

Audit and Risk Assurance Committee, 11 June 2021

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

04 June 2021

Internal Audit report – Registration End-To-End (considered at Audit and Risk Assurance Committee 10 March 2021)

Recommendations summary

For the related
Audit Findings
See Appendix 1
or
[PRESS]

Priority	Outstanding recommendations	Status	
High	0	Overdue	0
Medium	2	Not yet due	1
Low	3	Completed	4

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>1 Key Risk Area 1: Initial registration – UK and overseas</p> <p>Where steps in the registration process involve manual entry of data, or are processed entirely by one HCPC colleague, consideration should be had to strengthening or segregating checking controls to reduce the possibility of errors before an applicant is added to the register.</p>	<p>We will review the registration process as part of the improvement work to develop the online capability for registration applications to the Register.</p>	<p>Completion date: 1 July 2021</p> <p>Richard Houghton (Head of Registration)</p>		<p>The process has been reviewed and changed with all UK applications now being processed through a two stage process ensuring applications are not registered by one individual.</p>	<p>N/A</p>

<p>2 Key Risk Area 1: Initial registration – UK and overseas</p> <p>HCPC should explore the feasibility of introducing automated emails to be sent to registrants in the event of any changes to their personal or contact information within HCPC’s portal.</p>	<p>The feasibility of introducing automated emails to be sent to Registrants in the event of any changes to their personal or contact information will be explored.</p>	<p>Completion date: 1 July 2021</p> <p>Richard Houghton (Head of Registration)</p>		<p>The feasibility of introducing automated emails is being investigated.</p>	<p>N/A</p>
<p>3 Key Risk Area 3: Temporary and permanent removal from the register by HCPC e.g. arising from interim orders & the outcome of FtP hearings.</p> <p>HCPC should take steps to limit / manage potential overreliance on the use of spreadsheets as part of the temporary or permanent removal of registrants from the Register. Steps taken could include:</p> <ul style="list-style-type: none"> — Exploring the feasibility of embedding some of the processes within CRM Dynamics and its electronic workflows — Ensure detailed checking of information is regularly carried out of any changes made to spreadsheets — Password protect or limit access to areas of spreadsheets where information is not expected to regularly change 	<p>The process and controls for temporary or permanent removal of registrants from the Register will be reviewed.</p>	<p>Completion date: 1 May 2021</p> <p>Laura Coffey (HoFTP) / Richard Houghton (HoReg)</p>		<p>FtP update: Reliance on spreadsheets will be reduced when we move on to our new case management system. The new CMS is built of automated workflows which will mean less manual checks. Go live is scheduled for 24 May 2021.</p>	<p>N/A</p>

4	<p>Key Risk Area 3: Temporary and permanent removal from the register by HCPC e.g. arising from interim orders & the outcome of FtP hearings.</p> <p>Procedures and process maps that still refer to NetRegulate should be reviewed to ensure they reflect most up-to-date activities of teams and to reflect the fact that HCPC has transitioned to CRM Dynamics.</p>	<p>Procedures and process maps will be updated to reflect CRM Dynamics.</p>	<p>Completion date: 1 May 2021</p> <p>Laura Coffey (HoFTP) / Richard Houghton (HoReg)</p>		<p>Reg update: Procedures and process maps have been updated removing the reference to NetRegulate and now reflect the current process.</p> <p>FtP update: FtP process maps and guidance are being updated to reflect new FtP case management system and this will include update to refer to Dynamics instead of NetRegulate.</p>	N/A
5	<p>Key Risk Area 3: Temporary and permanent removal from the register by HCPC e.g. arising from interim orders & the outcome of FtP hearings.</p> <p>The monthly review of user access rights should be documented to support ensuring this control is formally completed to prevent inappropriate access to amending the Register.</p>	<p>The monthly review of user access rights will be documented.</p>	<p>Completion date: 1 May 2021</p> <p>Laura Coffey (HoFTP) / Richard Houghton (HoReg)</p>		<p>Reg update: The monthly process to review user access rights has been documented.</p> <p>FtP update: user access checks are completed on behalf of IT. IT own the access rights checks and documentation.</p>	N/A

Internal Audit report – HCPC Intelligence Gathering (considered at Audit and Risk Assurance Committee 10 March 2021)

Recommendations summary

Priority	Outstanding recommendations	Status	
High	9	Overdue	0
Medium	4	Not yet due	13
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>1 Key Risk Area 1: Strategy and Governance 1.1 Strategic direction and organisational design</p> <p>Ownership for individual datasets and the precise roles and responsibilities for the insights and intelligence staff and front line staff needs to be made clear. This includes the responsibility for the accuracy of data</p>	Individual dataset ownership and related roles & responsibilities will be defined as part of the creation of a data governance framework.	Completion date: Q2/Q3 Head of Governance		Data Platform Project current paused whilst budget prioritisation occurs. It is anticipated that Data Governance etc will be addressed as part of Information Governance once responsibilities are confirmed.	N/A
<p>2 Key Risk Area 1: Strategy and Governance 1.1 Strategic direction and organisational design</p> <p>There needs to be clear ownership of the insight and intelligence end-to-end process, including at SMT level (with the new executive director role having clear authority) and a Council lead.</p>	The new Executive Director for Professional Practice and Insight will take ownership of insight and intelligence when they take up the role. In the meantime, the Insight & Intelligence Manager is developing a framework which will be presented to SMT and Council.	Completion date: Q2/Q3 Insight & Intelligence Manager / ED Professional Practice & Insight		I&I manager update: development of the insight and intelligence strategy and framework is ongoing and should be completed by Q3.	N/A

