

People and Resources Committee

Public minutes of the 9th meeting of the People and Resources Committee held on:-

Date: Tuesday 7 June 2022

Time: 10am

Venue: MS Teams

Present: Stephen Cohen (Chair)
Neville Hounsome
Rebekah Eglinton
Valerie Webster
Meera Burgess

In attendance:

Claire Amor	Head of Governance
Fatma Ali	Head of HR
John Barwick	Chief Executive, and Registrar
Alastair Bridges	Executive Director of Resources and Business Performance
Kellie Green	Head of Professionalism and Upstream Regulation
Tarek Hussien	Procurement Manager
Ambia Khatun	HR Data & Systems Analyst
Alan Keshtmand	Head of Finance
Naomi Nicholson	Executive Director of Professional Practice and Insight
Andy Smith	Executive Director of Regulation
Steven Vaughan	Council Member

Public

Item 1. Chair's welcome and introduction

- 1.1 The Chair welcomed those present to the 9th meeting of the People and Resources Committee.

Item 2. Apologies for absence

- 2.1 There were no apologies for absence.

Item 3. Approval of agenda

- 3.1 The Committee approved the agenda.

Item 4. Declarations of members' interests

- 4.1 No interests were declared.

Item 5. Minutes of the People and Resources Committee meeting 3 March 2022 (report ref: PRC 14/22)

- 5.1 The Committee approved the minutes of its meeting held on 3 March 2022.

Item 6. Matters arising (report ref: PRC 15/22)

- 6.1 The Committee noted the report.

Item 7. HCPC Gender Pay Gap and Ethnicity Pay Gap Reports - 2021 (report ref: PRC 16/22)

- 7.1 The Committee received a paper from the HR Data & Systems Analyst. The paper contained the HCPC's gender pay gap and ethnicity pay gap reports for 2021.
- 7.2 The HR Data & Systems Analyst summarised the paper. The Committee noted the following points:-
- HCPC's mean gender pay gap, at the snapshot date of 5 April 2021, was 3.82% compared to 2.98% in 2020. The median gender pay gap was -0.09% as compared to 0% in 2020;

- the HCPC's gender pay gap was relatively low compared to other organisations, the key reason for HCPC's gender pay gap was the higher number of women in roles in lower pay bands than men;
- whilst the HCPC had a larger female workforce across each pay quartile, senior leadership roles held by men had higher salary market benchmarks when compared to those held by women. The appointment of males to a number of senior roles in 2021 had caused the increase in the gender pay gap;
- the HCPC was publishing its second ethnicity pay gap. While there was no legal requirement to publish ethnicity pay gaps, the HCPC were committed to doing so in line with its commitment to being an inclusive regulator;
- HCPC's mean ethnicity pay gap was 22.43% as compared to 17.31% in 2020. The median ethnicity pay gap was 18.19% as compared to 15.82% in 2020;
- the main reason for the HCPC's ethnicity pay gap was that there were comparatively more ethnic minority employees in roles in lower pay bands and comparatively fewer in higher pay bands;
- HCPC remained committed to reducing the mean pay gaps over the timeframe of the People Strategy; and
- the HCPC had put in place a number of initiatives to seek to reduce the gender and ethnicity pay gaps. This included coaching and mentoring programmes targeting underrepresented groups and women. Unconscious bias training was mandatory for recruiting managers and all applications were redacted before shortlisting; and
- the HCPC was also reviewing the salary benchmarking of key high occupancy roles in lower pay bands. The HR Business Partners would be discussing the diversity of departments with Heads of Service as part of workforce planning.

7.3 The Committee welcomed the report, commending its quality and breadth, and supported the HCPC's proactive publication of ethnicity pay gap data.

7.4 The Committee asked for clarification of the statement that while there were fewer males in senior leadership were paid higher salaries than women. The HR Data & Systems Analyst confirmed that this did not mean males were paid higher for the same role. The roles at senior leadership were all individually specified and externally benchmarked.

