

unconfirmed
THE HEALTH PROFESSIONS COUNCIL

Chief Executive and Registrar: Mr Marc Seale

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MINUTES of the thirtieth meeting of the Finance and Resources Committee held on **Thursday 22 June 2006** at Park House, 184 Kennington Park Road, London, SE11 4BU.

PRESENT: Mr R Clegg (Chairman)
 Professor N Brook
 Mr J Camp
 Mrs M Clark-Glass
 Mr M C Davies
 Mrs S Drayton (part)
 Dr R Jones
 Mr W Munro
 Mrs J Sheridan
 Mrs B Stuart

IN ATTENDANCE:

Mr C Bendall, Secretary to the Committee
 Ms A Creighton, Education Manager (part)
 Mr R Dunn, Director of Corporate Services
 Ms L Foster, Human Resources Director
 Mr M Harris, Baker Tilly
 Mr R Houghton, Registration Manager (Operations)
 Ms Y Hussain, Partner Manager
 Mr R Kennett, Accountant Member - Audit Committee
 Mr S Leicester, Finance Manager
 Ms N O'Sullivan, Secretary to Council
 Mr M Potter, Acting International and Grandparenting Manager (part)
 Mr M Seale, Chief Executive and Registrar

Item 1.06/76 APOLOGIES FOR ABSENCE

- 1.1 Apologies for absence were received from Mr D Ross and Mr K Ross.

Item 2.06/77 APPROVAL OF AGENDA

- 2.1 The Committee approved the agenda, subject to discussing the annual report and accounts for 2004-5 and 2005-6 (which had both been tabled) as item 13.

Item 3.06/78 MINUTES OF THE FINANCE AND RESOURCES COMMITTEE MEETING HELD ON 27 APRIL 2006

- 3.1 It was agreed that the minutes of the twenty-ninth meeting of the Finance and Resources Committee should be confirmed as a true record and signed by the Chairman, subject to the following amendment to item 13.2:

The second sentence should read "The Human Resources strategy helped the HPC to deliver its aims..."

Item 4.06/79 MATTERS ARISING

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

Item 5.06/80 FINANCE AND OFFICE SERVICES REPORT

- 5.1 The Committee received a report on the work of the Finance Department and Office Services Department.
- 5.2 The Committee noted that interviews would shortly be held for a transaction manager.
- 5.3 The Committee noted that significant financial projects over the next few months included:
- presentation of the 2004-5 and 2005-6 accounts to the Council's annual meeting;
 - implementation of National Insurance/PAYE changes for payments made to Council and Committee members;
 - implementation of the increase in the attendance fee paid to Council and Committee members; and
 - preparation of the consultation document on the proposed increase in the scrutiny fee for international applications.
- 5.4 The Committee noted that the HPC had responded to the request for information from the solicitors acting for BDO Stoy Hayward (the HPC's former auditors) and the solicitors were due to reply by 26 June. The Committee noted that the HPC was willing to resolve the matter through mediation, if possible.
- 5.5 The Committee noted that there was a new ISO (International Organization for Standardization) standard on health and safety. The Committee noted that the HPC had commissioned an external company to assess health and safety issues and related issues such as fire safety.

Item 6.06/81 HUMAN RESOURCES DEPARTMENT REPORT

- 6.1 The Committee received a report on the work of the Human Resources Department.
- 6.2 The Committee congratulated Ms Foster on her appointment as the Human Resources Director.
- 6.3 The Committee noted that a Communications Director had been appointed and would begin work on 4 September. Interviews for the Education Policy Manager were due to take place on 20 July. The Committee noted that the post of Policy Director had been advertised externally and it was expected that interviews would take place in early August.
- 6.4 The Committee noted that the advertising budget was currently 10% over budget for the year to date but it was expected that there would be savings elsewhere (e.g. posts being filled later than planned).
- 6.5 The Committee noted that, following employee performance reviews, the Human Resources Department had analysed training needs.
- 6.6 The Committee noted that the exit interview process had been running for a year and a report had been compiled for the Executive Management Team. The Committee noted that, in response to comments about the need to improve communication within the HPC, middle managers had agreed to hold monthly meetings to share information and discuss issues of common interest.

