

**Agenda Item 5**

**Enclosure 1**

**Health and Care Professions Council  
21 March 2018**

**Minutes of the Council meeting of 7th  
February 2018**

**For discussion and approval**

**From Claire Amor, Governance Manager**

**Council**

**Minutes of the 116<sup>th</sup> meeting of the Health and Care Professions Council as follows:-**

**Date:** Wednesday 7 February 2018

**Time:** 1pm

**Venue:** Rooms D & G, Health and Care Professions Council, Park House,  
184 Kennington Park Road, London SE11 4BU

**Present:** Elaine Buckley (Chair)  
Stephen Cohen  
Maureen Drake  
Kathryn Foreman  
Sue Gallone  
Sonya Lam  
Eileen Mullan  
Joanna Mussen  
Gavin Scott  
Robert Templeton  
Stephen Wordsworth

**In attendance:**

Claire Amor, Secretary to Council  
John Barwick, Acting Director of Fitness to Practise  
Jonathan Bracken, Solicitor to Council  
Ellis Christie, Quality Compliance Officer  
Guy Gaskins, Director of Information Technology  
Andy Gillies, Director of Finance  
Abigail Gorringe, Director of Education  
Michael Guthrie, Director of Policy and Standards  
Teresa Haskins, Director of Human Resources  
Michael Humphreys, Professional Standards Authority  
Daniel Knight, Publishing Manager  
Louise Lake, Director of Council and Committee Services  
James Penry-Davey, Capsticks  
Greg Ross-Sampson, Director of Operations  
Marc Seale, Chief Executive and Registrar  
Kate Steele, Capsticks

## Public Agenda

### **Item 1.18/1 Chair's welcome and introduction**

- 1.1. The Chair welcomed Council members and those seated in the public gallery to the 116<sup>th</sup> meeting of Council.

### **Item 2.18/2 Apologies for absence**

- 2.1 Apologies were received from Graham Towl.

### **Item 3.18/3 Approval of Agenda**

- 3.1 The Council approved the agenda.

### **Item 4.18/4 Declaration of Members' interests**

- 4.1 No interests were declared.

### **Item 5.18/5 Minutes of the Council meeting of 6 and 7 December 2017 and 18 January 2018**

- 5.1 The Council considered the minutes of the 114<sup>th</sup> and 15<sup>th</sup> meeting of the Health and Care Professions Council.
- 5.2 The Council agreed the minutes.

### **Item 6.18/6 Matters arising**

- 6.i.1 The Council noted those matters arising from the meetings held on 6 and 7 December 2017 and 18 January 2018.
- 6.i.2 The Council noted the report.

### **Item 7.18/7 Chair's report**

- 7.1 The Council received a report from the Chair.
- 7.2 During discussion the following points were noted:-
  - a successful round table discussion took place in January with the professional bodies. Discussion focused on the consultation on the future shape of regulation. There was significant consensus among the participants with respect to the key topics. Feedback from the event was positive and consideration will be given to hosting a second event later in the year;
  - the Chair, Chief Executive and Director of Communications met with Shona Robison MSP, the Scottish Minister for Health and Sport. The

Minister recognised the need for flexible legislation to enhance regulatory efficiency, she was also supportive of the need to regulate Physicians Associates; and

- the Chair and Chief Executive will shortly be writing to congratulate the newly appointed Ministers at the Departments of Health and Social Care and Education. An invitation to meet will be extended.

7.3 It was noted that the University of Surrey research 'understanding the prevalence of fitness to practise cases about paramedics and social workers' was not discussed at the recent round table event with professional bodies. It was agreed that this would be a useful theme for a future event. It was also agreed that wider Council participation would be sought in any future similar event.

7.4 The Chair noted that it was the last meeting of the Council for the outgoing Director of Policy and Standards, Michael Guthrie. The Chair and the Council thanked Michael for his invaluable advice and wise counsel over the last decade. It was noted the Michael will shortly be taking up a post at a regulator in Australia. The Council wished him the very best for the future.

