
Finance and Resources Committee

Public minutes of the 69th meeting of the Finance and Resources Committee held as follows:-

Date: Thursday 19 June 2012

Time: 10:30 am

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

Present: Richard Kennett (Chair)
Jennifer Beaumont
Mary Clark-Glass
Sheila Drayton
Julia Drown
Arun Midha
Keith Ross

In attendance:

Colin Bendall, Secretary to the Committee
Martin Burgess, National Audit Office (items 1-6)
Guy Gaskins, Director of Information Technology
Teresa Haskins, Director of Human Resources
Jeff Lucas, Chair, Audit Committee (observer)
Charlotte Milner, Financial Controller
Tim Moore, Director of Finance
Greg Ross-Sampson, Director of Operations
Marc Seale, Chief Executive and Registrar
Anna van der Gaag, Council Chair

Item 1.12/51 Apologies for absence

- 1.1 The Chair welcomed Martin Burgess to the meeting.
- 1.2 Apologies for absence were received from Malcolm Cross, John Harper and Eileen Thornton. The Chair noted that John Harper would step down from the Council on 30 June 2012 and thanked him for his contribution to the Committee's work.

Item 2.12/52 Approval of agenda

- 2.1 The Committee approved the agenda.

Item 3.12/53 Declarations of members' interests

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

Item 4.12/54 Minutes of the Finance and Resources Committee meeting of 15 March 2012 (report ref: FRC 39/12)

- 4.1 It was agreed that the minutes of the 68th meeting of the Finance and Resources Committee should be confirmed as a true record and signed by the Chair.

Item 5.12/55 Matters arising (report ref: FRC 40/12)

- 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 6.12/56 Draft annual report and accounts 2011-12 (report ref: FRC 41/12)

- 6.1 The Committee received a paper for discussion/approval from the Executive.
- 6.2 The Committee noted that the National Audit Office (NAO) had completed their audit and the annual report incorporated their feedback. The Committee thanked the Finance team for circulating the draft annual report by email to members enabling their feedback to be taken into account in the version presented to the meeting.
- 6.3 The Committee noted that the NAO had completed their fieldwork and the audit completion report was due to be discussed at the Audit Committee on 21 June 2012. The Committee noted that the audit had gone smoothly and no significant matters had been identified. The NAO would need to

Date	Ver.	Dept/Cmte	Doc Type	Title	Status	Int. Aud.
2012-06-12	a	F&R	MIN	Minutes Finance and Resources Committee 19 June 2012 public meeting	Final DD: None	Public RD: None

complete its internal review of the audit, but it was expected that there would be a clear audit opinion and the Comptroller and Auditor General would be able to sign the accounts in July 2012.

- 6.4 The Committee noted that it was not possible for the annual report to incorporate comments from the Council for Healthcare Regulatory Excellence's (CHRE) 2011-12 report, because the CHRE report had not yet been published.
- 6.5 The Committee agreed to recommend the draft annual report and accounts to the Council for approval, subject to consideration by the Audit Committee on 21 June 2012.

Action: Director of Finance (by 5 July 2012)

Item 7.12/57 Finance report (report ref: FRC 42/12)

- 7.1 The Committee received a report on the work of the Finance Department.
- 7.2 The Committee noted that the report included the management accounts for April 2012. These were the first accounts prepared directly from the Sage Business Intelligence Module, which had recently been installed. Some reports were still to be mapped and more detail would be available, particularly for department managers and budget holders. This would enable preparation of meaningful reports on variances and analysis of results. The Committee noted that the module also reduced the time needed to prepare the management accounts and reduced the risk of human error.
- 7.3 The Committee noted that, as of 30 April 2012, there had been an operating surplus of approximately £32,000 and a total surplus of approximately £13,000.
- 7.4 The Committee noted that, pending work to amend the NetRegulate registration system, the Executive carried out a monthly manual reconciliation of deferred income recorded in NetRegulate and Sage. The Committee noted that there had been no difference between the two systems as of 31 March 2012.

Item 8.12/58 Human Resources report (report ref: FRC 43/12)

- 8.1 The Committee received a report on the work of the Human Resources department.
- 8.2 The Committee noted that external recruitment had been frozen with effect from 1 May 2012, until after the transfer of regulatory functions from the General Social Care Council (GSCC) to the HPC. Exceptions were being made for very senior or specialist roles, for example the new

Date	Ver.	Dept/Cmte	Doc Type	Title	Status	Int. Aud.
2012-06-12	a	F&R	MIN	Minutes Finance and Resources Committee 19 June 2012 public meeting	Final DD: None	Public RD: None

role of Management Accountant. Where needed, temporary agency workers were being engaged to assist with extra work related to the transfer. Internal recruitment was still in progress and was likely to continue through June and early July 2012, in response to requirements.

