

**Minutes of the Meeting of the
General Dental Council
held at 11:30 on Thursday 22 October 2020
in Open Session held on MS Teams**

Council Members present:

William Moyes	Chair
Terry Babbs	
Donald Burden	
Catherine Brady	
Anne Heal	
Jeyanthi John	
Sheila Kumar	
Mike Lewis	
Simon Morrow	
Crispin Passmore	
Laura Simons	

Executive Directors in attendance:

Ian Brack	Chief Executive and Registrar
John Cullinane	Interim Executive Director, Fitness to Practise
Stefan Czerniawski	Executive Director, Strategy
Sarah Keyes	Executive Director, Organisational Development
Gurvinder Soomal	Executive Director, Registration and Corporate Resources
Lisa Marie Williams	Executive Director, Legal and Governance

Staff in attendance:

Samantha Bache	Head of Finance and Procurement (items 8-10 only)
Dave Criddle	Head of Business Intelligence, Delivery and PMO (items 8-9 only)
Colin Mackenzie	Interim Head of Communications and Engagement
Katie Spears	Head of Governance
Rebecca Ledwidge	Secretariat Manager
Lee Bird	Governance Manager

Others in Attendance:

Members of the Public

Apologies:

Caroline Logan

1. Welcome and apologies for absence

- 1.1 The Chair welcomed everyone to the meeting, in particular Donald Burden, Laura Simons and Mike Lewis, who were attending their first meeting as Council members, and noted apologies from Caroline Logan.

- 1.2 This was the first Council meeting held in public during the pandemic period. Members of the public in attendance were reminded of the meeting etiquette that had been circulated prior to the meeting.

2. Declaration of interests

- 2.1 In relation to the substantive agenda, on the CCP and Budget, Council Members declared an interest in the provision for Council Member fees and staff declared an interest in relation to the provision for staff pay and pensions. All registrant Council Members declared an interest in the ARF levels discussion.
- 2.2 In relation to items considered via correspondence, all Council Members and all staff declared an interest in the whistleblowing item.

3. Questions Submitted by Members of the Public

- 3.1 The Council **noted** that no questions had been received.

4. Approval of Minutes of Previous Meeting

- 4.1 The Council **noted** that the full minutes of the last public meeting held on 16 January 2020 had been approved in March 2020 and published shortly thereafter. Abbreviated minutes of all Council meetings held since that time had also been published.

5. Matters Arising and Rolling Actions List

- 5.1 The Council **noted** the actions list and agreed that all items labelled 'suggest complete' should be marked as completed. The Council was content with the progress of the other live actions.

6. Decision Log

- 6.1 The Council **noted** that it had considered six papers via correspondence:
- a. Appointment of External Auditors – the Council had approved the re-appointment of Haysmacintyre as external auditors for the 2020 and 2021 audit.
 - b. Whistleblowing: Joint Regulators Report – this paper had been noted.
 - c. Public Affairs, Policy and Media Update and Stakeholder Engagement Report - this paper had been noted.
 - d. Customer Feedback: Fitness to Practise - this paper had been noted.
 - e. Customer Feedback: Registration - this paper had been noted.
 - f. Board Development Update - this paper had been noted.

7. Assurance Reports from Committee Chairs

- 7.1 The Chair of the Audit and Risk Committee (ARC) updated the Council on the work of the ARC since the last Council meeting. The Committee had met once and had considered the scheme of Council delegations. It had considered the strategic risk register (SRR) in detail and the Board Assurance Framework (BAF) which gave the Committee greater visibility as to how the organisation was managing risk. The Committee had conducted a deep dive into how the organisation was performing during the pandemic, with an eye on organisational resilience, and was working in a complementary way to the Finance and Performance Committee in this respect. The Committee had also received several

positive Internal Audit reports on incident management, core financial controls and the Registration function.

- 7.2 The Chair of the Finance and Performance Committee (FPC) updated Council on the work of the FPC since the last Council meeting. The Committee had met once to consider the sixth draft of the Costed Corporate Plan 2021-2023 (CCP) and Budget for 2021. The Committee had considered updated income projections, after the completion of the ARF collection round for DCPs and reviewed and endorsed the priority ranking of projects within the organisational portfolio. The Committee had also recommended a process by which it could periodically review the budget position and organisational capacity to reignite projects that were held in abeyance.