7.5 The Council noted the report.

#### **Item 8.18/8 Chief Executive's report**

8.1 The Council received a report from the Chief Executive.

8.2 During discussion the following points were noted:-

- the 186 Kennington Park Road project is progressing as expected and it is expected Council members will be invited to tour the new building in March 2018;
- the leasing of office space in 186 Kennington Park Road is progressing well and it is expected that the agreement will be signed in February 2018;
- the 9 month reforecast and actuals indicate that for the full year, income will be in line with the original budget, and overall expenditure will be £176k under the original budget;
- the number of open cases in the pre Investigating Committee Panel (ICP) stage continues to be above forecast expectations. This is due to a slowdown in the closure rate resulting from the additional scrutiny of pre-ICP case closures; and
- the planned meeting between the Director of Fitness to Practise and the PSA's Director of Quality has been postponed to the 9<sup>th</sup> February.

8.3 The Council discussed the performance against budget and timeframe of the 186 Kennington Park Road project. The following points were noted and resulting actions agreed: -

- the Executive consider that the benefits outlined in the business case will be realised;
- the contingency within the original budget was used. The budget of the project was increased to £3.3million in the summer of 2017 because of the issue with the rendering on the middle building. In response to a question, the Executive advised that this figure was now expected to be exceeded by around £100k.
- this increase will not take the HCPC over its annual budget for 2017-18 for operating expenditure and capital expenditure combined, which was £37m, and has not required funds from business as usual activity to be diverted;
- following the closure of the project, a comprehensive evaluation of performance will be initiated. This could include independent internal audit input if the Audit Committee consider this appropriate for the 2018-19 internal audit plan;
- any review of the project, internal or external, should be presented to the Council in addition to the Audit Committee; and
- an overview of the initial business case and a summary of the timeline of the project issues to date should be presented to the Council in March 2018, to assist the understanding of all members, as some members were not appointed when the project was initiated.

8.4 The Council discussed the ongoing technology issues facing the registration transformation and improvement project. The following points were noted and resulting actions agreed: -

- the bug previously notified to the Council, which requires intervention from Microsoft, still does not have a resolution date;
- Microsoft recently announced that the technology which has been used to build the CPD Online Service will no longer be supported from 1 August 2018;
- this announcement prompted the initiation of the CPD Online Service Migration project, which has a budgeted cost of £253k and an estimated completion date of August 2018;
- legal advice is being sought as to the HCPC's position, Microsoft have been responsive in exploring options at their cost to mitigate the impact on the HCPC;

- the CPD module of the registrations project is a proof of concept. Following its completion, a gateway review will determine how the rest of the project progresses;
- a review of the registration project is included in the 2017-18 internal audit plan. Due to recent delays in the delivery of the plan, this review will be considered by the Audit Committee in June 2018; and
- this internal audit report will then be presented to Council in July 2018 to inform a wider discussion of the future of the project and how the issues encountered may inform the strategic approach to IT platforms in future.

8.5 The Council noted that to date, no response has been received from the ICO regarding the self-report of an incident in December 2017. The Governance Manager advised that the incident was reported due to the particular circumstances of the error, but that it is not expected to meet the ICO's threshold for regulatory action. An update will be provided through the CEO report when a response is received.

8.6 The Council noted the report.

#### **Item 9.18/9 New Regulatory body for social work**

9.1 The Council received a verbal update from the Chief Executive. The following points were noted:-

- the Chief Executive met with officials at the Department of Health and Social Care in February and was informed that a consultation on the legislation for Social Work England will be launched before the end of the financial year;
- the timetable for the project is ambitious and currently assumes transfer in Spring 2019. The Executive expects that Autumn 2019 is probable; and
- recruitment for the Chair and Chief Executive of Social Work England is progressing.

#### **Item 10.18/10 Corporate Plan**

10.1 The Council received a report from the Executive.

10.2 The Council noted the following points:-

- the plan is informed by discussion at the Executive and Council workshop held in January 2018;

