**MINUTES OF A MEETING OF THE COUNCIL OF THE**

**BRITISH ASSOCIATION OF OCCUPATIONAL THERAPISTS AND**

**ROYAL COLLEGE OF OCCUPATIONAL THERAPISTS**

**held virtually and at the Royal College of Occupational Therapists**

**106-114 Borough High Street, London SE1 1LB**

**on Tuesday 12 October 2021**

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**BAOT 2 21-22 – RCOT 1 21-22**

**PRESENT:**

|  |  |
| --- | --- |
| **Name:** | **Position Held** |
| Professor Diane Cox | Chair of Council |
| Shane Elliott | Co-opted Council Member, Northern Ireland |
| Samantha Flower | Council Member, RCOT Board: Scotland |
| Cathryn Holding | Council Member, Industrial Relations |
| Kalimah Ibrahiim | Council Member, RCOT Board: England |
| Lisa Ledger | Council Member, RCOT Board: Learning and Development |
| Dr Kee Hean Lim | Council Member, International Affairs, World Federation of Occupational Therapists (WFOT) and Vice-Chair |
| Dr Duncan Pentland | Council Member, RCOT Board: Research and Development |
| **Officers in Attendance:** |  |
| Diana Atkinson | Director of Human Resources |
| Karin Bishop | Director of Professional Operations |
| Clare Cochrane | Assistant Director – Communications and Marketing |
| Steve Ford | Secretary and Chief Executive |
| Simon Leicester | Director of Finance and Corporate Services |
| Dominique Le Marchand | Senior Governance and Executive Support Officer |
| Karin Orman | Assistant Director - Professional Practice |
| Dr Jo Watson | Assistant Director – Education and Research |
| **Observers** |  |
| June Chandler | National Officer, UNISON Health Group (Item 6) |
| Ketan Davé | Equality, Diversity and Inclusion (EDI) Manager (Item 4.4) |

Members confirmed no conflicts of interest regarding the items for discussion on this agenda.

