

Audit Committee, 11 November 2020

Internal and External audit recommendations tracker

Executive summary

This report provides the Committee with progress updates on the implementation of recommendations arising from Internal and External audits. In addition, any significant Quality Assurance recommendations and recommendations arising from ISO standard audits will be added.

Recommendations which have been implemented have been removed from this report. The original numbering of recommendations has been retained.

Decision

The Committee is requested to note the paper.

Background information

Please refer to individual internal audit reports for the background to recommendations.

Date of paper

3 November 2020

Internal Audit report – Reshaping the Organisation (considered at Audit Committee 17 September 2020)

Recommendations summary

Priority	Outstanding recommendations	Status
High	0	Overdue 0
Medium	3	Not yet due 6
Low	5	Completed 2

For the related
Audit Findings
See Appendix 1
or
PRESS

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>1 Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out</p> <p>HCPC should continue to formalise its corporate strategy, with a vision that extends beyond 2021, at the same time as implementing shorter transformational changes. In designing the longer-term strategy, HCPC should take steps to mitigate the risk that short term tactical decision making drives the strategic focus of the organisation. This can be achieved by regular reviews of the transformation work referenced against the development of the new strategy. Also, when the strategy is presented to Council, a cross-reference to the transformation work to show how they dovetail or where adaptations are required.</p>	<p>The Corporate Strategy is being crystallised in collaboration with stakeholders and there is now a reference point against which to reference the transformation activities to ensure they are consistent with the longer term vision. The Digital Transformation Strategy is being developed alongside the Corporate Strategy to mitigate against divergence. The developing Corporate Strategy includes high level success factors. Following approval this will be supported by an annual Corporate Plan and associated departmental plans which will provide more granular detail around milestones and performance metrics.</p>	<p>Chief Executive</p> <p>Q3/4 2020/1</p>		<p>Draft Corporate Strategy being consulted including stakeholder engagement activities. Strategy due to be finalised in December and published in early 2021. Corporate Plan and budget for Year1 to be completed by March.</p>	<p>N/A</p>

2	<p>Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out</p> <p>As part of the introduction of the new strategy to be approved in December 2020 HCPC should ensure that the standard formats of these documents include status updates on highlevel milestones. In addition the strategy should be complemented with a high-level description of success factors indicating when each milestone will be considered to be achieved.</p>	<p>The Corporate Strategy is being crystallised in collaboration with stakeholders and there is now a reference point against which to reference the transformation activities to ensure they are consistent with the longer term vision. The Digital Transformation Strategy is being developed alongside the Corporate Strategy to mitigate against divergence. The developing Corporate Strategy includes high level success factors. Following approval this will be supported by an annual Corporate Plan and associated departmental plans which will provide more granular detail around milestones and performance metrics.</p>	<p>Chief Executive</p> <p>Q3/4 2020/1</p>		<p>See response to point 1.</p>	<p>N/A</p>
3	<p>Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out</p> <p>The sufficient resourcing of the Finance team should be reassessed to ensure the team has sufficient capacity, particularly considering the change in structure and the colleague on long-term absence.</p>	<p>The resourcing of Finance is being reviewed in the light of project demands. The Director of Business Improvement has been retained until the end of December 2020 to continue to provide strategic support to the Finance team.</p>	<p>Chief Executive</p> <p>Q3/4 2020/1</p>		<p>Person specification for Executive Director Corporate Services post has strong financial leadership element. Finance resource plan includes recruitment of financial accountant and systems accountant. Project accountant contract has been extended.</p>	<p>N/A</p>
4	<p>Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out</p> <p>As part of HCPC's preparation of its long term corporate strategy, an accompanying digital strategy should be formalised setting out the intended strategic direction of digital and data governance. In this way the shorter term tactical changes can be aligned to a longer term aim and HCPC can formalise its IT infrastructure and governance frameworks.</p>	<p>The Digital Transformation Strategy is being developed in parallel to the Corporate Strategy. There has been collaboration across the organisation to validate the scope and ambition for the Digital Transformation. The strategy sets a long-term vision, details the digital transformation strategy and the strategic needs, and outlines an implementation roadmap. In addition it recognises that there is a need to regularly review to ensure it remains aligned to the organisational needs, current operating conditions and technological advancements.</p>	<p>Executive Director of Digital Transformation</p> <p>Q3/4 2020</p>	<p>Completed</p>	<p>Complete and signed off by Council in September.</p>	<p>N/A</p>

5	<p>Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out</p> <p>Nearer the time of his departure, the detailed next steps of the programme that the outgoing Business Improvement Director intends, should be clearly documented, particularly those relating to transformation activities that have yet to be completed.</p>	<p>The Executive Director of Regulation has been recruited and the Director of Business Improvement contract has been until 31st December 2020. This will enable sufficient overlap to allow for a transfer of the Transformation Strategy for FtP.</p> <p>A substantive Head of FtP has been appointed who has responsibility for ensuring that the performance of FtP continues to improve. Executive oversight of these improvements will</p>	<p>Director of Business Improvement</p> <p>End of Q3 2020/21</p>		<p>The Executive Director of Regulation has been recruited and will take over responsibility from 16th November allowing a 6 week hand-over. Undertaking an independent review of the Transformation Plan is being discussed as a method for evaluating the robustness of the forward plan being handed over.</p>	N/A
6	<p>Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out</p> <p>HCPC should ensure that as part of the intended CMS's introduction, the new system captures and reports on performance data in a way that enables efficient and accurate reporting for the intended scorecard approach, while also addressing previously identified issues with performance reporting in previous Internal Audit reports.</p>	<p>Evaluation of the 'Out of the Box' Management Reporting was a critical factor in selecting the proposed replacement CMS. The chosen product, ShareDo, has 'Out of the Box' Management Reporting above the minimum requirements of HCPC. The detail of the reporting is being defined in the Project Definition workshops being conducted in September 20.</p>	<p>Director of Business Improvement</p> <p>End of Q2 2020/21</p>	Completed	<p>The Definition Stage of the CMS Replacement Project has been completed and it has been confirmed that the system will produce FTP management information that exceeds the HCPC requirements.</p>	N/A
7	<p>Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out</p> <p>The comments raised with regards to annotations to the Register should be considered as part of the future planning of improvements in this area.</p>	<p>A priority for the recently appointed Executive Director of Regulation is to develop their plans for the future of the Registration function. The comments regarding annotations to the Register will be part of these plans.</p>	<p>Executive Director of Regulation</p> <p>Q4 2020/21</p>		<p>Registrations is subject of business improvement focus. Recent roll out of new registration system provides a vehicle for further improvements enabling registration resource to be focused on value add activity. . Regulatory reform proposals include provisions on annotations.</p>	N/A

8	<p>Key Risk Area 2: Anticipating the major risks and opportunities and stakeholder consultation</p> <p>HCPC should consider conducting additional employee engagement activities to help embed and measure cultural change. While existing changes have been predominantly focussed on changing processes, HCPC should also ensure there is sufficient focus on cultural change and changes to staff wellbeing.</p>	<p>Since the audit fieldwork was completed further employee surveys and engagement activities have taken place in relation to Covid-19 working, establishing a new normal post Covid and the development of the Corporate Strategy. Employee wellbeing has been supported through initiatives during Covid-19. A continued focus on well-being and shifting the culture of the organisation is reflected in the Corporate Strategy and will be further developed in the next Corporate Plan. Organisational resilience and development continues to be a priority focus with progress being monitored by the SMT fortnightly.</p>	<p>Chief Executive and Director of HR and OD Q4 2020/21</p>		<p>Continued employee engagement including: further all employee survey on the Corporate Strategy; introduction of weekly team brief with feedback to weekly SMT/OMT huddle. Revised terms of reference for the Employee Forum. External consultancy engaged to support culture change including revised behavior matrix aligned with new corporate values. Development of estates strategy so that physical and virtual working environments support organisational cultural change. Future all employee surveys.</p>	<p>N/A</p>
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Internal Audit report – IT Controls (considered at Audit Committee 17 September 2020)

Recommendations summary

Priority	Outstanding recommendations	Status
High	0	Overdue 0
Medium	3	Not yet due 6
Low	3	Completed 0

For the related
Audit
Findings See
Appendix 1 or
PRESS

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>1 Key Risk Area 1: The IT governance framework Key Risk Area 2: IT's support for the achievements of enterprise objectives</p> <p>HCPC should develop and introduce a formal IT Governance framework which aligns with the Code of Corporate Governance. The aim of the framework should be:</p> <ul style="list-style-type: none"> · To ensure that appropriate roles, responsibilities and accountabilities are established for data, system ownership, reporting and communications. This will build on the information which already forms part of the ISMS. · To report on IT Governance status and tracking of all IT Governance issues and remedial actions to closure; and · To define responsibility for key IT controls, particularly in respect of IT systems managed by business units. <p>The IT governance framework should be reviewed periodically, and updated as needed.</p>	<p>The Digital Transformation has an ambitious agenda and roadmap, which means we already recognise that there is a need to develop a Governance model to support transformation activity and operations.</p>	<p>Director of Digital Transformation</p> <p>March 2021</p>	<p>Still on target</p>	<p>Also highlighted in the Digital Transformation Strategy.</p> <p>The intention is to develop a new governance model to support more agile ways of working both within technology and across the wider organisation.</p>	<p>N/A</p>

<p>2 Key Risk Area 3: Effectiveness and added business value of IT is demonstrated to both the business and IT executives</p> <p>We recommend HCPC consider developing a more detailed set of KPIs to measure IT performance as a part of the digital agenda and in respect of best practice. Typical general examples for IT KPIs that could be used are as follows:</p> <ul style="list-style-type: none"> - IT expense per employee - Support expense per user - IT expense as a % of total expense - The number of recurring problems. <p>Furthermore, based on the new operation model specifics, HCPC should consider adopting ITIL Key Performance Indicators especially in the area of Service Design and Continual Service Improvement.</p>	<p>Review and revise KPIs against strategic imperatives and best practice.</p>	<p>Head of IT and Projects</p> <p>March 2021</p>		<p>A standard set of KPI will be considered as part of the reorganisation work resulting from the Digital Transformation work.</p> <p>Following the approval of the strategy presented by the Executive Directory of Digital Transformation at the last meeting Council, work has now started top shape the new Digital organisation.</p>	<p>N/A</p>
<p>3 Key Risk Area 3: Effectiveness and added business value of IT is demonstrated to both the business and IT executives</p> <p>When processes and IT systems are being reviewed and updated as part of transformation, it is important to ensure that the proportionality of controls is kept as a critical success factor in the delivery of new systems.</p>	<p>Review and revise KPIs against strategic imperatives and best practice.</p>	<p>Head of IT and Projects</p> <p>March 2021</p>		<p>A standard set of KPI will be considered as part of the reorganisation work resulting from the Digital Transformation work.</p> <p>Following the approval of the strategy presented by the Executive Directory of Digital Transformation at the last meeting Council, work has now started top shape the new Digital organisation.</p>	<p>N/A</p>

<p>4 Key Risk Area 4: The service desk Key Risk Area 5: Problem & Incident Management HCPC should develop a Service Portfolio to manage the entire lifecycle of all services, and include three categories: Service Pipeline (proposed or in development); Service Catalogue (Live or available for deployment); and retired services. In the development of the Service Catalogue, business unit managers and other decision makers should work with both end users and stakeholders to determine the level of require IT services. Categorisation of the services should be undertaken together with access permissions, restricting access to specific services. We recommend that for each identified IT service within the Service Catalogue, the following attributes should be recorded:</p> <ul style="list-style-type: none"> - Name of the service - Description of each individual service - Service category (i.e. Infrastructure, Software, Hardware, Video, Support, etc.) - Supported and related services - Service Level Agreement - Who can request the service - Service owner - Costs associated with the service - Delivery expectations - Security Requirements 	<p>This is work that is already identified and will be implemented as part of the service desk improvement.</p>	<p>Head of IT and Projects March 2021</p>		<p>An updated Service catalogue will be produced as part of the output of the work to reorganise the Digital team during the transformation.</p> <p>Following the approval of the strategy presented by the Executive Directory of Digital Transformation at the last meeting Council, work has now started top shape the new Digital organisation.</p> <p>Part of this will be delivered alongside the implementation of the new Service Desk that will complete later in the year.</p>	<p>N/A</p>
<p>5 Key Risk Area 4: The service desk Key Risk Area 5: Problem & Incident Management For the key IT services desk processes, HCPC should develop formal procedures. Procedures streamline the internal process, but also ensure compliance, give guidelines for decision making and provide the roadmap for day-to-day operations.</p>	<p>This is work that is already identified and will be implemented as part of the service desk improvement.</p>	<p>Head of IT and Projects March 2021</p>		<p>This will be delivered alongside the implementation of the new Service Desk that will complete later in the year.</p>	<p>N/A</p>

<p>6 Key Risk Area 4: The service desk Key Risk Area 5: Problem & Incident Management</p> <p>The IT Service desk manager should develop the Service Desk Mission, Vision and Values. This should be approved by Senior Management and distributed to all staff.</p>	<p>This is work that is already identified and will be implemented as part of the service desk improvement.</p>	<p>Head of IT and Projects</p> <p>March 2021</p>		<p>This will be delivered alongside the implementation of the new Service Desk that will complete later in the year.</p>	<p>N/A</p>
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Internal Audit report – FTP end to end process review (considered at Audit Committee 4 March 2020)

Recommendations summary

Priority	Outstanding recommendations	Status	
High	0	Overdue	0
Medium	2	Not yet due	0
Low	0	Completed	2

For the related Audit Findings See Appendix 1 or **PRESS**

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>1 Key Risk Area 1: FtP end to end process (triage)</p> <p>We recommend that HCPC ensures that the triage process is sufficiently resourced so that all cases can be processed in line with the standard timescales. We recommend due to the complexity of the concerns raised, that HCPC should consider it's approach in resourcing to manage high influx of concerns. This could include use of external lawyers.</p>	<p>1 - Whilst SW cases were included, some team members had over 80 active cases. Now, after the transfer, that has reduced to 45-50. A range of management interventions to ensure cases progress to closure or threshold decision are being introduced, including expanding the profession specific approach, and matching the capacity required for cases that need to go to ICP panels.</p> <p>We will evaluate the impact of case flow assumptions in Q1+2 2020/21</p>	<p>1. DL CRT</p> <p>Completion date: Q2 2020-21</p>	Completed	<p>HFTP update - The capacity and demand resourcing work has now completed and has confirmed that Triage team is sufficiently resourced. New operational processes are in place to support the team to meet their KPIs.</p>	<p>Commentary History See Appendix 2 or PRESS</p>
<p>12 Key Risk Area 6: Quality assurance</p> <p>We recommend that the QA team include the number of recommendations that have been made, implemented and still pending implementation when reporting to Audit Committee and Council. This could be written as pure statistics to be quick to produce, read and understand.</p>	<p>This fits in with previous recommendations from internal audit that the Quality Assurance Department are already undertaking – to produce a central recommendations tracker and to develop the departmental report to Audit Committee.</p>	<p>Quality Assurance Lead</p> <p>Completion date: Q1 2020/21</p>	10/09/2020	<p>This is now completed.</p>	<p>Commentary History See Appendix 2 or PRESS</p>