Item 7.06/82 PARTNER MANAGER REPORT

- 7.1 The Committee received a report on the work of the Partner Manager.
- 7.2 The Committee noted that the recruitment process for Continuing Professional Development assessors was in its early stages. Meetings were being held to decide how many assessors would be needed and to develop draft role briefs for assessors.
- 7.3 The Committee noted that performance appraisal of Partners was underway.
- 7.4 The Committee noted that the Partner Re-appointment Process had been presented to the Council on 11 May and had been approved with a number of minor amendments. The Committee noted that the intention was to terminate a third of Partner contracts in 2006. The final decision on reappointments would be made by the Partner Manager, the head of the relevant HPC department and an independent assessor from the Office of the Commissioner for Public Appointments.

- 7.5 The Committee noted that the Partner Manager intended to develop a policy on the appointment of Partners.
- 7.6 The Committee noted that the Council had agreed that former Partners would be notified of vacancies as they arose and would be given an opportunity to apply alongside any other interested candidates.

Item 8.06/83 CORPORATE SERVICES REPORT

- 8.1 The Committee received a report on the work of the Corporate Services Department, covering Information Technology (IT) and Information Services.
- 8.2 The Committee noted that an IT Support Analyst had been recruited and had started full-time work in the Department on 11 May.
- 8.3 The Committee noted that the Department was completing testing of additional features of the BACS-IP and AUDDIS system (which related to electronic banking).
- 8.4 The Committee noted that other projects included:
- modifications to the Fitness to Practise tracking system;
 - completion of the on-line system for applications for registration;
 - amendments to the LISA registration database to follow the revised Return to Practise process; and
 - reorganisation of the Business Continuity/Disaster Recovery Plan.

Item 9.06/84 OPERATIONS REPORT

- 9.1 The Committee received a report on Operations, covering the Registration Departments and the Education - Approvals and Monitoring Department.
- 9.2 The Committee noted that the International and Grandparenting Registration Department had implemented a new archiving process, which included a more efficient and cost effective solution for scanning registration documents. On average, it took 72 working days to receive an initial assessment report on international applications (compared with 102 days in January).
- 9.3 The Committee noted that the UK Registration Department was meeting its targets, with applications taking on average six and a half working days to process (compared to a target of 10 working days).
- 9.4 The Committee noted that the Education - Approvals and Monitoring Department was at its peak period for approvals visits and was planning

visits for the 2006-7 academic year. The Committee noted that a number of visits had been cancelled, because education providers had decided not to run a programme or had decided that the programme was not ready for consideration by the HPC. The Approvals Committee had also agreed that visits to Operating Department Practitioner programmes could be deferred until 2006-7.

- 9.5 The Committee noted that there had recently been industrial action by trade unions in higher education. The HPC had written to all education providers to explain that the HPC still expected students to be assessed in accordance with the HPC's Standards and that students without a degree would not be registered. The Committee noted that the industrial action had been resolved.

Item 10.06/85 CORPORATE GOVERNANCE

- 10.1 The Committee received a paper for discussion/approval from the Executive. A paper was tabled, setting out the amendments to the Audit Committee Standing Orders which had been agreed by the Audit Committee on 12 June.
- 10.2 The Committee noted that at its meeting on 27 April it had agreed that the Executive should review the Committee's Standing Orders and that it should clarify the remits of the Finance and Resources Committee and the Audit Committee.
- 10.3 The Committee agreed the proposed amendments to its Standing Orders and agreed to recommend that the Council should accept the proposed amendments.

Action: MJS (by 6 July 2006)

Item 11.06/86 HPC SICK LEAVE AND COUNSELLING ARRANGEMENTS

- 11.1 The Committee received a paper for discussion/approval from the Executive.
- 11.2 The Committee noted that the HPC currently did not allow explicitly for employees to take paid sick leave for counselling. Employees were expected to take annual leave or attend in their own time. An Employee Assistance Programme was also provided, which included counselling for any type of issue (open to all employees and their immediate family) either on the telephone (unlimited sessions) or in person (up to eight sessions).
- 11.3 The Committee noted that there would be resource implications in terms of an impact on departmental staffing if paid sick leave was allowed for counselling appointments.

