

Audit, Risk, & Remuneration Committee  
20 March 2025

Present:	Duncan Vernon (DV) Chair David Evans (DE) Helen Featherstone (HF) Joanna Dowd (JDowd) James Sandy (JS)	Apologies:	Linda Smith Jenny Douglas
	Jessica Lichtenstein (JL) Pav Johal (PJ)		

Item 1 – Welcome, apologies, and declarations of interest

1. DV welcomed the group noted apologies from Linda Smith and Jenny Douglas. There were no new declarations of interest. PJ was welcomed back to her first ARRC meeting since returning from maternity leave.

Item 2 – Minutes from last meeting

2. The committee noted the minutes from 16 January 2025 as an accurate record.

Item 3 – Action points and matters arising

3. Outstanding actions from the last meeting were discussed. All actions are on track, and reserves and financial strategy will be discussed at the Board strategy day at the end of April.
4. JL noted that only one comment was received regarding the fees uplift, in relation to the value of practitioner registration. DV reported that he'd heard similar messages locally. It was agreed that it's understandable that annual fees reminders would trigger this conversation.

Item 4 – Operational plan

5. JL and PV introduced the 25/26 operational plan. It was reiterated that this was not so much for discussion, but to give the ARRC an idea of the plans for activity before they discuss and agree the budget. It was noted that some activities had not yet been properly planned and didn't have timescales included.
6. PJ confirmed that the policies listed were meant to be reviewed to ensure they remained relevant and up to date. If not, they could be retired. All up to date policies are published on a dedicated web page.

#### Item 5 – 2025/26 budget

7. JL reminded the ARRC that the budget is constructed on an accruals basis, so relevant to all costs that cover activity happening within the financial year- different from the cash accounting used for quarterly management reports. The budget is based on projected income and expenditure, after carefully considering trends and data about registrants for the following year.
8. Income continues to steadily increase year on year. PJ undertook an exercise to model registration numbers and fees, which is reflected in the budget. This includes some modelling undertaken with the Faculty of Public Health to calculate new CCTs coming onto the register during the financial year, as well as numbers of new Practitioners based on last year's numbers and including additional apprentice registrants. It was confirmed that NHS England funding for practitioner programmes is confirmed for 2025/26 and shouldn't be impacted by the dissolution of NHS England, although there are questions about longer term funding. JL confirmed that this was added to the risk register.
9. Income also includes increased fees from the SRbPA route, as we expect numbers to keep growing with the proliferation of support programmes.
10. HF queried whether the interest should be included in the overall expenditure, rather than as an adjustment of the bottom line. JL agreed to query this with the accountant.

#### **Action: Query where interest should sit within the budget/accounts.**

11. Income remains relatively stable and predictable, with continued increases in numbers of registrants paying monthly by direct debit.
12. Regarding expenditure, JL noted that a 3% pay rise had been factored into salary calculations, with a decision needed by the ARRC under the next item. Other things to note regarding expenses is the factoring in of a 4% increase in moderator fees as they hadn't had a fee rise in at least 7 years. Increased numbers of applications could also potentially result in an increase in moderator expenses.
13. Conference costs will be significantly less as we're planning for an online conference so the key expense is the organiser fees and awards platform costs.
14. The biggest expense besides salaries remains IT costs. As cyber risks increase, more security is needed and as we modernise, our IT requirements change. We've reviewed our invoices with AirIT and tried to minimise costs as much as possible. This has been difficult as we are unable to qualify for the Microsoft charity discount, which is significant. We've appealed Microsoft's decision to categorise us as a membership organisation, and have requested further information about their decision, but there is likely no further recourse this year. There are further

discussions to be had with our IT company in preparation for next year's application window to see if there are any ways to get around this.

15. Rent and facilities expenses will continue to be predictable, hopefully with a decrease in energy bills after we have an engineer in to repair the timer on our heating/AC.
16. Enough funds have been allocated to cover one appeal for the next year, with some additional flexibility for legal costs. We've received 3 appeals in the last 10 years and there is no reason to expect any increases.
17. Increased budget for accountancy is now required as our income is over £500K- in this case we will need a financial audit, rather than our accounts being examined
18. Total net result is predicted to be just over £3K. The Board suggested that they could tolerate some further flex in the budget because of the volatility of the public health sector- this would still mean a balanced budget, which is a big improvement after last year's deficit of approximately £20K. Optics for registrants who have had their fees increased is also a consideration.

**Action: JL to consider redistributing the surplus into the expenditure line to allow a little flexibility.**

19. The ARRC addressed the lack of diversity in funding, and flagged further the need to discuss financial strategy at the Board away day in April, particularly with the changes to NHS England.
20. Generally the ARRC were happy with the budget and felt that it shows an increasing level of accuracy of forecasting, which gives a good level of assurance about the figures. They were happy to recommend the budget goes to the Board for approval.

#### Item 6 – Staff salaries for 2025/26

21. CIPD predictions for 2025/26 indicate a 3% rise across all sectors, and a 2.5% rise for the charity sector. It's as of yet unknown what NHS pay rises will be, but UKPHR has in the past aimed not to depart too widely from NHS rates. JL presented some figures that indicate a 2.5%, 3%, and 3.5% rise across the board for UKPHR staff. Last year a 4% increase was given, which was also based on CIPD predictions.
22. JL and PJ left the meeting while the ARRC discussed the pay proposals.
23. They agreed that the recommended 3% was reasonable, although noted that messaging needed to be carefully crafted; some registrants may not even get NHS England pay rises. Staff should manage their expectations in regard to future pay rises and that it may not always be possible to match to NHS salaries.

24. The ARRC also wished to acknowledge the hard work of the staff and noted that they wished to reward them for their hard work and commitment, even though it's still unknown what the NHS pay rise will be. JL agreed to ensure that all of the above messaging would be included in the letter to be distributed to staff.

#### Item 7 – Risk Register

25. Risk 13 regarding the public health systems was updated to include the changes to NHS England being subsumed into the DHSC. The intelligence so far indicates that there is likely to be a 'lift and shift' of the Workforce, Training, and Education directorate as there isn't a duplication of function. WT&E funds the England practitioner programmes. However, of course there is still the risk of change and money saving measures being implemented in the future that could impact practitioner schemes and funding. There could also be some useful opportunities in the closer linking of OHID and NHS. JL will continue to liaise with NHS England and OHID contacts to understand how things progress and the impact on UKPHR.
26. It was also noted that the future of the People in UK Public Health group is uncertain, since the withdrawing of support from OHID. A meeting next week will address this. If the group does not continue, this is a risk for UKPHR missing national developments, as we do not have dedicated public affairs teams.

#### Item 8- Any other business

27. JL noted that she and HF are planning to lead a discussion on UKPHR financial strategy at the Board away day on 29 April. There will also be an item following up on the Board Skills audit, let by JS and LS.

#### Item 9 - next meeting on 22 May 2025