- the corporate plan will sit between the high-level strategic intent and the directorate work plans;
  - it is proposed that delivery of the corporate plan is monitored by the Council through regular reporting as part of the Chief Executive's report at each Council meeting and a more detailed report to the Council every six months;
  - it is recommended that in the next planning cycle the Council consider the structure of the strategic planning framework, possibly discontinuing the strategic intent, replacing this with a corporate strategy and annual business plan; and
  - the risk register is currently undergoing review, which will take into account the draft corporate plan.
- 10.3 The Council discussed the intended audience of the corporate plan. It was agreed that when the overall strategic planning framework is considered by Council in future planning cycles, it could become more outward facing. It was agreed that for the current plan, public protection requires more prominence.
- 10.4 The Council agreed that for strategic priority one, the last bullet point, 'we maintain and improve our performance across all of our functions' should be ordered first to emphasise that improvement is across all functions.
- 10.5 The Council noted that the deliverable of working in partnership with the Council of Deans of Health for priority two refers to a specific joint event. It was agreed that this should be clarified and that wider engagement with quality bodies should be reflected.
- 10.6 The Council agreed that for strategic priority three, the deliverable for KPI's should be to embed rather than agree to reflect progress to date and the expectation of Council.
- 10.7 The Council agreed that the draft corporate plan should influence workplans currently in development for 2018-19. It was noted that the plan will inform the setting of goals and objectives of management for the coming financial year
- 10.8 The Council agreed that the next planning cycle should be initiated in July 2018 in order for proposals to be agreed at the Council strategic away day in October 2018.
- 10.9 The Council noted the paper, agreeing to consider a final draft at its March 2018 meeting.

#### **Item 11.18/11 Key Performance Indicators**

- 11.1 The Council received a report from the Executive.
- 11.2 The Council noted the following points: -

- in January 2018, the Council and Executive participated in a workshop that began the process of developing corporate Key Performance Indicators (KPIs);
  - a streamlined approach to performance reporting to the Council was introduced in July 2017. The new approach reduced the volume of performance data and enhanced the performance commentary;
  - once agreed, reporting against the KPIs will be included at the beginning of the performance report; and
  - the draft corporate plan includes as a key deliverable to agree a set of KPIs and further review the data set and commentary provided to the Council at each meeting.
- 11.3 The Council discussed a KPI around IT efficiency and quality. It was agreed that service availability would be too blunt of a measure, and the Director of IT was asked to consider potential KPIs for this area.
- 11.4 The Council discussed the proposed KPI for projects. It was agreed that given the number and complexity of projects proposed for 2018-19, the addition of a score card format, previously removed from the performance report, may be needed, accompanied by exception reporting within the narrative report.
- 11.5 The Council noted that the shortlist does not include measures of satisfaction with core processes or confidence in the HCPC. This is because currently, this data does not exist in an appropriate or robust format for a KPI. It was noted that the stakeholder market research may assist in setting a baseline in this area and determining future data collection requirements.
- 11.6 The Council discussed the proposed KPI for employee turnover. The Council did not feel this KPI would provide the Council with key performance information. It was noted that specific band turnover could give a clearer picture or employee sick days. It was agreed that the Director of HR would consider what HR KPI would be most suitable for the HCPC's circumstance.
- 11.7 The Council noted that when the budget for 2018-19 is agreed, specific budget lines may form KPIs.
- 11.8 The Council noted the paper and agreed to consider a final set of KPIs for approval at its March 2018 Council meeting.

### **Item 12.18/12 Stakeholder Market Research**

- 12.1 The Council received a report from the Executive.
- 12.2 The Council noted the following points: -



- the purpose of the research is to explore with stakeholder groups their understanding and views of the HCPC. The outcomes of the research will inform ongoing strategy development, communication and engagement. The research forms a key deliverable of the draft corporate plan;
  - the research will build on similar research carried out for the HCPC in previous years with a focus on being able to benchmark stakeholder views and understanding;
  - regional perspectives will be an expected element of proposals;
  - a diverse variety of employer bodies views will be sought in the research;
  - previous research on experiences of the CPD process will be incorporated and built upon;
  - a budget of c.£70,000 is anticipated, this will need to be funded from the 2018-19 budget; and
  - if agreed the invitation for research proposals will be issued immediately. The deadline for proposals will be 23 March 2018. The selection panel will be formed of the Chair of Council, Director of Communications and a member of the Policy and Standards Directorate.
- 12.3 The Council discussed the intention to gather employer views on whether they consider newly qualified registrants are adequately prepared for practice. It was agreed that caution is required when phrasing of questions on this topic as employers may be measuring new graduates against a different expectation of practice level than the standards thresholds. It was agreed that this would need to be explored with bidders during selection.
- 12.4 The Council noted that experience when engaging with the HCPC across different channels would be included in the scope of the research and that this would include events.
- 12.5 The Council noted the research brief.

