

unconfirmed
THE HEALTH PROFESSIONS COUNCIL

Chief Executive and Registrar: Mr Marc Seale

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MINUTES of the 38th meeting of the Finance and Resources Committee held on **Thursday 26 July 2007** at Avonmouth House, 6 Avonmouth Street, London SE1 6NX.

PRESENT: Mr R Clegg (Chairman)
Mrs M Clark-Glass
Mr P Douglas
Professor J Harper
Mrs J Sheridan
Mrs B Stuart
Mr N Willis

IN ATTENDANCE:

Mr C Bendall, Secretary to the Committee
Mr R Dunn, Director of Information Technology
Ms L Foster, Director of Human Resources
Mr S Hall, Facilities Manager
Ms Y Hussain, Partner Manager
Mr R Kennett, Accountant member - Audit Committee (Observer)
Mr S Leicester, Director of Finance
Ms C Milner, Management Accountant
Ms N O'Sullivan, Secretary to Council
Mr G Ross-Sampson, Director of Operations

Item 1.07/104 APOLOGIES FOR ABSENCE

- 1.1 Apologies for absence were received from Mrs P Blackburn, Mrs S Drayton, Mr W Munro, Mr D Ross and Mr K Ross.
- 1.2 The Chairman welcomed Professor Harper and Mr Willis to the meeting.
- 1.3 The Committee noted that the Chief Executive and Registrar had given his apologies for absence.

Item 2.07/105 APPROVAL OF AGENDA

- 2.1 The Committee approved the agenda.

Date	Ver.	Dept/Cmte	Doc Type	Title	Status	Int. Aud.
2007-07-18	a	F&R	MIN	Minutes Finance and Resources Committee 26 July 2007 public meeting	Draft DD: None	Public RD: None

Item 3.07/106 MINUTES OF THE FINANCE AND RESOURCES COMMITTEE MEETING HELD ON 21 JUNE 2007

- 3.1 It was agreed that the minutes of the thirty-seventh meeting of the Finance and Resources Committee should be confirmed as a true record and signed by the Chairman.

Item 4.07/107 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.
- 4.3 The Committee noted that, at its last meeting, it had asked the Executive to consider whether it was appropriate for projects to be shown as "green" when the project deadline had been revised to a later date. The Committee noted that deadlines were revised for operational reasons and that the project management section of the Operations report would explain the reason for any changes.

Item 5.07/108 FINANCE AND FACILITIES MANAGEMENT REPORT

- 5.1 The Committee received a report on the work of the Finance and Facilities Management Department.
- 5.2 The Committee noted that current projects for the Department included:
- upgrading the financial system;
 - updating the five year plan; and
 - changes to access rights for the LISA registration system.
- 5.3 The Committee noted that CFC Group Ltd had started the renovation of 22-26 Stannary Street.
- 5.4 The Committee noted that the Privy Council had directed in 2003 that the HPC should prepare its report and accounts "as if it were a Non-Departmental Public Body" (NDPB) and should follow the appropriate accounting guidance from HM Treasury. Earlier in 2007, the HPC had received legal advice that it was not a NDPB. The Executive were currently seeking clarification from HM Treasury on the exact status of the HPC.

Item 6.07/109 HUMAN RESOURCES DEPARTMENT REPORT

- 6.1 The Committee received a report on the work of the Human Resources Department.
- 6.2 The Committee noted that the Council on 5 July 2007 had approved reorganisation of the Fitness to Practise Department and the Registration Departments. Following consultation with employees, the reorganisations had been finalised.
- 6.3 The Committee noted that Barnet Waddingham Investments Ltd (the HPC's pension advisers) would make a presentation to employees about the new HPC pension scheme offered by Friends Provident. Barnet Waddingham was in the process of obtaining values for the transfer of employees' contributions from the previous pension scheme to the Friends Provident scheme.

Item 7.07/110 PARTNER MANAGER REPORT

- 7.1 The Committee received a report on the work of the Partner Manager.
- 7.2 The Committee noted that the reappointments process had been completed for those partners whose contracts expired in 2007. The Executive anticipated that total partner numbers were now satisfactory. It was intended that, in 2008, partner agreements would be renewed for a further two years. The Committee noted that vacancies for partner roles would arise over time, due to resignations.
- 7.3 The Committee noted that a number of clinical scientists in different partner roles had either not been reappointed or did not wish to be reappointed. The Committee noted that this was due to a variety of reasons, including retirement and low usage of partners.
- 7.4 The Committee noted that the Partner Manager would be working with the Customer Service Manager to develop the role brief for Continuing Professional Development assessors.
- 7.5 The Committee noted that project meetings had been arranged to discuss partner recruitment if applied psychologists became regulated by the HPC. The Committee noted that it was possible that the HPC would become the competent authority to assess applications from European Union citizens to work as clinical psychologists in the UK. However, decisions on this issue rested with the UK government and were outside the HPC's control.

