



Medicines & Healthcare products Regulatory Agency

Minutes (final)

CET/20/182

Title of meeting	Corporate Executive Team formal monthly meeting
Date	05 May 2020
Time	09.00 – 13.00
Venue	Videoconference
Chair	June Raine
Attendees	CET
Apologies	Jon Fundrey

CET Attendees

June Raine	Interim Chief Executive Officer (Chair)
Boryana Stambolova	Deputising for the Chief Operating Officer
Vanessa Birchall-Scott	Director of Human Resources
Christian Schneider	Director, National Institute for Biological Standards & Control
Graeme Tunbridge	Interim Director of Devices
Jonathan Mogford	Director of Policy
Sarah Branch	Interim Director of Vigilance and Risk Management of Medicines
John Quinn	Director of Transformation
Samantha Atkinson	Director of Inspection, Enforcement and Standards
Rachel Bosworth	Director of Communications
Janet Valentine	Director of the Clinical Practice Research Datalink
Siu Ping Lam	Director of Licensing
Elizabeth O'Neill	

Additional Attendees

[REDACTED] for item 5: Pandemic legislation article 174
[REDACTED] for item 7: January 21 EU Transition Readiness delivery programme
[REDACTED] for item 9: OT closure report
Keith McDonald (Licensing) for item 10: National MA applications after the Transition Period
[REDACTED] for item 11: UK Stem Cell Bank update
[REDACTED] for item 12: Q4 End of Year Business Plan Report
[REDACTED] for items 13: Options for 2020-21 delegated pay award, 14: Special bonus report and 15: Overtime report
[REDACTED]
[REDACTED] for all items.

1. Apologies and Announcements

1.1 Apologies were received from Jon Fundrey.

2. Draft minutes of the 07 April CET meeting (CET/20/126) including table of actions and final minutes of the 03 March CET meeting (CET/20/127)

2.1 The draft minutes of the 07 April meeting were reviewed, with the CET adding some minor comments. The CET reviewed and provided updates on the table of actions. The final minutes of the 03 March CET meeting were noted.

3. Final minutes of March 2020 Board meeting (CET/20/128)

3.1 The CET noted the final minutes of the March 2020 Board meeting.

STRATEGY

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6. Accommodation, infrastructure and agile working (CET/20/130)

6.1 Rachel Bosworth presented a paper proposing changes to the accommodation board and associated workstreams to progress the Agency's accommodation and future ways of working. The CET noted that as a result of the COVID-19 pandemic, most agency staff have been working very differently in recent weeks, with the majority of staff working remotely. We are now at a point where we need to consider what the 'new normal' for the Agency will be post-COVID, potentially based on a step-change in the way we work, our accommodation and our use of technology, shaped by what we have learned over recent weeks of remote working and our plans for culture change.

6.2 [REDACTED]

Action: CET to nominate members for the refreshed programme board. Proceed with changes to the Accommodation Board and workstreams. [REDACTED]

[REDACTED]

7.2 [REDACTED]

7.3 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

8.2 [REDACTED]

8.3 [REDACTED]

[REDACTED]

[REDACTED]

9. Finance Report (CET/20/133)

9.1 Boryana Stambolova presented the Agency's full year 2019/20 financial performance compared to forecast, budget and last year. CET noted that the full year 19/20 surplus of £16.9m is £30m ahead of budget. The key drivers for the wide gap vs budget are (a).Much lower OT spend, which accounts for approximately 50% (£15m) of the delta vs budget; (b)

Lower operating costs, which are £6.4m less than the Year To Date (YTD) budget (IT, medicines testing and lab costs and staff related costs including training); (c) Higher operating revenue - £2.6m, mainly EMA legacy income and NIBSC flu standards, partly offset by lower CPRD revenue; and (d) A further £2m of the delta vs budget is due to lower non-OT change costs.