| **Item** | | **Action Owners** |
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| **1.** | **APOLOGIES FOR ABSENCE**   * There were no apologies and therefore the meeting was quorate * The Chair welcomed new members of Council, Shane Elliott, Samantha Flower and Kalimah Ibrahiim to their first Council meeting. |  |
| ***2.*** | ***CONFIDENTIAL BUSINESS*** |  |
| *2.1* | *BAOT - Review of BAOT/UNISON Contract*  *This was recorded in separate Confidential Minutes.* |  |
| *2.2* | *BAOT/RCOT - Election of President*  *This was recorded in separate Confidential Minutes.* |  |
| **3.** | **RCOT – CHIEF EXECUTIVE REPORT**   * Council noted the report which highlighted the work of the teams and provided updates on different projects. * Forthcoming work around advancing practice was discussed and Council was made aware of the importance of this agenda which needed to be equated in all four countries. * This report accompanied by the finance report and the risk report would form a global management report that would be presented at every Council meeting. Feedback was welcome from Council members on this new reporting format. |  |
|  | **Actions:** Organise a session for Council to receive an update on the new brand and activities planned for the launch, with Clare Cochrane. | DLM |
| **4.** | **RCOT - MANAGEMENT REPORTS** |  |
| 4.1 | Finance Report   * The finance report to end of August 2021 was noted. * It showed a £295k surplus against a predicted deficit. * The forecast for the end of September 2021 was for a break-even result. |  |
| 4.2 | Risk Report   * The format of the risk register was changed to enable Council members to better oversee the operations of the organisation, strategic delivery, and to hold the executive more easily to account. * Council noted the summary report on the risks impacting the organisation and the mitigating or contingency actions for each risk. * The monitoring of the risk register would continue to be done by the Audit Committee whose role was to review and update the risks and consider how they were managed. * A risk report would be provided at every Council meeting and the executive team would review the risk register on a regular basis and feed in details. * The risk register was currently a work in progress and would be a living document which would continually evolve.   **Decision:** Council approved the executive team’s view of risks with a caveat that a pandemic risk should be added. Council was content with the current level of controls / mitigation for each risk, plus additional planned action where this is referenced. |  |
|  | **Actions:** |  |
|  | * Organise a Council workshop to define RCOT’s ‘Organisational Risk Appetite’. | SF |
|  | * Add a pandemic risk to the risk register. | SF |
|  | * See item 5.1: Review, with Audit Committee, the risk scoring / rating of the ‘Decline in Membership’ risk. | SF |
| 4.3 | Report on Work Plan 2020-21   * Council considered the report which was based on the current strategic intentions. * The next work plan would be built around the new strategy. * An amendment regarding the cyber incident was pointed out. On behalf of Council, the Chair acknowledged the phenomenal amount of work achieved by the organisation and praised HQ colleagues for going above and beyond to provide support to members. * Council noted the progress of the work plan to date, and where work was incomplete or partially complete, it was AGREED that the Business Management Group (BMG) should proceed as mentioned in the document. |  |
| 4.4 | Introduction to Ketan Davé, Equality, Diversity and Inclusion (EDI) Manager   * The Chair welcomed Ketan Davé to the meeting. * Since starting work two months ago, Ketan Davé has been having conversations with members - including branches and affinity members - and staff about their priorities. * His aim was to co-produce the RCOT EDI strategy and to align it with the work on values so that it resonated across the whole organisation. * The first of a programme of EDI insight sessions has been organised for members, with experts and colleagues, looking at equality, diversity and inclusion. * At HQ, Ketan has implemented an enrichment programme for colleagues. |  |
|  | **Action:** |  |
|  | Arrange for Ketan Davé to present the roadmap for the EDI strategy to Council members. Deadline: January 2022 Council meeting. | KB |
| **5.** | **RCOT - WORK PLAN AND BUDGET** |  |
| 5.1 | Strategic Planning and Budgeting 2021-26   * Presentation: Introducing new strategic themes and development of a new ambitious strategic plan for RCOT and the profession. * This will be implemented by creating a five-year transformation fund from freed-up reserves (as allowed by the reserves policy), growing income and generating cost savings. * Activities enabled by the transformation fund had been listed, with Priority 1 work anticipated to start early in 2021-22. * Priority 2 initiatives would be delivered only if income was on track and the reserves position was stable, with higher priority work progressing well. * While delivering the initiatives enabled by the transformation fund, the bulk of the annual spend would be focused on continuing to do ‘Business as Usual’ work. Activities and spending would be closely monitored by BMG to ensure risk was mitigated. * If necessary, the strategic plan could be reshaped. In addition, a contingency fund had been included in the transformation fund to cover possible project over-run. * The strategic plan implied a significant change in the way the organisation was planning to work in the future. This was welcomed by Council who emphasised that it would be essential to demonstrate to members how they would benefit from this change. * RCOT would need to provide the right membership offer to attract and retain members. * New threats to the recruitment and retention of members were emerging and decline in recruitment could become a significant risk for the organisation (see action in 4.2, above). |  |
