, Tribunal Services Manager - Scheduling  
James Penry-Davey, Capsticks  
Marc Seale, Chief Executive and Registrar  
Tim Stephens, Paramedic  
Tian Tian, Director of Finance  
Katherine Timms, Head of Policy and Standards  
Kim Wilcox, HR Business Partner

## Public Agenda

### **Item 1.19/01 Chair's welcome and introduction**

- 1.1. The Deputy Chair welcomed Council members, the Executive and those seated in the public gallery to the 122<sup>nd</sup> meeting of Council.
- 1.2. The Council noted that Joanna Mussen would demit office as a Council member on 28 February 2019, making this her last meeting. The Council thanked Joanna for her contribution to Council and wished her well for the future.
- 1.3. The Deputy Chair noted that this would be his last meeting as Deputy Chair, as the new Chair of Council had been appointed and would take office on 1 March 2019. The Council thanked Stephen for undertaking this additional role while the office was vacant.

### **Item 2.19/02 Apologies for absence**

- 2.1 No apologies were received.

### **Item 3.19/03 Approval of Agenda**

- 3.1 The Council approved the agenda.

### **Item 4.19/04 Declaration of Members' interests**

- 4.1 The registrant members of Council declared an interest in item 10, outcomes of consultation on HCPC registration fees, as they were subject to the HCPC registration fee.
- 4.2 Maureen Drake declared an interest in this item as a member of Unison who had responded to the consultation. Eileen Mullan also declared that her family member worked for Unison.

### **Item 5.19/05 Minutes of the Council meeting of 6 December 2018**

- 5.1 The Council agreed the minutes of the 121<sup>st</sup> meeting of the Health and Care Professions Council.

### **Item 6.19/06 Matters arising**

- 6.1 The Council noted those matters arising from the meeting held on 6 December 2018.

## Standing items

### Item 7.19/07 Chair's report

- 7.1 The Council received a report from the Deputy Chair. The Council noted recent external engagement activity undertaken by the Deputy Chair.
- 7.2 The Council noted that the recent HCPC stakeholder engagement event in Edinburgh was well attended and received. This was a pilot event, and future events will seek to be co-produced with stakeholders, with a more issues based agenda.

### Item 8.19/08 Chief Executive's report

- 8.1 The Council received a report from the Chief Executive.
- 8.2 The Council noted the following points:-
- during the reporting period, a considerable area of focus has been the ongoing project to transfer social worker regulation in England to Social Work England (SWE);
  - producing the draft budget for 2019-20 has been challenging due to the ongoing uncertainty about the transfer date;
  - HCPC remains the regulator of social workers in England up until the transfer date, requiring the associated resource levels;
  - there has been an ongoing increase in FTP cases received over the last few months;
  - social work cases account for a large percentage of this increase caseload. These cases can be complex and involve multiple registrant referrals. HCPC are keeping SWE informed of this increase in case levels; and
  - retaining the needed FTP employees to handle this caseload is a challenge when there is uncertainty due to the transfer. The HCPC are exploring options to encourage retention and are in discussion with the Department of Education (DofE) about funding for this.
- 8.3 The Council discussed the retendering of the FTP case preparation legal contract. It is hoped that this retender will lead to efficiencies, however a transfer date is needed before this activity can take place so that an accurate estimate of work required can be provided to suppliers bidding. This impact of the delay has been raised with DofE.
- 8.4 The Council discussed the increase in new FTP cases being received. The Council agreed it is important for the HCPC to work with systems regulators

to ensure wider causation issues can be identified where possible. It was noted that an MOU is in place with CQC, and the HCPC provides intelligence submissions in preparation for inspections. The Council asked if a similar arrangement could work with Ofsted. It was also suggested that the HCPC engage with Directors of Children's Services on the issue, as it may be an indicator of problems with complaint handling at a local level.

- 8.5 The Council discussed the absence of a definitive date for the transfer of social workers to SWE. It was noted that the HCPC is asked to input into cabinet office infrastructure reviews of the project, and that the date of the transfer is to be set by the Minister.
- 8.6 The Council discussed a recent high profile case of fraudulent register entry of a Psychiatrist. The Council noted that the Executive is presenting a review of the HCPC's registration verification arrangements to the Education and Training Committee in March 2019.
- 8.7 The Council discussed the Health and Social Care Regulators Forum, which the Chief Executive is a member of. It was noted that the forum does have attendees from Scotland and Northern Ireland, but that it is driven by England. It was noted that the emerging concerns protocol ties into the Council's strategic priority to improve its use of data intelligence. Also key to this is front line employees being appropriately trained to pick up emerging trends.

#### **Item 9.19/09 Transfer of Social Workers to Social Work England**

- 9.1 The Council received a paper from the Executive Director of Regulation.
- 9.2 The Council noted the following points:-
- SWE have now shared their draft risk register and this has been reviewed alongside the HCPC risk register;
  - joint project board meetings continue to be held between HCPC and SWE;
  - there has been ongoing discussion regarding the importance of having a Transitional Order in place to transfer data; and
  - HCPC has signed contractual agreements with its suppliers for the work to develop the data extract tools to commence.
- 9.3 The Council noted that the Executive are confident the grant in place will cover the direct costs of the project. Discussions are ongoing with DofE regarding additional funding for retaining the needed resource in the context of continuing uncertainty of transfer date.