3	<p>Key Risk Area 1: Strategy and Governance 1.2 Data strategy – data platform approach</p> <p>The use of the data for intelligence purposes should be structured and agreed. They should be targeted to answer ‘questions’ that are most pertinent to HCPC’s strategic aims and most significant risks and issues.</p>	<p>The delivery approach for the data platform and subsequent reporting and analytics needs will be driven by needs that align to HCPC strategic aims including those of the Insight and Intelligence Team, how HCPC control this will be defined as part of the project and ongoing data governance frameworks.</p>	<p>Completion date: End of Q4 2021</p> <p>Insights & Intelligence Manager and ED Corporate Services</p>		<p>I&I manager update: submitted sample use cases for the new data platform to Neil Cuthbertson (ED of Digital Transformation). Meeting with Neil and the project lead Alex Loder and IT managers on May 26th to clarify plans for project handover and next steps as they are both leaving HCPC.</p>	N/A
4	<p>Key Risk Area 1: Strategy and Governance 1.2 Data strategy – data platform approach</p> <p>Decisions need to be made formally on what data analysis work is done using the front line systems such as registration & FtP and that drawn from the new data platform. Some data may be available ‘self-service’ and other will need analysis work.</p>	<p>The initial priorities for the insight & intelligence function have been identified and are based on risk. These include analysis of EDI, FtP and CPD, all of which align to the strategic aims in the new Corporate Strategy</p>	<p>Completion date: End of Q4 2021</p> <p>Insights & Intelligence Manager and ED Corporate Services</p>		<p>I&I manager update: work is progressing on initial priorities related to EDI, FTP and stakeholder perceptions monitoring. Data is being drawn from frontline systems via front and backend queries in the absence of the data platform.</p>	N/A
5	<p>Key Risk Area 2: Data gathering and assimilation – range of coverage 2.1 Approach to data gathering</p> <p>Part of the consideration about what questions to ask of the intelligence system and what it should be focussed on, need also to consider the cost of compliance, in terms of the cost and inconvenience to the registrants in requiring more data fields. Registrants are likely to question the added value of further data requests. HCPC will be subject to GDPR if they require data outside of their ‘statutory’ responsibilities too.</p>	<p>Will be addressed as part of the project and ongoing data governance frameworks</p>	<p>Completion date: Q2/Q3 2021</p> <p>Head of Governance</p>		<p>Data Platform Project (including new data governance) currently paused whilst budget prioritisation occurs. There are existing GDPR governance processes for additional data collection within the governance team.</p>	N/A

<p>6 Key Risk Area 2: Data gathering and assimilation – range of coverage 2.1 Approach to data gathering</p> <p>Both opportunities to capture both hard and soft data must be incorporated into the intelligence and insights model and a key consideration in the design of all systems used to capture, store and analyse data and draw insights and intelligence from that.</p>	<p>Will be addressed as part of the project and ongoing data governance frameworks</p>	<p>Completion date: Q2/Q3 2021</p> <p>ED Corporate Services</p>		<p>Data Platform Project currently paused whilst budget prioritisation occurs.</p>	<p>N/A</p>
<p>7 Key Risk Area 2: Data gathering and assimilation – range of coverage 2.2 Data sets captured</p> <p>HCPC need to implement a comprehensive CRM system to capture soft and hard data used in the process of stakeholder engagement, media & social media analysis and outreach, for the purposes of day-to-day stakeholder engagement and for the capturing of data for insight and intelligence purposes.</p>	<p>Initial scoping work has commenced, although is currently limited to the consolidation of excel data sheets. The intention is move to a CRM using Dynamix. The new ED for Professional Practice & Insight will need to work with the digital transformation team to implement a comprehensive CRM system.</p>	<p>Completion date: tbc</p> <p>Executive Director - Digital Transformation / ED Professional Practice & Insight</p>		<p>Resourcing & budgets not currently in place to support introduction of CRM system. Excel stakeholder information with Luther for consolidation. Interim arrangement based on Teams has been set up to facilitate information-sharing and limited tracking of stakeholder engagement between HCPC and Luther Pendragon via MS Teams.</p> <p>Ambition to introduce CRM remains – dependent on resourcing being in place.</p>	<p>N/A</p>
<p>8 Key Risk Area 2: Data gathering and assimilation – range of coverage 2.3 Engagement with other bodies</p> <p>Outreach and other external contact work needs to have clear ownership and data capture standards and processes so that its data, intelligence and insights capture is readily assimilated, complete and accurate.</p>	<p>Outreach and other external contact work needs to have clear ownership and data capture standards and processes so that its data, intelligence and insights capture is readily assimilated, complete and accurate.</p>	<p>Completion date: Q4 2021</p> <p>ED Corporate Services</p>		<p>Clarity exists around current relationships. Luther Pendragon progressing stakeholder database. More comprehensive approach possible when CRM system available.</p>	<p>N/A</p>
<p>9 Key Risk Area 2: Data gathering and assimilation – range of coverage 2.3 Engagement with other bodies</p> <p>We encourage the further development of data sharing between regulators and other institutions at an aggregate level.</p>	<p>We encourage the further development of data sharing between regulators and other institutions at an aggregate level.</p>	<p>Completion date: Q4 2021</p> <p>ED Corporate Services</p>		<p>When comprehensive data platform is available more data sharing will be established.</p>	<p>N/A</p>