Internal Audit report – Business Continuity Planning (considered at Audit Committee 4 March 2020)

Recommendations summary

Priority	Outstanding recommendations	Status	
High	0	Overdue	0
Medium	1	Not yet due	1
Low	0	Completed	0

For the related Audit Findings See Appendix 1 or **PRESS**

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>6 Key Risk Area 5: Business continuity testing</p> <p>HCPC should address identified gaps in the current BCP and schedule another planned BCP test to ensure that updated areas are working effectively.</p>	<p>A further test will be carried out in the next Financial year</p> <p>COVID-19 response (essentially a major interruption to normal business operations negates any immediate requirement for BCP testing) March – June 2020.</p>	CISRO	31/03/2020	Ongoing -Live test in covid-19 response. May look to test “New normal” at a later stage when we establish what that is.	<p>Commentary History See Appendix 2 or PRESS</p>

Internal Audit report – Quality Assurance (considered at Audit Committee 10 September 2019)

Recommendations summary

Priority	Outstanding recommendations	Status	
High	0	Overdue	0
Medium	3	Not yet due	1
Low	3	Completed	5

For the related
Audit Findings
See Appendix 1
or
PRESS

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>1 We recommend that Management reviews the current QA reports provided to Audit Committee and consider whether the following information should be included:</p> <ul style="list-style-type: none"> •Timelines throughout the year of when reviews are expected to be undertaken and due to be completed. These are currently provided as part of the reporting to SMT. •Performance data of the QA team. •Significance and/or rating of reports. •Clear indicators of where the QA audits fit into the assurance map and overall assurance of the organisation. •The reasoning behind each audit undertaken and the benefits of undertaking such audits. These are currently provided as part of the reporting to SMT. 	<p>As is documented, this is work that the Department is already undertaking. The QA Department report provided to Audit Committee will be developed over this financial year to provide a better overview of the work that the Department is doing in relation to the workplan, and to provide clarity about how the work of the Department fits in to overall assurance activities across the organisation.</p> <p>Update June 2020:</p> <ul style="list-style-type: none"> •Due to significant changes to ways of working across the organisation due to the Covid-19 pandemic, normal QA activities have been temporarily suspended during Q1. As such, there has been a delay in the production of the Quality Assurance Framework for 2020-21. •The intention is for the QA team to trial a new approach to quality assuring FTP processes during Q1-Q2. This is subject to ongoing business improvement work in the FTP department which may be delayed as a result of the Covid-19 pandemic. •The previous Head of Quality Assurance left in Q4 2019-20. A new QA Lead is now appointed 	<p>Quality Assurance Lead</p> <p>Completion date: Q2-Q4 2019/20 (revised to Q1-Q2 2020/21)</p>		<p>QAL - This recommendation is completed/implemented. With the September report to the Audit Committee this recommendation was implemented. QA Management reports will continue to develop as needed to give the most relevant and up to date information while continuing to show the wider picture. AC here asked to provide feedback on the last report if there was anything further needed to meet this recommendation, no feedback was received and AC approved the report.</p>	<p>Commentary History See Appendix 2 or PRESS</p>

2	<p>We recommend that as part of developing the framework for the ISO and non ISO audit activity that Management considers setting out the following:</p> <ul style="list-style-type: none"> •Clearly define and outline the separation of assurance activities being undertaken by the QA Department and the Governance Department. •Considerations should be given to ownership, reporting, methodology and accountabilities for delivery. •In addition, the Head of QA, the Governance Department and the Internal Auditors should discuss other areas that could be audited that would add value to the organisation that are outside of BSI/ISO focused areas. 	<p>As is documented, this is work that the Department is already undertaking. A review of how the QA Department conducts non regulatory department audits started in July 2019 with the aim of developing organisational audits that fully reflect the current needs of the organisation. Part of this work will be to develop a framework between the QA and Governance Departments. This will set out roles and responsibilities, an audit plan and the various factors that have been considered in the production of the plan such as risk registers, assurance mapping, audit activity across the organisation and any organisation requirements such as ISO. This is the same approach that is taken in the determination of the regulatory department quality assurance frameworks in each financial year.</p>	<p>Quality Assurance Lead</p> <p>Q2-Q3 2019/20 (revised to Q2 2020/21)</p>		<p>QAL - This recommendation is now completed/implemented.</p> <p>The Assurance map clearly defines the separation of assurance between the three lines of risk mitigation. This is an annual exercise so will continue to be updated as needed. When developing the workplan and framework for next financial year the QAL will meet with the CISRO and Internal audit to discuss wider audits and assurance activities.</p>	<p>Commentary History See Appendix 2 or PRESS</p>
4	<p>We recommend that in the long term, as part of business continuity and succession planning arrangements, each team member be trained and undertake QA audits in each regulatory area. This will ensure there is full assurance coverage across all regulatory areas.</p>	<p>Wherever possible, in this financial year and last, we have identified opportunities to undertake cross team working within the Department. The managers work closely together on peer reviewing audit reports, providing input into audit activities, standardising audit materials and providing support for the service and complaints process. At officer level we have trialled a cross regulatory team member of staff and look to develop more cross working, particularly at this level.</p> <p>Research with QA teams at other health regulators was carried out at the start of the year, to learn from their development as a central QA function and to determine if our structure and approach was suitable for the organisation. From this information it was apparent that, to develop to a stage where a QA team can undertake audits in any regulatory area, a long term approach is required across several years of development. The current aim is to develop a cross team working approach as much as possible within this financial year and revisit this objective when developing the workplan for next financial year.</p>	<p>Quality Assurance Lead</p> <p>Review in Q4 for 2020-21 financial year workplan (revised to Q1-Q2-Q3 2020/21)</p>	31/12/2020	<p>This recommendation is now completed/implemented. Each of the QA Managers have been trained in the new reg system, and have completed QA activity outside of their area of expertise. As a team we will continue to cross skill and collaborate in order to develop well rounded knowledge of all regulatory areas.</p>	<p>Commentary History See Appendix 2 or PRESS</p>

5	<p>It is recommended that the QA function put an audit charter in place which will set out:</p> <ul style="list-style-type: none"> -the purpose of the function; -reporting lines; -roles and responsibilities; -how audits will be selected to be undertaken (risk based approach); -process for any deviations from the agreed audit plan; -is a document that the QA function can be held accountable to; -formally agreed at the Audit Committee. 	5 & 6: As is documented, much of the information that would form part of an audit charter and overall strategy is already documented in the Departments' workplans and quality assurance frameworks. We will look to produce these documents in the future so that this information can be provided to a range of stakeholders as standalone, high level overview documents.	<p>Quality Assurance Lead</p> <p>Completion date: Q2 – implementation in Q1 2020/21 (revised to Q1-Q2-Q3 2020/21)</p>	31/12/2020	QAL - The Charter is in the process of being developed and a draft will be submitted to AC in Q4 for final approval.	<p>Commentary History See Appendix 2 or</p> <p>PRESS</p>
6	<p>It is recommended than an overall strategy for the QA function is developed. As a minimum this should include the following:</p> <ul style="list-style-type: none"> -the overall aim and objective of audits; -the methodology that is being followed in order to conduct their reviews; -how the QA function will achieve its aims and objectives; -how the QA function determines the reviews it undertakes; -the audit plan for the year; -any deviations from the audit plan should be fully documented. 	5 & 6: As is documented, much of the information that would form part of an audit charter and overall strategy is already documented in the Departments' workplans and quality assurance frameworks. We will look to produce these documents in the future so that this information can be provided to a range of stakeholders as standalone, high level overview documents.	<p>Quality Assurance Lead</p> <p>Completion date: Q2 – implementation in Q1 2020/21 (revised to Q1-Q2-Q3 2020/21)</p>	31/12/2020	QAL - This recommendation is now completed. (Sept update - 6-7 The QA Methodology and QA Framework have been finalised and approved. These documents cover the details recommended for a QA strategy and provide clarity and accountability on the process and timeliness of QA activity. The QA framework encompass all QA activity across regulatory departments as well as the QA department work plan and schedule.)	<p>Commentary History See Appendix 2 or</p> <p>PRESS</p>

7	<p>We recommend that an overall up to date framework is put in for the entire QA function and should include the three regulatory frameworks, the non-regulatory audits and it should be aligned with the new QA structure of the team.</p>	<p>As is documented, the Department currently has quality assurance frameworks with the regulatory departments and is currently developing a framework with the Governance Department. We will look to produce an overall framework for the QA Department in the future so that this level of overview can be provided to a range of stakeholders.</p>	<p>Quality Assurance Lead</p> <p>Completion date: Q2 – implementation in Q1 2020/21 (revised to Q1-Q2-Q3 2020/21)</p>	<p>31/12/2020</p>	<p>QAL - This recommendation is now completed. (Sept update - 6-7 The QA Methodology and QA Framework have been finalised and approved. These documents cover the details recommended for a QA strategy and provide clarity and accountability on the process and timeliness of QA activity. The QA framework encompass all QA activity across regulatory departments as well as the QA department work plan and schedule.)</p>	<p>Commentary History See Appendix 2 or PRESS</p>
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Internal Audit report – Assurance map (considered at Audit Committee 4 June 2019)

Recommendations summary

Priority	Outstanding recommendations	Status	
High	0	Overdue	0
Medium	1	Not yet due	0
Low	0	Completed	1

For the related Audit Findings See Appendix 1 or **PRESS**

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>3 Updating of current preferred supplier listing.</p> <p>Appropriate training of staff involved in the procuring of goods and services.</p> <p>Capturing and monitoring of performance data related to procurement activity, for example procurement spend information, procurement routes, minimising supplier lists etc.</p>	<p>The HCPC has a centralised procurement support approach rather than a centralised function. A procurement policy is in place which includes thresholds and procedures.</p> <p>A procurement specific role is in place within the finance team to provide procurement support to other departments.</p> <p>An improvement plan will be created for our procurement function. The second line of defence – i.e. management reporting will be improved as a priority – e.g. ClickTravel.</p> <p>The third line of defence – i.e. expenditure commitment is being improved through the improved budget variance analysis.</p>	<p>Director of Finance</p> <p>Target Date: 31 October 2020</p>	Completed	<p>There are controls in place to set up preferred supplier within the system. Contract list is also being maintained to ensure spending are captured by contract number.</p> <p>Procurement data is reported into SMT on a monthly basis including spend by supplier, number of SSRs etc. As part of the workplan, we are currently reviewing the procurement manual for updates and creating a training guide for departments on approval of out of policy travel on Click.</p>	<p>Commentary History See Appendix 2 or PRESS</p>

Internal Audit report – Key Financial Controls Review – Transactions Team (considered at Audit Committee March 2019)

Risk summary

Priority	Outstanding recommendations of No.	Status	
High	0	Overdue	2
Medium	3	Not yet due	0
Low	0	Completed	1

For the related Audit Findings See Appendix 1 or **PRESS**

Risk/ Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>1 Lack of formally documented procedures heightens the succession risk in case of a loss of key personnel. This may lead to an incorrect/inconsistent application of key processes and decisions being taken.</p> <p>Outdated procedures can also cause confusion for a new person who joins any of the above teams regarding what processes to follow, and may lead to processing errors.</p>	<p>Management will implement the following actions:</p> <p>1. Develop a detailed process document for credit control related activities.</p>	Financial Control Manager	31/10/2020	Detailed process note will be updated following the go live of the new registration system.	<p>Commentary History See Appendix 2 or PRESS</p>
<p>3 Lack of formally documented procedures heightens the succession risk in case of a loss of key personnel. This may lead to an incorrect/inconsistent application of key processes and decisions being taken.</p> <p>Outdated procedures can also cause confusion for a new person who joins any of the above teams regarding what processes to follow, and may lead to processing errors.</p>	<p>Management will implement the following actions:</p> <p>3. Update all policies and procedure documents to capture the owner and dates of review.</p> <p>As part of the RCA of the process issues, we will process map the processes and document the control points. Improvement plans will be created based on risk.</p>	Financial Control Manager Registration Operations Manager Treasury accountant / Head of Financial Accounting.	31/10/2020	<p>Procedures and policies now captures the owner and date of review.</p> <p>Process and procedures will be updated following the go live of the registration system and update to the financial systems.</p>	<p>Commentary History See Appendix 2 or PRESS</p>

4	<p>Management information and analysis surrounding aged debt balances are to be communicated to Senior Management. Frequency of reporting, and forums for which to report to are to be determined, though at a minimum Finance and Registration should have oversight.</p> <p>Management should define categories or reason codes for non-payment and these should be captured within the registrants balance report, in order to facilitate more detailed analysis and discussion.</p> <p>Areas to consider as part of reporting could include (but are not limited to): debtor trends over time (e.g.by profession), analysis on most common reasons for non-payment, and write-offs due to registrants being removed from the register.</p>	<p>Management information and analysis surrounding aged debt balances are to be communicated to Senior Management. Frequency of reporting, and forums for which to report to are to be determined, though at a minimum Finance and Registration should have oversight. Management should define categories or reason codes for non-payment and these should be captured within the registrants balance report, in order to facilitate more detailed analysis and discussion.</p> <p>Areas to consider as part of reporting could include (but are not limited to): debtor trends over time (e.g.by profession), analysis on most common reasons for non-payment, and write-offs due to registrants being removed from the register.</p>	<p>Owner: Financial Control Manager Date Effective:31 July 2019 Target Date: 31 October 2020</p>		<p>Monthly review of debtor balances have been performed, where reasons are given for each type of debt.</p> <p>The October Financial performance report will include the management information on debtors. This will continuously be reviewed and improved.</p> <p>Complete</p>	<p>Commentary History See Appendix 2 or PRESS</p>
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HM External Auditor's report – Detailed control points (considered at Audit Committee and Council September 2020)

Recommendations summary

Priority	Outstanding recommendations	Status
Significant	0	Overdue 0
Important	2	Not yet due 0
Limited	0	Completed 3
Advisory	1	

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Commentary
1 We recommend that a record be maintained of the individuals that confirmed authorisation for all payments.	We agree to keep a record of the individuals that confirmed the payments each month.	Director of Finance		We have asked our payroll provider to keep screenshots of the approval history on the PT-X system. This now forms part of the monthly payroll closing process.

2	We recommend that the reconciliations between the 2 systems are carried out on a monthly basis, to reduce the risk of inappropriate financial decisions to be made due to the inaccurate recognition of income.	We accept the recommendation and have been completing the reconciliations each month in the current financial year.	Director of Finance		Monthly reconciliation is being done.
3	We recommend that the member records are reviewed accordingly.	We agree with the recommendation	Head of Registration		We have put checks in place to ensure scanned uploads are monitored.

