

People and Resources Committee

Public minutes of the 13th meeting of the People and Resources Committee held on:-

Date: Thursday 9 March 2023

Time: 1pm

Venue: MS Teams

Present: Valerie Webster (Chair)
Neville Hounsome
Rebekah Eglinton
Kathryn Foreman
John McEvoy

In attendance:

Ewan Shears, Secretary to the Committee
Claire Amor, Executive Director of Governance, Assurance and Planning
Alastair Bridges, Executive Director of Resources and Business Performance
Andrew Smith, Interim Deputy Chief Executive
Fatma Ali, Head of HR
Alan Keshtmand, Head of Finance
Rebecca Bryan, HR Business Partner
Anna Raftery, Quality Assurance Lead
Steve Nicol, Employee Forum Chair, Digital Communications Officer
Kayleigh Birtwistle Programme Manager (Item 6)
Uta Pollmann, Project Lead, Professionalism & Upstream Regulation (Items 11 & 12)
Kellie Green, Head of Fitness To Practise – (Item 12)
Brendon Edmonds, Head of Education (Item 12)
Jamie Hunt, Acting Head of Education (Item 12)
Claire Baker, Operational Manager – Hearings (observing Item 12)
James McMahon, Head of Estates & Facilities Management (Item 16)

Public

Item 1. Chair's welcome and introduction

- 1.1 The Chair welcomed those present to the 13th meeting of the People and Resources Committee.

Item 2. Apologies for absence

- 2.1 There were no apologies received.

Item 3. Approval of agenda

- 3.1 The Committee noted the private tabled paper and agreed to consider this as an extension of Item 16 Estates Brief.
- 3.2 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 9 February 2023 (report ref: PRC 06/23)

- 5.1 The Committee approved the minutes of its meeting held on 9 February 2023.

Item 6. Resources and Business Performance Directorate performance report (report ref: PRC 07/23)

- 6.1 The Committee received a paper from the Executive Director of Resources and Business Performance. The Committee noted that this was the second iteration of the report, providing an update on performance against key measures in the areas covered by the HCPC's corporate enabler functions as of January 2023.
- 6.2 The Executive reported that progress was generally good and highlighted the continuing decline in employee turnover, efficiencies in processing financial transactions and that technology indicators showed good system availability and security.
- 6.3 The Executive noted some challenges including the 'average days to hire' (recruitment) performance and office attendance levels. The Executive assured the Committee that time was still needed for hybrid

working to bed in and that the ELT was monitoring the low levels of office attendance closely. The effect of ongoing upgrades and enhancements to the office space should prove to be a positive draw for employees.

- 6.4 The Committee advised the Executive to move at pace in finding the right balance of hybrid working and in providing more guidance to staff and managers. The Executive noted that poor weather and industrial action had contributed to low staff numbers on site. It was also noted that since the pandemic, the HCPC had employed some individuals from outside of the London area, and this was a factor for some individuals not physically attending the offices on a regular basis. The Executive assured the Committee that the HCPC was not aiming to be an online organisation and agreed that the ELT would need to decide on how to move forward with hybrid working and would present an update to Council.
- 6.5 The Committee noted that the project portfolio report demonstrated progress against the corporate plan priority projects, with most of the key milestones met and issues actively managed.
- 6.6 The Committee noted that the 5% hearings space usage appeared low. The Executive noted that there was no intention to set targets for hearing space utilisation and would continue to seek the opinions of parties involved in an FtP case as to what format any individual hearing would take (virtual vs. hybrid vs. physical). The Executive was clear that the HCPC should maintain its ability to hold physical hearings and was seeking opportunities to offer out that space to other organisations in the sector when not required by the HCPC. The free space was also made available to the rest of the organisation when not being used for hearings. The Committee agreed with that position and felt it was a pragmatic approach.
- 6.7 In response to questions from the Committee, the Executive confirmed the following points:-
- there were delays in securing interview panels for FtP staff, however, there were no delays in securing FtP hearing panels;
 - the timelines for bringing payroll inhouse had been moved from April 2023 to June-July 2023 due to the additional payroll related activity that was currently underway. The health check prior to implementation was now scheduled for July 2023;
 - although additional work was required in the Business Central re-implementation the project currently remained within its approved budget and was not impacting on other approved project work; and
 - the FtP phase 2 project had been covered by the Head of Business Change and that there was now an assigned project manager in place for it;

