

**HEALTH PROFESSIONS COUNCIL
FINANCE AND RESOURCES COMMITTEE**

MINUTES

**of the 4th Meeting of the Finance and Resources Committee held at the Thistle Hotel,
Marble Arch, Bryanston Street, London, W1A 4UR on Tuesday 24th September 2002**

PRESENT

Mr Colin Lea, Chairman
Mr Michael W Barham
Mr Robert Clegg
Professor John Harper
Mr William A Munro
Mr Keith M Ross
Mrs Jackie Stark
Mrs Barbara A Stuart
Mr Neil Willis
Mr Daniel Ross (co-opted)

Mr Marc Seale (Chief Executive and Registrar)
Mr Paul Baker FCA (Secretary)

1 APOLOGIES FOR ABSENCE

1.1 Apologies had been received from Dr Sandy Yule and Professor Norma Brook.

2 APPROVAL OF AGENDA

2.1 The Draft Agenda was adopted as the Agenda for the Meeting.

3 APPROVAL OF MINUTES OF THE MEETING HELD ON 27 JUNE 2002

3.1 It was agreed that the minutes of the third meeting of the Health Professions Council Finance and Resources Committee be confirmed as a true record and signed by the Chairman.

4 MATTERS ARISING

4.1 A paper indicating progress on various matters was noted as follows.

4.2 Standing Financial Instructions

A delay had taken place on this item due to the hospitalisation of the Finance Director but the Instructions should be completed shortly, reviewed by the auditors and brought to the Committee's meeting in October.

ACTION: PKHB/BDO Stoy Hayward

4.3 **Office accommodation**

- 4.3.1 It was reported that the Architects/Interior Designers, DEGW plc, had on behalf of HPC appointed Bernard Williams Associates (BWA) as Project Managers/Cost Consultants. BWA had put out a First Stage Tender Document to suitable Main Contractors. Three contractors had been interviewed by The Chairman of the Finance and Resources Committee, the Financial Advisor and the Finance Director, together with the HPC Office Manager, who would be managing the project for HPC, Dan Wall, the BWA Job Surveyor, and representatives of DEGW. It was reported that Parkeray Ltd of Sutton were recommended as the preferred Main Contractor for the project. Their appointment was confirmed.
- 4.3.2 The next stage would be the drawing up of a formal contract between HPC and Parkeray Ltd. Our solicitors, Ormerods, would be asked to advise.
- 4.3.3 The Chief Executive reported that the design stage of the project was completed and it was established that no further architectural input was required other than by DEGW plc.
- 4.3.4 A discussion took place concerning the concept of the work and covered such matters as disabled access, the need to change Reception (for which it was reported that the current reception fell short of the requirements of fire regulations), the extension to the Council Chamber and the responsibilities for ensuring that the contract was fulfilled on time and to budget.
- 4.3.5 It was agreed that detailed plans and costings be put before the next meeting and that full details of the current shortcomings of Reception be provided. It was noted that John Harper had gained recent experience with a building contract and would be willing to help if required.

ACTION: HPC/DEGW/BWA and others

4.4 **Registration System Computerisation**

Backbone architecture had been set up, which was now being tested against user requirements. Sub-contractors for additional facilities were being selected. The project was being monitored by a Project Steering Group and is currently on time and within budget.

4.5 **Audit Committee**

It was reported that suggestions for the role of the Committee had been received from BDO Stoy Hayward. These would initially be discussed informally with the nominated members of the committee. Standing Orders then would be drafted and passed directly to Council for agreement.

ACTION: PKHB/BDO Stoy Hayward/Audit Committee nominees

- 4.6 The following items were also discussed:

4.7 **Telephone system**

The system was now fully operational but there were some minor “bedding down” issues to resolve.

- 4.8 **Payment of expenses**
The payment of expenses to Council Members was reported as slow. The Secretary was asked to produce a Status Report for the next meeting and to ensure that improvement was made.

ACTION: PKHB

- 4.9 **Staff Signing-In**
The Chief Executive reported that CPSM had formerly required all staff to sign in when they were in Park House. This had been withdrawn as there was no Fire Regulation requirement for it to continue.

- 4.10 **Charitable Donations**
It was reported that the decision not to make charitable donations did not affect the JVC work of the Professions Supplementary to Medicine Charitable Trust.

