**Minutes of a meeting of the Council of the British Association of Occupational Therapists (BAOT) and Royal College of Occupational Therapists (RCOT)**

**held virtually and at the Royal College of Occupational Therapists, 106-114 Borough High Street, London SE1 1LB on Wednesday 7 September 2022**

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**BAOT 2–RCOT 1 22-23**

**PRESENT:**

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| **Name:** | **Position Held** |
| Carmel Harney | Council Member, Northern Ireland |
| Professor Priscilla Harries | Council Member, Research and Development |
| Kathryn 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 |
| Odeth Richardson | Chair of Council |
| **Officers in Attendance:** |  |
| Karin Bishop | Director of Movement Building and Membership |
| Clare Cochrane | Director of Brands and Marketing |
| Steve Ford | Secretary and Chief Executive |
| Dominique Le Marchand | Senior Governance and Executive Support Officer |
| Karin Orman | Director of Practice and Innovation |
| Satvinder Reyatt | Director of People and Culture |
| **Observers/visitors** |  |
| Geoff Anderson | Creative Director, IOR (Item 5) |
| Lucas Bartholdi-Saad | Assistant National Officer, UNISON Health Group (Item 4) |
| Nick Entwistle | National Officer, UNISON Health Group (Item 4) |
| Steve Hogevold | Surveyor/MD, Morse Consultants (Item 5) |
| Aliya Khan | Head of Change (Items 1 and 2) |
| Joe Nickel | Lead Consultant & Director, Coney Consultancy Services Ltd (Items 1, 2, 5 and 6.8) |
| Jason Cissell | Head of Contracts, IOR (Item 5) |
| John Vaughan | MD, Knowlemore (Item 5) |
| Trevor Wright | Group Project Director, IOR (Item 5) |

| **Item** | | **Action Owners** |
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| **1.** | **Welcome and apologies for Absence**   * The Chair welcomed Council members to her first Council meeting. * Apologies were received from Samantha Flower, Council Member, RCOT Board: Scotland and Paul Dunning, Council Member, Wales. * The meeting was quorate. |  |
| **2.** | **RCOT – Management reports** |  |
| 2.1 | **Chief Executive Report**   * Council noted the Chief Executive report and the summary of the workforce plan. * At this meeting, Council was due to consider the plan and budget for the new financial year starting in October and a longer term 5-year projection. * However, major concerns about the budget setting methodology had come to light. Despite directors spending significant time setting budget plans for the year, the overly complex financial methodology used for the budgeting process had resulted in differing positions and raised questions about the accuracy of the report. * In view of this uncertainty, Steve Ford had decided to withdraw the plan and budget from this agenda. He acknowledged that it was a major issue for an organisation to enter a new financial year with no agreed budget. * Before the Council meeting, Steve Ford and Satvinder Reyatt had met with the new Interim Head of Finance, Jenni Pearce, who was due to start work on 19 September. She had agreed with the timescale to produce a proposed budget for Council’s consideration by the end of September. * A short virtual Council meeting would be organised on Friday 7 October to consider the plan and budget. * The implementation of Phase 2 of the organisation redesign and the recruitment of new staff had been postponed for a couple of weeks and would be subject to Council approval of the budget. * The organisation was making good process in the change programme. A new Director of Strategy, Technology and Transformation had been appointed and would start work on 1 December. A new Head of Change, Aliya Khan, had started work this week. |  |
|  | **Actions:**   * Brief the Chair of the Audit, Investment and Risk Committee regarding issues with budget management and financial controls. | S Ford |
|  | * Consider the involvement of the internal auditors in reviewing budget management and financial controls. | S Ford |
| 2.2 | **Finance Report**   * Council noted the July YTD finance and management accounts reports. * Overall result for the period showed a year-to-date deficit ‘before Unrealised Gains/(Losses) of £300.2K against a year-to-date budgeted deficit of £1.9M giving a favourable variance of £1.6M against budget. * The overall favourable variance included an unfavourable income variance of £402k - partly due to a decrease in membership numbers - and a favourable expenditure variance of £2 million which was mainly caused by an underspend in staff and administration costs. * The balance sheet showed a healthy financial position. * Steve Ford reassured Council that he had confidence in these reports. |  |