- there were a number of risks but that these were being actively managed. Benefits realisation and confidence in financial value was an area of ongoing development.
- 6.8 The Committee noted that some of the paused project work was dependant on securing the registration fee rise and had been considered as part of project prioritisation. The Executive assured the Committee that the work committed to on 'tone of voice' was not paused but had been delayed due to recruitment timing. This was progressing and planned to be completed in Q1 2023-24.
- 6.9 The Committee thanked the Executive for the report and welcomed the evolving look of the dashboard elements. The Committee asked that the use of acronyms (throughout all Committee papers), should be minimised being mindful that these were public papers.

Item 7. HR Performance Report Q3 2022-23 (report ref: PRC 08/23)

- 7.1 The Committee received a paper from the Head of HR. The paper provided a number of performance metrics, with commentary for Q3 2022-23. The Committee noted the following points:-
- the data showed an improved period compared to Q2 2022-23;
 - although there had been 5% increase in total staff numbers staffing these were mainly fixed term contracts and due to end in Q4
 - there was a reduction in vacancies and recruitment campaigns;
 - turnover levels continued to decrease with hybrid working, internal development opportunities and wellbeing initiatives seen as an important factor in that; and
 - there was also a continued decrease in sickness levels.
- 7.2 The Committee welcomed the positive feedback in relation to the induction process, noting that new starters were given the opportunity to attend Council meetings as part of that process. The Executive would continue to promote engagement with Council for all employees.
- 7.3 In response to a question the Executive noted that the relatively high sickness absence levels identified in the Registration and FtP departments were not for any one particular reason but were varied. The Committee further highlighted and linked the low response rates to the pulse survey from the same departments and encouraged the Executive to investigate what the underlying reasons might be for these.
- 7.4 The Executive confirmed that in relation to exit interviews, the figure reporting that the HCPC culture was unsatisfactory was based on only

two individuals. The Committee reminded the Executive to be mindful when reporting percentages based on small sample sizes as this could be misleading.

- 7.5 The Executive noted that a triangulation process of data streams including the pulse survey and exit interviews had already begun and would present the findings at the next Committee meeting.
- 7.6 The Committee welcomed the completion of paralegal status for HCPC staff. The Executive noted that there was no target set for this at this stage.
- 7.7 The Committee thanked the Head of HR for the informative report and the work being undertaken.

Item 8. HR Pulse survey results Q1 to Q3 of 2022-23 (report ref: PRC 09/23)

- 8.1 The Committee received the HR Pulse survey results Q1 to Q3 of 2022-23 from the HR Business Partner, who highlighted the following findings:-
 - employees' perceptions of their experience of working at the HCPC had remained relatively stable;
 - there was a high level of understanding of how individuals' work contributed to delivery of HCPC's strategic objectives;
 - staff felt valued and supported by their line managers; and
 - staff saw the HCPC as a diverse and inclusive employer.
- 8.2 The Committee welcomed the results of the survey and as previously noted in Item 7, encouraged the Executive to identify and address the reasons for poor response rates and engagement from some departments.
- 8.3 In response to a question the Executive assured the Committee that they were satisfied that the survey questions in general addressed its aims but recognised that there were some gaps to be addressed. The Executive noted that the questions deliberately provided for quantitative analysis only and there were no freeform options. The next steps, however, would include workshops around the identified main themes which would also allow for some qualitative analysis to be undertaken and provide a fuller picture. Future iterations of the survey could include a qualitative element allowing staff to provide comments.
- 8.4 Given only half of respondents felt senior leadership were visible and accessible, the Committee were keen to learn more in future iterations on what employees' thoughts were noting the positive feedback Council members had received in recent engagement activities. The Committee further noted that it might be difficult for employees to interpret that

question in a hybrid working environment. The Executive noted that they were evolving the questions in that part of the survey, to ensure clarity of understanding for staff and to get clear feedback.