10	<p>Key Risk Area 3: Storage and analysis 3.2 Information security & governance</p> <p>Ensure there is a regular check in with data governance experts so the design of the data platform and associated systems and processes are fully compliant with data governance and user access requirements. These should be assessed and set as the project progresses and address the risk of identifying registrants through the disaggregation of data when it is analysed.</p>	<p>Will be defined as part of the ongoing data governance framework</p>	<p>Completion date: Q4 2021</p> <p>ED Corporate Services</p>		<p>Linked WITH RISK 9 ABOVE</p>	<p>N/A</p>
11	<p>Key Risk Area 3: Storage and analysis 3.3 Culture and skills to maximise benefits of the platform</p> <p>Ensure there is a regular check in with data governance experts so the design of the data platform and associated systems and processes are fully compliant with data governance and user access requirements. These should be assessed and set as the project progresses and address the risk of identifying registrants through the disaggregation of data when it is analysed.</p>	<p>HCPC need to ensure that it upskills the whole organisation and changes the culture so that data and intelligence is embedded in the 'the way the organisation does things'.</p>	<p>Completion date: Q4 2021</p> <p>ED Corporate Services</p>		<p>Linked WITH RISK 10 ABOVE Once new technology is available</p> <p>Not only training, but data is accessible on a need to know basis</p>	<p>N/A</p>
12	<p>Key Risk Area 4: Reporting and Delivering Regulatory Responses to Intelligence 4.2 Vision for future reporting</p> <p>As part of building the insights and intelligence capability, consideration is needed on the reporting requirements – what (and why), when, to whom, how often. A prioritisation process needs to be formulated based on MoSCoW1 principles, referenced to HCPC's strategy and risks.</p>	<p>Will be defined as part of the project and ongoing data governance frameworks</p>	<p>Completion date: Q4 2021</p> <p>ED Corporate Services</p>		<p>When data platform is in place, data governance process will be in place.</p>	<p>N/A</p>

13	<p>Key Risk Area 4: Reporting and Delivering Regulatory Responses to Intelligence</p> <p>4.3 Escalation and regulatory impact</p> <p>In a similar way to governance and ownership of data and the role of the intelligence and insights system, there needs to be clear authority and governance on the information sharing, reporting and the coordination and tracking of regulatory responses to insights and intelligence:</p> <p>a. A forum for the initial assessment of intelligence</p> <p>b. Escalation protocols for the escalation of intelligence to more a more senior level</p> <p>c. A senior cross-HCPC group is for prioritising actions and making decisions on the best regulatory interventions and have the authority to instruct others in HCPC to build the intervention required.</p> <p>d. A mechanism to track delivery of the intervention and measure its success.</p>	Will be defined as part of the project and ongoing data governance frameworks	<p>Completion date: Q4 2021</p> <p>ED Corporate Services</p>		Will be defined when project commences.	N/A
----	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------	--------------------------------------------------------------	--	-----------------------------------------	-----

Internal Audit report – PSA and internal reporting (considered at Audit Committee 11 November 2020)

Recommendations summary

Priority	Outstanding recommendations	Status	
High	0	Overdue	0
Medium	1	Not yet due	0
Low	1	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: KPIs and effective oversight of HCPC's performance.</p> <p>In order to support HCPC's development of the corporate strategy and performance reporting, HCPC should conduct a standalone workshop event with both members of Council and SMT, similar to the one held in January 2018, to decide upon a the format and framework of performance reporting.</p> <p>In doing so HCPC should gather examples of performance reporting approaches from other healthcare regulators and compare different approaches to decide on what works best for its needs.</p> <p>When setting out a performance framework HCPC should focus on clearly linking defined and measurable metrics, with targets, corporate objectives and regulatory requirements. In this way there will be a clear golden thread linking the strategic requirement with the KPI demonstrating whether that strategic requirement is being met.</p>	<p>The HCPC will seek to schedule a session with Council and SMT in the new financial year on performance and KPI requirements to support the new Corporate Strategy.</p> <p>Additionally the HCPC will establish a Finance and Resources Committee in early 2021 and this group will lead on performance against metrics oversight and will input into future reporting requirements.</p>	<p>Head of Governance</p> <p>May 2021</p>		<p>Complete - New KPI suite agreed by Council May 2021. KPIs are linked to corporate strategy. Full framework of data reporting through groups and committees discussed with Council to support new approach.</p>	<p>Commentary History See Appendix 2 or [PRESS]</p>

<p>3 Key Risk Area 2: KPIs' definitions and methodologies</p> <p>HCPC plans to improve internal reporting mechanisms including performance reporting. Nonetheless, while calculations remain heavily reliant on manual input staff should be reminded of the importance of carefully checking KPIs prior to submission. Where KPIs are not supported by detailed methodology documents to assist staff in calculating them, these should be prepared.</p>	<p>Manual processes for collating KPI data will be addressed through our focus on digital transformation, which will aim provide greater automation in data production.</p> <p>The new Executive Director of Regulation will review the performance criteria for the regulatory functions. The Exec Director of Digital Transformation will support the documentation and automation of the production of these KPIs.</p> <p>In the meantime, employees will be reminded of the importance of reviewing data for accuracy</p>	<p>SMT (given metrics span all departments)</p> <p>April 2021</p>		<p>Complete workshop was held in April and new KPI suite agreed by Council In May 2021</p>	<p>Commentary History See Appendix 2 or</p> <p>[PRESS]</p>
------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------	--	--------------------------------------------------------------------------------------------	-------------------------------------------------------------------

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

Recommendations summary

Priority	Outstanding recommendations	Status	
High	0	Overdue	1
Medium	2	Not yet due	0
Low	2	Completed	3