### **Item 13.18/13 2018/19 budget update**

- 13.1 The Council received a report from the Executive.
- 13.2 The Director of Finance gave a brief presentation on the breakdown of the HCPC's operating cost, income and budgeting approach. The Council noted the following points:-
- the base case budget was discussed by the Audit Committee on 17 January. Following this meeting the Executive and Chair of the Audit

Committee met on 2 February to agree further revisions to the budget needed to reach a position the Executive could recommend to Council;

- the Audit Committee gave a clear steer that the budget should break even or seek to make a small surplus for future requirements;
  - HCPC has achieved small operating surpluses every year since 2010-11. However free reserves are negative, and have decreased during 2017-18 due to our expenditure on the 186 KPR refurbishment and other capital projects. The HCPC is able to operate with low reserves and negative free reserves because of the requirement for registrants to pay their fees in advance;
  - the base case budget currently shows a deficit of £256k, or 0.7% of operating costs. Due to time constraints, the budget does not take into account the reductions or increased funding for fitness to practise agreed at the Executive's meeting on 2 February;
  - the Executive will further review the budget in February and present a final budget proposal for the Council's approval in March. This will include an update to payroll budgets based on the recommendations of the Remuneration Committee;
  - the Executive recommends investing a further £250k in fitness to practise to fund the improvement plan; and
  - further updates of the budget may be required during 2018-19 due to external policy decisions.
- 13.3 The Council noted the lack of flexibility in budget setting due to fixed costs. It was agreed that this inflexibility presents a risk to the HCPC's future agility and ways to remedy this need to be explored in future years.
- 13.4 The Council noted that investment income is not included in the budget. This income is approximately £150k annually and forms a small contingency.
- 13.5 The Council agreed that it required more information on the benefits expected from the proposed increase in fitness to practise funding. The Council emphasised that it is willing to invest where this is needed, but that assurance is required as to the expected performance improvements resulting from investment.
- 13.6 The Council noted the fixed price nature of the contract for fitness to practise case preparation and presentation, and that these costs form a significant portion of the HCPC's overall expenditure. The Council agreed that when the legal services contracts are next re-tendered, the Council should give consideration to its ongoing approach regarding internal vs external resource.
- 13.7 The Council discussed the presentation of the training and development budget. The Executive clarified that the per capita presentation aimed to show costs relative to employee numbers and was not in reality an individual

allowance, training is led by organisational need and objectives and will be managed centrally by HR in future.

- 13.8 The Council discussed the continuous improvement focus of the HCPC's quality assurance framework. The Council considered that its visibility of achievements in this area could be improved
- 13.9 The Council thanked the Executive for its in depth exploration of possible cost saving opportunities. The Council provided the following steer to the Executive in further developing the final budget proposal: -

- the budget should aim to break even;
- the risks presented for the individual cost saving options require more definition and a presentation of mitigations;
- the Executive should clearly indicate its recommendations on the cost saving options presented;
- the Council supports fitness to practise investment but more information is required as to expected returns on investment; and
- contingency in project budgets needs to be reviewed, with a recommendation that this is removed from individual projects and presented as an overall project portfolio contingency.

13.10 The Council noted the paper.

#### **Item 14.18/14 Fee Rise**

14.1 The Council received a report from the Executive.

14.2 The Council noted the following points:-

- recent reviews of the five year plan have indicated that financial pressures, including the loss of income when social workers transfer to Social Work England, may mean that a fee increase is necessary in the medium term;
- the HCPC's fees were last increased on 1 August 2015;
- the process of achieving a fee rise takes a minimum of nine months, and can be subjected to delays due to external factors;
- the full financial benefit of a fee rise takes two years after the effective date of any increase due to the renewal two year cycle; and
- the Executive have agreed a project to review HCPC's cost base and the expected impact of the transfer of social workers. The project will produce a paper for the Council's consideration of options in July 2018.

- 14.3 The Council noted that the Department of Health and Social Care (DoHSC) will need to agree to the tabling of a fee increase in parliament before the HCPC can seek parliamentary approval. The possibility of a fee increase has been discussed with the DoHSC during discussions about the transfer of social worker regulation. The Council agreed that the Executive should be more explicit about the HCPC's intentions with regards to a possible fee increase in upcoming discussions with the DoHSC.
- 14.4 The Council requested that the paper presented to the Council in July 2018 revisits any communications messages during the 2015 fee rise about the HCPC's future intentions on fee levels.
- 14.5 The Council noted that not all income opportunities have been explored, for example fees in Education approvals. The Education and Training Committee have initiated an exploration of this possibility. The Council requested this be explored in future fees analysis papers.
- 14.6 The Council noted the paper and agreed to receive a further paper on fees in July 2018.

