

Audit, Risk and Remuneration Committee - Minutes
21 May 2026

Present

Duncan Vernon (Chair)
James Sandy
Chris Emmerson
Joanna Dowd
Jessica Lichtenstein
Pav Johal

Apologies

David Evans
Helen Featherstone
Rachel Flowers

Welcome and Declarations of Interest

1. The Chair welcomed Chris Emmerson to his first meeting as a full committee member, having previously attended as an observer.
2. The Chair noted his longstanding declaration of interest as a UKPHR registrant. Chris Emmerson confirmed he had no declarations of interest to make. No other declarations were made.

Minutes of the Previous Meeting (26 March 2026)

3. The minutes of the meeting held on 26 March 2026 had been circulated in advance. A minor typographical error was noted in the date shown at the top of the document; this would be corrected before publication. The minutes were otherwise agreed as an accurate record.
4. It was noted that one section of the minutes — relating to a staff pay uplift — had not been marked confidential in the draft. This would be rectified prior to publication on the UKPHR website, consistent with the practice of marking papers and related minute sections as confidential where they contain personal information.

Action: Mark the section of the 26 March 2026 minutes relating to a staff pay uplift as confidential before publication on the UKPHR website.

Action Points and Matters Arising

5. The Chief Executive reported good overall progress against outstanding actions. The main items of note were as follows.
6. Insurance policy: Confirmation of the final organisational insurance policy for the year remained outstanding, specifically to clarify the scope of legal advice covered. This action remained open.
7. Registration policy (action 25/22): Work on a draft registration policy had been deferred to allow for a more detailed exploratory conversation with the new trainee Board member about trainee registration, which was identified as the key area for potential expansion, particularly given the availability of funding for Practitioner schemes. Following that initial informal discussion, the intention was to progress to a more structured piece of work, potentially via a task and finish group.

8. There was discussion about whether it would be helpful to involve a committee member in initial scoping conversations, given the cross-cutting implications for the Register and for the committee's oversight responsibilities. The committee noted that the SWOT analysis prepared to date highlighted a range of considerations including the potential role of faculties and deans, financial implications for trainees, and the professional liability position of public health registrars/employers undertaking on-call duties. The committee noted that the liability and fitness to practise aspects of trainee registration were worth exploring further during the scoping phase.
9. Direct debit alignment (action 2515): Work on aligning direct debit payment dates to synchronise with the renewal cycle had not yet been progressed because of other development priorities and resource constraints. It was agreed to reformulate this action to focus on exploring the cash flow implications with the UKPHR accountant, with a view to informing a decision ahead of the next renewal cycle. A target of November 2026 was agreed.

Significant Event Review: Lapse of Registration Notification (April 2026)

10. JL introduced the significant event review paper, which had been informed by a technical report from Fortesium, the UKPHR's registration system provider, alongside UKPHR's own account of its actions and communications during the following incident:
11. On the morning of Sunday 27 April 2026 - a bank holiday weekend - it became apparent that approximately 1,400 UKPHR registrants had had their registration status changed to 'lapsed' within the system and had received automatic lapse notifications. The error was identified not through a system alert but via a direct message to the Chief Executive on LinkedIn from a registrant who had noticed the anomaly on the public register. The issue had taken place after midnight the day before on the 26th April.
12. PJ was contacted immediately and in turn contacted Fortesium. The issue was resolved within approximately two hours of identification, with the register restored to its correct state.
13. Fortesium's investigation concluded that the incident resulted from a human error by a developer who, almost a year previously, had entered an incorrect date in the testing environment. Because this was not a live environment at the time, the error only took effect when the renewal season began, effectively lying dormant for many months.
14. Approximately 100 registrants who had already completed their annual renewal were unaffected. Of those who received the lapse notification, around a quarter contacted UKPHR directly. PJ sent personalised responses to all who contacted the organisation, which was received positively. Two individuals submitted what were characterised as formal complaints; both received personal responses from the Chief Executive and the committee heard that no further communication had been received from either individual. These complaints were presumed to be resolved but would be monitored.
15. The committee noted the significant effort expended by staff over the bank holiday weekend and formally recorded its appreciation for the prompt and effective response.
16. Fortesium had taken ownership of the error and offered a credit of £1,000, along with a contribution toward staff goodwill. The committee was advised that the forthcoming upgrade to Fortesium's 'node builder' platform would substantially reduce the risk of a recurrence: the new system would give UKPHR greater direct control over processes and date configurations, and Fortesium had confirmed that this type of error could not occur within the new platform. In addition, Fortesium would build a notification trigger function that would automatically alert both Fortesium and specified UKPHR contacts if an unusually high proportion of registrants' statuses changed at any one time.