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>The Corporate Plan for 2021/22 was published on 1 April. A schedule of corporate plan deliverables, milestones and benefit measures has been presented to Council as part of the CEO report to enable monitoring of deliverables and realisation of expected benefits. Detailed directorate workplans are in place having been reviewed by SMT.</p> <p>A three month interim budget, which reflected some of the uncertainties around the proposed fee increase, was approved by Council in April 2021. We are working at pace to identify potential cost savings to inform the full year budget which will be considered by Council in July.</p>	<p>Commentary History See Appendix 2 or [PRESS]</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>The Corporate Plan has been approved and published. This is supported by more granular deliverables and benefits tracking. Following the completion of the appointment of the new permanent SMT the meeting structures have been revised to ensure regular oversight of directorate performance and delivery of corporate plan objectives. This is supported by new KPIs and updated strategic risks which align with the strategic priorities.</p> <p>The Digital Transformation Strategy was approved in September 2020. The implementation of a new digital and IT operating model is in progress, with the focus on appointing a new Head of IT and Digital and Head of Business Change.</p>	<p>Commentary History See Appendix 2 or</p> <p>[PRESS]</p>
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>The previous update stands and linked to regulatory reform.</p>	<p>Commentary History See Appendix 2 or</p> <p>[PRESS]</p>
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</p> <p>Q4 2020/21</p>		<p>The EDI Forum has been established and training is due to commence. We continue to celebrate diversity and wellbeing days and hosted a further discussion on women's safety following the tragic murder of a young woman on Clapham Common. The first Customer Engagement and Behavioural Workshop took place on 18 May and will add to the behaviours expected of all employees for each competency at each level, this will be mirrored in the 'Commitment Charter' that will be set out in the new People Strategy – stating what HCPC will do for employees, what Managers will do, and what Employees are expected to do. This in effect will make up the 'behavioural Contract' we have discussed previously.</p>	<p>Commentary History See Appendix 2 or</p> <p>[PRESS]</p>

Internal Audit report – IT Controls (considered at Audit Committee 17 September 2020)

Recommendations summary

Priority	Outstanding recommendations	Status
High	0	Overdue 3
Medium	3	Not yet due 2
Low	3	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>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>Q2 2021 (revised from Q1 2021)</p>	<p>On track</p>	<p>Whilst it is the intention to complete the Technology Governance Framework by the end of June, in reality by the time it has been socialised and signed off by SMT it will move into July and need to be handed over to the new Head of IT and Digital Transformation.</p>	<p>Commentary History See Appendix 2 or [PRESS]</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>require further review later in the year</p>	<p>Suggested updates to KPIs have been prepared by the Executive Director of Digital Transformation and broader alignment of KPIS and Benefits will be incorporated into the development of services as part of the change function. These will require further review later in the year once the new structures are in place.</p>	<p>Commentary History See Appendix 2 or</p> <p style="color: red; font-weight: bold;">[PRESS]</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>require further review later in the year</p>	<p>Suggested updates to KPIs have been prepared by the ED of DT and broader alignment of KPIS and Benefits will be incorporated into the development of services as part of the change function. These will require further review later in the year once the new structures are in place.</p>	<p>Commentary History See Appendix 2 or</p> <p style="color: red; font-weight: bold;">[PRESS]</p>

<p>4 Key Risk Area 4: The service desk Key Risk Area 5: Problem & Incident Management</p> <p>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.</p> <p>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.</p> <p>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</p> <p>March 2021</p>		<p>Work to further develop the catalogue will continue as part of the IT and Digital changes. This will include an expansion of services and commitments across applications</p>	<p>Commentary History See Appendix 2 or [PRESS]</p>
<p>5 Key Risk Area 4: The service desk Key Risk Area 5: Problem & Incident Management</p> <p>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</p> <p>March 2021</p>		<p>Formal procedures existing for current processes, although work will be aligned as part of the new organisation model to introduce strealines processes that span infrastructure and application changes. Change board processes currently include post change reviews to create feedback loops.</p>	<p>Commentary History See Appendix 2 or [PRESS]</p>

6	<p>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>Revised to July 2021 - ARAC June</p>	<p>Work continues on the deployment of the new service desk service targeted for July 2021. Evolution of the Mission, Vision and Values will be considered under the new Head of IT and Digital leading up to September. This will build on current processes and procedures.</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>	<p>CISRO</p> <p>31/03/2020</p>	<p>Progressing</p>	<p>Still to be determined what the new BC/DR response will be. However moving toward a ShadowPlanner test with users with a desk based exercise this financial year.</p>	<p>Commentary History</p> <p>See Appendix 2 or</p> <p>[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	2	Not yet due 0
Low	0	Completed 0

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>	<p>Financial Control Manager</p>	<p>31/10/2020 revised at June ARAC - Sept 2021</p>	<p>Head of Finance: These findings arose from an internal audit review of the Transactions Team which was subsequently transferred from Finance to Registrations in March 2020. Furthermore many of the processes and controls existing at the time the audit was conducted have been superseded because of a major systems change in replacing Net Regulate with Customer Experience ('CE') and Business Central ('BC') which began in October 2020 and is still ongoing.</p> <p>Consequently Finance has recently prepared process notes for processing and financial controls around BC which is the financial platform for registrations and renewals. However some processes (e.g. refunds, intermediate lapsing, invoicing and collection of international scrutiny fees) are in development because they require input from Registrations. Consequently Finance is working with Registrations to implement processes with robust financial controls and expect these to be developed and implemented by September 2021.</p>	<p>Commentary History See Appendix 2 or [PRESS]</p>

3	<p>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>	<p>Financial Control Manager Registration Operations Manager Treasury accountant / Head of Financial Accounting.</p>	<p>31/10/2020 revised at June ARAC - Sept 2021</p>	<p>See above:</p>	<p>Commentary History See Appendix 2 or [PRESS]</p>
---	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------	-------------------	-------------------------------------------------------------------------