- 7.3 The Council **noted** the updates.

The Head of Finance and Procurement and the Head of Business Intelligence, Delivery and PMO joined the meeting.

8. Costed Corporate Plan 2021 - 2023 and Budget 2021 - Accounting Officer Advice

- 8.1 The Chief Executive, as Accounting Officer, set out his advice to the Council and noted that it was focused on ensuring that the GDC was able to deliver its statutory duties. The advice was intended to contextualise the plan and address how the broad risks and planning assumptions were captured within the budget.

- 8.2 The Council noted that an income caution of 10% was recommended, given the continuing impact of COVID-19 on the dental sector and that there was considerable uncertainty around the growth or maintenance of the register in the current climate, both in relation to the pandemic situation and around EU Exit. Additionally, the Council heard that risks also lay against expenditure, as there were high levels of uncertainty in areas that were outside of the control of the organisation and it had been necessary to make contingent provisions against these risks. Similarly, the likelihood of the organisation's free reserves needing to be accessed was now higher, as there was now a much greater level of uncertainty in the external environment.

- 8.3 The Council also noted the process for accessing contingent provision and reserves and noted that the Accounting Officer recommended the approval of the budget and the plan.

- 8.4 The Council **noted** the advice.

9. Review of the Costed Corporate Plan 2021-2023 (CCP) and Budget 2021

- 9.1 The Executive Director, Registration and Corporate Resources introduced the paper and the process that had been followed to take the various iterations of this work through the scrutiny process with the FPC.

- 9.2 The Council was invited to approve the Costed Corporate Plan for 2021 – 2023 and the budget for 2021. The Council heard that the budget for 2021 was balanced against a 10% income caution and would be subsidised by £1.3m of a forecast underspend in 2020. The 2021 budget was set at 6.5% less than for 2020 (reducing from £40.4m to £37.8m) and the organisational headcount had decreased by 1.5% (to 359.5 FTE).

- 9.3 The Council was asked to note the contingency management framework which presented a changed approach to accommodate the high levels of uncertainty around risk caused by the current pandemic situation and EU Exit.

- 9.4 The Council was also invited to delegate authority to the FPC to reinstate projects that had been rated as 'Could do' in the prioritisation exercise, in the event that the level of income risk that had been incorporated into the budgeting approach did not materialise.
- 9.5 The Council discussed that there had been considerable scrutiny of the budget and plan at the previous Council meeting in September 2020 and throughout the planning process, by the EMT and the FPC. The plan and budget presented today were the result of several months of careful work.
- 9.6 The prioritisation exercise in relation to projects had been very rigorous. The Council noted that these projects were not 'nice to have'; they represented work that the organisation was committed to delivering when budget and capacity allowed.
- 9.7 The reactivation process, proposed to take place through FPC, was vital to ensure that these key pieces of work continued at an appropriate point. The reactivation of projects would be conducted carefully, with a view to Council's stated priorities, and would factor in the organisational capacity, financial position and other appropriate considerations. The EMT would monitor whether income risks were materialising and bring requests to the FPC to reinstate appropriate projects into the plan. It was envisioned that the FPC would monitor this through quarterly updates. The decisions would be made by the FPC at the point that resource became available, given the changing nature of the external environment, rather than a pre-approved list of projects being reinstated in turn. The Council would be informed as to any decisions taken in this respect by the FPC as part of the assurance reporting from the Committee to the Council and would consult appropriately where it felt necessary.
- 9.8 The Council **approved** the Costed Corporate Plan 2021-2023 and **approved** the budget for 2021.
- 9.9 The Council **noted** the contingency management framework.
- 9.10 The Council approved the proposed approach to the reactivation of 'Could Do' projects contained within the CCP prioritisation exercise and **delegated** this power to the Finance and Performance Committee.
- 9.11 The Council thanked the team for its hard work in producing an excellent piece of work.