| 2.3 | **Risk Report**   * Council discussed the risks included in the risk report and the organisational risk register. * Council noted that the risk management process monitoring was working well. * Two risks were now red: ‘failure of financial model/processes’ and ‘staff capacity & capability/culture’. * There was a query regarding the net and gross risk ratings of the risk ‘Failure of financial model’. It was explained that the high ratings indicated a lack of confidence in budget management and that, at present, the strength of the internal financial controls was unclear. Therefore, there was currently no mitigation of this risk. The new Interim Head of Finance had been tasked to resolve these issues and the risk register presented at the next Council meeting would hopefully show an improvement from gross to net risk. * Council discussed additional potential risks such as the difficulty in attracting academics into posts and clinicians into teaching roles. * Understanding the pressures on occupational therapy educators and supporting them would be an area of work for the Practice and Innovation Directorate this coming year. But the Directorate had no additional capacity for other work at the moment. * Regarding the risk ‘threats to the profession (including Covid)’, it was suggested that some threats to health and care services could create opportunities to promote the value of occupational therapists. However, services were currently less resilient, vacancy rates were high and there were concerns about staff retention. * Organisational Risk Appetite – discussed in a workshop in April - would be another approach to target risks in a more nuanced way and would explore where risks were welcome or where a risk could lead to developing opportunities. * The plan had been to bring the first draft of the risk appetite document to this Council meeting for feedback, but it was likely to be available before the end of October. * Council considered a proposal to set up a subgroup to review iterative drafts of the Organisational Risk Appetite document, driving progress outside the normal cycle of Council meetings. Lisa Ledger volunteered to be part of this group.   **Decisions:**   * Council approved the Senior Leadership Team’s view of risks. * Council members were content with the current level of controls/mitigation for each risk but concern was expressed regarding the risk on ‘failure of financial model’. * Council agreed to establish a sub-group of Council and Audit, Investment and Risks (AIR) Committee members to review iterative drafts of the Organisational Risk Appetite, making progress outside regular meetings. |  |
|  | **Actions:**   * Consider suggestions/comments from Council for the next iteration of the risk register. | J Nickel |
|  | * Send the organisational risk appetite document to Council and the Senior Leadership Team to review. | J Nickel |
|  | * Set up subgroup to review drafts of the Organisational Risk Appetite document. | J Nickel |
| 2.4 | **Organisational Performance Report**   * Council noted the summary report, corporate scorecard and project reports. * Several projects remained on hold due to a lack of capacity or capability. * There were still a few areas where measures or agreed targets to evidence progress had not been defined. In addition, there were significant data gaps. * There had been important progress in measuring member satisfaction following the June pulse survey. This survey, asking members whether they would recommend RCOT membership to other occupational therapists, would be done annually at a similar mid-year point each year. * A baseline of 76% members who were happy or very happy to recommend RCOT membership had been established. * Council considered the proposed targets for member satisfaction for future years which increased to 85% in year 5. The forthcoming membership review would be fundamental in enabling RCOT to understand members and what they wanted. This would ensure the RCOT offer was more relevant and meaningful to them. This would hopefully result in greater satisfaction with their professional body. * Feedback from members who cancelled their membership indicated that one of the main factors was the cost. Therefore, the current increase in the cost of living would be an important aspect for members.   **Decisions:**   * Council members were content with the progress being made in delivering the multi-year strategic plan and the remedial actions planned to address issues. * Council approved the principle that in future performance reports, at or above target would be assessed as green, 15% below target amber, missing by more than 15% as red. * Council approved the proposed targets for member satisfaction for future years. |  |
| **3.** | **RCOT – Improving engagement – Brainstorming session**   * Council held an informal discussion that would be used as a basis for the development of a member engagement strategy. Council discussed the following questions: * What does meaningful or good engagement from our members look like? * If we manage engagement well, what will be different? * How do we best measure, track and analyse meaningful engagement? * Council’s key thoughts were that members needed to understand the meaning of RCOT and what their professional body offered. Support from the organisation should start when students joined training programmes. They needed to feel pride in their profession and a sense of belonging to the occupational therapy community and should be approached differently from other members. * The workforce was changing and an increasing number of members no longer worked in occupational therapists’ roles. The organisation should consider how to remain relevant to them. RCOT all members and they should be targeted according to their needs. * There were different levels of engagement. Some members were consumers of services without engaging, others wanted to have a voice and/or were willing to volunteer. T * The traditional concept of membership was changing. Understanding what members wanted would help the organisation to address their needs and it was important to check on them regularly. The concept of ‘reboarding’ members was being discussed by the Brand and Marketing and the Movement Building and Membership Directorates. This could involve sending material with the renewal information or using direct channels such as Highlight. * Council suggested means of attracting members and increasing engagement such as broader awards, inviting members to sessions a couple of years after they joined, mentoring and organising workshops to discuss cross-generation thinking, consortium at different levels. One of the most important things for members was to connect with colleagues and this could be done under the RCOT umbrella. |  |