7.5 The Committee noted the leadership coaching programme focused on senior women leaders and asked if this coaching could be provided across all pay bands. The HR Data & Systems Analyst confirmed that

this was specifically focused on senior women leaders and that other initiatives were in place across the HCPC pay bands such as an aspiring leaders programme and mentoring as part of a targeted support approach.

- 7.6 With regards to the median gender pay gap the committee recommended that the -0.09% figure be rounded to 0% as the difference was insignificant. **ACTION.**
- 7.7 The Committee requested that data on employee retention and leavers be analysed by a wider number of EDI characteristics. The HR Data & Systems Analyst confirmed that this data was held and would be included in the future HR reports to the Committee. **ACTION.**
- 7.8 The Committee welcomed the actions outlined in the next steps section of the reports. The Committee asked that the actions be reordered to place those around improving the ethnicity pay gap first, as this was the larger gap for the HCPC. **ACTION.**
- 7.9 The Committee recommended that the HCPC consider introducing reverse mentoring for senior leaders to get a greater sense of the lived experience of HCPC's diverse employees. **ACTION.**
- 7.10 The Committee discussed unconscious bias, the HR Data & Systems Analyst confirmed there were no employee concerns raised about this and that all hiring managers were required to undertake unconscious bias e-learning ahead of taking part in recruitment. The Committee advised that the effectiveness of such training in changing behaviour had not been established and that the HCPC should use it as part of wider measures to protect against bias.
- 7.11 The Committee agreed that talent management should take place across the organisation at all levels and that this demonstration of investment in careers would encourage diverse staff to see a future at the HCPC. The Chief Executive agreed noting that mapping out potential career paths within HCPC would help to visualise opportunity for junior employees.
- 7.12 The Chair of the Committee asked the Head of HR for her reflections on the action needed in response to the reports. The Head of HR noted that the HCPC would consider putting in place targets for improvement, but that this would need consideration for what would be realistically achievable. She added that the HR Business Partners would be exploring organograms with Heads of Service to plan to reduce gaps over time.
- 7.13 The Chief Executive added that the collection of data was not an aim in itself and the action taken in response was the main focus. He added that reviewing the effectiveness and impact of actions was key to ensure they were contributing towards reducing the pay gaps.
- 7.14 The Committee thanked the HR Data & Systems Analyst for an excellent report that demonstrated ambition and commitment to improving the

HCPC's gender and ethnicity pay gaps. The Committee noted that progress against actions would be reported in future HR quarterly reports.

Item 8. HR Q4 report (report ref: PRC 17/22)

- 8.1 The Committee received a paper from the Head of HR. The paper provided a number of performance metrics, with commentary, for the period of January to March 2022.
- 8.2 The Head of HR summarised the highlights from the report. The Committee noted the following points:-
- there were 33 recruitment campaigns in Q4. The time to hire had increased slightly and the HR team were working to streamline processes to avoid losing good candidates due to length of time to recruit. This would include training for hiring managers on efficient shortlisting;
 - in comparison to Q3, the average number of permanent staff in Q4 had increased by 2%, a decrease of FTC and agency staff by 11% and 9%, respectively;
 - long term sickness had decreased in the reporting period and HR were working to support individual cases; and
 - the numbers of leavers had increased in the reporting period. The HR team would replicate some of the exit interview questions into regular employee pulse surveys with the aim of identifying and remedying issues where possible before resignations.
- 8.3 The Committee welcomed the reduction in temporary employees reported in the report, noting the importance for culture of stability of staffing.
- 8.4 The Committee discussed the take up of exit interviews for leavers. It was noted that this was around 50% which was considered low. The Committee noted the percentage of leavers who would recommend the HCPC as a place to work was low and asked if this was a concern for the Head of HR, who confirmed it was a concern and knowledge of the individual cases behind the statistics provided some assurance that the statistic did not point to wider issues of morale or culture.
- 8.5 The Committee suggested that the HCPC do a deep dive into reasons for leaving and contact employees who had left in the last six months to offer another opportunity to provide their feedback. The Head of HR welcomed this suggestion. **ACTION.**
- 8.6 The Committee discussed the sickness absence data and asked if the Executive had data on reasons for absence. The Head of HR confirmed

this data was held and monitored. The Committee advised that discussions between line managers and employees on sickness absence were particularly important while working remotely as periods of absence could point to an employee encountering difficulties that may not be picked up on remotely.

