

THE HEALTH PROFESSIONS COUNCIL

Chief Executive and Registrar: Marc Seale

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FINANCE AND RESOURCES COMMITTEE

MINUTES of the 18th Meeting of the Finance and Resources Committee held at 11 a.m. on **Tuesday 21st September 2004** at Whitefield House, 186 Kennington Park Road, London, SE11 4BT

PRESENT:

Mr C Lea, Chairman
Professor N Brook
Mr D Ross
Mr K Ross
Mrs B Stuart
Mr N Willis
Dr S Yule

IN ATTENDANCE:

Mr M Seale (Chief Executive and Registrar)
Mr P Baker (Finance Director and Committee Secretary)
Ms D Thompson (Human Resources Director)
Mr R Ballard (Management Accountant)
Miss R Bacon (Quality Assurance Manager)

Mr Lea welcomed Ruth Bacon, who was standing in for Mr Roy Dunn, Director of Information.

FIN095/04 APOLOGIES FOR ABSENCE

95.1 Apologies had been received from Mr M Barham, Mr R Clegg, Professor J Harper, Mr W Munro and Mrs J Stark.

FIN096/04 APPROVAL OF AGENDA

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

FIN097/04 APPROVAL OF MINUTES OF THE MEETING HELD ON 27TH JULY 2004

97.1 The minutes of the 17th meeting of the Health Professions Council Finance and Resources Committee were confirmed as a true record and signed by the Chairman.

FIN098/04 MATTERS ARISING

98.1 **LISA Reporting** (Minute FIN087.7/04)

It was reported that work is continuing to enhance the reporting and make the system easier to audit. BDO Stoy Hayward have indicated that they will be testing the auditability again before the end of the year and provide us with more details of their requirements in advance.

98.2 **Legal process costs** (Minute FIN093.4/04)

It was reported that financial implications were being ascertained with changes to the processes to be brought into the budget for 2005/6. Marc Seale indicated that he would bring a paper to the Council at its December meeting.

Mr Seale indicated that there were significantly more registration appeals than had been at first estimated. Legal advice is sought. If we have no defence the applicant is put on the register. Others are decided at Registration Panel meetings once a month and approximately 65% of these are currently being decided in our favour. The process is being run by Mick Calligy in the Fitness to Practise Department. Registrant Assessors are making some decisions incorrectly with some assessors, who had formerly worked under the auspices of CPSM, only learning the HPC method slowly.

FIN099/04 FINANCE AND OFFICE SERVICES REPORT

99.1 Paul Baker, the Finance Director, presented his monthly report.

99.2 A performance indicator schedule had been added to the report and was explained. The section on purchase ledger would be enhanced in due course.

99.3 £2,000,000 was on money market deposit at an interest rate of 4.41% and around £800,000 was currently held on Business Reserve Account at 2.3% .

99.4 A number of meetings had taken place and in particular work had continued on the 5-year plan, attendance allowance comparisons and enhancing LISA system reporting.

99.5 The building works (outside painting, front “garden” landscaping and some inside painting) were nearing completion. New air conditioning units were now operating on some floors within Park House.

99.6 The Committee NOTED the paper.

FIN100/04 IT REPORT

- 100.1 Ruth Bacon, the Quality Assurance Manager, presented the monthly report of the Information and IT Department.
- 100.2 She reported that Tyrone Goulbourne had been appointed to give desk top support.
- 100.3 Other current projects included, *inter alia*, the Human Resources system, the Customer Services System, the Business Continuity / Disaster Recovery online backup project, the migration of the Operating Department Practitioners and continuing decommissioning of the Care registration system. The voice authentication project for renewals by telephone had been deferred. A system was being developed by the General Medical Council and the HPC would help to a limited extent. This would enable us to evaluate the technology currently available.
- 100.4 The report contained a flow chart entitled “IT and Business strategy alignment” which illustrated how HPC strategic intent feeds into the IT strategy.
- 100.5 The Committee requested that initials included in the report, e.g. BART and ROD, should be explained in ensuing papers.
- 100.6 The Committee NOTED the paper.