#### **Item 15.18/15 Format of the Annual report and Accounts**

- 15.1 The Council received a report from the Executive.
- 15.2 The Council noted that the Executive has developed a proposed revised structure and communication approach for the HCPC's annual report and accounts 2017-18. The intention is to create a more accessible and engaging publication for the reader which is in keeping with the changes recently made to the Fitness to Practise and Education annual reports.
- 15.3 The Council noted that the annual report 2017–18 will utilise design elements from the key financial information produced last year including infographics. In 2018-19 the strategic priorities set out in the corporate plan will be used to further develop the contents of the annual report.
- 15.4 The Council welcomed the new annual report approach, agreeing that the draft structure is easy to read and a great improvement on the previous approach.
- 15.5 The Council agreed the proposed structure for the annual report and accounts 2017–18.

#### **Item 16.i.18/16 Strategic risk**

- 16.i.1 The Chair of the Audit Committee provided the Council with an update regarding the recent strategic risk workshop held by the Audit Committee and Executive. It was noted that Haysmacintyre, the HCPC's external auditors facilitated a successful session, which resulted in key strategic risk headings

and high level plans for a new more strategically focused risk register. This revised risk register will be further developed and presented to the Council in July 2018.

**Item 16.ii.18/17 Minutes of the Audit Committee meeting held on 17<sup>th</sup> January 2018**

- 16.ii.1 The Council considered the minutes of the Audit Committee held on 17<sup>th</sup> January 2018. An overview of the business considered was provided by the Chair of the Audit Committee.
- 16.ii.2 The Chair of the Audit Committee provided the Council with an update on recent issues impacting the progression of the 2017-18 internal audit plan.
- 16.ii.3 The Council noted the minutes.

**Item 17.18/18 Minutes of the meeting of the Education and Training Committee held on 18<sup>th</sup> January 2018**

- 17.1 The Council considered the minutes of the Education and Training Committee held on 17 January 2018. An overview of the business considered was provided by the acting Chair of the Education and Training Committee.
- 17.2 The Council noted that the Education and Training Committee will consider lessons learnt from the approval route experience in this case.
- 17.3 The Council noted the minutes.

**Item 18.18/19 Any other business**

- 18.1 There was no further business.

**Item 19.18/20 Future agenda items**

- 19.1 The Council noted that the following items would be considered at the March 2018 meeting:-
  - Chief Executive's Report including performance data
  - Chair's Report
  - Registrant numbers forecast
  - 5-year plan
  - Budget for 2017-2018
  - Directorate work plans
  - Surrey research action plan
  - Annual review of feedback and complaints
  - Indicative Sanctions Policy

- Review of 186 KPR project business case
- Remuneration Committee 6 February minutes
- Tribunal Advisory Committee 18 February draft minutes
- Education and Training Committee 1 March draft minutes
- Audit Committee 6 March draft minutes

### **Item 20.18/21 Meeting evaluation**

- 20.1 The Council discussed its meeting structure, agreeing to hold future meetings normally on one day as part of HCPC wide cost saving efforts.
- 20.2 It was agreed that the March meeting would take place only on 21<sup>st</sup> March beginning at 10.30am with a private Council only discussion, followed by the formal meeting at 1pm.
- 20.3 The Council agreed that the July 2018 meeting would take place on one day with the second day being focused on the next cycle of strategic planning.

### **Item 21.18/22 Resolution**

#### **Resolution**

The Council is invited to adopt the following:

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

- information relating to a registrant, former registrant or application for registration;
- information relating to an employee or office holder, former employee or applicant for any post or office;
- 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;
- negotiations or consultation concerning labour relations between the Council and its employees;
- any issue relating to legal proceedings which are being contemplated or instituted by or against the Council;
- action being taken to prevent or detect crime to prosecute offenders; the source of information given to the Council in confidence; or
- 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 Council's functions.'

Summary of matters discussed in private session;

<b>Item</b>	<b>Reason for Exclusion</b>
22	a, b, c,d, g, h
23i	b, d
23ii	b, d
24	b, d

- The Council approved the private minutes of the Council meeting of 6<sup>th</sup> and 7<sup>th</sup> December 2017.
- The Council noted the private minutes of the Remuneration Committee meeting held on 23 February 2018.
- The Council discussed the future leadership of the HCPC.

Chair: .....

Date: .....

Draft