Appendix 1 - Audit Findings (nb positive findings not listed)

Reshaping the Organisation		
<p>Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out</p> <p>1.1 Clarity of vision of its future organisational structure with reference to defined success factors</p>	<p>From interviews with stakeholders involved in HCPC's transformation activities, we noted that although there was clarity over short term plans, stakeholders found it challenging to place transformation plans within the context of a wider HCPC strategy, although we note that discussions have commenced to address this. While we appreciate that a corporate strategy is currently being prepared, and that a plan for the second half of 2020 will be presented to Council in July 2020, there is a risk that short term transformation activity might not be aligned to longer term goals, and the short term tactical objectives might drive HCPC in a strategic direction that was unintended.</p> <ul style="list-style-type: none"> · Recognising that the Transformation Map used to govern the wider transformation activities is a high-level document, and is due to be replaced in December 2020, future versions of standard progress updates would be improved by showing completion progress to date and containing some more contextual detail about how each element of transformation activity will be achieved. As part of the standard format of high-level documents moving forward HCPC would benefit from these also showing some high-level contextual detail with information on progress to-date. · As part of the Transformation Map and other transformation documents reviewed, project success factors, although having been considered, have not been formally identified. At a planning stage, clearly defining when a project has been successfully implemented can be helpful in focussing attention on achieving clearly defined outcomes, and for those charged with governance who were not involved in planning, project success factors will help clarify progress against key outcomes. · Following the restructuring of the Finance team we noted that the team is involved in both the day-to-day financial management of HCPC, but also in the reshaping activities. There is currently one member of staff on long term sick leave and there is a risk that the capacity of the team will be stretched to both conduct business-as-usual functions while contributing to the reshaping programme. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>
<p>Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out</p> <p>1.2 Digital strategy</p>	<p>An overall digital strategy and long term vision needs to be continued to be created, ensuring it is coordinated with the overall business strategy. The organisational strategy and a business architecture should be developed alongside a digital or technical strategy, in order to avoid divergent paths and ensure the best outcome and utilisation of technology.</p> <ul style="list-style-type: none"> · HCPC is still formulating its approach to managing data as an organisation. Individual lines of business have historically been responsible for their own IT applications and data, and from interviews with staff there are still areas of IT activity that have yet to be centrally mapped. <p>Once a strategy and agreed roadmap is in place, HCPC needs to consolidate and define logically technological accountabilities.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>
<p>Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out</p> <p>1.3 Fitness to Practise</p>	<p>The Business Improvement Director exits from HCPC at the end of December 2020, extended from September 2020, to allow for key transformation activities to be completed. With past and potential future uncertainties in delivery timescales caused by Covid-19, HCPC will need to ensure that should the Business Improvement Director leave before transformation activities have concluded, sufficiently detailed hand-over activities take place.</p> <ul style="list-style-type: none"> · Whilst analysts within the business improvement team have been creating MI prototypes, a final specification needs to be created for business as usual development of the MI reporting. This will need to be developed alongside the introduction of the CMS, to ensure that the CMS can produce the desired data reporting in an efficient and accurate way. Some issues were identified with current MI reporting processes as part of our 2019/20 Fitness to Practise audit which highlight the importance of making improvements in this area. The usage of MI performance data is also the focus of two additional audits within the 2020/21 Internal Audit Plan. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>

<p>Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out</p> <p>1.4 Registration</p>	<p>Stakeholder interviews identified issues in the manner in which the registration department approach annotations to the Register that show where a registrant has additional entitlements, due to the completion of additional training. This was flagged as a complex area that may not have yet been considered as part of the changes to the Registration team / processes. It would be a valuable additional element to consider as part of the transformation of Registration activities.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>
<p>Key Risk Area 2: Anticipating the major risks and opportunities and stakeholder consultation</p> <p>2.1 Consultation and engagement across with stakeholders</p>	<p>Whilst we noted that the plan has been communicated well across the higher levels of the organisation, operational staff interviewed did not feel they had a clear understanding of how the SMT's role operates currently, or will function in future, in relation to their levels or operational areas of responsibility. Some staff interviewed expressed a view that engagement on these topics could be improved.</p> <ul style="list-style-type: none"> · Employee surveys could benefit from being conducted more frequently, as the pace of change may impact on employee engagement. These could also be amended to target specific areas to evaluate viewpoints towards the change, rather than being conducted generally on an organisation wide level. · Although we noted that staff 'pulse' surveys have been conducted to assess employee engagement, from interviews with stakeholders there may be opportunities for greater focus on employee wellbeing and culture. At present transformation plans have been mostly process based, and about being lean and restructuring, whereas stakeholders considered some further focus on staff wellbeing and culture would be welcome and also help to deliver the changes needed. · In addition, although we noted a number of good examples of consultation with internal stakeholders, we did not observe examples of consultations with external stakeholders such as the registrants, the PSA or other regulatory bodies. We note that this is part of the next phase of the work. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>

IT Controls		
Key Risk Area 1: The IT governance framework	<p>We reviewed the Code of Governance with the supporting documents and noted that certain aspects of IT governance are not incorporated in this framework, such as regulatory requirements and organisational structures.</p> <p>We understand that current IT governance practices are mainly organised around the Senior Management Team (SMT). Depending on the issue, IT related topics are also discussed at the Council level. The evaluation and monitoring of IT projects are considered by the Project Management team. Although all these practices could be considered as set of IT governance work-streams, there is no comprehensive and consistent IT governance structure and processes which will:</p> <ul style="list-style-type: none"> - Ensure alignment with organisational governance. - Control the information technology environment through the implementation of good practices. - Clearly distinguish management and governance responsibilities. <p>· The fundamental consequences related to lack of clearly defined IT governance are:</p> <ul style="list-style-type: none"> - IT and the IT controls may not be fully aligned to the business needs and - The absence of direction in IT investment decisions. <p>· Furthermore, in HCPC's IT environment, where some IT systems are managed by business units, preserving of the current IT Governance practices will be a risk to the digital transformation, due to lack of formally defined processes to monitor, evaluate and direct IT.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p style="text-align: center;">PRESS</p>
& Key Risk Area 2: IT's support for the achievements of enterprise objectives	<p>Given the new digital strategy anchors the planned digital transformation and that all other governance building blocks are influenced by it, in recommendation 1 we included a set of improvements that will mitigate the typical risks related to strategy development.</p>	
Key Risk Area 3: Effectiveness and added business value of IT is demonstrated to both the business and IT executives	<p>Whilst performance statistics are used as noted above, we identified that other operational Key Performance Indicators (KPIs) have not been developed to assist with the monitoring of IT value. Measuring IT is essential for good IT governance. In addition, HCPC, in the context of the digital transformation, need a pragmatic approach to monitoring the effectiveness of IT to enable them to adjust their program and assist with decisions on IT investment. Senior management would benefit from IT performance reports based on more detailed KPIs.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p style="text-align: center;">PRESS</p>

FTP end to end process		
<p>Key Risk Area 1: End to end FtP Process</p> <p>FtP end to end process (triage)</p>	<p>The Case Management Manual (The Manual) states that the triage stage should be completed within two weeks of receipt of the concern. In 9 cases sampled, these were triaged outside the two week deadline. When deadlines are missed there is a risk of reputational damage, key performance indicators not being achieved and the risk that registrants are not appropriately removed from working with members of the public in a timely manner.</p> <ul style="list-style-type: none"> · During the two-week triage period, all concerns must have an initial risk assessment completed within five working days of receipt of the concern. It was identified that in 14 cases this timescale had not been achieved. Where an initial risk assessment is not completed there is a risk that an interim order is not actioned in a timely manner and the registrants are continuing to work with members of the public. · For 16 cases sampled, these did not meet the 2 working days from triage to Case Team Manager allocation service standard. Allocations were found to range from 3 to 48 working days. Management advised, that The Case Reception and Triage time was recently established in May 2019. In addition there was no Manager until June 2019. During this period HCPC were heavily reliant on temporary and fixed term staff due to resourcing issues. Where service standards are not met there is a risk that cases are not being dealt with as efficiently as possible and bottlenecks exist. · In one instance, the Case Manager did not send an acknowledgement letter to the complainant. This oversight however was identified by the Case Team Manager, 22 working days after the acknowledgement should have been sent. The Case Team Manager telephoned the complainant to apologise and to set out the next steps. In addition, the Case Manager sent a written acknowledgement following the telephone conversation. Where complainants are not acknowledged in a timely manner there is a risk that duplicate complaints will be raised by complainants which can cause a strain on internal resources. <p>A case was transferred to the Serious Case Team and no acknowledgment letter was sent by the Case Manager. When we queried this further, the Serious Case Team had sent the letter two days later once it was transferred across. The Threshold guidance is not explicit as to which team should send the acknowledgement in cases which are referred to the Serious Case Team. The Department Lead - Case Reception & Triage advised that they have now advised the Case Team 1 that they should send an acknowledgement letter (unless there are specific reasons not to) before transferring over to the Serious Case Team. Where acknowledgement letters to the registrant and the employer are not sent there is a risk that registrants are practicing while posing risks to patients and the public depending on the severity of the concern.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>
<p>Key Risk Area 6: Quality assurance</p>	<ul style="list-style-type: none"> · The QA team produce a performance report that is sent to the Audit Committee and Council. The performance report states the audits completed and due to be completed, in addition to the rationale for the upcoming audits. It would be beneficial if the report included the recommendations made and what percentage of these are still outstanding to be completed and the number that have already been completed. Where the Audit Committee and Council is not clear on the stages of recommendation implementation there is a risk that the full value of the QA team is not realised. · The FtP tracker in place has two issues. The first is that there are outstanding recommendations, of which some of these should have been implemented by December 2018. The reasoning for these not being completed is the FtP QA team are awaiting the FtP manual. Where there are delays in the completion or the finalising of the FtP manual there is a risk to the efficiency of the FtP process. <p>The FtP tracker has audits that have been issued to the FtP team in the period covering May 2019-June 2019. However, the tracker has not been updated to include the responses from the FtP team nor does the tracker have responsible officers or due dates to completion for these recommendations. There is a risk that where issues are identified these are not resolved in a timely manner and corresponding risks are allowed to persist.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>

Business continuity

Key Risk Area 5: Business continuity testing

Given that we have identified some gaps in current BCP arrangements at HCPC (see KRA 1-4), BCP arrangements will need to be tested to ensure that these areas are working effectively.

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Quality Assurance

<p>1</p>	<p>Our review of the QA reports and discussions with the Chair of Audit Committee highlighted that information sent to the Audit Committee is brief and does not include the full detail of the work being undertaken by the Department. For example the reports presented to the Audit Committee team did not:</p> <ul style="list-style-type: none"> -provide timelines and plans for the audits throughout the year for example broken down into Q1 through to Q4 of the year; -report on the performance of the QA team; -provide an overall significance or rating of the audit reports and the subsequent findings of the audits undertaken; -identify how the work of the QA Department fit into the HCPC assurance map; -explain the positive impact that the QA Department is bring to the organisation. <p>At the June’s audit committee, these gaps were discussed and the Head of QA has committed to undertaking the changes within the report. We deem the above information to be important in ensuring that the Audit Committee can provide effect challenge.</p> <p>The Head of Business Process Improvement (HBPI) has recently transferred from the QA Department into the Governance Department. The audits undertaken for the organisation however still remains within the QA Department. Due to the change occurring during this audit, there is currently work ongoing to develop a framework of how the function will now work in light of this change. Historically, the HBPI has focused on British standards Institution (BSI)/ISO related audits. While Governance are now responsible for the management of ISO, the QA Department are still responsible for the auditing for the organisation.</p> <p>Audits currently undertaken for non-regulatory functions are mostly BSI/ISO related, and although this helps to maintain HCPCs ISO status, it does not give assurance in non-ISO related areas. We understand that the QA Department have recognised this risk and are currently reviewing the auditing requirements for the organisation, taking into account the risk registers, assurance mapping, all audit activity and any organisation certification requirements (eg ISOs). A revised approach will therefore be designed and incorporated into a quality assurance framework. Additionally, a new Quality Assurance Development Manager has been recruited and one the roles of this post will be to develop a framework which details the working arrangements between the Governance Department and the Quality Assurance Department in regards to ISO compliance activities. At the time of clearing this report, work had commenced in developing the framework.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>
<p>2</p>	<p>Although the team are very knowledgeable in the areas in which they currently work there has been little cross training into other regulatory areas. To ensure a fully integrated QA team, it is important that all team members can undertake QA audits in all regulatory areas. This will also ensure that there will be continuity in the delivery of the annual QA plan should team members are on annual leave or other long term leave. Further discussions with Management confirmed that in the long term the organisation is working towards cross working within the Department.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>

3 There is no audit charter at which the QA Department operate by and are held accountable to though information that would form part of a charter exists in the quality assurance frameworks and workplans.

There is no overarching strategy document for the QA function though information that would form part of such a document exists in the quality assurance frameworks and workplans. Without a strategy there is the risk that the organisation's approach and objectives in the context of its QA activities will not be detailed. A strategy should at the minimum set out an aim/key objectives to be met.

Due to the timings of the change, a framework for the ISO specific audits and non-regulatory audits is not currently in place and should be produced and aligned with the new QA structure in place as the current framework is ISO focused and relates to the previous structure of the team. We understand that the new Quality Assurance Development manager has commenced the development of a framework to detail the working arrangements for ISO and non ISO activity between the QA and Governance Departments.

Discussions with the business (the QA function's 'auditees') highlighted that in the case of one area, the auditee not aware of the findings of audits being undertaken until the draft report was issued. It is important that an exit meeting be a mandatory requirement as this is a key control in ensuring emerging findings and recommendations are discussed with auditees before the report is drafted.

The review highlighted that the current performance reporting includes status and progress updates on individual reviews and against the annual plans. Performance reporting can be further enhanced through the introduction of performance metrics to measure the quality and timeliness of individual reviews and against the annual plan. This includes, for example, when audits are to be completed and reports are to be issued. Beneficiaries of the QA function, such as senior management and the Audit Committee do not get a clear sense of progress made against expected progress of work and thus the assurance they are getting. Further discussions with Management highlighted that conversations have commenced on developing a suite of service standards to measure performance of the QA activity.

The scoping document reviewed, did not mention key staff to be consulted during the audit. This is important in ensuring that the right persons are consulted in carrying out the review. It also provides a clear evidence trail and clearly sets out expectations and parameters for the review.