| **4.** | **BAOT / UNISON Business**   * Council welcomed Lucas Bartholdi-Saad and Nick Entwistle, who had taken over June Chandler’s role as National Officer liaising with BAOT at the beginning of the week. * The UNISON report to BAOT Council and the BAOT/UNISON Employment Relations work programme 2022 were noted. * Regarding NHS Pay in England, a decision had been made to move to an industrial action ballot in the autumn. Implications would be discussed by UNISON’s Health Executive the following week. * In Wales, UNISON had begun preparations toward conducting an industrial action ballot. * UNISON Northern Ireland was launching a pledge drive in September seeking the views of members and their commitment to participate in an anticipated autumn industrial action ballot. * In Scotland, UNISON’s Scottish Executive was going to officially ballot its 50,000 NHS members over the Scottish Government 5% pay offer on 3 October. * Regarding local government pay in England, Wales and Northern Ireland, the consultation on whether to accept or reject the pay offer remained open until 19 September. * In Scotland, UNISON was launching its consultative ballot on local government pay and recommending members vote to accept the pay offer. * In higher education, staff in a number of UK universities had voted to strike in a dispute over the pay offer. It was clarified that those working in higher education who were still employed by the NHS were entitled to vote in the industrial action ballot. The University and College Union (UCU) was also balloting staff for industrial action at universities across the UK. * Before previous industrial action ballots, BAOT had issued a joint statement with UNISON to ask members to ensure their contact details were up to date and to ask them to vote. * A communications campaign had begun to ask members to check their contact details. In addition, membership teams in BAOT and UNISON would ensure that data transfer took place regularly. * BAOT/RCOT would need to know the timescale and all necessary information for the ballot and - if agreed - the industrial action, in order to prepare messages and Q&As for members. This would be discussed at the BAOT/UNISON meeting the following week. * At its last meeting, the BAOT Stewards National Panel discussed a range of issues affecting BAOT members in the workplace such as recruitment and retention and the generalisation of roles. The Panel was concerned about the impact on members of the current cost of living crisis and the failure of pay rates to keep pace with inflation. |  |
|  | **Actions:**   * Contact Nick Entwistle for queries on industrial action ballot in England for those working directly for the NHS on Agenda for Change contractual terms. | All |
|  | * Ensure BAOT/RCOT is provided with a timetable on key policy decision for the ballot and potential industrial action and all necessary information. | K Bishop |
|  | * Ensure a discussion takes place with UNISON about the system management for member details. | K Bishop |
| **5.** | **RCOT – Building project**   * Council received a presentation on the building project * Joe Nickel, Project Manager, provided an update on the building project so far and the business case. * The project was approved by Council in January. This involved retaining two upstairs floors, renting out two floors to a commercial tenant or tenants and renting out the ground floor meeting rooms to external users. * In June, a further option had been presented to Council. This included refurbishing the building to high specifications and using a commercial letting company to let fully functioning and fully managed spaces on a short-term lease. RCOT would keep exclusive access to designated office space on the ground floor but communal areas would be shared with tenants. Council had agreed to consider a business case on this basis. * Steve Ford reminded Council that the reason the building project had been instigated was to ensure that RCOT assets were being effectively utilised. At the moment the organisation had a large building that was not being used to its full potential as the majority of colleagues were now working flexibly and were coming to the building once or twice a week. The new RCOT offices would be managed and have access to the same services as tenants. They would provide communal space to meet the needs of colleagues and encourage productive, collaborative working. Such a working environment would reinforce the flexible, hybrid working arrangements that RCOT was keen to offer colleagues, demonstrate that RCOT was a modern, progressive organisation that supported its employees and would ultimately have a positive impact on recruitment, morale and retention. * Representatives from organisations working on the project were