|  | **Actions:** |  |
|  | * Present performance reports, tracking delivery of the strategy and plan, at future Council meetings. | SF |
|  | * Produce the 2021-22 work plan for January Council. | KB |
|  | **Decisions:**  The recommendations were considered. As a result:   1. Council approved and endorsed unanimously the proposed multi-year financial strategy with the following key assumptions: 2. RCOT will spend (invest) within the strategic period, c.£5m of its reserves. 3. RCOT will secure, within the strategic period, additional net income of £4.3m.    * 1. Additional c.£3.5m of net membership income, comprising:         + ‘regular’ 2% growth in the size of the profession and our membership (worth £2.3m over the five years);         + improvements to our ‘market share’ – the proportion of occupational therapists joining RCOT;         + regular but modest fee increases to cover rising operational costs (£1.2m). This would be considered by Council every year.      2. £750k of net income from commercial partnerships and sponsorship;      3. c.£100k of net income from renting out part of the Borough High Street office – e.g. letting office space within it, and/or renting out conference space and meeting rooms. 4. RCOT expects to be able to reallocate £200k pa. of existing spend by Year 3 of the strategy, through efficiency savings and focusing more tightly on products and services that add the most value for members. 5. Using its reserves and planned additional income,the organisation will allocate up to £10m of funding for a new ‘Transformation Fund’, at an approximate average spend of £2m per year over the five years. 6. The organisation allocates placeholder amounts:    * 1. c.£700k as contingency over the five years, to cover likely project over-run;      2. c.£600k, allocated in the final years of the strategic period, to cover project demand that cannot currently be anticipated. 7. RCOT expects to end the five-year strategic period with essentially a balanced budget (a modest annual surplus) with recurrent income and expenditure approximately £1m greater than current levels. 8. The organisation sets a consolidated budget for 2021-22 for total income of 10.37m and total costs of 12.59m, generating an operating deficit of £2.2m. Of this £1.7m of spending are Year One strategic initiatives to be funded from reserves. 9. Council agreed unanimously with the Business Management Group (BMG)’s approach to managing risk around the delivery of new income and plans. The risk will be managed through: 10. The careful scoping, prioritisation and management of projects by BMG; 11. Re-budgeting on a half-yearly basis, that Council can monitor and re-approve the evolving financial position and plans. 12. Council agreed unanimously with the four proposed strategic themes, and the high-level activities that each theme contained. 13. Council agreed unanimously that BMG hadselected the right strategic priorities for progression in the first year. |  |
| **6.** | **BAOT / UNISON BUSINESS** |  |
| 6.1 | * June Chandler, National Officer, UNISON Health Group, joined the meeting virtually for this item and went through her paper. * The UNISON report to BAOT Council and the BAOT / UNISON Employment Relations work programme 2021 were noted. |  |
| **7.** | **RCOT - INVESTMENT RECOMMENDATIONS**   * As mentioned at the April 2021 Council meeting, Steve Ford had undertaken a review of RCOT’s approach to investments. * As a result, the RCOT investment policy – which was out-of-date – was updated and the performance of the RCOT investment funds was considered. * This was done in consultation with the Audit Committee whose view was it was not best practice to have three separate portfolios that are all managed separately. Close Brothers had a balanced portfolio and was performing well. * The Director of Finance and Corporate Services will have oversight of the investment management and, in the short-term, RCOT would enlist an experience investment manager to provide investment advice and help manage the transition. |  |
|  | **Decisions:** |  |
|  | * Council unanimously approved in principle the new investment policy and tasked the Audit Committee to finalise the document. |  |
|  | * Council agreed unanimously that the CEO and Director of Finance start discussions with Close Brothers with a view to consolidating RCOT’s investments into one policy. |  |