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Assurance map		
	<p>3 Assurances around the procurement function show weakness in the following areas.</p> <p>First line of defence A centralised procurement system is not in place, but is planned to be put in place in quarter 3. The current preferred supplier list is not up to date and includes suppliers that are no longer used. Staff involved with procuring goods and services have not had training</p> <p>Second line of defence Management reporting on procurement activity is not undertaken regularly</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>

Key Financial controls

<p>2&3</p>	<p>From a review of core policies and procedures which govern the Transactions Team, Registration Operations Team and Financial Accounting Team’s operations, there were instances identified where documents do not clearly capture key processes and controls and where processes are not documented. Significant reliance is also placed on the knowledge of key personnel within HCPC. Specific observations include:</p> <ul style="list-style-type: none"> •There is no detailed process document in place for credit controls. Although there is a process map, this is high-level and does not contain sufficient detail to re-perform the task without guidance from management. •Fitness to practice cases are complex and decisions on whether registrants should be contacted for fees are based on a complex set of outcomes from the case. There is currently no documented guidance in place for the Registration Operations Team in relation to contacting registrants on fitness to practice cases on unpaid fees. •From our discussions with the Treasury Accountant we understand that the bank reconciliations process document does not reflect the current practice. The document does not specify the owner and review dates. •The Director of Finance’s payment authorisation limit is £25,000, which is documented in a July 2018 council meeting paper. From our discussions with the Director of Finance we understand that she is able to delegate an amount to other managers in the team at her discretion and has delegated an authorisation limit of £10,000 for some expense items to the Head of Financial Accounting. These delegations are not documented and it is unclear whether the Council intends the £25k delegated amount to Directors to be sub-delegated without the Council’s express authorization. •Detailed process documents are produced by the Transactions Manager on banking and refund processes, however these documents do not specify the owner and document review dates. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>
<p>4</p>	<p>Management information and analysis surrounding aged debt balances are to be communicated to Senior Management. Frequency of reporting, and forums for which to report to are to be determined, though at a minimum Finance and Registration should have oversight.</p> <p>Management should define categories or reason codes for non-payment and these should be captured within the registrants balance report, in order to facilitate more detailed analysis and discussion.</p> <p>Areas to consider as part of reporting could include (but are not limited to): debtor trends over time (e.g.by profession), analysis on most common reasons for non-payment, and write-offs due to registrants being removed from the register.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>

Appendix 2 - Commentary History - a log of the past 5 Audit Committee updates

FTP end to end process review		Sep-20	Jun-20	Mar-20	Nov-19	Sep-19	
1	<p>FTP end to end process (triage) Key Risk Area 1:</p> <p>We recommend that HCPC ensures that the triage process is sufficiently resourced so that all cases can be processed in line with the standard timescales. We recommend due to the complexity of the concerns raised, that HCPC should consider it's approach in resourcing to manage high influx of concerns. This could include use of external lawyers.</p>	<p>The capacity and demand modelling now confirms that the Triage team is sufficiently resourced to manage incoming referrals, which have now returned to their pre-COVID levels. From September, we are introducing new daily triage targets to ensure the consistent and timely flow of cases through this first decision point.</p>	<p>The Business Improvement work is establishing a capacity and demand model that will support us to improve flow through the FTP process. Early indicators from this are that the Triage team is sufficiently resourced to manage post-SW referrals. However, the Triage process has been impacted by COVID-19 and the noticeable rise in FTP enquiries and additional COVID-19 related concerns we are receiving. Resource planning has taken place to respond to this.</p>	N/A	N/A	N/A	<p>To return to the main Summary and Tracker</p> <p>Scroll up or</p> <p>PRESS</p>
12	<p>FTP end to end process review - Key Risk Area 6:</p> <p>We recommend that the QA team include the number of recommendations that have been made, implemented and still pending implementation when reporting to Audit Committee and Council. This could be written as pure statistics to be quick to produce, read and understand.</p>	<p>This has been included in the September QA reporting to the Audit Committee. Feedback will be sought from the committee on how this has been presented and this learning will be taken forward for the Nov Audit Committee reporting.</p>	<p>New QA Lead/team to review current information provided to the audit committee and produce a methodology document that includes a rating system for future audits</p>	N/A	N/A	N/A	<p>To return to the main Summary and Tracker</p> <p>Scroll up or</p> <p>PRESS</p>

Business continuity testing		Sep-20	Jun-20	Mar-20	Nov-19	Sep-19	
5	Business continuity testing -Key Risk Area 5: Given that we have identified some gaps in current BCP arrangements at HCPC (see KRA 1-4), BCP arrangements will need to be tested to ensure that these areas are working effectively.	Ongoing - Live test in Covid-19 response	Live test in Covid-19 response	N/A	N/A	N/A	To return to the main Summary and Tracker Scroll up or PRESS

Quality Assurance	Sep-20	Jun-20	Mar-20	Nov-19	Sep-19	
<p>1 We recommend that Management reviews the current QA reports provided to Audit Committee and consider whether the following information should be included:</p> <ul style="list-style-type: none"> •Timelines throughout the year of when reviews are expected to be undertaken and due to be completed. These are currently provided as part of the reporting to SMT. •Performance data of the QA team. •Significance and/or rating of reports. •Clear indicators of where the QA audits fit into the assurance map and overall assurance of the organisation. •The reasoning behind each audit undertaken and the benefits of undertaking such audits. These are currently provided as part of the reporting to SMT. 	<p>. As is documented, this is work that the Department is already undertaking. The QA Department report provided to Audit Committee will be developed over this financial year to provide a better overview of the work that the Department is doing in relation to the workplan, and to provide clarity about how the work of the Department fits in to overall assurance activities across the organisation.</p> <p>Update June 2020:</p> <ul style="list-style-type: none"> •Due to significant changes to ways of working across the organisation due to the Covid-19 pandemic, normal QA activities have been temporarily suspended during Q1. As such, there has been a delay in the production of the Quality Assurance Framework for 2020-21. •The intention is for the QA team to trial a new approach to quality assuring FTP processes during Q1-Q2. This is subject to ongoing business improvement work in the FTP 	<p>BDO Follow up review comments: In progress - overdue</p> <p>We were notified that the Head of Quality Assurance (QA) has now left the organisation and a QA Lead has yet to be appointed. In light of Covid-19, any planned QA activities have been temporarily suspended for part of Q1 2020-21, but have now resumed.</p> <p>Executive update</p> <p>QA Lead/team to review current information provided to the audit committee and produce a methodology document that includes a rating system for future audits. Audit frameworks for respective regulatory departments to be developed and to determine where QA fits within the assurance map.</p>	Ongoing	N/A	N/A	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>
<p>2 We recommend that as part of developing the framework for the ISO and non ISO audit activity that Management considers setting out the following:</p> <ul style="list-style-type: none"> •Clearly define and outline the separation of assurance activities being undertaken by the QA Department and the Governance Department. •Considerations should be given to ownership, reporting, methodology and accountabilities for delivery. •In addition, the Head of QA, the Governance Department and the Internal Auditors should discuss other areas that could be audited that would add value to the organisation that are outside of BSI/ISO focused areas. 	<p>The QA lead is working with the CISRO to develop a collaborative way of working that will have clearly defines roles of assurance while ensuring that areas of risk being identified and being addressed.</p>	<p>BDO Follow up review comments: In progress - overdue</p> <p>A QA action plan for 2020-21 has been developed and this recommendation will be reviewed in Q2 2020, once a QA lead has been appointed. A draft Organisational Assurance Framework, which was produced for 2019-20 by the former Head of Quality Assurance and the former Quality Assurance Development Manager, will be reviewed as part of the QA action plan for 2020-21.</p> <p>Executive update</p> <p>New QA Lead/QA team to review this framework and liaise with Chief Information Security and Risk Officer and Head of Governance to clarify roles and responsibilities across teams.</p>	The organisation framework (for non-regulatory audits) has been produced and pilot audits run. Given the current revised approach to ISO certification, movement of the QA Department into Governance and the change in approach for quality in the organisation this activity has been delayed.	N/A	N/A	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>

<p>4 We recommend that in the long term, as part of business continuity and succession planning arrangements, each team member be trained and undertake QA audits in each regulatory area. This will ensure there is full assurance coverage across all regulatory areas.</p>	<p>The QA team continue to work towards being a fully cross-skilled well rounded department. Since June the education quality manager undertook an audit of the FtP hearings process, which they were able to execute effectively and is now in the reporting stage.</p> <p>In order to show our commitment to having a cohesive QA department a request has been put to HR to change the job titles of the separate department quality managers to Quality Assurance Manager.</p> <p>With new systems and processes coming in place in both Registration and Education, there is also an opportunity for the team to all be trained on these, allowing us to again move away from having dedicated department QA mangers.</p>	<p>BDO Follow up review comments: In progress - overdue</p> <p>The QA team has undergone training in Lean auditing and root cause analysis in February 2020. This training has fed into the QA action plan. Work has also begun in developing a new approach to quality assurance activities with a trial of new ways of working in 2020-21. The current focus is on Fitness to Practise (FtP) activities and all members of the QA team have begun training to share knowledge of FtP processes.</p> <p>Executive update</p> <p>QA team to trial new ways of working regarding FTP audits in 20-21.</p> <p>QA future state workshops with John Ettles, Lean 6 Sigma consultant with the Business Improvement team.</p> <p>QA team to ensure that methodology document encourages cross team working throughout QA activities eg scoping meetings, root cause analysis, conducting audits...</p> <p>QA team to continue peer reviewing 2019-20 audit reports</p>	<p>Ongoing the FTP QA manager is holding weekly briefing sessions for the Education and Registration managers on FTP process to improve knowledge with an aim to cross working.</p>	<p>N/A</p>	<p>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>
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5	<p>It is recommended that the QA function put an audit charter in place which will set out:</p> <ul style="list-style-type: none"> -the purpose of the function; -reporting lines; -roles and responsibilities; -how audits will be selected to be undertaken (risk based approach); -process for any deviations from the agreed audit plan; -is a document that the QA function can be held accountable to; -formally agreed at the Audit Committee. 	<p>With the new QA lead in post a QA charter will be investigated and developed in Q3 2020-21 in line with the Audit charter in place.</p>	<p>New QA Lead/QA team to present the framework at the Audit Committee for approval Q2-Q3</p>	<p>Given the delays to the organisational framework (for non-regulatory audits) and the change in approach for quality in the organisation this activity may be delayed.</p>	N/A	N/A	<p>To return to the main Summary and Tracker Scroll up or</p> <p style="text-align: center;">PRESS</p>
6	<p>It is recommended than an overall strategy for the QA function is developed. As a minimum this should include the following:</p> <ul style="list-style-type: none"> -the overall aim and objective of audits; -the methodology that is being followed in order to conduct their reviews; -how the QA function will achieve its aims and objectives; -how the QA function determines the reviews it undertakes; -the audit plan for the year; -any deviations from the audit plan should be fully documented. 	<p>6-7 The QA Methodology and QA Framework have been finalised and approved. These documents cover the details recommended for a QA strategy and provide clarity and accountability on the process and timeliness of QA activity. The QA framework encompass all QA activity across regulatory departments as well as the QA department work plan and schedule.</p>	<p>New QA Lead/QA team to present the framework at the Audit Committee for approval Q2-Q3</p>	<p>Given the delays to the organisational framework (for non-regulatory audits) and the change in approach for quality in the organisation this activity may be delayed.</p>	N/A	N/A	<p>To return to the main Summary and Tracker Scroll up or</p> <p style="text-align: center;">PRESS</p>

7	<p>We recommend that an overall up to date framework is put in for the entire QA function and should include the three regulatory frameworks, the non-regulatory audits and it should be aligned with the new QA structure of the team.</p>	<p>6-7 The QA Methodology and QA Framework have been finalised and approved. These documents cover the details recommended for a QA strategy and provide clarity and accountability on the process and timeliness of QA activity. The QA framework encompass all QA activity across regulatory departments as well as the QA department work plan and schedule.</p>	<p>New QA Lead/QA team to present the framework at the Audit Committee for approval Q2-Q3</p>	<p>Given the delays to the organisational framework (for non-regulatory audits) and the change in approach for quality in the organisation this activity may be delayed.</p>	<p>N/A</p>	<p>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>
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Assurance map	Sep-20	Jun-20	Mar-20	Nov-19	Sep-19	
<p>Updating of current preferred supplier listing.</p> <p>Appropriate training of staff involved in the procuring of goods and services.</p> <p>Capturing and monitoring of performance data related to procurement activity, for example procurement spend information, procurement routes, minimising supplier lists etc.</p>	<p>Improved procurement management information have been included in the finance report that gets presented to SMT on a monthly basis.</p> <p>Improvements to monthly budget variance analysis has been made as part of the production for the new financial forecasting model.</p>	<p>BDO Follow up review comments: In progress – not due yet</p> <p>A Procurement Improvement Plan was presented to the Senior Management Team in November 2018. The current work that has been completed against the plan is the following: Updated the list of suppliers on the E-sourcing system and have worked with individual departments on uploading their contract documents to the system.</p> <p>- Provided training on the E-sourcing system to all contract managers and to a number of individual teams e.g. Learning and Development. The suite of procurement KPIs proposed under the Procurement Transformation Plan is still being developed.</p> <p>Excecutive update</p> <p>Procurement related management information has been included within Finance report that goes into SMT. There has been delays with the implementation of new approval routes for Click due to Covid-19.</p>	<p>The team is working with ClickTravel and budget holders with aim to give individual department authority to review and approve out of policy bookings. Reports have been written to allow regular reporting to SMT. Through the Finance restructure a procurement specific role has been created, together with a FP&A team to allow improved budget variance analysis.</p>	<p>The improvement plan is being developed</p>	<p>See updated management response</p>	<p>To return to the main Summary and Tracker</p> <p>Scroll up or</p> <p>PRESS</p>

Key Financial controls	Sep-20	Jun-20	Mar-20	Nov-19	Sep-19	
<p>1 Lack of formally documented procedures heightens the succession risk in case of a loss of key personnel. This may lead to an incorrect/inconsistent application of key processes and decisions being taken.</p> <p>Outdated procedures can also cause confusion for a new person who joins any of the above teams regarding what processes to follow, and may lead to processing errors.</p>	<p>The balance report process notes which documents how debtor balances are reviewed and actions have been reviewed and updated.</p>	<p>BDO Follow up review comments: In progress - overdue</p> <p>The Finance Director confirmed that the Transactions Manager has left the organisation and all current processes and controls are currently under review</p> <p>Executive update</p> <p>Due to other priorities such as year end and audit, policies are yet to be reviewed by the Financial Control Manager</p>	<p>Following the Finance restructure, all policies will be reviewed by the Financial Control Manager</p>	<p>Awaiting approval by FD but a process document for credit control related activities (non-FTP) has been done. All current process documents capture the owner and date of review and reason.</p>	<p>Training notes on the credit control / balance report process (excluding those coming out of FTP processes which is covered by the Reg Ops team) has been done and requires approval by FD.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>
<p>3 Lack of formally documented procedures heightens the succession risk in case of a loss of key personnel. This may lead to an incorrect/inconsistent application of key processes and decisions being taken.</p> <p>Outdated procedures can also cause confusion for a new person who joins any of the above teams regarding what processes to follow, and may lead to processing errors.</p>	<p>We are in the progress of updating all financial procedures with the aim to complete the review by end of September. A list of all finance policies have been collated and mapped with their next review dates.</p>	<p>BDO Follow up review comments: In progress – not due yet</p> <p>The Finance Director confirmed that the Transactions Manager has left the organisation and all current processes and controls are currently under review.</p> <p>Executive update</p> <p>Due to other priorities such as year end and audit, policies are yet to be reviewed by the Financial Control Manager</p>	<p>Following the Finance restructure, all policies will be reviewed by the Financial Control Manager</p>	<p>HOFA: About 80% of the finance procedures have been updated to include owner and review dates. The remaining 20% is currently being reviewed; this is due to the treasury manager being on long term sick.</p>	<p>HOFA 10/09/19 – All Finance Procedure notes are currently being updated and will be completed by 30 September 2019</p> <p>All Transaction processes have been updated to include owner and review dates.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>

