

unconfirmed
The Health Professions Council

Chief Executive and Registrar: Mr Marc Seale

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Minutes of the 39th meeting of the Finance and Resources Committee held on **Tuesday 18 September 2007** at Avonmouth House, 6 Avonmouth Street, London SE1 6NX.

Present: Mr R Clegg (Chairman)
Mrs P Blackburn
Mrs M Clark-Glass
Mr P Douglas
Mr K Ross
Mrs J Sheridon
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
Mr S Mars, Policy Officer
Mr G Ross-Sampson, Director of Operations
Mr M J Seale, Chief Executive and Registrar
Dr A van der Gaag, President

Item 1.07/131 Apologies for absence

- 1.1 Apologies for absence were received from Mrs S Drayton, Professor J Harper, Mr D Ross and Mr W Munro.

Item 2.07/132 Approval of agenda

- 2.1 The Committee approved the agenda.

Item 3.07/133 Minutes of the Finance and Resources Committee meeting held on 26 July 2007

- 3.1 It was agreed that the minutes of the thirty-eighth meeting of the Finance and Resources Committee should be confirmed as a true record and signed by the Chairman, subject to amending the list of those in attendance to include the President.

Item 4.07/134 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 In connection with action point 3, the Committee received a tabled paper to note from the Executive. The paper set out how the five year plan related to the Council's strategic intent document other and planning documentation.
- 4.4 In connection with action point 6, the Committee noted that the Executive would reforecast the year end position after six and nine months of the financial year. These would be included in the papers for the Committee meetings on 20 November 2007 and 6 February 2008 respectively.

Item 5.07/135 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 issues relating to the pension scheme were addressed in a later item (item 15).
- 5.3 The Committee noted that the Executive was awaiting confirmation from HM Treasury on HPC's status and whether HPC should be treated as a Non-Departmental Public Body for the purposes of its accounts.
- 5.4 The Committee noted significant projects for the Department included upgrading the financial system, updating the five year plan and access rights for the LISA registration system.
- 5.5 The Committee noted that a procurement officer would be recruited shortly.

- 5.6 The Committee noted that HPC was currently meeting its reserves policy.
- 5.7 The Committee noted that the value of the investment portfolio at the end of July 2007 had been £1.977 m.

Item 6.07/136 Human Resources report

- 6.1 The Committee received a report on the work of the Human Resources Department.
- 6.2 The Committee noted details of posts which had recently been advertised and filled.
- 6.3 The Committee noted that two pension presentations had been held on 23 August for employees.
- 6.4 The Committee noted that employees were currently being consulted about changes to the employee handbook, mostly reflecting changes to employment legislation. The Committee noted that employees would discuss the revisions at team meetings and feedback would be made via managers. The Middle Management Group and the Equality and Diversity Group would also discuss the revisions. The draft handbook was due to be considered by the Committee at its meeting on 20 November 2007.
- 6.6 The Committee noted that the number of days of sick leave had increased recently and that this had been due to a range of illnesses.

Item 7.07/137 Partner Manager report

- 7.1 The Committee received a report on the work of the Partner Manager.
- 7.2 The Committee noted that it was intended that Continuing Professional Development (CPD) assessors would be recruited from existing partners, as the number of partners recruited in 2003 had exceeded HPC's needs. All current Operating Department Practitioners and Chiropodist and Podiatrist partners had been invited to express interest and there had been a good response. The Committee felt that the Executive should consider whether those individuals recruited as CPD assessors should be asked to complete their own CPD profile.
- 7.3 The Committee noted that CPD assessment had been piloted by a group of existing partners, in order to evaluate the system and

how long it would take to complete an assessment. The Committee noted that it was intended that CPD assessors would undertake assessments in multi-professional groups at Park House and also individually, depending on the number of assessments which were received each month.

- 7.4 The Committee noted that the partner handbook would be published on the HPC's website.
- 7.5 The Committee noted that a letter had been sent to partners confirming that their fees would rise from 1 October 2007.

Item 8.07/138 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 IT support analyst post had been filled.
- 8.3 The Committee noted that the online Register now enabled NHS trusts to check the registration status of multiple individuals in one search.
- 8.4 The Committee noted that an in-house IT system would be created to manage HPC's responsibilities under the Professional Qualifications Directive (which enabled individuals to pursue their profession across the European Union). It was intended that the LISA registration system would be updated at a later date.
- 8.5 The Committee noted that the Executive were considering a number of suppliers to provide archive services.