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

Registration end to end		
<p>Key Risk Area 1: Initial registration – UK and overseas</p>	<p>Applications are received by post or email and there is still a manual data entry element involved in the process where RAs copy an applicant’s personal details onto CRM Dynamics to create a registration record. While the adoption of CRM Dynamics involved the introduction of a more self-service approach for applicants, steps with manual data entry still carry risks that information is not entered onto CRM Dynamics correctly, and entering the data is time consuming exercise. Work is being done to automate this process, which we support.</p> <ul style="list-style-type: none"> · As part of the registration process registrants create an account on the online portal which is protected by a two-factor identification system codes sent to a registrant’s mobile phone must be entered in addition to a password. While two-factor authentication offers a good degree of protection from unauthorised access account security could be strengthened by using automated emails to registrant email addresses in the event that any account, password or mobile phone details are updated. · An international application can be processed by one or more RA, in addition to a RM reviewing the outcome of an assessor’s decision. However, a UK application can be processed in its entirety by a single RA. While the UK registration process is easier to administer, If a RA was to make an error when processing the application this may not be detected until after the applicant was added to the register. · One of the risks of a fully customer self-service approach is the over-reliance on prospective or renewing registrants providing accurate information where this is not subject to an independent check, e.g. in relation to criminal records, suitability of character, or completion of practical experienced signed-off by a supervisor. We do note, however, that independently verifying this kind of information is not common practice among other healthcare professions regulators, but is more commonly undertaken by employers. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>Key Risk Area 3: Temporary and permanent removal from the register by HCPC e.g. arising from interim orders & the outcome of FtP hearings.</p>	<ul style="list-style-type: none"> · The process to update the Register following a decision to temporarily or permanently remove a registrant is a manual one and reliant on the use of internal spreadsheets. This increases the likelihood of human and date entry errors occurring. Specifically, we noted: <ul style="list-style-type: none"> — Hearing outcomes are recorded on a spreadsheet which are then required to be copied onto CRM Dynamics in order to update the Register. — A WebID number is recorded on Dynamics in order to update the Register in real-time. A Hearings Officer copies the WebID from HCPC’s website onto the hearing outcomes spreadsheet which is then copied onto Dynamics. — An Interim Order is required to be reviewed every six months, and every three months after that. A Hearings Officer manually enters these review dates onto Charter after updating the hearing outcomes spreadsheet. There is a risk that review dates are omitted or entered incorrectly. The process to update the Register requires the Hearings Team Manager or Tribunal Services Manager to review the hearing outcomes spreadsheet and update the Register accordingly. There is no automated workflow / notification reminding the manager to update the Register. This increases the risk that sanctions are not applied in a timely manner. · We reviewed the process map outlining the process to follow to update the Register on the outcome of FtP decisions and noted it referred throughout to NetRegulate indicating it requires updating since the introduction of the CRM system. · User access rights are reviewed monthly, however this review is not documented. We observed that colleagues commonly change roles from RAs to working in the FtP function, and so with internal staff changes there is a risk that access rights for individuals using the same login details are not updated and checked. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

<p>Key Risk Area 5: Assurance processes for the above</p>	<p>HCPC's Quality Control procedures refer throughout to NetRegulate and so have not been updated following the introduction of CRM Dynamics.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>Intelligence Gathering</p>		
<p>Key Risk Area 1: Strategy and Governance</p> <p>1.1 Strategic direction and organisational design</p>	<ul style="list-style-type: none"> · Data is held currently in 'siloes' and its creation and analysis into intelligence tends to be localised. It is not clear on the responsibility and accountability for data once it goes into the live data platform (lake), including responsibility over data accuracy and ensuring any data modification or assumptions built into data are clear and mutually agreed and understood. · Linked to silo working is the cultural aspects of taking responsibility for data - the propensity for being open to share it. Given our experience in other regulators, it is likely that there will be some resistance to sharing data and challenge over the ownership of data going forward. This particularly applies where activities shift from local frontline teams such as registration and FtP to an insights and intelligence team. · HCPC needs to consider who "owns" and oversees the intelligence process end-to-end. There are and will be several parties involved in the end-to-end process. A single SMT member or committee oversight and authority is required to provide a coherent authority and oversight over the end-to-end process. For example, deciding and agreeing on priority areas for seeking deeper insight and the priorities for data collection to support that insight. A new executive director is being appointed for insights and intelligence and should fulfil this role, with the right authority to own and drive the end-to-end process. HCPC would also be beneficial if Council has a representative for data and intelligence – to provide the necessary expertise to act as a critical friend. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>Key Risk Area 1: Strategy and Governance</p> <p>1.2 Data strategy – data platform approach</p>	<ul style="list-style-type: none"> · There are virtually endless possibilities as to what can be learned from interrogating an intelligence model or platform. Thus, there needs to be clarity on the questions that the process needs to be asked/answers sought and the key, strategic priorities for HCPC's analysis work. We suggest that HCPC start by prioritising intelligence gathering and analysis relating to core business objectives and risks, ensuring quick-wins and demonstrable improvements to regulation. · Given that HCPC has invested in new FtP and registration systems, it is important that the data analysis tools built in to these systems are utilised and not replicated in the intelligence and insights work. As the systems are new, they will have many more capabilities for data analysis than their predecessors. HCPC are conscious of this point, but it needs to be kept in view. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>Key Risk Area 2: Data gathering and assimilation – range of coverage</p> <p>2.1 Approach to data gathering</p>	<ul style="list-style-type: none"> · Care needs to be taken to avoid asking registrants for significantly more information about themselves as part of their normal interactions with HCPC. Increasing the number of data fields required of registrants might enrich HCPC's data platform but could easily degrade the relationship with the registrant, unless the information is clearly and demonstrably justifiable. Information requirements need to be thought about carefully and established in a coordinated way, with a clear business case and clear benefits realisation. · Emphasis is being placed on 'hard' data, but it is 'soft' data which gives the fully rounded picture about the area, group or person subject to regulation. Capture for this is not routine and mechanisms need to be set up to do record this data. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