invited to explain their respective roles and contributions to the project. * Trevor Wright, Group Project Director, IOR, introduced his company who would be delivering the project. * Geoff Anderson, Creative Director, IOR, wanted to create a fantastic environment/workspace and explained his vision for the proposed ground floor design. He planned to create a ‘building brand’ that would attract tenants. * John Vaughan, MD, Knowlemore, explained his company’s offering to building owners. Knowlemore’s expertise was to manage buildings and services in partnership with landlords. The new flexible office sector extracted more value for owners than the more traditional leasing model and could deliver a higher revenue. They offered private floors to building occupiers with a bespoke fit out and ran all services at a very high level. Post pandemic, companies wanted five-star office space with concierge style service. The demand was very high and there was 100% occupancy in local flexible offices. * Jason Cissel, Head of Contracts, IOR, explained the construction process and plans for delivery. The aim was for the project to take 12 weeks with a start date of 3 October and to finish before Christmas. * Joe Nickel informed Council that the estimated cost of the project would be £1.8 million which would come out from the excess reserves. The base case assumed 85% occupancy which would provide an annual income from around £1.2 million from year 2. Annual running costs of the building would increase, netting an income of approximately £800k from year 2 (excluding project costs). Payback was anticipated in years 3 or 4. * Steve Hogevold, Surveyor/MD, Morse Consultants, who would take over the project management from Joe Nickel, confirmed that sustainability, flexibility and accessibility had been important aspects of the planning discussions. * Council members enquired about the capacity of meeting rooms, business rates and potential criteria for choosing tenants. They discussed the full cost-income model. It was clarified that this document would evolve slightly as it included key variables which had to be taken into consideration. In addition, contractual negotiations with Knowlemore were ongoing and needed to be completed. * Council discussed the potential reaction of members to the building project. There were concerns that there might be strong objections to change and, for some, it might be quite emotive. The Senior Leadership Team acknowledged this and recognised that there may be an emotional reaction from some members. However, the business case supporting the proposed change was compelling, particularly considering the current cost of living challenges facing members. Increasing and diversifying sustainable income streams was a responsible strategic decision. The additional income would enable member services and benefits to be further developed and improved without putting additional pressure on membership fees.   **Decisions:**   1. Council members agreed that their preferred approach continued to be to redevelop the BAOT/RCOT building in order to rent out the four floors 1-4 to commercial tenants, via a partner such as Knowlemore – who would deliver building/facilities management and tenant-finding. 2. Council members agreed that the assumptions made in the business case presented to them were reasonable. 3. Council agreed that, subject to satisfactory completion of commercial negotiations, a contract should be signed with Knowlemore. 4. Council agreed that if, through the conclusion of contractual negotiations, refinements to the Knowlemore fee model were agreed, these could be ratified by the Chair on behalf of Council, and a full Council meeting would not be needed to review/approve - provided that project payback remained in Year 3 or 4. 5. Council agreed that, subject to satisfactory completion and costing of design work, contracts should be signed with IOR (design and build/lead-contractor). 6. Council agreed that the building should be closed for around 12 weeks during delivery of construction / refurb work. |  |
| **6.** | **Approval of ‘Green’ items** |  |
| 6.1 | ***BAOT/RCOT - Confidential Minutes – 22 June 2022***  ***Decision:*** *These minutes would be approved by electronic vote as there were not enough members present who attended this Council meeting.* |  |
| 6.2 | **BAOT/RCOT - Minutes – 22 June 2022 and**  **BAOT – Minutes – 30 June 2022**  **Decision:** These minutes would be approved by electronic vote as there were not enough members present who attended these Council meetings. |  |
| 6.3 | **RCOT – Terms of Reference of the People Board**   * Since the last Council meeting, draft Terms of Reference of the People Board (previously People and Culture Board) had been produced and considered by Professor Priscilla Harries, Kalimah Ibrahiim and the Chair. * It was proposed that this sub-committee of Council would include three members of Council and non-executive directors with external knowledge and expertise. * It would meet three times per year, mostly virtually. * Council recommended that the Board should include two members of Council.   **Decision:** Council approved the Terms of Reference of the People Board on the proviso that the requested change be made to the document. |  |