- 9.4 The Council emphasised the importance of maintaining focus on the HCPC's core regulatory role whilst delivering the project. It was noted that the grant is in place to ensure that no resource is diverted to the detriment of ongoing regulation.

### Items for discussion / approval

#### **Item 10.19/10 Outcomes of consultation on HCPC registration fees**

- 10.1 The Council received a paper from the Head of Policy and Standards.
- 10.2 The Council noted the following points:-
- a consultation was held between 24 September and 21 December 2018 on proposals to increase the registration fees;
  - 2398 responses were received, this mirrors the volume of responses to the 2015 fees consultation;
  - responses received to this consultation were broadly similar to that of the 2015 consultation, with 90% against the increase;
  - common themes from the responses were that the HCPC should be undertaking more cost saving initiatives and concern about the money spent on the employee Christmas party, last held in 2016;
  - there is some misunderstanding about the role of the regulator, with some respondents confusing the HCPC's role with that of a professional body; and
  - the Executive recommends Council take forward all the proposed fee increases put forward in the 2018 consultation with the exception of charging registrants a higher fee for paper renewals.
- 10.3 The Council considered that the consultation response document should be revised to convey more empathy for the concerns expressed by respondents and to more fully explain the HCPC's position.
- 10.4 The Council noted respondents' comments about the need for the HCPC to make efficiencies. The Council agreed that considerable effort had been made to make efficiencies and that this would be an ongoing process. It was agreed that this should be better reflected in the consultation response document.
- 10.5 The Council discussed the misunderstanding of the HCPC's role as compared to a professional body. It was noted that this confusion has been mirrored in the stakeholder perceptions research due to report to Council in March 2019.

- 10.6 The Council discussed the issue of other sources of income raised by some respondents. It was noted that the Education and Training Committee agreed to a two stage process to review the viability of charging for education approval visits. The first stage is currently underway and involves a fundamental review of the HCPC's approach to education quality assurance. This may identify efficiencies that can be made. Once the review is complete and any recommended changes are implemented, the Committee will consider the question of charging for this activity. This would need to be on a direct cost recovery only model, and it is not expected this would exceed approximately £150k per annum. The Council agreed that more detail on this work should be included in the consultation response document.
- 10.7 A member noted due to a changing external environment for example the transfer of social workers, they felt that it would be prudent to wait to see the impact of change before raising fees. They also added that the HCPC should reconsider how it treats pre-paid registration fees and use that income on receipt. A counter view was expressed that this would be a short term solution, resulting in future registrants subsidising current registrants, and that budgeting for deficits beyond the two years of deficit budgets currently in the five year financial forecast would not be responsible for a public body.
- 10.8 A member noted the point put forward by some respondents, that the HCPC's FTP costs should reduce post social worker transfer to SWE, negating the need for fees to rise. The Executive responded that this reduction is included in the current financial forecasting and that the FTP transformation programme includes a revaluation of the reality of the resource needed to consistently meet the PSA's standards. For this reason, historical expenditure on FTP should not be the lens through which future expenditure requirements are viewed.
- 10.9 The Council noted that regulatory reform may enable greater efficiency savings in FTP processes. The Council agreed that this point should be strengthened in the response document.
- 10.10 The Council discussed the suggestions put forward in some responses that the HCPC should stagger the fee increase over a number of years. It was noted that the two year renewal cycle would make this challenging and would be likely to result in inequities among the professions fee levels over the period. It was also noted that, given the time it takes to effect a fee increase and achieve the full benefit once a complete renewal cycle has completed, staggering the fee increase would result in inflation overtaking any financial benefit. The Council agreed that this point should be better addressed in the HCPC's response.
- 10.11 A member proposed deferring the decision until the March 2019 Council meeting to allow time for the revisions to the consultation response to be made, and for further consideration of the responses received. The Council did not agree this as it agreed that in depth analysis had taken place to come

to the proposal and it did not feel this additional time would provide any further clarity.

- 10.12 The Council noted that there was support for the proposals put forward in the consultation on the prevention agenda initiatives. The Council agreed that prevention will benefit public protection and that investment is required in this area.
- 10.13 The Council agreed that should fees rise, the HCPC should be able to report on how the investment has been used. It was noted that the annual report is being reviewed to increase its accessibility and could be a suitable reporting channel.
- 10.14 Having discussed the HCPC's consultation response, The Council agreed the following:-
- the fee levels as set out in schedule 1 article 2 of the draft Health and Care Professions Council (Registration and Fees) (Amendment) (No. 2) Rules 2019, effective from 1 October 2019;
  - attached documents effective (subject to necessary amendments to the relevant Rules following legal scrutiny) from 1 October 2019;
  - the text of the consultation responses document (subject to the changes agreed during the Council's discussion above; and
  - to make the Rules in Appendix 2 of the paper (subject to legal scrutiny) by applying the Council seal.
- 10.15 The Council agreed that its decision in paragraph 10.14 would be subject to a satisfactory equality and diversity impact assessment of the fee level rise being undertaken. Members agreed to consider this impact assessment by correspondence, the results of which would be noted at the March 2019 Council meeting.

