

Finance and Resources Committee

Public minutes of the 59th meeting of the Finance and Resources Committee held as follows:-

Date: Thursday 29 July 2010

Time: 10:30 am

Venue: The Council Chamber, Health Professions Council, Park House, 184 Kennington Park Road, London SE11 4BU

Present: Richard Kennett (Chair)
Mary Clark-Glass
Julia Drown
John Harper
Keith Ross
Eileen Thornton
Neil Willis

In attendance:

Ms G Akuffo-Kumih, Human Resources Manager
Mr C Bendall, Secretary to the Committee
Mr G Butler, Director of Finance
Mr R Dunn, Head of Business Process Improvement
Mr G Gaskins, Director of Information Technology
Mr S Hall, Facilities Manager
Ms T Haskins, Director of Human Resources
Professor J Lucas, Chair, Audit Committee (observer)
Ms C Milner, Financial Controller
Ms K Neuschafer, Partner Manager
Mr G Ross-Sampson, Director of Operations
Mr M J Seale, Chief Executive and Registrar
Dr A van der Gaag, Council Chair

Item 1.10/90 Apologies for absence

- 1.1 Apologies for absence were received from Malcolm Cross, Sheila Drayton and Arun Midha.

Item 2.10/91 Approval of agenda

- 2.1 The Committee approved the agenda, subject to considering the item on the review of investment fund management in the private part of the meeting, as it related to a matter which, in the opinion of the Chair, was confidential or the public disclosure of which would prejudice the effective discharge of the Committee's or Council's functions.

Item 3.10/92 Declarations of members' interests

- 3.1 Members had no interests to declare in connection with the items on the agenda.

Item 4.10/93 Minutes of the Finance and Resources Committee meeting of 17 June 2010 (report ref: FRC 63/10)

- 4.1 It was agreed that the minutes of the 58th meeting of the Finance and Resources Committee should be confirmed as a true record and signed by the Chair.

Item 5.10/94 Matters arising (report ref: FRC 64/10)

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

Item 6.10/95 Finance report (report ref: FRC 65/10)

- 6.1 The Committee received a report on the work of the Finance Department.
6.2 The Committee noted that, at the end of June 2010, the investment portfolio had been valued at £1.92 m, compared with £2.07 m at the start of the year. The Committee noted that this was partly due to the recent fall in the value of shares held in BP plc.
6.3 The Committee noted that the annual report and accounts had been published and laid in Parliament on 27 July 2010.
6.4 The Committee noted that the department was reviewing HPC's banking arrangements, in order to minimise bank charges. In due course, the Executive would present a paper to seek the Committee's approval to banking arrangements.

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- 6.5 The Committee noted that the department had submitted HPC's and 22-26 Stannary Street Ltd's tax returns to HM Revenue and Customs (HMRC). The Executive would also seek confirmation from HMRC that HPC could begin winding-up 22-26 Stannary Street Ltd, the company which HPC had acquired in 2005 in order to acquire the building at that address.
- 6.6 The Committee noted that the department was continuing its work to better understand the number of applications from UK graduates (who paid a discounted registration fee for an initial period) and the number of registrants who paid the full registration fee. The Committee noted that a consultant would be employed to write a computer program to extract the information from the Net Regulate registration system. It was expected that the data would be available in autumn 2010.
- 6.7 The Committee noted that the management accounts to 30 June 2010 showed favourable variances in a number of areas, such as a delay in recruiting to some employee positions and a decrease in fitness to practise panel costs. The Committee agreed that the management accounts should show the expected out-turn for the end of the financial year.

Action: GB (by 6 September 2010)

- 6.8 The Committee noted that the line for professional fees included expenditure on legal costs, such as costs for fitness to practise cases and appeals against fitness to practise decisions. The Committee noted that HPC was reviewing its fitness to practise procedures so that, where appropriate, disposal of cases could take place at earlier stages in the process.

Item 7.10/96 Human Resources report (report ref: FRC 66/10)

- 7.1 The Committee received a report on the work of the Human Resources Department.
- 7.2 The Committee noted that there had recently been less recruitment activity. The department had therefore focused on activities such as training, data analysis and the review of the pay policy and process.
- 7.3 The Committee noted that 255 agency days had been used in March 2010. This was due to temporary workers being employed in the Fitness to Practise department and in an evening shift in the Registration department, to deal with the peak period of renewals work.

Item 8.10/97 Partner Manager report (report ref: FRC 67/10)

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- 8.1 The Committee received a report on the work of the Partner Manager.
- 8.2 The Committee noted that all partner vacancies had been filled in recent recruitment for chiropodists/podiatrists and dietitians. No applications had been received for orthoptist panel member vacancies, following the advertisement in the British and Irish Orthoptic Society newsletter. A second round of recruitment had been arranged for later in the year.

Item 9.10/98 Information Technology report (report ref: FRC 68/10)

- 9.1 The Committee received a report on the work of the Information Technology Department.
- 9.2 The Committee noted that the department had continued its work on the Education, Approvals and Monitoring system. It was expected that the changes to the system would be completed by October 2010.
- 9.3 The Committee noted that quarterly penetration testing of the IT environment had identified a number of vulnerabilities. This had been expected, as each round of testing reflected developments in hacking of IT systems. Work was under way to address the vulnerabilities which had been identified.
- 9.4 The Committee noted details of recent incidents affecting availability of the telephony system, the online register and online renewal and the registration system. The Committee noted the action which had been taken to address the issues.
- 9.5 The Committee noted that replacement laptops would be expected to have a useful economic life of three years and it was expected that they would be replaced after that time.
- 9.6 The Committee noted that HPC had received advice to buy a volume licence agreement for software licences, as this was more cost-effective. The Committee noted that the budget for software licences was £50,000.