<p>Management information and analysis surrounding aged debt balances are to be communicated to Senior Management. Frequency of reporting, and forums for which to report to are to be determined, though at a minimum Finance and Registration should have oversight.</p> <p>Management should define categories or reason codes for non-payment and these should be captured within the registrants balance report, in order to facilitate more detailed analysis and discussion.</p> <p>Areas to consider as part of reporting could include (but are not limited to): debtor trends over time (e.g. by profession), analysis on most common reasons for non-payment, and write-offs due to registrants being removed from the register.</p>	<p>We are currently in the process of developing KPIs relating to debtors balances so that they can be included in the monthly finance report for September, to be reviewed by SMT in October.</p>	<p>BDO Follow up review comments: In progress – not due yet</p> <p>The Finance Director confirmed that the Transactions Manager has left the organisation and all current processes and controls are currently under review.</p> <p>Executive update</p> <p>Testing of the debtor report has commenced in UAT environment, we are awaiting result of this before deploy it into live environment.</p>	<p>The debtor report is yet to be tested in UAT environment, we will work with the project team to find a gap between projects to complete the testing.</p>	<p>Energysys have designed the debt report but due to the volume of projects and server issues, it has been challenging getting access to the UAT environment to test.</p>	<p>Energysys have been engaged to design and produce via NetRegulate a debt report highlighting overall debt, current debt, 30 days, 60 days and 90+ days including the statuses and registration numbers. We are awaiting deployment into the UAT environment of NetRegulate to test. In the interim, the TM includes reason codes via data validation tools into the current balance report for non-payment.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>
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Internal Audit report – Reshaping the Organisation (considered at Audit Committee 17 September 2020)

Recommendations summary

Priority	Outstanding recommendations	Status
High	0	Overdue 0
Medium	3	Not yet due 6
Low	5	Completed 2

For the related
Audit Findings
See Appendix 1
or
PRESS

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>1 Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out</p> <p>HCPC should continue to formalise its corporate strategy, with a vision that extends beyond 2021, at the same time as implementing shorter transformational changes. In designing the longer-term strategy, HCPC should take steps to mitigate the risk that short term tactical decision making drives the strategic focus of the organisation. This can be achieved by regular reviews of the transformation work referenced against the development of the new strategy. Also, when the strategy is presented to Council, a cross-reference to the transformation work to show how they dovetail or where adaptations are required.</p>	<p>The Corporate Strategy is being crystallised in collaboration with stakeholders and there is now a reference point against which to reference the transformation activities to ensure they are consistent with the longer term vision. The Digital Transformation Strategy is being developed alongside the Corporate Strategy to mitigate against divergence. The developing Corporate Strategy includes high level success factors. Following approval this will be supported by an annual Corporate Plan and associated departmental plans which will provide more granular detail around milestones and performance metrics.</p>	<p>Chief Executive</p> <p>Q3/4 2020/1</p>		<p>Draft Corporate Strategy being consulted including stakeholder engagement activities. Strategy due to be finalised in December and published in early 2021. Corporate Plan and budget for Year1 to be completed by March.</p>	<p>N/A</p>

2	<p>Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out</p> <p>As part of the introduction of the new strategy to be approved in December 2020 HCPC should ensure that the standard formats of these documents include status updates on highlevel milestones. In addition the strategy should be complemented with a high-level description of success factors indicating when each milestone will be considered to be achieved.</p>	<p>The Corporate Strategy is being crystallised in collaboration with stakeholders and there is now a reference point against which to reference the transformation activities to ensure they are consistent with the longer term vision. The Digital Transformation Strategy is being developed alongside the Corporate Strategy to mitigate against divergence. The developing Corporate Strategy includes high level success factors. Following approval this will be supported by an annual Corporate Plan and associated departmental plans which will provide more granular detail around milestones and performance metrics.</p>	<p>Chief Executive</p> <p>Q3/4 2020/1</p>		<p>See response to point 1.</p>	<p>N/A</p>
3	<p>Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out</p> <p>The sufficient resourcing of the Finance team should be reassessed to ensure the team has sufficient capacity, particularly considering the change in structure and the colleague on long-term absence.</p>	<p>The resourcing of Finance is being reviewed in the light of project demands. The Director of Business Improvement has been retained until the end of December 2020 to continue to provide strategic support to the Finance team.</p>	<p>Chief Executive</p> <p>Q3/4 2020/1</p>		<p>Person specification for Executive Director Corporate Services post has strong financial leadership element. Finance resource plan includes recruitment of financial accountant and systems accountant. Project accountant contract has been extended.</p>	<p>N/A</p>
4	<p>Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out</p> <p>As part of HCPC's preparation of its long term corporate strategy, an accompanying digital strategy should be formalised setting out the intended strategic direction of digital and data governance. In this way the shorter term tactical changes can be aligned to a longer term aim and HCPC can formalise its IT infrastructure and governance frameworks.</p>	<p>The Digital Transformation Strategy is being developed in parallel to the Corporate Strategy. There has been collaboration across the organisation to validate the scope and ambition for the Digital Transformation. The strategy sets a long-term vision, details the digital transformation strategy and the strategic needs, and outlines an implementation roadmap. In addition it recognises that there is a need to regularly review to ensure it remains aligned to the organisational needs, current operating conditions and technological advancements.</p>	<p>Executive Director of Digital Transformation</p> <p>Q3/4 2020</p>	<p>Completed</p>	<p>Complete and signed off by Council in September.</p>	<p>N/A</p>

5	<p>Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out</p> <p>Nearer the time of his departure, the detailed next steps of the programme that the outgoing Business Improvement Director intends, should be clearly documented, particularly those relating to transformation activities that have yet to be completed.</p>	<p>The Executive Director of Regulation has been recruited and the Director of Business Improvement contract has been until 31st December 2020. This will enable sufficient overlap to allow for a transfer of the Transformation Strategy for FtP.</p> <p>A substantive Head of FtP has been appointed who has responsibility for ensuring that the performance of FtP continues to improve. Executive oversight of these improvements will</p>	<p>Director of Business Improvement</p> <p>End of Q3 2020/21</p>		<p>The Executive Director of Regulation has been recruited and will take over responsibility from 16th November allowing a 6 week hand-over. Undertaking an independent review of the Transformation Plan is being discussed as a method for evaluating the robustness of the forward plan being handed over.</p>	N/A
6	<p>Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out</p> <p>HCPC should ensure that as part of the intended CMS's introduction, the new system captures and reports on performance data in a way that enables efficient and accurate reporting for the intended scorecard approach, while also addressing previously identified issues with performance reporting in previous Internal Audit reports.</p>	<p>Evaluation of the 'Out of the Box' Management Reporting was a critical factor in selecting the proposed replacement CMS. The chosen product, ShareDo, has 'Out of the Box' Management Reporting above the minimum requirements of HCPC. The detail of the reporting is being defined in the Project Definition workshops being conducted in September 20.</p>	<p>Director of Business Improvement</p> <p>End of Q2 2020/21</p>	Completed	<p>The Definition Stage of the CMS Replacement Project has been completed and it has been confirmed that the system will produce FTP management information that exceeds the HCPC requirements.</p>	N/A
7	<p>Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out</p> <p>The comments raised with regards to annotations to the Register should be considered as part of the future planning of improvements in this area.</p>	<p>A priority for the recently appointed Executive Director of Regulation is to develop their plans for the future of the Registration function. The comments regarding annotations to the Register will be part of these plans.</p>	<p>Executive Director of Regulation</p> <p>Q4 2020/21</p>		<p>Registrations is subject of business improvement focus. Recent roll out of new registration system provides a vehicle for further improvements enabling registration resource to be focused on value add activity. . Regulatory reform proposals include provisions on annotations.</p>	N/A

8	<p>Key Risk Area 2: Anticipating the major risks and opportunities and stakeholder consultation</p> <p>HCPC should consider conducting additional employee engagement activities to help embed and measure cultural change. While existing changes have been predominantly focussed on changing processes, HCPC should also ensure there is sufficient focus on cultural change and changes to staff wellbeing.</p>	<p>Since the audit fieldwork was completed further employee surveys and engagement activities have taken place in relation to Covid-19 working, establishing a new normal post Covid and the development of the Corporate Strategy. Employee wellbeing has been supported through initiatives during Covid-19. A continued focus on well-being and shifting the culture of the organisation is reflected in the Corporate Strategy and will be further developed in the next Corporate Plan. Organisational resilience and development continues to be a priority focus with progress being monitored by the SMT fortnightly.</p>	<p>Chief Executive and Director of HR and OD Q4 2020/21</p>		<p>Continued employee engagement including: further all employee survey on the Corporate Strategy; introduction of weekly team brief with feedback to weekly SMT/OMT huddle. Revised terms of reference for the Employee Forum. External consultancy engaged to support culture change including revised behavior matrix aligned with new corporate values. Development of estates strategy so that physical and virtual working environments support organisational cultural change. Future all employee surveys.</p>	<p>N/A</p>
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Internal Audit report – IT Controls (considered at Audit Committee 17 September 2020)

Recommendations summary

Priority	Outstanding recommendations	Status
High	0	Overdue 0
Medium	3	Not yet due 6
Low	3	Completed 0

For the related
Audit
Findings See
Appendix 1 or
PRESS

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>1 Key Risk Area 1: The IT governance framework Key Risk Area 2: IT's support for the achievements of enterprise objectives</p> <p>HCPC should develop and introduce a formal IT Governance framework which aligns with the Code of Corporate Governance. The aim of the framework should be:</p> <ul style="list-style-type: none"> · To ensure that appropriate roles, responsibilities and accountabilities are established for data, system ownership, reporting and communications. This will build on the information which already forms part of the ISMS. · To report on IT Governance status and tracking of all IT Governance issues and remedial actions to closure; and · To define responsibility for key IT controls, particularly in respect of IT systems managed by business units. <p>The IT governance framework should be reviewed periodically, and updated as needed.</p>	<p>The Digital Transformation has an ambitious agenda and roadmap, which means we already recognise that there is a need to develop a Governance model to support transformation activity and operations.</p>	<p>Director of Digital Transformation</p> <p>March 2021</p>	<p>Still on target</p>	<p>Also highlighted in the Digital Transformation Strategy.</p> <p>The intention is to develop a new governance model to support more agile ways of working both within technology and across the wider organisation.</p>	<p>N/A</p>

<p>2 Key Risk Area 3: Effectiveness and added business value of IT is demonstrated to both the business and IT executives</p> <p>We recommend HCPC consider developing a more detailed set of KPIs to measure IT performance as a part of the digital agenda and in respect of best practice. Typical general examples for IT KPIs that could be used are as follows:</p> <ul style="list-style-type: none"> - IT expense per employee - Support expense per user - IT expense as a % of total expense - The number of recurring problems. <p>Furthermore, based on the new operation model specifics, HCPC should consider adopting ITIL Key Performance Indicators especially in the area of Service Design and Continual Service Improvement.</p>	<p>Review and revise KPIs against strategic imperatives and best practice.</p>	<p>Head of IT and Projects</p> <p>March 2021</p>		<p>A standard set of KPI will be considered as part of the reorganisation work resulting from the Digital Transformation work.</p> <p>Following the approval of the strategy presented by the Executive Directory of Digital Transformation at the last meeting Council, work has now started top shape the new Digital organisation.</p>	<p>N/A</p>
<p>3 Key Risk Area 3: Effectiveness and added business value of IT is demonstrated to both the business and IT executives</p> <p>When processes and IT systems are being reviewed and updated as part of transformation, it is important to ensure that the proportionality of controls is kept as a critical success factor in the delivery of new systems.</p>	<p>Review and revise KPIs against strategic imperatives and best practice.</p>	<p>Head of IT and Projects</p> <p>March 2021</p>		<p>A standard set of KPI will be considered as part of the reorganisation work resulting from the Digital Transformation work.</p> <p>Following the approval of the strategy presented by the Executive Directory of Digital Transformation at the last meeting Council, work has now started top shape the new Digital organisation.</p>	<p>N/A</p>

<p>4 Key Risk Area 4: The service desk Key Risk Area 5: Problem & Incident Management HCPC should develop a Service Portfolio to manage the entire lifecycle of all services, and include three categories: Service Pipeline (proposed or in development); Service Catalogue (Live or available for deployment); and retired services. In the development of the Service Catalogue, business unit managers and other decision makers should work with both end users and stakeholders to determine the level of require IT services. Categorisation of the services should be undertaken together with access permissions, restricting access to specific services. We recommend that for each identified IT service within the Service Catalogue, the following attributes should be recorded:</p> <ul style="list-style-type: none"> - Name of the service - Description of each individual service - Service category (i.e. Infrastructure, Software, Hardware, Video, Support, etc.) - Supported and related services - Service Level Agreement - Who can request the service - Service owner - Costs associated with the service - Delivery expectations - Security Requirements 	<p>This is work that is already identified and will be implemented as part of the service desk improvement.</p>	<p>Head of IT and Projects March 2021</p>		<p>An updated Service catalogue will be produced as part of the output of the work to reorganise the Digital team during the transformation.</p> <p>Following the approval of the strategy presented by the Executive Directory of Digital Transformation at the last meeting Council, work has now started top shape the new Digital organisation.</p> <p>Part of this will be delivered alongside the implementation of the new Service Desk that will complete later in the year.</p>	<p>N/A</p>
<p>5 Key Risk Area 4: The service desk Key Risk Area 5: Problem & Incident Management For the key IT services desk processes, HCPC should develop formal procedures. Procedures streamline the internal process, but also ensure compliance, give guidelines for decision making and provide the roadmap for day-to-day operations.</p>	<p>This is work that is already identified and will be implemented as part of the service desk improvement.</p>	<p>Head of IT and Projects March 2021</p>		<p>This will be delivered alongside the implementation of the new Service Desk that will complete later in the year.</p>	<p>N/A</p>

<p>6 Key Risk Area 4: The service desk Key Risk Area 5: Problem & Incident Management</p> <p>The IT Service desk manager should develop the Service Desk Mission, Vision and Values. This should be approved by Senior Management and distributed to all staff.</p>	<p>This is work that is already identified and will be implemented as part of the service desk improvement.</p>	<p>Head of IT and Projects</p> <p>March 2021</p>		<p>This will be delivered alongside the implementation of the new Service Desk that will complete later in the year.</p>	<p>N/A</p>
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Internal Audit report – FTP end to end process review (considered at Audit Committee 4 March 2020)

Recommendations summary

Priority	Outstanding recommendations	Status	
High	0	Overdue	0
Medium	2	Not yet due	0
Low	0	Completed	2

For the related Audit Findings See Appendix 1 or **PRESS**

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
1 Key Risk Area 1: FtP end to end process (triage) We recommend that HCPC ensures that the triage process is sufficiently resourced so that all cases can be processed in line with the standard timescales. We recommend due to the complexity of the concerns raised, that HCPC should consider it's approach in resourcing to manage high influx of concerns. This could include use of external lawyers.	1 - Whilst SW cases were included, some team members had over 80 active cases. Now, after the transfer, that has reduced to 45-50. A range of management interventions to ensure cases progress to closure or threshold decision are being introduced, including expanding the profession specific approach, and matching the capacity required for cases that need to go to ICP panels. We will evaluate the impact of case flow assumptions in Q1+2 2020/21	1. DL CRT Completion date: Q2 2020-21	Completed	HFTP update - The capacity and demand resourcing work has now completed and has confirmed that Triage team is sufficiently resourced. New operational processes are in place to support the team to meet their KPIs.	Commentary History See Appendix 2 or PRESS
12 Key Risk Area 6: Quality assurance We recommend that the QA team include the number of recommendations that have been made, implemented and still pending implementation when reporting to Audit Committee and Council. This could be written as pure statistics to be quick to produce, read and understand.	This fits in with previous recommendations from internal audit that the Quality Assurance Department are already undertaking – to produce a central recommendations tracker and to develop the departmental report to Audit Committee.	Quality Assurance Lead Completion date: Q1 2020/21	30/09/2020	This is now completed.	Commentary History See Appendix 2 or PRESS