17. The committee discussed several broader considerations arising from the incident:

- a. Business continuity: The Chief Executive confirmed she would review the existing business continuity plan to ensure it adequately addressed communication protocols in the event of a system failure, including out-of-hours escalation routes to UKPHR's system provider and to key stakeholder organisations. The committee noted that elements of the incident response - notably the availability of a direct contact number for Fortesium - had worked well and should be codified.
- b. Stakeholder communication: The incident provided an opportunity to strengthen communication with stakeholder organisations. The committee noted the importance of being able to communicate proactively out of hours with organisations such as UKHSA and Public Health Wales in similar scenarios.
- c. Spring newsletter: The scheduled spring newsletter, which included content about annual renewal, had been held back fortuitously as it had been due to send at around the time of the incident. A revised version incorporating a factual update about the incident was in preparation and would be issued shortly.

18. The committee agreed that the significant event review was a thorough and well-documented account of a serious but well-managed incident.

Action: Review the business continuity plan to ensure it adequately addresses system failure scenarios, including out-of-hours escalation routes to Fortesium and to key stakeholder organisations. Update the plan where gaps are identified.

Action: Issue spring newsletter

Reserves Recovery Strategy

19. The Chief Executive introduced the reserves recovery strategy paper, noting it was a detailed document prepared in close collaboration with the UKPHR accountant. As context, the committee was advised that UKPHR was undergoing a full audit for the first time, having previously been subject to independent examination. This had been triggered by income exceeding the threshold set by the Scottish Charity Regulator (OSCR) by a relatively modest amount. The full audit had been a constructive process so far, requiring detailed work on financial projections and forecasting.
20. The paper sought to provide transparency about the current reserves position and to set out a credible forward plan for rebuilding reserves over the next three years. The committee was reminded of the distinction between cash accounting - which reflects UKPHR's liquid position and spending power at a given point in time - and accruals accounting, which produces the retrospective year-end balance reported to Companies House. The two measures give different pictures of financial health.
21. In terms of the cash position, the monthly cash flow forecast showed that, even at the lowest point in the cycle (typically November to January), cash reserves would not fall below approximately £30,000, which was the agreed minimum threshold for operational viability. The forecast was slightly more favourable than the version presented at the March 2026 budget meeting.
22. The year-end accruals accounting balance was, however, expected to show a negative reserves position of approximately £50,000. The committee noted that this did not mean the organisation was unable to meet its financial obligations; rather, it reflected a point-in-time retrospective view following accounting adjustments.
23. Key factors contributing to the end of year position were identified as: the unbudgeted costs of approximately £38,000 associated with the office move; the impact of the increase in employers' National Insurance contributions, estimated at approximately £20,000 above

budget; and the ongoing effect of the transition of registrant payments from upfront annual payment to monthly direct debit, which had previously compressed income recognition into a single shorter period rather than spread out.

24. A three-year financial forecast was presented, showing projected income, expenditure, surpluses and the resulting trajectory for both cash and accounting reserves. The committee noted that the underlying direction of travel was positive, with income expected to grow at a faster rate than expenditure over the period, and both cash and accounting reserves projected to meet targets by 2028-29. The current and next financial years were characterised as 'rebuilding' years during which spending discipline would be important.
25. The committee discussed the current reserves policy, noting that it had been reviewed and approved at the most recent board meeting and would be reviewed again alongside the budget in future years. A suggestion was made that the policy could be extended in due course to address accruals accounting reserves as well as cash reserves, in recognition of the different information each provides.
26. There was discussion about the level of financial detail appropriate for a full board report. The committee agreed that the paper, or an abridged version drawing out the key tables, should be presented to the board at its meeting in late June 2026, to ensure all board members understood the current position and the forward plan.
27. It was agreed that quarterly financial reporting would continue and would include an update on the cash reserves position. Given the organisation's size and the resource implications of more frequent accruals accounting, it was not practicable to report on the accruals-based reserves position other than at year end; however, any material unexpected costs affecting reserves would be flagged as they arose.