- 8.5 The Committee thanked the HR Business Partner for the well-presented report and looked forward to seeing the results of the triangulation of the pulse survey with other HR activities as discussed in Item 7.

Item 9. Employee forum update (verbal)

- 9.1 The Committee received a verbal update from the Employee Forum Chair.
- 9.2 The Employee Forum Chair thanked the Committee for inviting them to the meeting and provided a short personal introduction. The Employee Forum Chair noted that they had been involved with the Employee Forum for nearly two full terms (the maximum allowed) and although having recently taken over as Chair following a departure, would be stepping down before the next Committee meeting.
- 9.3 The Employee Forum Chair provided examples of some of the activities the forum was involved in, which included the following:-
- getting representatives from some departments had previously been difficult but more recently a number of new members had been appointed. Recruitment and training for Employee Forum Representatives was in partnership with HR.,
 - reviewing HR related policies (with HR);
 - cost of living, hybrid work and wellbeing continued to be topics of discussion, and had become standing items on the Forum's meeting agenda;
 - the wellbeing team had attended the meetings and provided feedback;
 - the recent pulse survey would be discussed at the next forum meeting; and
 - sustainability planning with the senior leadership looking at what other regulators do and exploring the idea of employee representatives becoming 'green champions'
- 9.4 The Committee noted that Employee Forum Representatives should be commended for undertaking the challenging role and that they made a big difference to the organisation and employees.
- 9.5 In response to a question the Executive confirmed that HCPC's Health and Safety Policy was reviewed annually by ELT and signed off by the

CEO. It sets out roles and responsibilities for health and safety across the organisation, including Council, the CEO, ED Resources and Business Performance, the Head of Estates and Facilities, line managers, individual employees and the Employee Forum. The responsibilities of the Employee Forum were to ensure that employees were consulted on health and safety and fire safety issues, to communicate changes in legislative or HCPC's health and safety and fire safety requirements, to discuss accident and incident statistics, to agree changes in working practices if required, to monitor progress on health and safety, and provide a forum for resolving slow progress. The Executive further noted that Health and Safety was reported to the Audit and Risk Assurance Committee on a quarterly basis.

- 9.6 The Executive confirmed that as part of the induction process for new Council or Committee members, a meeting with the Head of HR along with the Employee Forum Chair would be arranged.
- 9.7 In response to a question the Employee Forum Chair, noted that whilst it had been difficult at times to on board representatives from some departments, that they were now fully represented across the organisation.
- 9.8 In response to a question the Employee Forum Chair, noted that feedback relating to hybrid working had been mostly positive and individuals and teams felt they had been involved in developing the policy.
- 9.9 The Committee thanked the Employee Forum Chair for helpful update, noting the key areas highlighted.

Item 10. Finance Report – January 2023 (report ref: PRC 10/23)

- 10.1 The Committee received a paper from the Head of Finance. The report presented the financial position as at the end of January 2023, with a commentary on the major variances, risks and opportunities.
- 10.2 The Committee noted that a reforecast had been completed working with a bottom-up approach. The surplus position compared to original budget assumptions reflected a continuing trend of increased income from international application scrutiny fees, as well as some additional UK income, lower FtP caseloads and vacancies. The year-end forecast was for a deficit of £226k, compared to the previous forecast surplus of £447k, after factoring in provisions, year-end activity on estates downsizing, a review of the Partners operating model and other adjustments.
- 10.3 The Committee noted that the additional £300k provision for legal fees was related to ongoing commercial contract discussions.