<p>Key Risk Area 2: Data gathering and assimilation – range of coverage</p> <p>2.2 Data sets captured</p>	<ul style="list-style-type: none"> · There is a known lack of formal data capture and retention mechanisms for some datasets that would be used for some day-to-day operations and for intelligence-gathering purposes. There is no formal single CRM system to manage media matters identified (other than direct referrals to FtP, which are picked up in the FtP referral process), stakeholder engagement activities, including stakeholders such as the professional bodies, education institutes, registrants' employers, other industry players such as the Department of Health and other regulators. Information can be in the form of recording of direct interaction with those organisations, newsfeeds and social media intelligence. The lack of a CRM system limits the effectiveness of HCPC's day-to-day interaction with those bodies and also means that data is not being captured systematically to enable intelligence gathering. It is the cross referencing of data, often soft data, from stakeholders that can give the most insight. · Website tracking occurs but it is not as sophisticated as other organisations currently. The basic analytics on website usage are there but it is not clear who is using the site. The Comms team are aware of the need for more tracking and personalisation. It is in their plans to improve. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>Key Risk Area 2: Data gathering and assimilation – range of coverage</p> <p>2.3 Engagement with other bodies</p>	<ul style="list-style-type: none"> · There needs to be clarity on who leads the relationship with stakeholders and the inputting of correspondence, intelligence and interactions with them into HCPC systems. Otherwise, there is a risk that the process for drawing intelligence and insight from these new interactions and sources could be patchy in quality, relevance and timeliness. · We noted that currently, referrals from/to other regulators are mainly registrant led, or registrant specific if shared regulator to regulator. Professionals making referrals about fellow professionals registered with HCPC or others should always be encouraged, but is not a substitute for strategic data sharing across regulatory bodies. This is because the broader insights are more likely to be seen at this strategic level. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>Key Risk Area 3: Storage and analysis</p> <p>3.2 Information security & governance</p>	<ul style="list-style-type: none"> · HCPC need assurance that security by design principles have been applied in practice. We noted that the Head of Information Governance has not been heavily involved in the development of the data platform. In our experience in other organisations, there is a risk that product developers and product owners do not take full cognisance of information security and governance, as their focus and knowledge is centred on the usability of the product. This can leave the finished products lacking in the necessary data governance requirements or lead to expensive project delays, back-tracking or unnecessary change control mid-project. · Consideration will need to be given to the access rights of the data platform going forward as new users and new uses are identified. For example, we have seen a particular risk concerning such systems in other regulators. This is where aggregated information, once 'sliced and diced' for analysis purposes, can easily identify individual registrants. Protocols will need to be in place where such analysed data to avoid the inadvertent identification of registrants, particularly where the data is provided for more general consumption in HCPC and especially if shared externally. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>Key Risk Area 3: Storage and analysis</p> <p>3.3 Culture and skills to maximise benefits of the platform</p>	<ul style="list-style-type: none"> · The power of such systems is reliant on having the right skills, culture and appetite to use them. Getting the most out of the data platform and associated reporting tools will require training. Using the more sophisticated tools planned for Phase 3, machine learning, will require a new level of skill and approach. It will be important that the development of the tools for drawing insights and intelligence will require a change in skillsets, wider changes in the regulatory approach and mind-set. Upstream regulation requires new skills, and a shift from transactional activities to analytical approaches. · The appointment of an insights and intelligence manager provides the initial capacity and capability to maximise the opportunity from the development of HCPC's intelligence and insights work. However, each department needs to upskill and have clear ownership of its data, its insights and intelligence needs and act as the interface between the central insights team and those departments. In our experience, there is a risk that 'data and intelligence' is perceived as someone else's responsibility. Likewise, in the current stage of the programme, it is going to be important that there is good engagement across HCPC with the early work using the data platform. Getting that initial involvement in building useful reports will create buy-in and provide credibility about the data platform amongst HCPC colleagues in general. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