Item 9.07/139 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 renewal notices had been sent to approximately 81,000 registrants and that the number of final notices had decreased slightly, compared to the renewal process in 2005. The Committee noted that the total number of registrants had exceeded 182,000 in August, the highest total to date.
- 9.3 The Committee noted that international applications for registration continued to follow a downward trend. The Executive

would identify areas where savings could be made, to accommodate the decrease in income from international scrutiny fees.

- 9.4 The Committee noted that there had been an increase in the number of calls to the Registration departments. The Committee noted that the Executive believed the increase was partly due to postal delays arising from industrial action by Royal Mail employees.
- 9.4 The Committee noted that the project for HPC to become the competent authority for clinical psychologists had been delayed. This was because the HPC was awaiting the outcome of the infraction proceedings brought by the European Commission against the UK government. The project team had worked to ensure that HPC would, if required, be able to assess applications from European Union citizens to work as clinical psychologists in the UK.
- 9.5 The Committee noted that the approvals and monitoring report for the 2005-6 academic year had been published and the 2006-7 report was being prepared.

Item 10.07/140 Financial Regulations update

- 10.1 The Committee received a paper for discussion/approval from the Executive.
- 10.2 The Committee noted that, at its meeting on 21 June 2007, it had requested a number of amendments to the draft financial regulations.
- 10.3 The Committee noted that there was one corporate credit card, which was used to make travel bookings for HPC business. Credit cards were not issued to individual employees.
- 10.4 The Committee approved the revised financial regulations.

Action: SL (by 13 December 2007)

Item 11.07/141 Tendering policy and process update

- 11.1 The Committee received a paper for discussion/approval from the Executive.
- 11.2 The Committee noted the tendering process had been revised in 2005. Following discussion on the draft financial regulations on

Date	Ver.	Dept/Cmte	Doc Type	Title	Status	Int. Aud.
2007-09-10	a	F&R	MIN	Minutes Finance and Resources Committee 18 September 2007 public meeting	Draft DD: None	Public RD: None

21 June 2007, the tendering policy had been revised to reflect the amended financial regulations.

- 11.3 The Committee approved the tender policy and process document.

Action: SL (by 20 November 2007)

Item 12.07/142 Partner policies: Code of conduct, reference policy and complaints and appeals policy

- 12.1 The Committee received a paper for discussion/approval from the Executive.
- 12.2 The Committee noted that the paper comprised three separate policies for consideration and possible inclusion in the partner handbook.
- 12.3 The Committee agreed that the code of conduct was a clear and useful document. The Committee agreed that the section on conflicts of interest should be amended to include guidance on, and examples of, conflicts of interest.

Action: SM (by 20 November 2007)

- 12.4 The Committee agreed that section 2.1 of the reference policy should be amended to read "The purpose of this policy is to ensure that all HPC partners are treated fairly across the organisation in relation to references."

Action: YH (by 20 November 2007)

- 12.5 The Committee agreed that the first two sentences in section 5.1 of the complaints and appeals policy should be combined.

Action: YH (by 20 November 2007)

- 12.6 Subject to the amendments agreed above, the Committee approved:
- (1) the partners code of conduct;
 - (2) the partner reference policy; and
 - (3) the partner complaints and appeals policy.

Action: YH (by 20 November 2007)

Item 13.07/143 President's fees

- 13.1 The President declared an interest and left the room for this item.

- 13.2 The Committee received a paper for discussion/approval from the Executive.
- 13.3 The Committee noted that at its meeting on 7 February 2007 it had recommended to the Council that the President should receive an additional daily fee of £300 per day for up to 30 days per year, for work such as:
- appraisals of Council members and the Chief Executive;
 - meetings with governments and other stakeholders;
 - the Partners conference;
 - planning the Council Awayday and
 - presentations and other speaking engagements.

The Committee had agreed that the arrangements should be reviewed in August 2007. The Council had ratified the recommendations on 29 March 2007.

- 13.3 The Committee noted that the President was currently claiming a fee for work on two and a half days per month, which would total 30 days per year. The Committee noted that the President was content with the present arrangement. Some members felt that the payment should be increased, in light of the large number of meetings and events attended by the President. The Committee agreed to review the arrangement in due course, perhaps once the structure of the Council had been revised.
- 13.4 The Committee agreed to recommend to the Council that the arrangement for the President's fees, as set out above, should continue.