Action: Head of Governance to update the delegated powers within the Terms of Reference for the Finance and Performance Committee (to include the delegated authority to reinstate 'Could do' projects within the CCP in the event that income risk did not crystallise) and circulate to the Council for information.

The Head of Business Intelligence, Delivery and PMO left the meeting.

10. 2021 Reserves Policy

- 10.1 The Executive Director, Registration and Corporate Resources introduced the paper with the Head of Finance and Procurement. A more flexible and modular approach had been taken in the policy to ensure that the organisation could react appropriately to the high level of uncertainty around risk in the current climate.
- 10.2 The Council **discussed** the following:
- a. The organisation must hold adequate financial reserves to evidence that it remained a going concern. This was a statutory obligation and meant that it needed to be in a position to meet its obligations when they fell due. The reserves policy set out the level of operating expenditure that the Council had judged

appropriate to be held to ensure that the organisation had the financial capacity to deliver its functions, and cope with the risks to which it was exposed.

- b. The Council noted that with the current budget and known financial risks, the target free reserves level adjusted for costed risks was 4.5 months of operating expenditure. When the current forecast free reserves were adjusted for known financial risks, they would sit at 3.9 months of operating expenditure by December 2023. This was lower than the Council target of 4.5 months and would be kept under review to ensure that the level of free reserves remained within the upper and lower limits of the reserves policy. If there were concerns, there would be amendments to the work programme and these concerns would be raised with the Council.
- c. The Council discussed whether a topping up of reserves should be automatic or whether priority projects should be considered for reactivation. The Council agreed that there should be room for ongoing discussion about the approach to any income collected that was in excess of forecast levels and noted that the Accounting Officer's advice was that it was necessary to hold adequate (but not excessive) reserves and that this was ever more important given the current volatile environment. The FPC welcomed clarity around the reserves policy and recommended the proposed approach of making no change to the reserves policy to the Council.

10.3 The Council **approved** the reserves policy for 2021.

11. Annual Retention Fee Levels – CCP Funding Paper

11.1 The Executive Director, Registration and Corporate Resources and Head of Finance and Procurement presented the paper which outlined the proposed approach to funding the CCP and the proposed levels for the ARF for 2021.

11.2 The Council **discussed** the following:

- a. The budget envelope for the three-year period of the CCP 2021-2023 was £117m and, in October 2019, the Council had set the ARF levels for the period 2020-2022. These fees were set in line with the principles outlined in the 2018 fees policy. The Council had reduced the levels of the ARF in 2019 and, since this reduction had not been designed to cover the entirety of the expenditure within the plan, there remained work to be done to ensure that the organisation could continue deliver against its strategy with the budget envelope.
- b. The organisation was in Year 1 of its planning cycles and there was considerable risk and financial uncertainty this year. There was, accordingly, no intermediate change to fees proposed. The Council noted that this approach had been rigorously scrutinised in the earlier iterations of the work that had come before the Council and agreed that it was vital that the organisation could continue to deliver its statutory obligations.

11.3 The Council **approved** the approach to funding the CCP and the recommendation to leave the Annual Retention Fee levels unchanged. Accordingly, the ARF levels for 2021 were set at:

- a. For Dentists: £680
- b. For Dental Care Professionals: £114
- c. For Specialists: £72

The Head of Finance and Procurement left the meeting.

The Senior Counsel and Head of In-House Legal Advisory Service joined the meeting.

12. Scheme of Delegations

- 12.1 The Senior Counsel and Head of In-House Legal Advisory Service presented the paper which outlined a new scheme of Council delegations.
- 12.2 The Council **discussed** the following:
- a. The scheme was designed to enable staff to support the Council in performing its functions. The Audit and Risk Committee had scrutinised earlier iterations of this work and the Council had also considered it in September 2020.
 - b. The Council noted that the aims were to improve transparency, accessibility and understanding of the approach to delegations within the organisation and that the revisions made to the delegations themselves were largely around an improvement of the form and structure of the scheme.
 - c. The Council noted that the new approach formalised the existing (informal) requirements to review the scheme every two years and that the Council would take into account, but not be bound by, advice from the Committee, Chief Executive and Registrar. Language had been tidied up within the 'Matters Reserved' document and delegations to 'staff' rather than to the 'Executive' were included to minimise the risk of any sub-delegations.
- 12.3 The Council **approved** the proposed revisions to the Scheme of Council delegations and made the General Dental Council (Delegation of Functions) Rules 2020. The rules would be signed electronically (that afternoon) and sealed once the pandemic containment measures allowed.