<p>Key Risk Area 4: Reporting and Delivering Regulatory Responses to Intelligence</p> <p>4.2 Vision for future reporting</p>	<ul style="list-style-type: none"> · There needs to be clarity on what is reported to when and how often. Clarity on what is required and to whom is critical to understand in order to prioritise the ‘must have’, ‘should have’ and ‘could have’s’. Levels of detail, report uses and their benefit to HCPC’s strategy and operating requirements are key. Such an evaluation framework will be required as the delivery of the intelligence service is developed and when it becomes part of routine practices. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>Key Risk Area 4: Reporting and Delivering Regulatory Responses to Intelligence</p> <p>4.3 Escalation and regulatory impact</p>	<ul style="list-style-type: none"> · It is clear that there lacks a structure and clarity so far on the ownership of cross departmental responses to intelligence learning and developing and instigating a regulatory response. The governance and responsibility needs to be made clearer. We see this as a critical part of the intelligence and insight end-to-end process. · More specifically, there is no forum for drawing in, evaluating intelligence and insights and deciding on the best regulatory response to the intelligence or whether to respond at all. SMT are currently the custodians of this, but in our experience in other organisations, the time taken to review and the frequency of reviewing intelligence means that SMT is unlikely to be the most efficient forum to respond. An intelligence group should be set up to review cases and emerging insights, to propose responses, monitoring progress against previously-identified insights and intelligence, recommending to SMT the course of action for new items. Such a group should have delegated authority to make key decisions and also have the function of triaging matters that are presented to them for decision, so they are most relevant to regulatory priorities, include ensuring alignment to the PSA’s requirements and HCPC’s risks and risk appetite. · Success of the regulatory intervention needs to be tracked to ascertain its impact. The design of the intervention needs to build in the means by which the intervention’s implementation and impact is measured. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>PSA AND INTERNAL</p>		
<p>Key Risk Area 1: KPIs and effective oversight of HCPC’s performance.</p>	<ul style="list-style-type: none"> · The current Key Performance Indicators (KPIs) dashboard is broadly based on the work done in a Corporate Plan and KPI workshop with members of Council and the Senior Management Team (SMT) held in January 2018. This standard report is accompanied by an FtP performance dashboard. From our review of Council minutes, we noted that the FtP performance dashboard format has been evolving, with Council providing input at each meeting to shape the format of future reports. With the recent changes in the PSA standards, and structural changes within HCPC itself, taking into account ongoing steps to formulate a new Corporate Strategy, we consider that Council will benefit from a workshop session, like that in 2018, to provide detailed input on the structure and format of performance reporting. · As part of our work, we conducted a comparison of performance reporting by HCPC with peer regulators the GMC and NMC. This highlighted that good practice in performance reporting is to link performance metrics clearly with strategic objectives, be they regulatory compliance based or otherwise. As part of HCPC’s ongoing initiatives to prepare its corporate strategy, having performance metrics that directly correlate to objectives helps ensure that information provided to Council is of an appropriately strategic focus. · Although differences in reporting formats and styles were expected in our comparison with NMC and GMC performance reports, as a general observation, we noted that the presentation of performance figures when compared to HCPC’s reports made it easier to clearly see whether performance was in-line with targets or expectations, for example through the use of graphs or percentage based metrics. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

<p>Key Risk Area 2: KPIs' definitions and methodologies</p>	<ul style="list-style-type: none"> · From our recalculation of the Registration KPIs from Jan to March 2020, we found that the Feb 20 reported median figures for International applications (both European Mutual Recognition (EMR) and Non-EMR) were the mean figures instead of the median figure. Although the differences between the median and mean scores were minor and performance still within target, the accuracy of data reported to Council is important with errors in calculation indicating minor weaknesses in controls. · The corporate Education KPI is not clearly defined as it does not clear whether results are within the month or based on a 12 month rolling median. Our recalculation of the monthly median did not agree with the January and February 2020 figures reported to Council, albeit the difference was minor. · One of the corporate FtP KPIs, relating to 'number of cases per case manager', was not clearly defined as it is calculated excluding Rule 12 and Interim Order cases. In addition, we noted that this KPI was reported incorrectly as 40 cases per manager for February to May 2020, when on recalculation we found it to be 33. · We consider that the heavy manual operation of indicators in these cases, increases the risk of error. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>Key Risk Area 4: Assignment and monitoring of actions planned by the performance working group</p>	<ul style="list-style-type: none"> · The performance working group does not have a formally documented Terms of Reference setting out its wider objectives, authority and governance structures. Without a formally approved Terms of Reference the objective and purpose for the working group is not formalised and mutually agreed. · Our review of the performance working group action plan as at June 2020 identified eight actions not started and four actions in progress that had passed their target completion date, but did not include any supporting explanation, commentary or revised target dates. An additional flag has been set up to state the impact of COVID-19 on delivery of actions. Many actions may be on hold or delayed due to the impact of COVID-19, but this field has not been completed. Keeping the action tracker fully up-to-date will help to ensure that actions can be reprioritised appropriately. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>Key Risk Area 5: Controls on existing performance reports to SMT and Council</p>	<ul style="list-style-type: none"> · HCPC recognises the need for a more efficient and effective case management system for the FtP department, and more automation generally for the production of KPIs. As set out in Key Risk Areas 1 and 2 of this report, spreadsheets and manual processes are relied on in performance reporting due to a lack of suitable reporting functions within systems. We identified minor discrepancies in the performance reporting of both Registration and Education department KPIs which showed some potential deficiencies in manual checks before the final submission of performance information. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

Reshaping the Organisation		
Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out	<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>
1.1 Clarity of vision of its future organisational structure with reference to defined success factors	<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>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>

<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 last 4 Audit Committee updates

PSA and internal reporting		Mar-21	Nov-20	Sep-20	Jun-20	
<p>1 Key Risk Area 1: KPIs and effective oversight of HCPC's performance.</p> <p>In order to support HCPC's development of the corporate strategy and performance reporting, HCPC should conduct a standalone workshop event with both members of Council and SMT, similar to the one held in January 2018, to decide upon a the format and framework of performance reporting.</p> <p>In doing so HCPC should gather examples of performance reporting approaches from other healthcare regulators and compare different approaches to decide on what works best for its needs.</p> <p>When setting out a performance framework HCPC should focus on clearly linking defined and measurable metrics, with targets, corporate objectives and regulatory requirements. In this way there will be a clear golden thread linking the strategic requirement with the KPI demonstrating whether that strategic requirement is being met.</p>	<p>The session with Council will take place in April 2021.</p> <p>The People and Resources Committee has been established and has met once to date. The Committee will not be leading on metrics oversight for all areas, rather the appropriate committee will e.g. ETC for education and registration metrics.</p>	N/A	N/A	N/A	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>	
	<p>3 Key Risk Area 2: KPIs' definitions and methodologies</p> <p>HCPC plans to improve internal reporting mechanisms including performance reporting. Nonetheless, while calculations remain heavily reliant on manual input staff should be reminded of the importance of carefully checking KPIs prior to submission. Where KPIs are not supported by detailed methodology documents to assist staff in calculating them, these should be prepared.</p>	<p>There is a workshop planned for April to discuss KPIs with Council</p>	N/A	N/A		N/A
Reshaping the Organisation		Mar-21	Nov-20	Sep-20	Jun-20	