Item 8.07/111 INFORMATION TECHNOLOGY REPORT

- 8.1 The Committee received a report on the work of the Information Technology (IT) Department.
- 8.2 The Committee noted that the Department was in the process of recruiting to fill a vacancy, but the skills mix required was proving challenging.
- 8.3 The Committee noted that the Department had begun drafting guidance for employees who became involved in emergencies whilst out of the office on business (e.g. at approvals visits or fitness to practise hearings).
- 8.4 The Committee noted that the online authentication project (which would enable registrants to update their contact details and renew their registration online) had been completed. It was intended that this would be introduced to registrants over time, with a communication campaign to raise awareness of the system.

Item 9.07/112 OPERATIONS REPORT

- 9.1 The Committee received a report on Operations, covering the Registration Departments, Quality Management, Project Management and Approvals and Monitoring.
- 9.2 The Committee noted that the renewals cycle had begun in June and renewal forms for several professions would be sent out over the next few weeks. The Committee noted that the response rate for renewal forms had significantly improved, mainly due to improved communication from HPC to professional bodies and at conferences and listening events. The International Registration Department would assist the UK Registration Department in processing renewals. Industrial action by employees in Royal Mail had not had a significant impact on the renewal process to date.
- 9.3 The Committee noted that the Quality Manager vacancy had not yet been filled and the Director of Operations was covering the vacancy. In order to ensure that the quality management system and processes were robust, an external audit of the system would take place in August.
- 9.4 The Committee noted that four projects had been completed and that details of lessons learnt would be reported to a future meeting.

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- 9.5 The Committee noted that approvals visits for the 2006-7 academic year had been completed and that the Education Department would undertake its regular review of its processes. The Department would publish its report on the approvals process for the 2005-6 academic year and had begun preparing its report on the approvals process for 2006-7.
- 9.6 The Committee noted that there was a downward trend in the number of international applications for registration. If the trend continued, it was expected that there would be a deficit of £182,000 in income from international scrutiny fees and expenditure might need to be reviewed. The Committee noted that the overall number of registrants continued to increase.

Item 10.07/113 HEALTH AND SAFETY POLICY FOR EMPLOYEES

- 10.1 The Committee received a paper for discussion/approval from the Executive.
- 10.2 The Committee noted that the paper contained a comprehensive health and safety policy for employees, to formalise existing arrangements. Employees had been consulted about the policy.
- 10.3 The Committee noted that the policy included the introduction of an Employee Safety Group. The Committee noted that the Group would need to consider specific issues. One example mentioned in discussion was the health and safety procedure in the event of a suspicious device being discovered in the postroom.
- 10.4 The Committee approved the introduction of the proposed Health and Safety Policy for employees, including the introduction of an Employee Safety Group.

Action: LF/ SH (Ongoing)

Item 11.07/114 SELECTION AND APPOINTMENT POLICY FOR PARTNERS

- 11.1 The Committee received a paper for discussion/approval from the Executive.
- 11.2 The Committee noted that the Human Resources department workplan for 2007-8 had identified a need for a partner handbook to be developed. As part of this process, the paper contained a selection and appointment policy for partners. It was hoped that the policy would make the processes clearer for candidates who

applied or reapplied for partner roles. The policy reflected the department's existing approach.

- 11.3 In discussion, the Committee agreed that paragraph 12.2 of the policy should state that a representative from the Office for the Commissioner of Public Appointments would be invited to be part of the appointment panel to assist and advise where large recruitment exercises occurred, or where small, very specific recruitment took place. The Committee noted that the draft policy stated that a representative might be invited, which created an element of discretion.
- 11.4 The Committee noted that the HPC would seek references for applicants for partner roles prior to interview. However, references would only be considered once a decision had been made by an appointment panel to offer a role.
- 11.5 The Committee noted that there was no appeal process against a decision not to offer a partner role, although candidates would be offered feedback on their application.
- 11.6 The Committee noted that some aspects of the policy related to internal procedures within the HPC. The Committee noted that the policy would be available on request to applicants for partner roles.
- 11.7 Subject to the amendment agreed at paragraph 11.3 above, the Committee approved the introduction of the proposed selection and appointment policy for partners, to be implemented with immediate effect.

Action: YH (by 26 July 2007)

Item 12.07/115 COMMITTEE SELF-EVALUATION

- 12.1 The Committee received a paper for discussion/approval from the Executive.
- 12.2 The Committee noted that on 29 March 2007 the Council had agreed the text of the Committee self-evaluation document. The Council had also agreed that use of the form should be piloted at all committee meetings and that feedback on the process and any necessary amendments to the form should be considered at the Council Awayday in October 2007.
- 12.3 The Committee noted that on 21 June 2007 it had agreed that members should be asked to complete the self-evaluation form

individually and that an analysis of the responses should be considered on 26 July 2007.

- 12.4 In the discussion, members felt that the Committee should give more consideration to strategic issues and what its strategic goals should be. The Committee agreed that the Executive should prepare a paper explaining how the five year plan related to the Council's strategic intent document.