The Senior Counsel and Head of In-House Legal Advisory Service left the meeting.

The Head of Finance and Procurement and the Head of Business Intelligence, Delivery and PMO joined the meeting.

13. Organisational Performance – Q2 of 2020

Part A: Financial Review and Forecast

- 13.1 The Head of Finance and Procurement presented the paper and outlined that, for Quarter 2 of 2020, the organisation's income had been £0.2m lower than budgeted. This was partly due to the deferment of examinations, due to COVID-19 and an adverse variance of 0.1% on dentist registrations in January 2020. Across the organisation, the year to date spend was £3.6m lower than budgeted and this was due to the re-profiling of work into later 2020 or into 2021 given the impact of the pandemic (which had been factored into the CCP 2021-2023 planning work), an underspend in hearings given the delays caused by COVID-19 and a £1.1m reduction in spend on staff costs (as there had been no staff pay increase award in 2020 and a recruitment freeze for part of the year).
- 13.2 The Council discussed when the organisation might be in a position to host the ORE, via its external suppliers, and noted that there was a shared priority for both the GDC and for candidates that this only be done when it was safe to do so. The organisation was in regular communication with those who were on the waiting lists for an examination date. The Council also noted that the approach that it had taken to de-risking its investment portfolio had been prudent and that the FPC would revisit the investment strategy in November 2020. The Council discussed whether research and engagement work that

had not taken place as planned in 2020 had been lost or deferred and noted that as priorities had shifted, to gain a proper understanding of the impact of COVID-19, work had been moved but not dropped from the research agenda.

- 13.3 The Council **noted** the update.

Part B: CCP Quarterly Performance Report

- 13.4 The Head of Business Intelligence, Delivery and PMO presented the paper and outlined the key performance insights. All three key areas of CCP delivery were rated as Green. The Council **noted** the report and that it was well presented.

Part C: Balanced Scorecard

- 13.5 The Head of Business Intelligence, Delivery and PMO presented the paper.
- 13.6 The Council **noted** the performance information and **approved** the report administration changes set out in the Balanced Scorecard at 1.6 of Appendix 3 to the paper.

The Head of Finance and Procurement and the Head of Business Intelligence, Delivery and PMO left the meeting.

14. Fitness to Practise Key Performance Indicators

- 14.1 The Executive Director, Fitness to Practise presented the paper providing an update on the ongoing work to review and update the suite of key performance indicators for Fitness to Practise. The Council noted the need for more meaningful indicators in this area and welcomed the approach taken to securing better evidence to provide useful insights into performance here.
- 14.2 The Council **noted** the update.

15. Any Other Business

- 15.1 The Council discussed that the Selection Panel had shortlisted for appointments to the Statutory Panellists Assurance Committee and would conduct interviews the following week. The Council could expect a paper for consideration by correspondence of the recommended appointments in November 2020.

16. Review of the Meeting

- 16.1 The Council discussed the level of work that had gone into reviewing the CCP and Budget planning throughout the year and the need to ensure that the level of open debate that had been ongoing through those meetings continued in the public sessions. The drive to ensure that papers remained in public session continued to be important.
- 16.2 The new members of Council had found the volume of papers challenging but noted the level of familiarity with the subject matter that other members had developed – particularly through Committee scrutiny – would have assisted them. Other Council members noted the improvements in quality in the Council papers over 2020. All new members of Council noted that the induction approach had been rigorous, supportive and positive.
- 16.3 The Council noted that it had welcomed the move to considering more papers, that were less complex or repercussive, via correspondence to ensure that the meeting time was used effectively and this would continue to be monitored to ensure that the right balance was being struck.

The meeting was closed at 12:45pm