|  | * It was agreed that the Audit Committee should become a broader Audit, Investment and Risk Committee and that a new member with suitable investment expertise should be recruited. |  |
|  | **Actions:** |  |
|  | * Appoint a new Audit, Investment and Risk Committee member, with suitable investment expertise. | SL |
|  | * Arrange for Audit, Investment and Risk Committee to finalise the wording of the RCOT investment policy. | SL |
|  | * Consolidate RCOT’s investments into one policy with Close Brothers and put arrangements in place for managing and overseeing the funds. | SL |
|  | * Review and update the Terms of Reference of the new Audit, Investment and Risk Committee, in consultation with the Committee. | SF |
|  | * Recruit a new member of the Committee with suitable investment expertise. | SL |
| **8.** | **RCOT - ANNUAL CONFERENCE**   * The 2021 first virtual annual conference was considered a resounding success by both delegates and RCOT Officers. * By being virtual, the event attracted new delegates and was more accessible from both a location and cost perspective and also provided delegates with access to on demand content. * **Decision:** Annual Conference to be organised as a virtual event for 2021-22. A hybrid option had been discussed but it was not felt to offer a truly viable alternative at the moment. * **Decision:** Following the approval of the new articles of association, the AGM to be organised as a virtual event for 2021-22. This should take place after the annual conference so that members leaving Council were able to lead sessions at this event. * Members have indicated that they want this opportunity to engage with their professional body. * There will be regular reviews to ensure that the online format remained best practice and fit for the organisation’s purpose. * **Decision:** Regarding the organisation of future annual conferences, it was agreed to delegate responsibility for decisions to the Chief Executive and BMG (as last year). In addition, a Council representative was needed as a point of contact to ensure Council’s oversight. This will be Kalimah Ibrahiim. |  |
| **9.** | **APPROVAL OF ‘GREEN’ ITEMS:** |  |
| 9.1 | *BAOT Confidential Minutes / RCOT Confidential Minutes – 10 June 2021*  ***Decision:*** *Council members present at the meeting AGREED unanimously that they should be confirmed and signed as a correct record.*  *There were no matters arising.* |  |
| 9.2 | BAOT Minutes / RCOT Minutes – 10 June 2021  BAOT Minutes – 21 September 2021  **Decision:** Council members present at the meeting AGREED unanimously that they should be confirmed and signed as a correct record.  There were no matters arising. |  |
| 9.3 | RCOT Research Foundation Annual Report  The report was noted. |  |
|  | **Action:** Actively promote applications for funding via the RCOT Research Foundation and the annual awards | Council Members |
| 9.4 | BAOT/RCOT – Change to Bank Mandate  Following various staffing changes, Council needed to approve the new bank mandate authorising the relevant groups of staff and Council members to authorise bank payments:   * Karin Bishop * Diana Atkinson * Clare Cochrane * Professor Diane Cox (Chair of Council) * Steve Ford (CEO) * Simon Leicester * Dr Kee Hean Lim (Vice Chair of Council) * Karin Orman * Dr Jo Watson |  |
|  | **Decision:** Council agreed unanimously to authorise the Chair of Council to sign the relevant documents authorising the changes in bank mandate instructions with HSBC. |  |
|  | **Action:** Put the new bank mandate in place. | SL |
| 9.5 | BAOT/RCOT - Council Membership   * As it was proving difficult to recruit to the role of Council Member, RCOT Board: Northern Ireland, a different option was explored. * It was decided to split the role of Council member and Chair of the Board and to create the role of Co-opted Council Member, Northern Ireland. This was allowed by the new articles of association. * Shane Elliott, who was interested in the Council role but was unable to give time to the board, was told about this arrangement and sent a nomination by the deadline. As it was unopposed, he was appointed on Council. * The vacancy for the role of Council Member, RCOT Board: Wales was advertised in September OTnews and on the website but no nominations were received. * The vacancy will be readvertised in October OTnews and on the web. Deadline for nominations 1 November. |  |
| 9.6 | RCOT - Distribution of Professional Standards & Ethics for all Members  **Decision:** In line with the digital-first approach with publications, the Ethics / Practice guides will no longer be printed, saving £40k. |  |
| 9.7 | Date of Next Meetings:  **2021-22**  BAOT 3-RCOT 2: Wednesday 12 January 2022  BAOT 4-RCOT 3: Thursday 7 April 2022  BAOT 5-RCOT 4: Wednesday 15 June 2022  **2022-23**  BAOT 1: after the AGM – date to be agreed  BAOT 2-RCOT 1: Wednesday 7 September 2022 |  |
| **10.** | **ANY OTHER BUSINESS** |  |
| 10.1 | Format of Council papers |  |
|  | **Actions:** |  |
|  | * Amend the template for Council papers to replace ‘Questions for Council’ with recommendations / decisions required | DLM |
|  | * Send comments on the meeting and the new format of the papers to Dominique Le Marchand and/or Steve Ford. | Council Members |