9.2 The CET noted that pay costs are £1.4m over budget with a high number of vacancies offsetting other cost pressures, mainly increased pension costs. The Agency ended the year with an operational deficit of £1.9m. This is better than budget mainly on account of lower non-pay costs and higher EMA income. However, the 19/20 operating result is £18.5m lower than 18/19 with revenue £8.7m lower and costs £9.7m (7%) higher. The revenue is down from last year mainly because of the loss of EMA income. The sizeable increase in costs has various drivers, of which the pension costs increase is the single most significant one.

9.3 The CET reviewed the change costs, income, operating costs and staff costs, and noted the update on cash and trade debtors. CET acknowledged that the Agency is in a good starting point for the new year; lots of work has been done to prepare the budget for next year.

[REDACTED] The CET agreed that the Performance Committee will discuss strategic thinking regarding the budget, linked with the Agency's future plans for change.

[REDACTED]

[REDACTED]

10.2 [REDACTED]

10.3 [REDACTED]

10.4 [REDACTED]

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GOVERNANCE AND DELIVERY

12. Q4 End of Year Business Plan Report (CET/20/136)

12.1 [REDACTED] presented the Q4 / end of year report on delivery against the Agency Business Plan 2019/20. The CET noted that the Agency has delivered the majority of its objectives as set out in the 2019-20 Business Plan; there were four targets classified as 'Nearly Met'. CET noted the update and commented that the impact of the COVID-19 pandemic should be reflected upon at the next update.

13. Options for 2020-21 delegated pay award (CET/20/137)

13.1 [REDACTED] presented a paper on options for the 2020-21 delegated pay award. The CET noted the assumptions which have been applied to all scenarios in the pay modeller. CET reviewed the assumptions (specifically around salary minimum and maximum adjustments and acceptance of London Living Wage). The CET noted the proposal of removal of the delegated grade pay ranges by increasing the salary minimum and freezing the salary maximum; it was noted that this is a complex situation however this will enable MHRA to avoid pay anomalies in future. The CET noted small anomalies with regards to flexible working and home workers; CET endorsed the proposals to correct these anomalies. The CET endorsed the proposal to pay the London Real Living Wage.

[REDACTED]

13.2 The CET reviewed the pay models and agreed to the proposed pay award option 3: a targeted pay increase at staff in the lower and lower median pay range, however if the pay guidance, or affordability, provides for a lower amount (i.e., 1%) then option 1 is agreed: paying a flat rate sum based on the median of the pay band. The CET endorsed payment of non-consolidated pay linked to grade, paid at a single rate for each pay group. The pay award will be paid in August salaries. This will be reviewed in July with finance colleagues as the Agency will have a better understanding of any funding issues relating to the COVID-19 pandemic.

14. Special Bonus Report 2019-20 (CET/20/138)

14.1 ██████████ presented the 2019-20 special bonus report. The CET noted that 12% of delegated grade staff and 9% of SCS staff received a special bonus. A variance was noted regarding part time staff – it appears that part time staff received lower proportions of bonuses; work will be undertaken to ensure part time staff are not adversely discriminated against. All other equality data showed no concerns. For future reports, the results will be presented as proportion of eligible staff.

15. Overtime Report 2019-20 (CET/20/139)

15.1 ██████████ presented a report on overtime payments made across the Agency in order to monitor the usage, impact of overtime on budgets and employee wellbeing. The CET noted that currently, whenever overtime or travel time is paid, a certain percentage should be statutory holiday pay, which is currently capped at 2 years. It was proposed that this will be changed to a flat rate percentage. CET noted the report and agreed that an annual update is suitable.

INFORMATION

16. CPRD Executive Committee minutes – April 2020 (CET/20/140)

16.1 The CET noted the CPRD Executive Committee minutes for April 2020.

17. NIBSC monthly update for CET (CET/20/141)

17.1 The CET noted the NIBSC monthly update.

18. Updates from Cross-Agency teams

Governance Board	CET/20/143
Health and Safety Strategy Group	CET/20/146
Audit and Risk Assurance Committee	CET/20/147
Risk and Audit Liaison Group	CET/20/148

19. Agreement of 02 June 2020 CET agenda (CET/20/150)

19.1 The CET reviewed and provided comments on the 02 June 2020 draft CET agenda.

20. AOB

20.1 No items of AOB were raised.