Action: Prepare a summary version of the reserves recovery strategy paper, drawing out key tables, for the June Board meeting

Action: Incorporate a cash reserves update into quarterly financial reports to ARRC, flagging any unexpected costs affecting reserves as they arise

Risk Register Deep Dive

28. As part of its rolling programme, the committee conducted a deep dive review of the full risk register, working through risks in thematic groups. The register is structured around three categories: inherent risks associated with the nature of professional regulation; risks within UKPHR's direct control; and risks owned by external organisations but with potential impact on UKPHR and its registrants.
29. The following substantive points arose from the discussion. Given time constraints, the review covered most but not all risk entries; the remaining risks, including the red risks which are ordinarily discussed at every meeting, will be carried over to the next meeting

Inherent Risks

30. Risk 1: Registrants not meeting appropriate standards - The committee discussed the framing of this risk. It was agreed that the current description placed too much emphasis on registrant behaviour and insufficient emphasis on UKPHR's own responsibilities: specifically, the obligation to ensure that standards are clearly expressed and accessible, that assessment processes are robust and equitable, and that fitness to practise arrangements are effective. The risk description should be revised to reflect these distinct dimensions, including the reputational risk to UKPHR and the career risk to registrants if standards are not clearly communicated or fairly applied. The committee noted that this risk is held on the register at the request of the Professional Standards Authority.

31. Risk 2: Failure of revalidation and re-registration processes - The committee discussed the scope of this risk and agreed that UKPHR's specific responsibility was to ensure that revalidation requirements were clear, equitable and accessible, rather than to engage directly with the appraisal systems that sit within employing organisations. The risk description should be updated to reflect this, and to acknowledge the work done in 2023 to streamline the revalidation process. The inherent impact score (currently 5/catastrophic) was considered too high and would be revised to 4, with the residual risk remaining red at 3x4. Controls and mitigations to be updated accordingly.
32. Risk 3: Capacity to maintain operations during significant disruption ie a public health emergency - The committee was content with this risk as framed. It was clarified, for the benefit of CE as a new committee member, that the reference to the volunteer workforce being called upon related to UKPHR's own volunteers (including committee members and assessors) rather than registered practitioners being deployed to the emergency response.
33. Risk 4: Lack of rigour in registration decision making and weak quality assurance -The committee agreed that the description of this risk should be reframed to focus on registration decision-making quality and quality assurance more broadly, rather than on specific processes such as CPD. The inclusion of AI use in assessment was noted as a relevant new consideration. The suggestion to reference the role of trained assessors and verifiers, and quality assurance processes around them, was accepted. The risk description to be revised accordingly.

Risks Under UKPHR's Direct Control

34. Risk 5: Insufficient growth in the Practitioner Register - The committee noted that this risk had both a regulatory and a financial dimension; the latter should be made explicit in the risk description, given UKPHR's dependency on Practitioner income. Controls included the organisational strategy and the annual conference, which supported practitioner engagement and retention. The relationship between the risk register and the organisational strategy was noted as an area for future reflection, to ensure alignment.
35. Risk 6 : Staff retention and capacity- The committee agreed that the risk description should be revised to make clearer that the primary risk was the loss of skilled staff and the difficulty of replacement in a small specialist organisation; supporting and developing staff was the key mitigation rather than a feature of the risk description.
36. Risk 7: Delays in portfolio assessment/process becomes unmanageable - The committee discussed the wording around the potential impact on applicants of lengthy assessment timescales. It was agreed that the risk framing should avoid language suggesting UKPHR bore direct liability for individuals missing job opportunities, while acknowledging the systemic risk to the public health workforce pipeline. The committee noted that UKPHR's guidance made clear that assessment timescales could vary and that registration was not guaranteed, which provided some protection. The description would be reworded.
37. Risk 8: Shortage of trained practitioner scheme assessors and verifiers — The committee noted the longstanding difficulty in obtaining reliable national data on the supply of active assessors and verifiers, given that deployment was managed locally by training schemes. Attempts to implement a national data return had met with limited engagement. Discussions with NHS England about producing better data are ongoing. The committee noted the possibility of discussing this topic in more detail at a future board meeting. The likelihood rating was considered appropriate at 3 (possible), reflecting the absence of any significant failures to date.
38. Risk 9: Financial risks - The committee agreed that the existing risk description, which referenced changes in NHS financial rules, should be updated to reflect the broader risk of

changes to NHS funding priorities and budgets, following changes to the way local public health teams could access national funds. The context of NHS structural change was also relevant.

- 39. Risk 10: Risks around governance/oversight/QA – the committee agreed that this was about governance and oversight, and Board performance and should be revised to ensure the right focus.
- 40. Risk 11: IT system failure / significant event -The committee agreed this risk entry would be updated following the significant event review discussed at item 4. It was also noted that the UKPHR emergency contact list had not been updated for some years; this would be reviewed and refreshed.
- 41. The remaining risks will be carried over for structured discussion at the next meeting.

Action: update risks as per discussion

Action: include remaining risks on next ARRC agenda

Any other business

- 42. No other business was raised.

Date of next meeting

- 43. The next meeting will be on 30 July 2026.