| 6.4 | **BAOT/RCOT – Membership Terms and Conditions**   * RCOT wished to create more transparency regarding Terms and Conditions of Membership and Revoking Membership process and publishing these on the website would assist in meeting this agenda. * Terms and Conditions were a legally binding contract between a company and its members. * RCOT previously included explanatory notes on the paper membership form. The introduction of the new CRM system and the new online joining system and portal for members was an opportunity to produce renewed and updated terms and conditions for RCOT membership. * The new terms and conditions were not fundamentally different to previous custom and practice but reflected the online joining process. * These documents had been scrutinised and the wording approved by RCOT lawyers. * The Revoking Membership process formed a part of the terms and conditions and had also been updated.   **Decisions:**   * Council approved the membership terms and conditions. * Council approved the revoking membership policy. |  |
| 6.5 | **RCOT Research Foundation Annual Report**   * Council noted that no grants were awarded in the Research Priority Grant or Systematic Review categories due to lack of suitable quality applications. * The R&D Team was considering the RCOT research funding and how to help members build up their research skills. * Council members were invited to contact Karin Orman with their suggestions and to discuss these issues. * The report was noted. |  |
|  | **Action:** Email Karin Orman with suggestions on how to ensure grants are successfully awarded. | All |
| 6.6 | **BAOT/RCOT – World Federation of Occupational Therapists Council and Congress report**   * Dr Lim provided a short verbal report on the four-day WFOT Council meeting and WFOT congress which had taken place in Paris. * Discussions at the Council meeting had included the suggestion to organise a hybrid WFOT congress every two years, different models on allocating the venue of the congress, flexibility of practice placements and the 1000 hour of practice placement. * The congress had been attended by approximately 2,600 delegates. It had been a successful event and a good networking opportunity but some participants and speakers had experienced problems in obtaining a visa. * An article would be produced for OTnews. |  |
| 6.7 | **RCOT – Chair of Fellowship and Merit Awards Committee**   * Colin Ettinger had now retired as Chair of this committee and Andy Tilden OBE FCOT was approached to take on this role. * Andy Tilden had been a long-standing supporter of the occupational therapy profession and RCOT. He was awarded an OBE in the Queen’s Birthday Honours List 2021 and became an RCOT Honorary Fellow the same year.   **Decision:** Council approved the appointment of Andy Tilden OBE FCOT as Chair of the Fellowship and Merit Awards Committee. |  |
| 6.8 | **BAOT/RCOT – Building name proposal**   * The proposal to call the building Phoenix House was considered. * It would be useful to have a building name, brand and identity to market offices space to prospective tenants. * The phoenix remained the traditional emblem of the profession and could be a reference to BAOT/RCOT as building owners. * It could also reference the reconstruction of the building after the blitz.   **Decision:** Council agreed the proposed new name of Phoenix House for the BAOT/RCOT building. |  |
| 6.9 | **BAOT/RCOT – Date of meetings**  **2022-23**  Friday 7 October 2022: budget meeting  Monday 28 November 2022 from 2.00 to 4.00pm: governance workshop  BAOT 3-RCOT 2: Wednesday 11 January 2023  BAOT 4-RCOT 3: Tuesday 18 April 2023  BAOT 5-RCOT 4: Thursday 22 June 2023  **2023-24**  BAOT 1: After the AGM on Thursday 29 June 2023 (TBC)  BAOT2-RCOT1: Thursday 7 September 2023 |  |
| **7.** | **Any Other Business** |  |
| 7.1 | **BAOT/RCOT – RCOT Message following the election of the new Prime Minister**   * The message congratulated Liz Truss for her election and some members had objected to this wording saying that it did not represent their views. It was also felt that a membership organisation should be non-partisan. * The view of RCOT was that congratulating Liz Truss had been a courteous gesture and the opening line did not imply that the organisation agreed with one political party over another. * In the same post, RCOT said it would be writing to Liz Truss about the cost of living crisis and other issues facing occupational therapists. The post was a way of demonstrating RCOT’s intention to continue conversations with the government in order to represent members’ concerns. * The concern of the members who had commented negatively on social media was acknowledged. It was also noted that context was helpful in the discussion and it was important to note that a number of people had liked the original post – in fact the number of likes was significantly more than the number of negative comments. * This was not to say that the concerns raised had not been heard but was a reflection that representing the voice of all 35,000 plus members could be challenging, particularly on social media. The organisation was learning from all feedback. |  |
| ***8.*** | ***Confidential Business*** |  |
| *8.1* | ***RCOT – OD Phase 2 – Update on progress***  *It was agreed that, due to lack of time, this item would be discussed at the next Council meeting on Friday 7 October.* |  |
| *8.2* | ***BAOT/RCOT – Confidential session***  *This informal session with the Chief Executive was not minuted.* |  |

Minutes signed by: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_