Action: MJS (by 18 September 2007)

- 12.5 The Committee agreed that the Executive should prepare a paper for the next meeting, setting out the timetable of business to be considered at its meetings during the year.

Action: CB (by 18 September 2007)

- 12.6 The Committee agreed that the self-evaluation process was useful. The Committee agreed that the form should be amended to separate out questions about individual members' performance and questions about the Committee's performance as a whole. The Committee agreed that its views on the process should be fed back to the Council Awayday.

Action: CB (by 18 September 2007)

Item 13.07/116 NEW EMPLOYEES JOINING THE HPC PENSION SCHEME

- 13.1 The Committee received a paper to note from the Executive.
- 13.2 The Committee noted that at its meeting on 21 June 2007 it had asked that an update should be given to the next meeting on the number of new employees who had taken the opportunity to join the pension scheme at an employer contribution rate of 16.5%. The Committee noted that it had agreed the employees should be given a deadline of 25 July 2007 to decide whether they wished to join the scheme at that rate. The group affected had previously received a letter from the Director of Human Resources offering the rate of 16.5%.
- 13.3 The Committee noted that eight out of the seventeen new employees had indicated that they wanted to join the scheme. The nine other employees had indicated that they did not want to join, or that were fully aware of the deadline. None of the employees had indicated to the Human Resources department that they were unhappy with the period of notice which had been given.

Item 14.07/117 CAPITA SCHEME VALUATION AT MARCH 2006

- 14.1 The Committee received a paper to note from the Executive.
- 14.2 The Committee noted that Entrust Pension Recovery Ltd had been appointed as the new sole corporate trustee of the Capita Flexiplan pension scheme (the scheme which had previously been offered to HPC employees).
- 14.3 The Committee noted that a preliminary range of valuations of the Flexiplan pension scheme as at 31 March 2006 had been prepared by the senior actuary at Capita Hartshead.

Item 15.07/118 UPDATE ON PHASE 1 OF REFURBISHMENT OF 22-26 STANNARY STREET

- 15.1 The Committee received a paper to note from the Executive.
- 15.2 The Committee noted that the tendering process for refurbishment of 22-26 Stannary Street had been administered by Davis Langdon. Of the eight companies initially selected to pre-qualify, a shortlist of four contractors had been invited to submit a tender for the project. Davis Langdon had analysed the tenders received and produced a tender report, which had been circulated to the Chairman and Mr D Ross. The Chairman and Mr Ross had agreed to accept Davis Langdon's recommendation and award the contract to CFC Group Ltd. The Facilities Manager thanked the Chairman and Mr Ross for their involvement.
- 15.3 The Committee noted that CFC Group Ltd had taken possession of 22-26 Stannary Street on 23 July 2007 and that the projected length of the project was 21 weeks.

Item 16.07/119 MANAGEMENT ACCOUNTS

- 16.1 The Committee received a paper to note from the Executive.
- 16.2 The Committee noted that, as of 30 June 2007, there had been a surplus after investments of approximately £224,000, a favourable variance of approximately £84,000 against budget. The Committee noted that income from registration fees was approximately £436,000 under budget. £303,000 of the variance related to a renewal fee income budget phasing error and it was expected that this unfavourable variance would be reversed later in the year. The Committee noted that International Scrutiny Fee income was £151,000 below budget. Approximately one third of

the variance related to the five week fee implementation grace period. The remainder related to budget error, in assuming fees at the higher rate for the full financial year instead of June onwards.

- 16.3 The Committee noted that the Executive would reforecast the year end position after six and nine months of the financial year. The Committee noted that some members felt that the budgeting process could be improved, by drawing on previous experience of timing differences in income and expenditure.

Action: SL (by end April 2008)

Item 17.07/120 STANDING ORDERS

- 17.1 The Committee received a paper to note from the Executive.
- 17.2 The Committee noted that its standing orders had last been updated in 2006 to include terms of reference. Following recent changes of membership, the standing orders were attached to the paper for reference.
- 17.3 The Committee noted the standing orders provided that at least one member of the Committee should be a member of Council. The Committee noted that this requirement was exceeded, as eleven of the twelve current members were also Council members.

Item 18.07/121 COMMITTEE MEMBERSHIP

- 18.1 The Committee received a paper to note from the Executive.
- 18.2 The Committee noted that on 9 July 2007 the Council had agreed that Professor John Harper and Mr Neil Willis should be appointed to the Finance and Resources Committee and the Remuneration Committee.

Item 19.07/122 ANY OTHER BUSINESS

- 19.1 There was no other business.

Item 20.07/123 DATE AND TIME OF NEXT MEETING

- 20.1 The next meeting of the Committee would be held at 10.30 am on Tuesday 18 September 2007.
- 20.2 Subsequent meetings would be held at 10.30 am on

Tuesday 20 November 2007
Wednesday 6 February 2008
Thursday 6 March 2008 (Remuneration Committee)
Wednesday 19 March 2008
Thursday 24 April 2008
Thursday 19 June 2008

CHAIRMAN

DATE

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