Internal Audit report – Business Continuity Planning (considered at Audit Committee 4 March 2020)

Recommendations summary

Priority	Outstanding recommendations	Status
High	0	Overdue 0
Medium	1	Not yet due 1
Low	0	Completed 0

For the related Audit Findings See Appendix 1 or **PRESS**

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>6 Key Risk Area 5: Business continuity testing</p> <p>HCPC should address identified gaps in the current BCP and schedule another planned BCP test to ensure that updated areas are working effectively.</p>	<p>A further test will be carried out in the next Financial year</p> <p>COVID-19 response (essentially a major interruption to normal business operations negates any immediate requirement for BCP testing) March – June 2020.</p>	CISRO	31/03/2020	Ongoing -Live test in covid-19 response. May look to test “New normal” at a later stage when we establish what that is.	<p>Commentary History See Appendix 2 or PRESS</p>

Internal Audit report – Quality Assurance (considered at Audit Committee 10 September 2019)

Recommendations summary

Priority	Outstanding recommendations	Status	
High	0	Overdue	0
Medium	3	Not yet due	1
Low	3	Completed	5

For the related
Audit Findings
See Appendix 1
or
PRESS

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>1 We recommend that Management reviews the current QA reports provided to Audit Committee and consider whether the following information should be included:</p> <ul style="list-style-type: none"> •Timelines throughout the year of when reviews are expected to be undertaken and due to be completed. These are currently provided as part of the reporting to SMT. •Performance data of the QA team. •Significance and/or rating of reports. •Clear indicators of where the QA audits fit into the assurance map and overall assurance of the organisation. •The reasoning behind each audit undertaken and the benefits of undertaking such audits. These are currently provided as part of the reporting to SMT. 	<p>As is documented, this is work that the Department is already undertaking. The QA Department report provided to Audit Committee will be developed over this financial year to provide a better overview of the work that the Department is doing in relation to the workplan, and to provide clarity about how the work of the Department fits in to overall assurance activities across the organisation.</p> <p>Update June 2020:</p> <ul style="list-style-type: none"> •Due to significant changes to ways of working across the organisation due to the Covid-19 pandemic, normal QA activities have been temporarily suspended during Q1. As such, there has been a delay in the production of the Quality Assurance Framework for 2020-21. •The intention is for the QA team to trial a new approach to quality assuring FTP processes during Q1-Q2. This is subject to ongoing business improvement work in the FTP department which may be delayed as a result of the Covid-19 pandemic. •The previous Head of Quality Assurance left in Q4 2019-20. A new QA Lead is now appointed 	<p>Quality Assurance Lead</p> <p>Completion date: Q2-Q4 2019/20 (revised to Q1-Q2 2020/21)</p>		<p>QAL - This recommendation is completed/implemented. With the September report to the Audit Committee this recommendation was implemented. QA Management reports will continue to develop as needed to give the most relevant and up to date information while continuing to show the wider picture. AC here asked to provide feedback on the last report if there was anything further needed to meet this recommendation, no feedback was received and AC approved the report.</p>	<p>Commentary History See Appendix 2 or PRESS</p>

2	<p>We recommend that as part of developing the framework for the ISO and non ISO audit activity that Management considers setting out the following:</p> <ul style="list-style-type: none"> •Clearly define and outline the separation of assurance activities being undertaken by the QA Department and the Governance Department. •Considerations should be given to ownership, reporting, methodology and accountabilities for delivery. •In addition, the Head of QA, the Governance Department and the Internal Auditors should discuss other areas that could be audited that would add value to the organisation that are outside of BSI/ISO focused areas. 	<p>As is documented, this is work that the Department is already undertaking. A review of how the QA Department conducts non regulatory department audits started in July 2019 with the aim of developing organisational audits that fully reflect the current needs of the organisation. Part of this work will be to develop a framework between the QA and Governance Departments. This will set out roles and responsibilities, an audit plan and the various factors that have been considered in the production of the plan such as risk registers, assurance mapping, audit activity across the organisation and any organisation requirements such as ISO. This is the same approach that is taken in the determination of the regulatory department quality assurance frameworks in each financial year.</p>	<p>Quality Assurance Lead</p> <p>Q2-Q3 2019/20 (revised to Q2 2020/21)</p>		<p>QAL - This recommendation is now completed/implemented.</p> <p>The Assurance map clearly defines the separation of assurance between the three lines of risk mitigation. This is an annual exercise so will continue to be updated as needed. When developing the workplan and framework for next financial year the QAL will meet with the CISRO and Internal audit to discuss wider audits and assurance activities.</p>	<p>Commentary History See Appendix 2 or</p> <p>PRESS</p>
4	<p>We recommend that in the long term, as part of business continuity and succession planning arrangements, each team member be trained and undertake QA audits in each regulatory area. This will ensure there is full assurance coverage across all regulatory areas.</p>	<p>Wherever possible, in this financial year and last, we have identified opportunities to undertake cross team working within the Department. The managers work closely together on peer reviewing audit reports, providing input into audit activities, standardising audit materials and providing support for the service and complaints process. At officer level we have trialled a cross regulatory team member of staff and look to develop more cross working, particularly at this level.</p> <p>Research with QA teams at other health regulators was carried out at the start of the year, to learn from their development as a central QA function and to determine if our structure and approach was suitable for the organisation. From this information it was apparent that, to develop to a stage where a QA team can undertake audits in any regulatory area, a long term approach is required across several years of development. The current aim is to develop a cross team working approach as much as possible within this financial year and revisit this objective when developing the workplan for next financial year.</p>	<p>Quality Assurance Lead</p> <p>Review in Q4 for 2020-21 financial year workplan (revised to Q1-Q2-Q3 2020/21)</p>	31/12/2020	<p>This recommendation is now completed/implemented. Each of the QA Managers have been trained in the new reg system, and have completed QA activity outside of their area of expertise. As a team we will continue to cross skill and collaborate in order to develop well rounded knowledge of all regulatory areas.</p>	<p>Commentary History See Appendix 2 or</p> <p>PRESS</p>

5	<p>It is recommended that the QA function put an audit charter in place which will set out:</p> <ul style="list-style-type: none"> -the purpose of the function; -reporting lines; -roles and responsibilities; -how audits will be selected to be undertaken (risk based approach); -process for any deviations from the agreed audit plan; -is a document that the QA function can be held accountable to; -formally agreed at the Audit Committee. 	5 & 6: As is documented, much of the information that would form part of an audit charter and overall strategy is already documented in the Departments' workplans and quality assurance frameworks. We will look to produce these documents in the future so that this information can be provided to a range of stakeholders as standalone, high level overview documents.	<p>Quality Assurance Lead</p> <p>Completion date: Q2 – implementation in Q1 2020/21 (revised to Q1-Q2-Q3 2020/21)</p>	31/12/2020	QAL - The Charter is in the process of being developed and a draft will be submitted to AC in Q4 for final approval.	<p>Commentary History See Appendix 2 or</p> <p>PRESS</p>
6	<p>It is recommended than an overall strategy for the QA function is developed. As a minimum this should include the following:</p> <ul style="list-style-type: none"> -the overall aim and objective of audits; -the methodology that is being followed in order to conduct their reviews; -how the QA function will achieve its aims and objectives; -how the QA function determines the reviews it undertakes; -the audit plan for the year; -any deviations from the audit plan should be fully documented. 	5 & 6: As is documented, much of the information that would form part of an audit charter and overall strategy is already documented in the Departments' workplans and quality assurance frameworks. We will look to produce these documents in the future so that this information can be provided to a range of stakeholders as standalone, high level overview documents.	<p>Quality Assurance Lead</p> <p>Completion date: Q2 – implementation in Q1 2020/21 (revised to Q1-Q2-Q3 2020/21)</p>	31/12/2020	QAL - This recommendation is now completed. (Sept update - 6-7 The QA Methodology and QA Framework have been finalised and approved. These documents cover the details recommended for a QA strategy and provide clarity and accountability on the process and timeliness of QA activity. The QA framework encompass all QA activity across regulatory departments as well as the QA department work plan and schedule.)	<p>Commentary History See Appendix 2 or</p> <p>PRESS</p>

7	<p>We recommend that an overall up to date framework is put in for the entire QA function and should include the three regulatory frameworks, the non-regulatory audits and it should be aligned with the new QA structure of the team.</p>	<p>As is documented, the Department currently has quality assurance frameworks with the regulatory departments and is currently developing a framework with the Governance Department. We will look to produce an overall framework for the QA Department in the future so that this level of overview can be provided to a range of stakeholders.</p>	<p>Quality Assurance Lead</p> <p>Completion date: Q2 – implementation in Q1 2020/21 (revised to Q1-Q2-Q3 2020/21)</p>	<p>31/12/2020</p>	<p>QAL - This recommendation is now completed. (Sept update - 6-7 The QA Methodology and QA Framework have been finalised and approved. These documents cover the details recommended for a QA strategy and provide clarity and accountability on the process and timeliness of QA activity. The QA framework encompass all QA activity across regulatory departments as well as the QA department work plan and schedule.)</p>	<p>Commentary History See Appendix 2 or PRESS</p>
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Internal Audit report – Assurance map (considered at Audit Committee 4 June 2019)

Recommendations summary

Priority	Outstanding recommendations	Status	
High	0	Overdue	0
Medium	1	Not yet due	0
Low	0	Completed	1

For the related Audit Findings See Appendix 1 or **PRESS**

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>3 Updating of current preferred supplier listing.</p> <p>Appropriate training of staff involved in the procuring of goods and services.</p> <p>Capturing and monitoring of performance data related to procurement activity, for example procurement spend information, procurement routes, minimising supplier lists etc.</p>	<p>The HCPC has a centralised procurement support approach rather than a centralised function. A procurement policy is in place which includes thresholds and procedures.</p> <p>A procurement specific role is in place within the finance team to provide procurement support to other departments.</p> <p>An improvement plan will be created for our procurement function. The second line of defence – i.e. management reporting will be improved as a priority – e.g. ClickTravel.</p> <p>The third line of defence – i.e. expenditure commitment is being improved through the improved budget variance analysis.</p>	<p>Director of Finance</p> <p>Target Date: 31 October 2020</p>	Completed	<p>There are controls in place to set up preferred supplier within the system. Contract list is also being maintained to ensure spending are captured by contract number.</p> <p>Procurement data is reported into SMT on a monthly basis including spend by supplier, number of SSRs etc. As part of the workplan, we are currently reviewing the procurement manual for updates and creating a training guide for departments on approval of out of policy travel on Click.</p>	<p>Commentary History See Appendix 2 or PRESS</p>

Internal Audit report – Key Financial Controls Review – Transactions Team (considered at Audit Committee March 2019)

Risk summary

Priority	Outstanding recommendations of No.	Status	
High	0	Overdue	2
Medium	3	Not yet due	0
Low	0	Completed	1

For the related Audit Findings See Appendix 1 or **PRESS**

Risk/ Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>1 Lack of formally documented procedures heightens the succession risk in case of a loss of key personnel. This may lead to an incorrect/inconsistent application of key processes and decisions being taken.</p> <p>Outdated procedures can also cause confusion for a new person who joins any of the above teams regarding what processes to follow, and may lead to processing errors.</p>	<p>Management will implement the following actions:</p> <p>1. Develop a detailed process document for credit control related activities.</p>	Financial Control Manager	31/10/2020	Detailed process note will be updated following the go live of the new registration system.	<p>Commentary History See Appendix 2 or PRESS</p>
<p>3 Lack of formally documented procedures heightens the succession risk in case of a loss of key personnel. This may lead to an incorrect/inconsistent application of key processes and decisions being taken.</p> <p>Outdated procedures can also cause confusion for a new person who joins any of the above teams regarding what processes to follow, and may lead to processing errors.</p>	<p>Management will implement the following actions:</p> <p>3. Update all policies and procedure documents to capture the owner and dates of review.</p> <p>As part of the RCA of the process issues, we will process map the processes and document the control points. Improvement plans will be created based on risk.</p>	Financial Control Manager Registration Operations Manager Treasury accountant / Head of Financial Accounting.	31/10/2020	<p>Procedures and policies now captures the owner and date of review.</p> <p>Process and procedures will be updated following the go live of the registration system and update to the financial systems.</p>	<p>Commentary History See Appendix 2 or PRESS</p>

4	<p>Management information and analysis surrounding aged debt balances are to be communicated to Senior Management. Frequency of reporting, and forums for which to report to are to be determined, though at a minimum Finance and Registration should have oversight.</p> <p>Management should define categories or reason codes for non-payment and these should be captured within the registrants balance report, in order to facilitate more detailed analysis and discussion.</p> <p>Areas to consider as part of reporting could include (but are not limited to): debtor trends over time (e.g.by profession), analysis on most common reasons for non-payment, and write-offs due to registrants being removed from the register.</p>	<p>Management information and analysis surrounding aged debt balances are to be communicated to Senior Management. Frequency of reporting, and forums for which to report to are to be determined, though at a minimum Finance and Registration should have oversight. Management should define categories or reason codes for non-payment and these should be captured within the registrants balance report, in order to facilitate more detailed analysis and discussion.</p> <p>Areas to consider as part of reporting could include (but are not limited to): debtor trends over time (e.g.by profession), analysis on most common reasons for non-payment, and write-offs due to registrants being removed from the register.</p>	<p>Owner: Financial Control Manager Date Effective:31 July 2019 Target Date: 31 October 2020</p>		<p>Monthly review of debtor balances have been performed, where reasons are given for each type of debt.</p> <p>The October Financial performance report will include the management information on debtors. This will continuously be reviewed and improved.</p> <p>Complete</p>	<p>Commentary History See Appendix 2 or PRESS</p>
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HM External Auditor's report – Detailed control points (considered at Audit Committee and Council September 2020)

Recommendations summary

Priority	Outstanding recommendations	Status
Significant	0	Overdue 0
Important	2	Not yet due 0
Limited	0	Completed 3
Advisory	1	

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Commentary
1 We recommend that a record be maintained of the individuals that confirmed authorisation for all payments.	We agree to keep a record of the individuals that confirmed the payments each month.	Director of Finance		We have asked our payroll provider to keep screenshots of the approval history on the PT-X system. This now forms part of the monthly payroll closing process.

2	We recommend that the reconciliations between the 2 systems are carried out on a monthly basis, to reduce the risk of inappropriate financial decisions to be made due to the inaccurate recognition of income.	We accept the recommendation and have been completing the reconciliations each month in the current financial year.	Director of Finance		Monthly reconciliation is being done.
3	We recommend that the member records are reviewed accordingly.	We agree with the recommendation	Head of Registration		We have put checks in place to ensure scanned uploads are monitored.