#### **Item 11.19/11 2018-19 Month 9 forecast**

- 11.1 The Council received a paper from the Director of Finance.
- 11.2 The Council noted that:-
- the month 9 forecast projects that for the full year, total expenditure will be £35.5m. Total expenditure is projected to be £34.5m. This is £225k under the original budget and £504k under month 6 forecast;
  - £131k of the underspend is due to a re-scoping of the FTP case management system replacement requirements gathering project; and

- another significant area of underspend is on assessors fees due to a reduction in International applicants.
- 11.3 In response to a question the Director of Finance advised Council that there is a good level of budgetary control at budget holder and SMT level with monthly reviews of management accounts.
- 11.4 The Council approved the 2018-19 month 9 forecast.

#### **Item 12.19/12 Draft Budget 2019-20**

- 12.1 The Council received a paper from the Director of Finance.
- 12.2 The Council noted the following points:-
- the draft budget is in line with the 5 year plan financial forecast;
  - the budget does not reflect the additional grant being sought to support resource retention;
  - there is no budgeted contingency for continuing increases in FTP case levels; and
  - the major IT projects included in the budget are time critical and cannot easily be deferred as in previous years due to software nearing the end of its support lifespan.
- 12.3 The Chair of the Audit Committee noted that she and the Deputy Chair had attended the SMT's budget development meeting and were able to gain assurance on the level of detail and challenge involved.
- 12.4 The Council requested that a prudent level of bank interest be included in the budget submitted for approach in March 2019.
- 12.5 In response to a question the Chief Executive advised that it was unlikely the substance of the draft budget would change before it is submitted for approval in March 2019.

#### **Item 13.19/13 Audit Committee risk appetite workshop outputs**

- 13.1 The Council received a report from the Chair of Audit.
- 13.2 The Council noted that in January 2019, the Audit Committee and SMT took part in a workshop to explore the HCPC's approach to risk appetite. the revised risk appetite statement is a result of this workshop is now presented to the Council for adoption. Further work will involve creating a risk appetite matrix to enable a common understanding of what is mean by the risk appetite levels as applied to different areas of the organisation.

- 13.3 The Council agreed the stratified approach to risk appetite would assist the Council and SMT by framing decisions in a risk context.
- 13.4 The Council agreed that a workshop would be helpful in building all members understanding of the risk appetite statement and developing the risk appetite matrix.
- 13.5 The Council agreed that in the new financial year, papers to Council and Committees should include an assessment of risk within the cover paper.
- 13.6 The Council requested that the wording around compliance risk and 'meeting the law' be reviewed to reflect that the HCPC will always operate within the law.
- 13.7 The Council agreed that the risk appetite for the heading 'people' should be considered by the Remuneration Committee, and any amendments the Committee makes will be incorporated.
- 13.8 The Council adopted the risk appetite statement subject to paragraphs 13.6 and 13.7.

#### **Item 14.19/14 Committee allocations**

- 14.1 The Council received a report from the Secretary to Council.
- 14.2 the Council approved the memberships of HCPC Committees as set out in the paper.

To note

The Council noted the following papers:-

#### **Item 15.19/15 The regulatory impact of Brexit - Update on internal planning**

#### **Item 16.19/16 Minutes of the Remuneration Committee meeting of 15 January 2019**

#### **Item 17.19/17 Any other business**

- 17.1 There was no other business discussed.

#### **Item 18.19/18 Future agenda items**

- 18.1 The Council noted that the following items would be considered at its 20 March meeting:

**Item 19.19/19 Date and time of next meeting:**

19.1 19 & 20 March 2019, at Park House, 184 Kennington Park Road, London SE11 4BU.

**Item 20. 19/20 Resolution**

The Council is invited to adopt the following:

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

- (a) information relating to a registrant, former registrant or application for registration;
- (b) information relating to an employee or office holder, former employee or applicant for any post or office;
- (c) 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;
- (d) negotiations or consultation concerning labour relations between the Council and its employees;
- (e) any issue relating to legal proceedings which are being contemplated or instituted by or against the Council;
- (f) action being taken to prevent or detect crime to prosecute offenders;
- (g) the source of information given to the Council in confidence; or
- (h) 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 Council's functions.'

Item	Reason for Exclusion
21	c
22	b, d
23	b, d

**20.1 Business considered in private session:-**

- The HCPC's estates strategy
- Minutes of the private session of the Remuneration Committee of 15 January 2019
- Review of pay structure and policy recommendations

Chair: .....

Date: .....