- 10.4 The Executive assured the Committee that with the increase in international applications being higher than previously forecast, the additional Partner Assessor contracts had been extended by a further three months to ensure the HCPC had the ability to respond to that demand. In response to a question, the Executive updated the Committee that the majority of international applications were received from outside of the European Economic Area (EEA). The Head of Finance agreed to share the EEA and non-EEA application breakdown with the Committee outside of the meeting.
- 10.5 The Executive confirmed that the February 2023 finance report would be updated to include the impact of the year-end project spend and that any lessons learned would be shared with the business change team. The Head of Finance noted that the business change team had introduced an improved method of refining and monitoring projects budgets and spend. The finance team were also introducing a project accounting module within the reimplementation of the Business Central tool, which would enable the capture of a more granular level of spend, along with project and activity codes, providing for more accurate reporting.

Item 11. Partner Report – Q3 2022-23 (report ref: PRC 11/23)

- 11.1 The Committee received a paper from the Executive.
- 11.2 The Project Lead for Professionalism and Upstream Regulation presented the report and highlighted the key developments, which included the following:-
- the introduction of KPI and performance measures related to the Partner Team activity,
 - the introduction of the new Partner newsletter (December 2022) with a Partners' survey included; and
 - a programme of projects was planned for the next financial year informed by the review work with PwC and the results of the survey.
- 11.3 The Committee noted that analysis from the Partners' survey would be shared with Partners in the Summer 2023 newsletter.
- 11.4 The Executive assured the Committee that the consultant work with PwC had been identified as a need for some time and it was timely to undertake this important work at this stage. The Executive noted that internal resource was limited, and the opportunity and budget was in place to allow this important piece of work to be undertaken. Project scope included operating models, exploring efficiencies, review how Partners were used and would make a series of recommendations. As a result, it was anticipated that the costs of the work would be recovered in future years. The Executive further assured the Committee that options

for flex would also be factored into the modelling, being mindful of regulatory reform.

- 11.5 In response to a question, the Executive noted that Partner refresher training had previously been carried out every two years and recognised that in some cases more regular training was required. This was under development and would also form part of the outputs from the PwC review.
- 11.6 The Committee thanked the Project Lead for Professionalism and Upstream Regulation and noted that the finalised PwC report would be completed in time for the next Committee meeting in June 2023.

Item 12. Partner Performance Management Presentation (report ref: PRC 12/23)

- 12.1 The Committee received a presentation from the Executive. The presentation covered the quality assurance measures and central controls which were in place within those areas where partners provided services across the HCPC. The presentation and overview were given to the Committee by the following department representatives, the Project Lead for Professionalism and Upstream Regulation, the Acting Head of Education, the Head of Fitness to Practise, the Head of Education (on behalf of Registration) and the Quality Assurance Lead.
- 12.2 In response to a question the Executive noted that high court referrals were not frequent but could take a long time to conclude. In preparation for any case that was referred to the high court, an internal review would be undertaken and any learning, if identified, would be implemented. The Head of FtP agreed to provide the Committee with an update to status of the current high court appeal.
- 12.3 The Committee were assured by the Executive that the Internal Audit plan for 2023-24 was being presented to the Audit and Risk Assurance Committee on 15 March 2023 for approval, and that a planned internal audit would provide assurance on Partners following any changes arising from the current review of Partner arrangements.
- 12.4 In response to feedback from the Committee the Executive recognised that not all Partners, especially those from smaller professions, would receive the same amount of experience in the role, and that ad hoc training and refresher training developments were seeking to address that to ensure consistency and confidence in the HCPC's processes.
- 12.5 The Executive provided assurance that 'tone of voice' work was underway in FtP with a review of over 300 templates ensuring the new 'tone of voice' guidance was adhered to. New organisation-wide 'tone of voice' guidance would also be made available soon, which would help to address some associated issues.

- 12.6 The Executive noted that bringing the PwC review forward would help to resolve some of the highlighted issues, and the QA Lead confirmed they were already consulting with PwC as part of scoping for the review.
- 12.7 In response to a question the Executive confirmed that individual Partner performance and how this could be monitored effectively would also form part of the PwC review.
- 12.8 The Committee thanked the Executive for the informative and helpful presentation

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
16	C

Chair.....
Date.....