Appendix 1 - Audit Findings (nb positive findings not listed)

Reshaping the Organisation		
<p>Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out</p>	<p>From interviews with stakeholders involved in HCPC's transformation activities, we noted that although there was clarity over short term plans, stakeholders found it challenging to place transformation plans within the context of a wider HCPC strategy, although we note that discussions have commenced to address this. While we appreciate that a corporate strategy is currently being prepared, and that a plan for the second half of 2020 will be presented to Council in July 2020, there is a risk that short term transformation activity might not be aligned to longer term goals, and the short term tactical objectives might drive HCPC in a strategic direction that was unintended.</p>	<p>To return to the main Summary and Tracker Scroll up or</p>
<p>1.1 Clarity of vision of its future organisational structure with reference to defined success factors</p>	<ul style="list-style-type: none"> · Recognising that the Transformation Map used to govern the wider transformation activities is a high-level document, and is due to be replaced in December 2020, future versions of standard progress updates would be improved by showing completion progress to date and containing some more contextual detail about how each element of transformation activity will be achieved. As part of the standard format of high-level documents moving forward HCPC would benefit from these also showing some high-level contextual detail with information on progress to-date. · As part of the Transformation Map and other transformation documents reviewed, project success factors, although having been considered, have not been formally identified. At a planning stage, clearly defining when a project has been successfully implemented can be helpful in focussing attention on achieving clearly defined outcomes, and for those charged with governance who were not involved in planning, project success factors will help clarify progress against key outcomes. · Following the restructuring of the Finance team we noted that the team is involved in both the day-to-day financial management of HCPC, but also in the reshaping activities. There is currently one member of staff on long term sick leave and there is a risk that the capacity of the team will be stretched to both conduct business-as-usual functions while contributing to the reshaping programme. 	<p>PRESS</p>
<p>Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out</p>	<p>An overall digital strategy and long term vision needs to be continued to be created, ensuring it is coordinated with the overall business strategy. The organisational strategy and a business architecture should be developed alongside a digital or technical strategy, in order to avoid divergent paths and ensure the best outcome and utilisation of technology.</p>	<p>To return to the main Summary and Tracker Scroll up or</p>
<p>1.2 Digital strategy</p>	<ul style="list-style-type: none"> · HCPC is still formulating its approach to managing data as an organisation. Individual lines of business have historically been responsible for their own IT applications and data, and from interviews with staff there are still areas of IT activity that have yet to be centrally mapped. <p>Once a strategy and agreed roadmap is in place, HCPC needs to consolidate and define logically technological accountabilities.</p>	<p>PRESS</p>
<p>Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out</p>	<p>The Business Improvement Director exits from HCPC at the end of December 2020, extended from September 2020, to allow for key transformation activities to be completed. With past and potential future uncertainties in delivery timescales caused by Covid-19, HCPC will need to ensure that should the Business Improvement Director leave before transformation activities have concluded, sufficiently detailed hand-over activities take place.</p>	<p>To return to the main Summary and Tracker Scroll up or</p>
<p>1.3 Fitness to Practise</p>	<ul style="list-style-type: none"> · Whilst analysts within the business improvement team have been creating MI prototypes, a final specification needs to be created for business as usual development of the MI reporting. This will need to be developed alongside the introduction of the CMS, to ensure that the CMS can produce the desired data reporting in an efficient and accurate way. Some issues were identified with current MI reporting processes as part of our 2019/20 Fitness to Practise audit which highlight the importance of making improvements in this area. The usage of MI performance data is also the focus of two additional audits within the 2020/21 Internal Audit Plan. 	<p>PRESS</p>

<p>Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out</p> <p>1.4 Registration</p>	<p>Stakeholder interviews identified issues in the manner in which the registration department approach annotations to the Register that show where a registrant has additional entitlements, due to the completion of additional training. This was flagged as a complex area that may not have yet been considered as part of the changes to the Registration team / processes. It would be a valuable additional element to consider as part of the transformation of Registration activities.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>
<p>Key Risk Area 2: Anticipating the major risks and opportunities and stakeholder consultation</p> <p>2.1 Consultation and engagement across with stakeholders</p>	<p>Whilst we noted that the plan has been communicated well across the higher levels of the organisation, operational staff interviewed did not feel they had a clear understanding of how the SMT's role operates currently, or will function in future, in relation to their levels or operational areas of responsibility. Some staff interviewed expressed a view that engagement on these topics could be improved.</p> <ul style="list-style-type: none"> · Employee surveys could benefit from being conducted more frequently, as the pace of change may impact on employee engagement. These could also be amended to target specific areas to evaluate viewpoints towards the change, rather than being conducted generally on an organisation wide level. · Although we noted that staff 'pulse' surveys have been conducted to assess employee engagement, from interviews with stakeholders there may be opportunities for greater focus on employee wellbeing and culture. At present transformation plans have been mostly process based, and about being lean and restructuring, whereas stakeholders considered some further focus on staff wellbeing and culture would be welcome and also help to deliver the changes needed. · In addition, although we noted a number of good examples of consultation with internal stakeholders, we did not observe examples of consultations with external stakeholders such as the registrants, the PSA or other regulatory bodies. We note that this is part of the next phase of the work. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>

FTP end to end process		
<p>Key Risk Area 1: End to end FtP Process</p> <p>FtP end to end process (triage)</p>	<p>The Case Management Manual (The Manual) states that the triage stage should be completed within two weeks of receipt of the concern. In 9 cases sampled, these were triaged outside the two week deadline. When deadlines are missed there is a risk of reputational damage, key performance indicators not being achieved and the risk that registrants are not appropriately removed from working with members of the public in a timely manner.</p> <ul style="list-style-type: none"> · During the two-week triage period, all concerns must have an initial risk assessment completed within five working days of receipt of the concern. It was identified that in 14 cases this timescale had not been achieved. Where an initial risk assessment is not completed there is a risk that an interim order is not actioned in a timely manner and the registrants are continuing to work with members of the public. · For 16 cases sampled, these did not meet the 2 working days from triage to Case Team Manager allocation service standard. Allocations were found to range from 3 to 48 working days. Management advised, that The Case Reception and Triage time was recently established in May 2019. In addition there was no Manager until June 2019. During this period HCPC were heavily reliant on temporary and fixed term staff due to resourcing issues. Where service standards are not met there is a risk that cases are not being dealt with as efficiently as possible and bottlenecks exist. · In one instance, the Case Manager did not send an acknowledgement letter to the complainant. This oversight however was identified by the Case Team Manager, 22 working days after the acknowledgement should have been sent. The Case Team Manager telephoned the complainant to apologise and to set out the next steps. In addition, the Case Manager sent a written acknowledgement following the telephone conversation. Where complainants are not acknowledged in a timely manner there is a risk that duplicate complaints will be raised by complainants which can cause a strain on internal resources. <p>A case was transferred to the Serious Case Team and no acknowledgment letter was sent by the Case Manager. When we queried this further, the Serious Case Team had sent the letter two days later once it was transferred across. The Threshold guidance is not explicit as to which team should send the acknowledgement in cases which are referred to the Serious Case Team. The Department Lead - Case Reception & Triage advised that they have now advised the Case Team 1 that they should send an acknowledgement letter (unless there are specific reasons not to) before transferring over to the Serious Case Team. Where acknowledgement letters to the registrant and the employer are not sent there is a risk that registrants are practicing while posing risks to patients and the public depending on the severity of the concern.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>
<p>Key Risk Area 6: Quality assurance</p>	<ul style="list-style-type: none"> · The QA team produce a performance report that is sent to the Audit Committee and Council. The performance report states the audits completed and due to be completed, in addition to the rationale for the upcoming audits. It would be beneficial if the report included the recommendations made and what percentage of these are still outstanding to be completed and the number that have already been completed. Where the Audit Committee and Council is not clear on the stages of recommendation implementation there is a risk that the full value of the QA team is not realised. · The FtP tracker in place has two issues. The first is that there are outstanding recommendations, of which some of these should have been implemented by December 2018. The reasoning for these not being completed is the FtP QA team are awaiting the FtP manual. Where there are delays in the completion or the finalising of the FtP manual there is a risk to the efficiency of the FtP process. <p>The FtP tracker has audits that have been issued to the FtP team in the period covering May 2019-June 2019. However, the tracker has not been updated to include the responses from the FtP team nor does the tracker have responsible officers or due dates to completion for these recommendations. There is a risk that where issues are identified these are not resolved in a timely manner and corresponding risks are allowed to persist.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>

Business continuity

Key Risk Area 5: Business continuity testing

Given that we have identified some gaps in current BCP arrangements at HCPC (see KRA 1-4), BCP arrangements will need to be tested to ensure that these areas are working effectively.

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Quality Assurance

	<p>1 Our review of the QA reports and discussions with the Chair of Audit Committee highlighted that information sent to the Audit Committee is brief and does not include the full detail of the work being undertaken by the Department. For example the reports presented to the Audit Committee team did not:</p> <ul style="list-style-type: none"> -provide timelines and plans for the audits throughout the year for example broken down into Q1 through to Q4 of the year; -report on the performance of the QA team; -provide an overall significance or rating of the audit reports and the subsequent findings of the audits undertaken; -identify how the work of the QA Department fit into the HCPC assurance map; -explain the positive impact that the QA Department is bring to the organisation. <p>At the June’s audit committee, these gaps were discussed and the Head of QA has committed to undertaking the changes within the report. We deem the above information to be important in ensuring that the Audit Committee can provide effect challenge.</p> <p>The Head of Business Process Improvement (HBPI) has recently transferred from the QA Department into the Governance Department. The audits undertaken for the organisation however still remains within the QA Department. Due to the change occurring during this audit, there is currently work ongoing to develop a framework of how the function will now work in light of this change. Historically, the HBPI has focused on British standards Institution (BSI)/ISO related audits. While Governance are now responsible for the management of ISO, the QA Department are still responsible for the auditing for the organisation.</p> <p>Audits currently undertaken for non-regulatory functions are mostly BSI/ISO related, and although this helps to maintain HCPCs ISO status, it does not give assurance in non-ISO related areas. We understand that the QA Department have recognised this risk and are currently reviewing the auditing requirements for the organisation, taking into account the risk registers, assurance mapping, all audit activity and any organisation certification requirements (eg ISOs). A revised approach will therefore be designed and incorporated into a quality assurance framework. Additionally, a new Quality Assurance Development Manager has been recruited and one the roles of this post will be to develop a framework which details the working arrangements between the Governance Department and the Quality Assurance Department in regards to ISO compliance activities. At the time of clearing this report, work had commenced in developing the framework.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>
	<p>2 Although the team are very knowledgeable in the areas in which they currently work there has been little cross training into other regulatory areas. To ensure a fully integrated QA team, it is important that all team members can undertake QA audits in all regulatory areas. This will also ensure that there will be continuity in the delivery of the annual QA plan should team members are on annual leave or other long term leave. Further discussions with Management confirmed that in the long term the organisation is working towards cross working within the Department.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>

3 There is no audit charter at which the QA Department operate by and are held accountable to though information that would form part of a charter exists in the quality assurance frameworks and workplans.

There is no overarching strategy document for the QA function though information that would form part of such a document exists in the quality assurance frameworks and workplans. Without a strategy there is the risk that the organisation's approach and objectives in the context of its QA activities will not be detailed. A strategy should at the minimum set out an aim/key objectives to be met.

Due to the timings of the change, a framework for the ISO specific audits and non-regulatory audits is not currently in place and should be produced and aligned with the new QA structure in place as the current framework is ISO focused and relates to the previous structure of the team. We understand that the new Quality Assurance Development manager has commenced the development of a framework to detail the working arrangements for ISO and non ISO activity between the QA and Governance Departments.

Discussions with the business (the QA function's 'auditees') highlighted that in the case of one area, the auditee not aware of the findings of audits being undertaken until the draft report was issued. It is important that an exit meeting be a mandatory requirement as this is a key control in ensuring emerging findings and recommendations are discussed with auditees before the report is drafted.

The review highlighted that the current performance reporting includes status and progress updates on individual reviews and against the annual plans. Performance reporting can be further enhanced through the introduction of performance metrics to measure the quality and timeliness of individual reviews and against the annual plan. This includes, for example, when audits are to be completed and reports are to be issued. Beneficiaries of the QA function, such as senior management and the Audit Committee do not get a clear sense of progress made against expected progress of work and thus the assurance they are getting. Further discussions with Management highlighted that conversations have commenced on developing a suite of service standards to measure performance of the QA activity.

The scoping document reviewed, did not mention key staff to be consulted during the audit. This is important in ensuring that the right persons are consulted in carrying out the review. It also provides a clear evidence trail and clearly sets out expectations and parameters for the review.

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Assurance map

	<p>3 Assurances around the procurement function show weakness in the following areas.</p> <p>First line of defence A centralised procurement system is not in place, but is planned to be put in place in quarter 3. The current preferred supplier list is not up to date and includes suppliers that are no longer used. Staff involved with procuring goods and services have not had training</p> <p>Second line of defence Management reporting on procurement activity is not undertaken regularly</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>
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Key Financial controls

<p>2&3</p>	<p>From a review of core policies and procedures which govern the Transactions Team, Registration Operations Team and Financial Accounting Team’s operations, there were instances identified where documents do not clearly capture key processes and controls and where processes are not documented. Significant reliance is also placed on the knowledge of key personnel within HCPC. Specific observations include:</p> <ul style="list-style-type: none"> •There is no detailed process document in place for credit controls. Although there is a process map, this is high-level and does not contain sufficient detail to re-perform the task without guidance from management. •Fitness to practice cases are complex and decisions on whether registrants should be contacted for fees are based on a complex set of outcomes from the case. There is currently no documented guidance in place for the Registration Operations Team in relation to contacting registrants on fitness to practice cases on unpaid fees. •From our discussions with the Treasury Accountant we understand that the bank reconciliations process document does not reflect the current practice. The document does not specify the owner and review dates. •The Director of Finance’s payment authorisation limit is £25,000, which is documented in a July 2018 council meeting paper. From our discussions with the Director of Finance we understand that she is able to delegate an amount to other managers in the team at her discretion and has delegated an authorisation limit of £10,000 for some expense items to the Head of Financial Accounting. These delegations are not documented and it is unclear whether the Council intends the £25k delegated amount to Directors to be sub-delegated without the Council’s express authorization. •Detailed process documents are produced by the Transactions Manager on banking and refund processes, however these documents do not specify the owner and document review dates. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>
<p>4</p>	<p>Management information and analysis surrounding aged debt balances are to be communicated to Senior Management. Frequency of reporting, and forums for which to report to are to be determined, though at a minimum Finance and Registration should have oversight.</p> <p>Management should define categories or reason codes for non-payment and these should be captured within the registrants balance report, in order to facilitate more detailed analysis and discussion.</p> <p>Areas to consider as part of reporting could include (but are not limited to): debtor trends over time (e.g.by profession), analysis on most common reasons for non-payment, and write-offs due to registrants being removed from the register.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>