- 8.7 The Committee noted that the disabled job applicants data was represented as a percentage of the total number of candidates, with and without the characteristic, due to the actual numbers of disabled applicants being too small to provide a meaningful percentage.
- 8.8 The Committee noted that the People Strategy was ambitious and set over a five-year period. The Committee asked what areas of development were being prioritised in the current year. The Chief Executive noted that learning from the data the HCPC held was a key priority in order to try new approaches in HR processes and adjust in an agile way in response to the intelligence on effectiveness received.
- 8.9 The Committee thanked the Head of HR for an excellent report and for the demonstrable impact of her leadership.

Item 9. Partners Q4 report (report ref: PRC 18/22)

- 9.1 The Committee received a paper from the Head of Professionalism and Upstream Regulation.
- 9.2 The Committee noted the following points:-
- the Partners function moved from the Human Resources Department to the Professionalism and Upstream Regulation Department in February 2022, the presented report was the first standalone report to the Committee;
 - the report included data and narrative on the current establishment, recruitment activity, diversity, turnover and training; and
 - in the reporting period there had been an increase recruitment to support the international registration process and the new education quality assurance model. This increase was unbudgeted for. Departments had been asked to review their requirements to ensure there were no other unknown requirements for 2022-23.
- 9.3 The Head of Professionalism and Upstream regulation requested feedback from the Committee on the future development of the report.
- 9.4 The Committee welcomed the report and the level of detail it provided.
- 9.5 The Committee encouraged the Head of Professionalism and Upstream Regulation to consider fundamental change in the way the HCPC's

structured its use of Partners. The Head of Professionalism and Upstream Regulation noted this steer and advised that the HCPC was beginning to review its Partner roles. Regulatory reform would also require a resetting of the HCPC's use of partner expertise.

- 9.6 The Committee noted the need to consider the diversity of the professional pools from which the HCPC had to seek its Partners. While significant work was underway to increase diversity within the regulated professions, this would take time to feed through into the Partner candidate pool.
- 9.7 The Committee noted the importance of self and peer evaluation for Partners to consider the quality of partner decision making on behalf of the HCPC and the experiences of registrants and other stakeholders interacting with them in HCPC processes.
- 9.8 The Committee requested a briefing on the current Partner system and HCPC's utilisation of partner skills at a future meeting. **ACTION.**

Item 10. HCPC Culture Update (report ref: PRC 19/22)

- 10.1 The Committee received a paper from the Head of HR. The paper provided a summary of recent activity to support the HCPC's culture.
- 10.2 The Head of HR summarised the activities undertaken to support culture since December 2021. The Committee noted that the number and breadth of activities was intentional rather than reliance on one set piece. Feedback mechanisms were in place for all activities to monitor impact.
- 10.3 The Committee discussed the HCPC's annual performance and development review process (APDR) for all employees. It was noted that 82% of employees had completed their APDR for 2022. The Head of HR advised that the HR team undertook quality reviews of the completed reviews and synthesised data on areas such as development needs to inform organisational learning and development expenditure.
- 10.4 The Committee noted that the 18% who had not completed the APDR would be followed up on individually by HR to ensure the review was undertaken as it was a key employee development process.
- 10.5 The Head of HR advised that quarterly pulse surveys would be launched shortly to measure employee sentiment about working at HCPC. The Committee noted that it was challenging to measure cultural change but requested that the Executive establish some metrics that could provide insight into the progress of cultural change.
- 10.6 The Committee members who had been present, noted the positive atmosphere at the recent HCPC all employee event being an indication of culture. The Committee asked that verbal summaries of matters

discussed at the employee forum be shared with the Committee as another indication of culture. **ACTION.**

- 10.7 The Committee noted the Council's commitment to supporting the HCPC's culture to be high performing compassionate and inclusive and asked what aspects of support the Chief Executive viewed as the most important. The Chief Executive noted that linking organisational activity to the HCPC values was key to ensuring the culture was reinforced and the HCPC was seen as a place people wanted to work for.
- 10.8 The Executive Director of Resources and Business Performance noted that key to building the culture HCPC wanted was a willingness to challenge established process to improve experiences as well as performance accountability and appropriate support for employees to be able to perform. Clear and two-way communication and engagement with employees was key ensuring the culture was supported.
- 10.9 The Committee thanked the Head of HR for the informative paper and requested that regular updates be provided to the Committee on work to support culture.