- 8.3 The Committee noted that five employees of the GSCC wished to exercise the option to transfer to the HPC. Four of these individuals would slot into vacant positions and a competitive recruitment process would need to take place for one position. The affected HPC employees had been notified. The Committee thanked the Human Resources Department for their work.
- 8.4 The Committee noted that an employee discount scheme for HPC employees was due to be launched in June 2012, which would enable employees to take advantage of small discounts (typically 5-10%) across a range of consumer products and services. The scheme was extremely lost cost for the HPC to run, at just over £1200 per year.

Item 9.12/59 Partner Manager report (report ref: FRC 44/12)

- 9.1 The Committee received a report on the work of the Partners team.
- 9.2 The Committee noted that recruitment had been completed for Partners required for the regulation of social workers in England. Training for these Partners had been held in May and June 2012.
- 9.3 The Committee noted that an evaluation of the Partner appraisal process had started in April 2012. 300 Partners who had been appraised since April 2010 had been invited to complete an online questionnaire about the process. The results were being analysed and feedback prepared for departments. A report containing recommendations on future Partner appraisal was due to be submitted to the Committee's next meeting.
- 9.4 The Committee noted that the Partner self-assessment process for 2012-13 had been completed. The Executive would review the self-assessment renewal process. Following the review, recommendations were due to be submitted to the Committee's meeting on 11 September 2012.
- 9.5 The Committee noted that 23 Legal Assessor candidates had been supplied by First Law (a specialist recruitment agency). Successful candidates would be appointed on the same terms as existing Legal Assessors.

Item 10.12/60 Information Technology report (report ref: FRC 45/12)

- 10.1 The Committee received a report on the work of the Information Technology Department.

Date	Ver.	Dept/Cmte	Doc Type	Title	Status	Int. Aud.
2012-06-12	a	F&R	MIN	Minutes Finance and Resources Committee 19 June 2012 public meeting	Final DD: None	Public RD: None

- 10.2 The Committee noted that the Department had provided IT services to additional office space in 186 Kennington Park Road and units 1 and 3, 33 Stannary Street.
- 10.3 The Committee noted that quarterly penetration testing of IT systems had identified a small number of vulnerabilities, which had been addressed.
- 10.4 The Committee noted details of brief outages to NetRegulate and HPC's telephone system and the causes.
- 10.5 The Committee discussed whether it would be appropriate to vary the depreciation policies for certain software, such as NetRegulate, which had been in use for a number of years. The Committee noted that the HPC made improvements to IT systems and software every year. The Executive believed that it was not appropriate to capitalise software over a long period of time.
- 10.6 The Committee noted that the Department was involved in aspects of the project to change the organisation's name to the Health and Care Professions Council. The Committee noted that priority would be given to changing externally-facing information (such as the website). Some internal information would be changed later in 2012.
- 10.6 The Committee noted that the new Fitness to Practise Case Management System had been demonstrated at the meeting of the Fitness to Practise Committee on 24 May 2012. The system had helped to simplify and streamline processes. The Committee thanked the Information Technology Department for successfully completing projects such as the Case Management System and installing services in the additional office space.

Item 11.12/61 Operations report (report ref: FRC 46/12)

- 11.1 The Committee received a report on Operations, covering the Registration Department, project management, facilities management and business improvement.
- 11.2 The Committee noted that Continuing Professional Development (CPD) profiles had been requested from physiotherapists, arts therapists and dietitians. Assessment days were being held every two weeks. The Committee noted that the HPC continued to communicate its CPD requirements to social workers in England, including the differences between the HPC's process and the process of the General Social Care Council.
- 11.3 The Committee noted that 69% of dietitians and 70% of physiotherapists had renewed their registration online. Social workers in England would be encouraged to renew online. The Committee noted that, to facilitate the

Date	Ver.	Dept/Cmte	Doc Type	Title	Status	Int. Aud.
2012-06-12	a	F&R	MIN	Minutes Finance and Resources Committee 19 June 2012 public meeting	Final DD: None	Public RD: None

renewals process for social workers, the Registration Department would operate an evening shift and HPC's online processes would be promoted. The Committee noted that the department was designed to be flexible and adaptable to demands and responsive to customer feedback.

- 11.4 The Committee noted that the Project Manager would shortly go on maternity leave. The Director of Operations thanked her for her work on projects. Her position will be covered in the interim by Rob Silverman.
- 11.5 The Committee noted that the project to review all Education Department systems and processes had moved to amber status. A requirements document had been prepared and seven companies had been invited to prepare tenders. However, only two tenders had been received. The Executive established that the other companies wished to tender but had not the time to do so. The Executive has now extended the time allowed for tenders. The Committee noted that the outcome of the project would be a business case for changes to the systems and processes. The Executive Management Team would then consider the business case and decide whether to proceed with the proposals. The Committee agreed that the Executive should provide a progress report on the project to the Committee's next meeting.