FIN101/04 HUMAN RESOURCES REPORT

- 101.1 The Committee NOTED the report from Denise Thompson which covered her department’s work regarding the partners’ programme. The current profile of partners by profession and role was attached to her paper and explained. It was only in the area of Occupational Therapists that gaps remained.
- 101.2 The current situation with regard to employee resourcing was covered. Interviews for the new role of Team Administrator in the Fitness to Practise Department would be taking place later in September. Three Registration Officer vacancies have been filled. Advertisements for three Education and Policy staff members would appear soon. The response to the Partner Manager advertisement had been poor and an agency would be used.
- 101.3 Quarterly performance management reviews will be completed this autumn.
- 101.4 The introduction of the HR software had now been put back to November, although some training had taken place.
- 101.5 A two-year training programme for staff will be developed by November.
- 101.6 Keith Ross requested that the HR Strategy be updated and it was confirmed that this would be done for the February meeting, as would the strategies for IT and Finance.

ACTION – DENISE THOMPSON, ROY DUNN & PAUL BAKER

FIN102/04 HOTEL CORPORATE RATES

- 102.1 Paul Baker presented a paper which indicated that P&O Travel had been negotiating room rates with a number of hotel groups, thus securing us discounts over the rack rates normally offered to individuals.
- 102.2 A system was being set up whereby P&O Travel would pay for the hotel accommodation and evening meals to which individuals were entitled, thus reducing their “up-front” expenditure and the expense claims to the HPC.
- 102.3 It was noted that Daniel Ross had further contacts for reducing rates. It was agreed that this information be sought and passed on to P&O Travel.
- 102.4 The Committee AGREED that the Finance Staff implement a scheme whereby P&O Travel arrange hotel accommodation for all categories at discounted corporate rates not exceeding permitted levels of expenditure, with one monthly settlement to P&O Travel.
- 102.5 It was noted that Council members were still permitted to suggest suitable accommodation for themselves. P&O Travel would do their best to fulfil individual’s requirements at the best possible rates.

FIN103/04 ATTENDANCE ALLOWANCES

- 103.1 Paul Baker presented a paper which set out the rates currently being paid by most of the similar organisations to the HPC.
- 103.2 It was noted that under CPSM nothing had been paid and everything was done by Council Members and others on a voluntary basis.
- 103.3 It was AGREED that the rates for partners remain at their present levels for the foreseeable future and it was CONFIRMED that no allowances for preparation time should be paid.
- 103.4 It was NOTED that it was for Council to look at the feasibility of changing rates for Council members in due course.

FIN104/04 INTEREST RATES ON DEPOSITS

- 104.1 The Finance Director, Paul Baker, indicated that he had negotiated enhanced rates with NatWest Bank PLC, primarily using a Special Interest Bearing Account in place of the Business Reserve Account and using Corporate Bonds instead of weekly deposits on Treasury Reserve. He also had ascertained rates and service levels from a merchant bank.
- 104.2 It was AGREED that the detail in 104.1 above be implemented as soon as possible and that the Finance Director may make use of any NatWest deposit vehicle from time to time, commensurate with the organisation’s requirements.

FIN105/04 MANAGEMENT ACCOUNTS TO 31st JULY 2004

105.1 The Committee NOTED the management accounts for the four months ended 30th June which showed an operating deficit for the four months of £278,299 against a budgeted deficit of £304,305, a favourable variance of £26,076. This variance rose to £44,548 after accounting for unbudgeted unrealised gains on investments of £769 and investment income £17,703 over budget.

FIN106/04 MANAGEMENT ACCOUNTS TO 31st AUGUST 2004

106.1 The Committee NOTED the management accounts for the five months ended 31st August which showed an operating deficit for the five months of £196,459 against a budgeted deficit of £174,706, an adverse variance of £21,753. This variance became a favourable variance of £4,694 after accounting for unbudgeted unrealised gains on investments of £5,690 and investment income £20,757 over budget.

FIN107/04 PROVISIONAL MEETING DATES FOR 2005/6

107.1 Provisional dates on 28th April, 23rd June, 29th July, 20th September and 21st November 2005 and on 15th February and 22nd March 2006 were AGREED.

FIN108/04 ANY OTHER BUSINESS

108.1 There was no Any Other Business

FIN109/04 DATE AND TIME OF NEXT MEETING

109.1 The next meeting was confirmed as Tuesday 23rd November 2004 at 11 a.m. in Whitefield House. The meeting would be preceded by a meeting of the Audit Committee.

The Committee adopted the following resolution: “The Committee hereby resolves that the next part of the meeting shall be held in private because publicity would be prejudicial to the public interest, by reason of the confidential nature of the business transacted.”

Signed (Chairman)

Date