- 4.11 **Payroll Policy**
It was noted that the HR Director should provide details of proposals for a Pay Uplift Policy and a Pay Progression Policy for the next meeting in October. (This would be discussed at a private Meeting of the Committee.)

ACTION: HR DIRECTOR

5 ASSESSORS' FEES

- 5.1 The Director of Operations, Giercia Malcolm, presented her paper "Report on Assessors for International Applications", in which the Committee was asked to sanction a regularisation of Assessors' Fees to £60 for all professions. A wide-ranging discussion took place and covered other topics such as grandparenting, the Consultation Process suggesting £200 as a standard fee for international applications, IBMS offering to do assessments for £200 a time and the need to have parity set between each profession, if only for the rest of this year.

- 5.2 The Committee felt unable to make a recommendation and called for more information to be provided at the next meeting. The full picture to show the profitability of assessments and the impact on the budget for the rest of this year should be presented.

ACTION: PKHB/GM

6 INSURANCE

- 6.1 The Secretary tabled a paper that showed the insurance costs for the year commencing 1st October 2002. It was noted that total premiums would total £61,488.48, a rise of £41,436.18. £31,500 of this was the introduction of Legal Expenses Insurance and the remainder covered both increased premiums being charged post-11th September 2001 and increased cover driven by financial factors such as turnover and payroll costs.

- 6.2 It was noted that Professional Indemnity Insurance cover was included for Council Members (details being attached to the Schedule of Costs).

- 6.3 The Committee agreed that the premiums set out in the schedule of costs be paid.

7 MANAGEMENT ACCOUNTS FOR JULY/AUGUST 2002

- 7.1 The Management Accounts for July, which showed a cumulative deficit for the month of £339,794 against a budgeted deficit of £195,278 (adverse variance £144,516), were noted. It was acknowledged that the accounts included unrealised losses on the investment portfolio of £292,699. Without these the results would have exceeded budget by £97,451.
- 7.2 The Management Accounts for the five months ended 31st August, which showed a cumulative deficit of £301,583 against a budgeted deficit of £179,862 (adverse variance £121,720), were noted. It was acknowledged that the accounts included unrealised losses on the investment portfolio of £288,493. Without these the results would have exceeded budget by £108,631.
- 7.3 It was acknowledged that there were some adverse variances within the overheads but that these were in most cases countered by favourable variances within cost centres. It was noted that budgeting would need to be more accurate in the future and budget managers should increasingly get involved.
- 7.4 It was requested that the unrealised losses on the investment portfolio be separately disclosed at the foot of the Detailed Summary (Income and Expenditure Account) in future. This would enable the “trading” result to be shown at a glance.
- 7.5 It was requested that an analysis of the DoH funded expenditure be provided in future.

ACTION: PKHB

8 CONSULTATION - FEES

- 8.1 Steve Hill of Newchurch addressed the Committee on comments that had been received to date from the Consultation exercise on the subject of Fees. A variety of different comments had been made and it was noted that the suggestion to raise fees from £22 to between £65 and £85 was not being well received. It was noted that the Chairman of the Committee would present a paper on fees at the forthcoming Council Conference. The HPC five-year forecast was being refined and this would enable the Chief Executive and Finance Director to provide the Chairman with input for his presentation.

ACTION: CL, MJS, PKHB

9 FINANCIAL PROCEDURES

- 9.1 The Financial Procedures Manual was well received by the Committee. It had been written to enable those working in Finance to have a guide as to day to day procedures. It was noted that the Manual would evolve further in due course and cover further subjects.

10 BDO STOY HAYWARD SYSTEM REVIEW

- 10.1 The Committee noted the comments received from BDO Stoy Hayward following their review of the implementation of their procedural recommendations received earlier in the year.

- 10.2 It was agreed that those recommendations not yet implemented be implemented by the next Committee Meeting. The Finance Director was asked to report back at that time.

ACTION: PKHB

11 FINANCIAL TRAINING FOR COMMITTEE/COUNCIL MEMBERS

- 11.1 A number of dates in November had been suggested for training and Committee Members were asked to let the Secretary know their availability within 48 hours.

ACTION: COMMITTEE MEMBERS

12 ANY OTHER BUSINESS

- 12.1 There was no Any Other Business

13 DATE AND TIME OF NEXT MEETING

- 13.1 This was confirmed as Tuesday 29th October 2002 at 11 a.m. at Park House.

Signed (Chairman)

Date