Action: Director of Operations/Director of Education (by 19 July 2012)

Item 12.12/62 Procurements, requisitions and purchases procedure (report ref: FRC 47/12)

- 12.1 The Committee received a paper for discussion/approval from the Executive.
- 12.2 The Committee noted that the internal audit report on the Purchase Requisition System had recommended that the procedure document should be finalised and approved by the Committee. Mazars, the internal auditors, were due to review the final document in July 2012 as part of their review of previous recommendations.
- 12.3 The Committee agreed that Mazars should review the document before it was considered by the Committee. The Committee agreed that the Executive should report the internal auditors' findings to the Committee. The Committee agreed that members could also make any comments on the document directly to the Director of Finance.

Action: Mazars/All Committee members (by 19 July 2012)

- 12.4 The Committee agreed that the Executive should prepare a separate paper setting out how any financial governance issues were addressed (for example, more information about why certain categories of

Date	Ver.	Dept/Cmte	Doc Type	Title	Status	Int. Aud.
2012-06-12	a	F&R	MIN	Minutes Finance and Resources Committee 19 June 2012 public meeting	Final DD: None	Public RD: None

expenditure did not require a purchase order number). The Committee agreed that members should send questions about financial governance issues directly to the Director of Finance.

Action: All Committee members (by 19 July 2012)

Item 13.12/63 Transfer of regulatory functions from General Social Care Council to HPC (report ref: FRC 48/12)

- 13.1 The Committee received a paper for discussion/approval from the Executive.
- 13.2 The Committee received a verbal report on progress in the project to transfer regulatory functions from the GSCC to the HPC. The Committee noted the following points:
- as reported at item 8, five employees of the GSCC had indicated that they wished to transfer to the HPC;
 - the Fitness to Practise Department had been given access to the GSCC's case records and was reviewing all cases which were due to transfer to the HPC;
 - the Transfer Order (relating to details of the transfer of functions) had been finalised;
 - an additional Council meeting would be held on the afternoon of 19 June 2012, to discuss the HPC's transitional approach to student registration;
 - testing of data transfers was proceeding well; and
 - the Executive had negotiated with the Department of Health on the terms of a grant to the HPC for costs incurred on the project. Agreement on the terms had been reached, although written confirmation had not yet been received.

The Committee noted the following papers:

Item 14.12/64 Annual report on changes to Human Resources policies (report ref: FRC 49/12)

Item 15.12/65 Equality and Diversity annual statistics – Employees and Partners (report ref: FRC 50/12)

Item 16.12/66 Annual review of actions taken in 2011-12: Public meetings (report ref: FRC 51/12)

Date	Ver.	Dept/Cmte	Doc Type	Title	Status	Int. Aud.
2012-06-12	a	F&R	MIN	Minutes Finance and Resources Committee 19 June 2012 public meeting	Final DD: None	Public RD: None

Item 17.12/67 Any other business

17.1 There was no other business.

Item 18.12/68 Date and time of next meeting

18.1 The next meeting of the Committee would be held at 10.30 am on Thursday 19 July 2012.

18.2 Subsequent meetings would be held at 10.30 am on

- Tuesday 11 September 2012
- Tuesday 20 November 2012
- Thursday 31 January 2013
- Tuesday 5 March 2013 (Remuneration Committee only)
- Tuesday 19 March 2013
- Thursday 25 April 2013
- Tuesday 18 June 2013
- Thursday 18 July 2013
- Tuesday 10 September 2013
- Thursday 21 November 2013

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;
- (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.’

Date	Ver.	Dept/Cmte	Doc Type	Title	Status	Int. Aud.
2012-06-12	a	F&R	MIN	Minutes Finance and Resources Committee 19 June 2012 public meeting	Final DD: None	Public RD: None

Summary of those matters considered whilst the public were excluded

Item 19.12/69 Transfer of regulatory functions from General Social Care Council to HPC (report ref: FRC 52/12)

The Committee discussed issues related to the transfer of regulatory functions from the General Social Care Council to the HPC.

The Committee noted the following paper:

Item 20.12/70 Annual review of actions taken in 2011-12: Public meetings (report ref: FRC 53/12)

Item 21.12/71 Any other business

The Committee discussed a matter which had been raised by the National Audit Office and noted that the matter would also be reported to the Audit Committee on 21 June 2012.

Chair

Date

Date	Ver.	Dept/Cmte	Doc Type	Title	Status	Int. Aud.
2012-06-12	a	F&R	MIN	Minutes Finance and Resources Committee 19 June 2012 public meeting	Final DD: None	Public RD: None