Appendix 2 - Commentary History - a log of the past 5 Audit Committee updates

FTP end to end process review		Sep-20	Jun-20	Mar-20	Nov-19	Sep-19	
1	<p>FTP end to end process (triage) Key Risk Area 1:</p> <p>We recommend that HCPC ensures that the triage process is sufficiently resourced so that all cases can be processed in line with the standard timescales. We recommend due to the complexity of the concerns raised, that HCPC should consider it's approach in resourcing to manage high influx of concerns. This could include use of external lawyers.</p>	<p>The capacity and demand modelling now confirms that the Triage team is sufficiently resourced to manage incoming referrals, which have now returned to their pre-COVID levels. From September, we are introducing new daily triage targets to ensure the consistent and timely flow of cases through this first decision point.</p>	<p>The Business Improvement work is establishing a capacity and demand model that will support us to improve flow through the FTP process. Early indicators from this are that the Triage team is sufficiently resourced to manage post-SW referrals. However, the Triage process has been impacted by COVID-19 and the noticeable rise in FTP enquiries and additional COVID-19 related concerns we are receiving. Resource planning has taken place to respond to this.</p>	N/A	N/A	N/A	<p>To return to the main Summary and Tracker</p> <p>Scroll up or</p> <p>PRESS</p>
12	<p>FTP end to end process review - Key Risk Area 6:</p> <p>We recommend that the QA team include the number of recommendations that have been made, implemented and still pending implementation when reporting to Audit Committee and Council. This could be written as pure statistics to be quick to produce, read and understand.</p>	<p>This has been included in the September QA reporting to the Audit Committee. Feedback will be sought from the committee on how this has been presented and this learning will be taken forward for the Nov Audit Committee reporting.</p>	<p>New QA Lead/team to review current information provided to the audit committee and produce a methodology document that includes a rating system for future audits</p>	N/A	N/A	N/A	<p>To return to the main Summary and Tracker</p> <p>Scroll up or</p> <p>PRESS</p>

Business continuity testing		Sep-20	Jun-20	Mar-20	Nov-19	Sep-19	
5	Business continuity testing -Key Risk Area 5: Given that we have identified some gaps in current BCP arrangements at HCPC (see KRA 1-4), BCP arrangements will need to be tested to ensure that these areas are working effectively.	Ongoing - Live test in Covid-19 response	Live test in Covid-19 response	N/A	N/A	N/A	To return to the main Summary and Tracker Scroll up or PRESS

Quality Assurance	Sep-20	Jun-20	Mar-20	Nov-19	Sep-19	
<p>1 We recommend that Management reviews the current QA reports provided to Audit Committee and consider whether the following information should be included:</p> <ul style="list-style-type: none"> •Timelines throughout the year of when reviews are expected to be undertaken and due to be completed. These are currently provided as part of the reporting to SMT. •Performance data of the QA team. •Significance and/or rating of reports. •Clear indicators of where the QA audits fit into the assurance map and overall assurance of the organisation. •The reasoning behind each audit undertaken and the benefits of undertaking such audits. These are currently provided as part of the reporting to SMT. 	<p>. As is documented, this is work that the Department is already undertaking. The QA Department report provided to Audit Committee will be developed over this financial year to provide a better overview of the work that the Department is doing in relation to the workplan, and to provide clarity about how the work of the Department fits in to overall assurance activities across the organisation.</p> <p>Update June 2020:</p> <ul style="list-style-type: none"> •Due to significant changes to ways of working across the organisation due to the Covid-19 pandemic, normal QA activities have been temporarily suspended during Q1. As such, there has been a delay in the production of the Quality Assurance Framework for 2020-21. •The intention is for the QA team to trial a new approach to quality assuring FTP processes during Q1-Q2. This is subject to ongoing business improvement work in the FTP 	<p>BDO Follow up review comments: In progress - overdue</p> <p>We were notified that the Head of Quality Assurance (QA) has now left the organisation and a QA Lead has yet to be appointed. In light of Covid-19, any planned QA activities have been temporarily suspended for part of Q1 2020-21, but have now resumed.</p> <p>Executive update</p> <p>QA Lead/team to review current information provided to the audit committee and produce a methodology document that includes a rating system for future audits. Audit frameworks for respective regulatory departments to be developed and to determine where QA fits within the assurance map.</p>	Ongoing	N/A	N/A	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>
<p>2 We recommend that as part of developing the framework for the ISO and non ISO audit activity that Management considers setting out the following:</p> <ul style="list-style-type: none"> •Clearly define and outline the separation of assurance activities being undertaken by the QA Department and the Governance Department. •Considerations should be given to ownership, reporting, methodology and accountabilities for delivery. •In addition, the Head of QA, the Governance Department and the Internal Auditors should discuss other areas that could be audited that would add value to the organisation that are outside of BSI/ISO focused areas. 	<p>The QA lead is working with the CISRO to develop a collaborative way of working that will have clearly defines roles of assurance while ensuring that areas of risk being identified and being addressed.</p>	<p>BDO Follow up review comments: In progress - overdue</p> <p>A QA action plan for 2020-21 has been developed and this recommendation will be reviewed in Q2 2020, once a QA lead has been appointed. A draft Organisational Assurance Framework, which was produced for 2019-20 by the former Head of Quality Assurance and the former Quality Assurance Development Manager, will be reviewed as part of the QA action plan for 2020-21.</p> <p>Executive update</p> <p>New QA Lead/QA team to review this framework and liaise with Chief Information Security and Risk Officer and Head of Governance to clarify roles and responsibilities across teams.</p>	The organisation framework (for non-regulatory audits) has been produced and pilot audits run. Given the current revised approach to ISO certification, movement of the QA Department into Governance and the change in approach for quality in the organisation this activity has been delayed.	N/A	N/A	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>

<p>4 We recommend that in the long term, as part of business continuity and succession planning arrangements, each team member be trained and undertake QA audits in each regulatory area. This will ensure there is full assurance coverage across all regulatory areas.</p>	<p>The QA team continue to work towards being a fully cross-skilled well rounded department. Since June the education quality manager undertook an audit of the FtP hearings process, which they were able to execute effectively and is now in the reporting stage.</p> <p>In order to show our commitment to having a cohesive QA department a request has been put to HR to change the job titles of the separate department quality managers to Quality Assurance Manager.</p> <p>With new systems and processes coming in place in both Registration and Education, there is also an opportunity for the team to all be trained on these, allowing us to again move away from having dedicated department QA mangers.</p>	<p>BDO Follow up review comments: In progress - overdue</p> <p>The QA team has undergone training in Lean auditing and root cause analysis in February 2020. This training has fed into the QA action plan. Work has also begun in developing a new approach to quality assurance activities with a trial of new ways of working in 2020-21. The current focus is on Fitness to Practise (FtP) activities and all members of the QA team have begun training to share knowledge of FtP processes.</p> <p>Executive update</p> <p>QA team to trial new ways of working regarding FTP audits in 20-21.</p> <p>QA future state workshops with John Ettles, Lean 6 Sigma consultant with the Business Improvement team.</p> <p>QA team to ensure that methodology document encourages cross team working throughout QA activities eg scoping meetings, root cause analysis, conducting audits...</p> <p>QA team to continue peer reviewing 2019-20 audit reports</p>	<p>Ongoing the FTP QA manager is holding weekly briefing sessions for the Education and Registration managers on FTP process to improve knowledge with an aim to cross working.</p>	<p>N/A</p>	<p>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>
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5	<p>It is recommended that the QA function put an audit charter in place which will set out:</p> <ul style="list-style-type: none"> -the purpose of the function; -reporting lines; -roles and responsibilities; -how audits will be selected to be undertaken (risk based approach); -process for any deviations from the agreed audit plan; -is a document that the QA function can be held accountable to; -formally agreed at the Audit Committee. 	<p>With the new QA lead in post a QA charter will be investigated and developed in Q3 2020-21 in line with the Audit charter in place.</p>	<p>New QA Lead/QA team to present the framework at the Audit Committee for approval Q2-Q3</p>	<p>Given the delays to the organisational framework (for non-regulatory audits) and the change in approach for quality in the organisation this activity may be delayed.</p>	N/A	N/A	<p>To return to the main Summary and Tracker Scroll up or</p> <p style="text-align: center;">PRESS</p>
6	<p>It is recommended than an overall strategy for the QA function is developed. As a minimum this should include the following:</p> <ul style="list-style-type: none"> -the overall aim and objective of audits; -the methodology that is being followed in order to conduct their reviews; -how the QA function will achieve its aims and objectives; -how the QA function determines the reviews it undertakes; -the audit plan for the year; -any deviations from the audit plan should be fully documented. 	<p>6-7 The QA Methodology and QA Framework have been finalised and approved. These documents cover the details recommended for a QA strategy and provide clarity and accountability on the process and timeliness of QA activity. The QA framework encompass all QA activity across regulatory departments as well as the QA department work plan and schedule.</p>	<p>New QA Lead/QA team to present the framework at the Audit Committee for approval Q2-Q3</p>	<p>Given the delays to the organisational framework (for non-regulatory audits) and the change in approach for quality in the organisation this activity may be delayed.</p>	N/A	N/A	<p>To return to the main Summary and Tracker Scroll up or</p> <p style="text-align: center;">PRESS</p>

7	<p>We recommend that an overall up to date framework is put in for the entire QA function and should include the three regulatory frameworks, the non-regulatory audits and it should be aligned with the new QA structure of the team.</p>	<p>6-7 The QA Methodology and QA Framework have been finalised and approved. These documents cover the details recommended for a QA strategy and provide clarity and accountability on the process and timeliness of QA activity. The QA framework encompass all QA activity across regulatory departments as well as the QA department work plan and schedule.</p>	<p>New QA Lead/QA team to present the framework at the Audit Committee for approval Q2-Q3</p>	<p>Given the delays to the organisational framework (for non-regulatory audits) and the change in approach for quality in the organisation this activity may be delayed.</p>	<p>N/A</p>	<p>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>
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Assurance map	Sep-20	Jun-20	Mar-20	Nov-19	Sep-19	
<p>Updating of current preferred supplier listing.</p> <p>Appropriate training of staff involved in the procuring of goods and services.</p> <p>Capturing and monitoring of performance data related to procurement activity, for example procurement spend information, procurement routes, minimising supplier lists etc.</p>	<p>Improved procurement management information have been included in the finance report that gets presented to SMT on a monthly basis.</p> <p>Improvements to monthly budget variance analysis has been made as part of the production for the new financial forecasting model.</p>	<p>BDO Follow up review comments: In progress – not due yet</p> <p>A Procurement Improvement Plan was presented to the Senior Management Team in November 2018. The current work that has been completed against the plan is the following: Updated the list of suppliers on the E-sourcing system and have worked with individual departments on uploading their contract documents to the system.</p> <p>- Provided training on the E-sourcing system to all contract managers and to a number of individual teams e.g. Learning and Development. The suite of procurement KPIs proposed under the Procurement Transformation Plan is still being developed.</p> <p>Excecutive update</p> <p>Procurement related management information has been included within Finance report that goes into SMT. There has been delays with the implementation of new approval routes for Click due to Covid-19.</p>	<p>The team is working with ClickTravel and budget holders with aim to give individual department authority to review and approve out of policy bookings. Reports have been written to allow regular reporting to SMT. Through the Finance restructure a procurement specific role has been created, together with a FP&A team to allow improved budget variance analysis.</p>	<p>The improvement plan is being developed</p>	<p>See updated management response</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>

Key Financial controls	Sep-20	Jun-20	Mar-20	Nov-19	Sep-19	
<p>1 Lack of formally documented procedures heightens the succession risk in case of a loss of key personnel. This may lead to an incorrect/inconsistent application of key processes and decisions being taken.</p> <p>Outdated procedures can also cause confusion for a new person who joins any of the above teams regarding what processes to follow, and may lead to processing errors.</p>	<p>The balance report process notes which documents how debtor balances are reviewed and actions have been reviewed and updated.</p>	<p>BDO Follow up review comments: In progress - overdue</p> <p>The Finance Director confirmed that the Transactions Manager has left the organisation and all current processes and controls are currently under review</p> <p>Executive update</p> <p>Due to other priorities such as year end and audit, policies are yet to be reviewed by the Financial Control Manager</p>	<p>Following the Finance restructure, all policies will be reviewed by the Financial Control Manager</p>	<p>Awaiting approval by FD but a process document for credit control related activities (non-FTP) has been done. All current process documents capture the owner and date of review and reason.</p>	<p>Training notes on the credit control / balance report process (excluding those coming out of FTP processes which is covered by the Reg Ops team) has been done and requires approval by FD.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>
<p>3 Lack of formally documented procedures heightens the succession risk in case of a loss of key personnel. This may lead to an incorrect/inconsistent application of key processes and decisions being taken.</p> <p>Outdated procedures can also cause confusion for a new person who joins any of the above teams regarding what processes to follow, and may lead to processing errors.</p>	<p>We are in the progress of updating all financial procedures with the aim to complete the review by end of September. A list of all finance policies have been collated and mapped with their next review dates.</p>	<p>BDO Follow up review comments: In progress – not due yet</p> <p>The Finance Director confirmed that the Transactions Manager has left the organisation and all current processes and controls are currently under review.</p> <p>Executive update</p> <p>Due to other priorities such as year end and audit, policies are yet to be reviewed by the Financial Control Manager</p>	<p>Following the Finance restructure, all policies will be reviewed by the Financial Control Manager</p>	<p>HOFA: About 80% of the finance procedures have been updated to include owner and review dates. The remaining 20% is currently being reviewed; this is due to the treasury manager being on long term sick.</p>	<p>HOFA 10/09/19 – All Finance Procedure notes are currently being updated and will be completed by 30 September 2019</p> <p>All Transaction processes have been updated to include owner and review dates.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>

<p>Management information and analysis surrounding aged debt balances are to be communicated to Senior Management. Frequency of reporting, and forums for which to report to are to be determined, though at a minimum Finance and Registration should have oversight.</p> <p>Management should define categories or reason codes for non-payment and these should be captured within the registrants balance report, in order to facilitate more detailed analysis and discussion.</p> <p>Areas to consider as part of reporting could include (but are not limited to): debtor trends over time (e.g. by profession), analysis on most common reasons for non-payment, and write-offs due to registrants being removed from the register.</p>	<p>We are currently in the process of developing KPIs relating to debtors balances so that they can be included in the monthly finance report for September, to be reviewed by SMT in October.</p>	<p>BDO Follow up review comments: In progress – not due yet</p> <p>The Finance Director confirmed that the Transactions Manager has left the organisation and all current processes and controls are currently under review.</p> <p>Executive update</p> <p>Testing of the debtor report has commenced in UAT environment, we are awaiting result of this before deploy it into live environment.</p>	<p>The debtor report is yet to be tested in UAT environment, we will work with the project team to find a gap between projects to complete the testing.</p>	<p>Energysys have designed the debt report but due to the volume of projects and server issues, it has been challenging getting access to the UAT environment to test.</p>	<p>Energysys have been engaged to design and produce via NetRegulate a debt report highlighting overall debt, current debt, 30 days, 60 days and 90+ days including the statuses and registration numbers. We are awaiting deployment into the UAT environment of NetRegulate to test. In the interim, the TM includes reason codes via data validation tools into the current balance report for non-payment.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>PRESS</p>
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