Item 11. Finance Report March 2022 (report ref: PRC 20/22)

- 11.1 The Committee received a paper from the Head of Finance. The report presented the HCPC's financial position at the end of March 2022.
- 11.2 The Head of finance summarised the year end position. The Committee noted that the year-to-date operating deficit was £0.93m compared to a budgeted deficit of £2.28m and a forecast deficit of £1.55m. This position had improved mainly due to additional international scrutiny income, higher registration fees due to the new international registrants and reduced levels of actual expenditure in FtP and Information Technology. Year end results were subject to potential audit adjustment.
- 11.3 The Committee noted that work on year end income recognition was ongoing to prepare for the annual external audit. This was a matter the Audit and Risk Assurance Committee would be considering in depth.
- 11.4 The Head of Finance summarised recent work to build the capacity and capability of the HCPC's finance team. It was noted that the procurement to implement a new financial IT system was underway and the timescale for completion was approximately four months. Once in place this would resolve the income recognition issues as it included a deferred income module.
- 11.5 The Committee noted that the production of end of period management accounts was an ongoing area for improvement. The Executive were aiming for a 10 working day production timescale. The management accounts for May 2022 were expected to be ready around the 17 June. The finance team were also producing a cashflow forecast to include in

future reports. The Chair of the Committee reemphasised the importance of timely financial management information.

Item 12. Sustainability Update (report ref: PRC 21/22)

- 12.1 The Committee received a paper from the Executive Director of Resources and Business Performance outlining how the HCPC's sustainability strategy would be developed.
- 12.2 The Committee noted that sustainability was a key theme of the HCPC's Corporate Strategy 2021-26. The Corporate Plan 2022-23 included a commitment to produce a sustainability strategy and establish an environmental footprint baseline for the HCPC.
- 12.3 The Committee noted that the HCPC would work towards net zero targets as its ambition for the sustainability strategy. There had been significant employee interest in sustainability work and the development would seek to involve the employee group.
- 12.4 It was noted that some progress had been made to reduce the HCPC's environmental impact, through the reduction in office footprint as well as reducing energy usage and a reduction in travel due to home working.
- 12.5 The Committee noted that the HCPC would seek to partner with a sustainability specialist to support and guide the organisation to its goals. Industry standards would be followed in setting the baseline.
- 12.6 The Committee welcomed the initiation of the work to develop the HCPC's approach to environmental sustainability. The Committee advised that many organisations had progressed further than the HCPC and approaches were well established and the HCPC should not seek to start from scratch in developing its methodology.
- 12.7 The Committee noted that the HCPC could take two approaches to environmental sustainability, an extensive list of actions or focusing in on the one or two key 'levers' available to the HCPC effect change to its environmental performance. The Committee encouraged the Executive to approach the development with pace given the well established examples of other organisations it could draw from.

Item 13. Resolution

- 13.1 The Committee was invited to adopt one or more of the following:

'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;

- (a) information relating to a registrant, former registrant or applicant for registration;

- (b) information relating to an employee or officer holder, former employee or applicant for any post or office;
- (c) 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;
- (d) negotiations or consultation concerning labour relations between the Council and its employees;
- (e) any issue relating to legal proceedings which are being contemplated or instituted by or against the Committee or the Council;
- (f) action being taken to prevent or detect crime or to prosecute offenders;
- (g) the source of information given to the Committee in confidence; or
- (h) 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.'

Item	Reason for Exclusion
14	C, H
15	C, H
16	C, H

Chair.....

Date.....