- 11.4 The Committee noted that the HPC offered generous annual leave to employees and allowed flexible working (for example, starting work early and leaving work early) if an employee had an appointment for counselling. The Committee noted that General Practitioners were moving towards an approach where patients were encouraged towards "guided self-help" (e.g. reading self-help material) and that counsellors tended to offer counselling outside normal working hours.
- 11.5 The Committee agreed that the current practice of not allowing employees to take paid sick leave to attend counselling appointments should remain.

Action: LF (Ongoing)

Item 12.06/87 BANK MANDATE

- 12.1 The Committee received a paper for discussion/approval from the Executive.
- 12.2 The Committee noted that a revised bank mandate was required, as the current one was out of date. The Committee noted that, due to procedural changes at HPC's bank, each change of bank mandate would require approval by the Committee.
- 12.3 The Committee agreed the revised bank mandate.

Action: SL (by 28 July 2006)

Item 13.06/88 ANNUAL REPORT AND ACCOUNTS 2004-5 AND 2005-6

- 13.1 The Committee received two tabled papers for discussion/approval from the Executive.
- 13.2 The Committee noted that the 2004-5 annual report had been amended in the light of comments from the HPC's joint external auditors, Baker Tilly and the National Audit Office.
- 13.3 The Committee noted that the 2005-6 annual report included key operating statistics, which showed that the HPC had moved from a substantial deficit in 2002-3 to a substantial surplus in 2005-6. The statistics also showed details of the number of Fitness to Practise cases and the number of employees.
- 13.4 The Committee noted that the 2005-6 accounts reflected the recent revaluation of the HPC's property; the costs of PAYE and National Insurance contributions on payments made to Council and Committee members in the year; and the cost of the fraud and associated investigation.

- 13.5 The Committee noted that the accounts also include a separate set of accounts for the subsidiary company (22-26 Stannary Street Ltd).
- 13.6 The Committee agreed that members should contact the Finance Manager if they had any comments on either of the annual reports and accounts.

Action: All members (by 3 July 2006)

Item 14.06/89 MARCH 2006 MANAGEMENT ACCOUNTS

- 14.1 The Committee received a paper to note from the Executive.
- 14.2 The Committee noted that the onsite component of the Baker Tilly audit had been completed. Several issues had arisen which had delayed the preparation of the statutory accounts. These included H.M. Treasury reporting requirements for financial statements. Baker Tilly had also requested a current existing use valuation of 22-26 Stannary Street Ltd's assets.

Item 15.06/90 APRIL 2006 MANAGEMENT ACCOUNTS

- 15.1 The Committee received a paper to note from the Executive.
- 15.2 The Committee noted that the figures in the management accounts were subject to change, as the 2005-6 accounts had not yet been finalised. However, the HPC was in a good financial position, especially in terms of cash, which would be required for capital expenditure during the financial year.
- 15.3 The Committee noted that, if there were large reductions in the number of NHS posts, this could significantly impact on the HPC's income. The Committee noted that the Finance Department was due to review the HPC's five year plan and would take a conservative view of expected income.

Item 16.06/91 ANNUAL REVIEW OF ACTIONS TAKEN FROM 11 JULY 2005 - 7 JULY 2006: PUBLIC MEETINGS

- 16.1 The Committee received a paper to note from the Executive.
- 16.2 The Committee noted the list of actions taken by the Committee in the past year.

Item 17.06/92 ANY OTHER BUSINESS

- 17.1 There was no other business.

Item 18.06/93 DATE AND TIME OF NEXT MEETING

- 18.1 The next meeting of the Committee would be held at 10.30 a.m. on Friday 28 July 2006.
- 18.2 Subsequent meetings would be held at 10.30 a.m. on:
- Monday 18 September 2006
- Monday 20 November 2006
- Wednesday 7 February 2007
- Thursday 8 March 2007 (Remuneration Committee)
- Wednesday 21 March 2007
- Thursday 26 April 2007
- Thursday 21 June 2007

CHAIRMAN**DATE**