Action: NO'S (by 3 October 2007)

Item 14.07/144 22-26 Stannary Street: Progress report

- 14.1 The Committee received a paper to note from the Executive.
- 14.2 The Committee noted that the paper included a progress report from Stiles Harold Williams (the HPC's client representative) on the early stages of renovation of 22-26 Stannary Street.
- 14.3 The Committee noted that the project was on time and on budget. The builders had broken through the dividing wall between 20 and 22-26 Stannary Street. The Committee noted that any changes to the project specification were considered by the cost consultants before approval was considered.

Item 15.07/145 Pensions update

- 15.1 The Committee received a paper to note from the Executive.
- 15.2 The Committee noted that Barnet Waddingham Investments Ltd had visited HPC on 23 August 2007 and made a presentation to new members of the Friends Provident pension scheme and potential members. A second presentation had been given to members of the former scheme (the Flexiplan 1 scheme provided by Capita). Members of the Flexiplan scheme were seeking their own independent financial advice before deciding whether to transfer their funds. Five members had already applied to transfer their funds.
- 15.3 The Committee noted that the new independent trustee of the Flexiplan scheme, Entrust Pension Recovery Ltd, had invited employers to a meeting on 29 August 2007. The meeting had explained the scheme's current position and considered employers' views on the future of the scheme. Mr Nigel Hacking of Barnet Waddingham LLP had attended the meeting on HPC's behalf and his report was included in the paper. The Committee noted that employers had been informed at the meeting that there would be no liability for a debt under section 75 of the Pensions Act 1995.
- 15.4 The Committee noted that the transfer value of employee's contributions might vary from the value quoted by Capita. The value could be affected by a share of the surplus in the Flexiplan scheme. In the light of the uncertainty about transfer values, Barnet Waddingham would only complete the first stage of transferring funds from the Flexiplan scheme to the Friends Provident scheme, to avoid any members losing out. The HPC had asked Barnet Waddingham to write to the scheme members to explain the situation.
- 15.5 The Committee noted that individual employees would need to make decisions about their pension arrangements, based on their own independent financial advice. The Committee noted that employees also had access to advice from the employee assistance line and that Barnet Waddingham operated a pensions helpline and could explain pension terminology.

Item 16.07/146 July 2007 management accounts

- 16.1 The Committee received a paper to note from the Executive.

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2007-09-10	a	F&R	MIN	Minutes Finance and Resources Committee 18 September 2007 public meeting	Draft DD: None	Public RD: None

- 16.2 The Committee noted that income from the international scrutiny fee was approximately £200,000 under budget, after four months of the financial year. The Executive would identify cost savings to compensate for the reduced income.
- 16.3 The Committee noted that there had been an overspend of £7,000 in business rates, due to under-accruing rate costs at 31 March 2007 year end. The Committee noted that rates for 22-26 Stannary Street were not chargeable during renovation work.
- 16.4 The Committee noted that payroll costs showed a favourable variance, although the variance was partly offset by hiring temporary employees to fill some vacancies, pending completion of the recruitment process.
- 16.5 The Committee noted that accounting standards required that buildings should be depreciated. The HPC's land and buildings would be revalued once the renovation work was completed.

Item 17.07/147 Timetable of business for the Committee

- 17.1 The Committee received a paper to note from the Executive.
- 17.2 The Committee noted that, at its meeting on 26 July 2007, it had requested a paper setting out the timetable of business to be considered at its meetings during the year.
- 17.3 The Committee noted the paper.

Item 18.07/148 Dates of Committee meetings 2008-9

- 18.1 The Committee received a paper to note from the Executive.
- 18.2 The Committee noted the dates of Committee meetings in 2008-9, which had been agreed by the Chairman. The dates are listed at item 20.2.

Item 19.07/149 Any other business

- 19.1 There was no other business.

Item 20.07/150 Date and time of next meeting

- 20.1 The next meeting of the Committee would be held at 10.30 am on Tuesday 20 November 2007.
- 20.2 Subsequent meetings would be held at 10.30 am on

Wednesday 6 February 2008
 Thursday 6 March 2008 (Remuneration Committee)
 Wednesday 19 March 2008
 Thursday 24 April 2008
 Thursday 19 June 2008
 Thursday 31 July 2008
 Thursday 18 September 2008
 Monday 17 November 2008
 Wednesday 4 February 2009
 Thursday 5 March 2009 (Remuneration Committee)
 Monday 16 March 2009
 Thursday 23 April 2009 (discretionary meeting)
 Tuesday 23 June 2009

Chairman

Date

Unconfirmed