Item 10.10/99 Operations report (report ref: FRC 69/10)

- 10.1 The Committee received a report on Operations, covering the Registration Department, project management, facilities management and business improvement.
- 10.2 The Committee noted that the peak period of registration renewals had now passed and the Registration Department was processing applications from new graduates. The Committee noted that, as of 9 July 2010, 65% of hearing aid dispensers and 52% of chiropodists/podiatrists had renewed their registration online.

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- 10.3 The Committee noted that a new project (purchase of additional premises) had started.
- 10.4 The Committee noted that the Executive was working on a project to record registrants' preferences for receiving publications and information from HPC (for example, by e-mail; or in Welsh).
- 10.5 The Committee noted that the Executive regularly reviewed HPC's systems to ensure that they were working effectively. Following these reviews, where necessary the Executive initiated projects to update systems.

Item 11.10/100 Exit interview report 2009-10 (report ref: FRC 71/10)

- 11.1 The Committee received a paper to note from the Executive.
- 11.2 The Committee noted that all employees who left employment at HPC were encouraged to take part in a confidential exit interview. An annual exit interview report was considered by the Executive Management Team (EMT) and a summary of trends was provided to the Committee for information. The Committee noted that EMT considered what action should be taken in response to trends identified in the report.
- 11.3 The Committee noted that HPC conducted an employee attitude survey of all employees every two years and a survey was due to be conducted later in the year.

Item 12.10/101 Equality and Diversity annual statistics – employees and partners (report ref: FRC 72/10)

- 12.1 The Committee received a paper to note from the Executive.
- 12.2 The Committee noted that the paper summarised equality and diversity data for employees and partners. The Committee noted that some of the data (for example, age ranges) was divided differently for employees and partners. The Committee agreed that the Executive should ensure that the data was presented consistently in future reports.

Action: TH (ongoing from July 2011)

Item 13.10/102 Disaster recovery test 21 May 2010 (report ref: FRC 73/10)

- 13.1 The Committee received a paper to note from the Executive.
- 13.2 The Committee noted an inter-departmental disaster recovery exercise had been carried out on 21 May 2010, following two days of small-scale testing. The paper set out the scenario, the progress of the test and changes to be made to the disaster recovery plan.

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- 13.3 The Committee noted that the disaster recovery process had been used in incidents such as the terrorist attacks on London on 7 July 2005, several local power cuts and disruption to public transport due to bad weather.
- 13.4 The Committee noted that business continuity and disaster recovery processes could help to reduce insurance premiums.
- 13.5 The Committee noted that the Executive intended to hold a future disaster recovery test at one of the premises owned by ICM Disaster Recovery, the firm which provided HPC's disaster recovery facilities.

Item 14.10/103 Any other business

- 14.1 There was no other business.

Item 15.10/104 Date and time of next meeting

- 15.1 The next meeting of the Committee would be held at 10.30 am on Monday 6 September 2010 (followed by a meeting of the Remuneration Committee).
- 15.2 Subsequent meetings would be held at 10.30 am on
- Monday 22 November 2010
 - Thursday 27 January 2011
 - Thursday 3 March 2011 (Remuneration Committee only)
 - Thursday 17 March 2011
 - Thursday 28 April 2011
 - Tuesday 21 June 2011
 - Wednesday 7 September 2011
 - Thursday 24 November 2011

Resolution

The Committee agreed to adopt the following resolution:

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

- (1) information relating to a registrant, former registrant or applicant for registration;
- (2) information relating to an employee or officer holder, former employee or applicant for any post or office;
- (3) 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;

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- (4) negotiations or consultation concerning labour relations between the Council and its employees;
- (5) any issue relating to legal proceedings which are being contemplated or instituted by or against the Committee or the Council;
- (6) action being taken to prevent or detect crime or to prosecute offenders;
- (7) the source of information given to the Committee in confidence; or
- (8) 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 Committee's or Council's functions.'

Summary of those matters considered whilst the public were excluded

Item 16.10/105 Minutes of the private part of the Finance and Resources Committee of 17 June 2010 (report ref: FRC 74/10)

The Committee considered and approved the minutes of the private part of the Finance and Resources Committee meeting held on 17 June 2010

Item 17.10/106 Matters arising

There were no matters arising.

Item 18.10/107 Five year plan July 2010 (report ref: FRC 75/10)

The Committee received an update on the revised five year plan.

Item 19.10/108 Five year plan update (report ref: FRC 76/10)

The Committee did not consider this paper, as the five year plan had been superseded by the announcement that HPC was to regulate social workers in England.

Item 20.10/109 Review of investment fund management (report ref: FRC 70/10)

The Committee agreed that the Executive should seek advice from Rensburg Sheppards, HPC's investment managers, on the future approach to investment fund management.

Item 21.10/110 Any other business

There was no other business.

Chair

Date

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