

Agenda Item 24

Enclosure 23

**Health and Care Professions Council
06 December 2018**

**Minutes of the Remuneration Committee
meeting of 18 October 2018**

To note

**From Kathryn Foreman, Chair of the
Remuneration Committee**

Council, 6 December 2018

Minutes of the Remuneration Committee Meeting 18 October 2018

Executive Summary

The Remuneration Committee met on 18 October 2018, the draft public minutes of the meeting are enclosed. A summary of business considered in public is set out below.

Nomination of Chair

The Committee nominated Kathryn Foreman to serve as the Chair of the Remuneration Committee. Council is asked to ratify this nomination.

Expense policy review

The Committee approved revised expense policies for employees, Partners and Council and Committee members. The policies come into force on 1 December 2018.

Council and Committee member remuneration

The Committee has received previous papers on Council member remuneration which led to their commissioning an independent review. The Committee agreed recommendations to the Council on future remuneration, these are set out in item 19 on the Council's agenda for decision.

Remuneration Committee

Public minutes of the 28th meeting of the Remuneration Committee held on:-

Date: Thursday 18 October 2018

Time: 10.30am

Venue: Room K, Health and Care Professions Council, Park House, 184
Kennington Park Road, London SE11 4BU

Present: Kathryn Foreman (Chair)
Joanna Mussen (by telephone)
Nicola Scrivings
Stephen Wordsworth

In attendance:

Claire Amor, Secretary to the Committee
Teresa Haskins, Director of Human Resources and Organisational Development
Tian Tian, Director of Finance

Part 1 - Public

Item 1. Nomination of Chair

- 1.1 The Committee noted that Joanna Mussen wished to step down as Chair of the Committee.
- 1.2 The Committee nominated Kathryn Foreman as the Chair of the Remuneration Committee. It was noted that Council will be asked to ratify this nomination at its December 2018 meeting.
- 1.3 Kathryn agreed to Chair the remainder of the meeting.

Item 2. Apologies for absence

- 2.1 No apologies for absence were received.

Item 3. Approval of agenda

- 3.2 The Committee approved the agenda. The Committee agreed that it would consider the private agenda business prior to the public business.

Item 4. Declarations of members' interests

- 4.1 Committee members declared an interest in item 10, Council Remuneration, as this paper discussed their remuneration.

Item 5. Resolution

The Committee adopted the following:

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

- (a) information relating to a registrant, former registrant or application for registration;
- (b) information relating to an employee or office 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 Council;
- (f) action being taken to prevent or detect crime to prosecute offenders;
- (g) the source of information given to the Council 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 Council's functions.'

Item	Reason for Exclusion
5	b, d
6	b

Summary of items considered in private session

The Committee discussed the initial report of its commissioned review into pay structure, principles and policy.

Item 8. Minutes of the Remuneration Committee meeting of 3 July 2018 (report ref: REM 18/18)

- 8.1 The Committee agreed the public minutes from its meeting held on 3 July 2018.

Item 9. Expense policy review (report ref: REM 20/18)

- 9.1 The Committee received a paper from the Director of Finance. It was noted that the expense policies are reviewed annually, and are in the Committee's remit to approve.
- 9.2 The Committee noted the following proposed changes to the policies:-
- an additional approval level for employees' expenses claims as the result of an internal audit recommendation;
 - including alternative accommodation allowance in the Partner policy;
 - limiting circumstances in which claims for wi-fi costs might be made
 - amendments to when taxis can be used; and
 - clarity on when overnight accommodation claims can be made.
- 9.3 The Committee agreed the proposed changes were appropriate.
- 9.4 The Committee requested that the section on overnight accommodation be expanded to be explicit that overnight accommodation can be claimed where the claimer would be unable to make a meeting on time the following day due to available travel limitations.
- 9.5 The Committee discussed the tax treatment of Council and Partner expenses. It was noted that the HCPC has exemptions from HMRC for allowable expenses. The HCPC pays the tax on non-allowable expenses as

well as PAYE for fees. The Committee agreed that when next reviewed this clarification should be added to the relevant expense policies.

9.6 The Committee approved the expense policies.

Item 10. Council and Committee member remuneration (report ref: REM 19/18)

- 10.1 The Committee received a paper from the Head of Governance
- 10.2 The Committee noted that the Chair of Council's remuneration was considered directly by the Council due to time limitations and a planned remuneration Committee not being quorate. The Committee regretted the opportunity for additional Remuneration Committee involvement in the decision was missed.
- 10.3 The Committee noted that QCG were commissioned to undertake an independent Council and Committee member benchmarking report. This report provides a market comparison scale and recommendations for future remuneration.
- 10.4 The Committee noted that the Executive has undertaken additional healthcare profession regulator specific benchmarking and made recommendations to the Committee.
- 10.5 The Committee agreed the following principles assumed within the QCG report, that:-
- remuneration should move from a day rate to an annual allowance;
 - Committee Chairs should receive a premium of 15-20% member allowance for their additional responsibilities and time requirements;
 - independent committee members would remain on a day rate due to the variances in time commitments between committees'; and
 - the allowance is exclusive of expenses.
- 10.6 The Committee noted that the QCG recommendation for future member remuneration is based on average actual Council member attendance over 2017. This would not be an accurate basis for determining future time requirements or remuneration, as member attendance varies for numerous reasons.
- 10.7 The Committee agreed that full attendance at governance meetings remains the aspiration and should be the basis of future remuneration. It was agreed that members with attendance falling below 80% (on a rolling basis) would be required to discuss their attendance with the Chair of Council. Poor attendance would also be taken into consideration at annual performance reviews and potentially any reappointment consideration.

- 10.8 The Committee discussed the activity that should be included in the annual allowance. It was agreed that chairing registration appeals should be included, as the commitment was similar to being a committee member. Members also agreed that it should be explicit that travel time is included, as is any ad hoc Executive recruitment a member may be involved in. It should also be stated that the list of included activity is not exhaustive.
- 10.9 The Committee agreed that the allowance should be based on 30 days activity. This would be assessed during annual performance reviews with the Chair.
- 10.10 The Committee agreed that for annual remuneration to be introduced, parity is needed in member committee commitment. This is a question for the Chair of Council to assess in setting annual objectives for committee members.
- 10.11 It was noted that, based on a 30 day commitment, at the current day rate an annual allowance would be £10,230. This is below the market median rate provided in the QCG report, and is considerably lower than comparable regulators. The Executive noted that member remuneration had not been reviewed for a number of years and was considerably lower than comparators.
- 10.12 The Committee agreed that the market median should be aimed for in the long term, as this is the approach taken for employee pay decisions. However the Committee did not feel that a move to the market median currently was suitable due to the scale and perceptions of such a change. The Committee agreed that an annual member allowance of £12,000, and £14,500 for Committee Chairs, would be recommended to Council.
- 10.13 The Committee noted that historically Council member remuneration has been comparable to Partner remuneration. The Committee agreed that this link should be ended as the two roles were not comparable in terms of responsibility and commitment.

Item 11. Any other business

- 11.1 There was no further business.

Item 12. Date and time of next meeting

- 12.1 Tuesday 15 January 2019 – 10.30am.

Chair.....

Date.....