<p>1 Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out 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>Corporate Strategy is complete following publication on 21 January. Corporate Plan and Budget are on track for completion in March. The budget has been considered at the PRC and draft Corporate Plan at Council. Corporate Plan includes proposals for monitoring delivery and achievement of outcomes.</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>	<p>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or [PRESS]</p>
<p>2 Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out 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>See response to point 1.</p>	<p>See response to point 1.</p>	<p>N/A</p>	<p>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or [PRESS]</p>
<p>7 Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out 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>No change to the previous update and linked to regulatory reform and new registration systems.</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>	<p>N/A</p>	<p>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or [PRESS]</p>

<p>8 Key Risk Area 2: Anticipating the major risks and opportunities and stakeholder consultation 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>Dir of HR&OD - previous commentary still stands. Additionally, we have also advertised for members of the EDI forum, we have completed a Well Being pulse survey and are developing an action plan, we have presented and signposted all wellbeing initiatives and EDI activity that can be found on our website and have an annual plan outlining all diversity celebrations and health and wellbeing days (i.e. cervical cancer day etc) so we don't miss these and discuss with employees. For LGBT month we held a 'talk in' – which received very positive feedback – all stepping stones to assist with culture change. Furthermore, we are looking at a new competency based framework, which will have positive and negative indicators, and will form part of a behavioural contract with employees. This will be introduced and developed through our Tone of Voice and Customer Service workshops. We are embarking on plans for return to office in June – taking into account the principles of the new normal agreed by the working group.</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>	<p>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or [PRESS]</p>
<p>IT Controls</p>	<p>Mar-21</p>	<p>Nov-20</p>	<p>Sep-20</p>	<p>Jun-20</p>	
<p>1 Key Risk Area 1: The IT governance framework Key Risk Area 2: IT's support for the achievements of enterprise objectives 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: · 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. The IT governance framework should be reviewed periodically, and updated as needed.</p>	<p>Draft Technology Governance Framework has been developed and discussed at Digital Transformation Advisory Forum. Realistically it will be Q2 before it is completed.</p>	<p>Also highlighted in the Digital Transformation Strategy. 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>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or [PRESS]</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>These items are dependent on the finalisation of the new organisation as part of the Digital Transformation strategy. The final decision of the structure has been deferred whilst the new Executive Director of Corporate Services is onboarded and is able to review. As part of the strategic planning these items have been discussed at an initial level in forums such as the Digital Advisory Forum and some conversations on governance have been started with the PRC.</p> <p>Item 2 is directly driven by the consolidation of the strategic plan (which will influence investment spend), the reorganisation of Digital (which will influence the costs to operate), the output of the new normal (which will influence operating costs) and the adoption of the Data Platform to enable clear and decisive reporting of investment and cost metrics.</p> <p>Based on the points lists, I believe that these items should undergo further review in September 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>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</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>These items are dependent on the finalisation of the new organisation as part of the Digital Transformation strategy. The final decision of the structure has been deferred whilst the new Executive Director of Corporate Services is onboarded and is able to review. As part of the strategic planning these items have been discussed at an initial level in forums such as the Digital Advisory Forum and some conversations on governance have been started with the PRC.</p> <p>The additional work being undertaken on the Digital Strategy regarding the approach to the FTP CMS implementation, the work alongside PWC on the FTP transformation, and the Design Authority approach also influences items. This will drive changes on approach through item 3 and are foundational to the principles of the Digital Transformation work.</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>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

<p>4 Key Risk Area 4: The service desk Key Risk Area 5: Problem & Incident Management</p> <p>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.</p> <p>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.</p> <p>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>These items are dependent on the finalisation of the new organisation as part of the Digital Transformation strategy. The final decision of the structure has been deferred whilst the new Executive Director of Corporate Services is onboarded and is able to review. As part of the strategic planning these items have been discussed at an initial level in forums such as the Digital Advisory Forum and some conversations on governance have been started with the PRC.</p> <p>In terms of 4, 5 and 6, there are additional considerations regarding Covid-19 and staff availability. The delivery of the new Service Desk is progressing and this will drive the output and opportunity to drive change on these to items. The Service Desk work however will take a number of months yet to finalise and is probably more appropriate to assess later in the year.</p> <p>Based on the points lists, I believe that these items should undergo further review in September 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>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>5 Key Risk Area 4: The service desk Key Risk Area 5: Problem & Incident Management</p> <p>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>See 4</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>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</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>See 4</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>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

Business continuity testing		Mar-21	Nov-20	Sep-20	Jun-20	
5	<p>Business continuity testing -Key Risk Area 5:</p> <p>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.</p>	<p>A BC/DR test will be designed for the organisation when the "new normal" is established. HCPC is currently running under invocation conditions and a test now, is not appropriate. Desk tests under lockdown and remote working conditions will be established for future use.</p>	<p>Ongoing -Live test in covid-19 response. May look to test "New normal" at a later stage when we establish what that is.</p>	<p>Ongoing - Live test in Covid-19 response</p>	<p>Live test in Covid-19 response</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

Key Financial controls	Mar-21	Nov-20	Sep-20	Jun-20	
<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>There has been a delay to the preparation of process notes due to some system issues following go live. Work on this is in progress, detailed process notes are expected to be completed by end of March 21.</p>	<p>Detailed process note will be updated following the go live of the new registration system.</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>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>Work on registration system related process notes are in progress, these are expected to be completed by end of March 21.</p>	<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>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>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>