Audit and Risk Assurance Committee

Meeting Date	18 September 2025
Title	HCPC internal audit recommendations tracker
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Executive Sponsor	Claire Amor, Executive Director of Corporate Affairs
Executive Summary	
This report provides the Committee with progress updates on the implementation of recommendations arising from internal 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. Please refer to individual internal audit reports for the background to recommendations.	
Action required	The Committee is asked to review the information provided and seek clarification on any areas.
Previous consideration	This is a standing item considered at each meeting of the Committee.
Next steps	The next report will be received in November 2025.
Financial and resource implications	Not applicable.
Associated strategic priority/priorities	All
Associated strategic risk(s)	All
Risk appetite	Compliance - measured
Communication and engagement	Not applicable.

Equality, diversity and inclusion (EDI) impact and Welsh language standards	Not applicable.
Other impact assessments	Not applicable.
Reason for consideration in the private session of the meeting (if applicable)	Not applicable

Internal Audit report – KPIs (first considered at Audit and Risk Assurance Committee 12 March 2025)

Recommendations summary

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

	Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	On track Y/N	Completion Date/Status	Current Commentary
1	1.We recommend that HCPC undertake the following, for the development of new KPIs and to ensure their ongoing maintenance: a)Alignment workshops: Organise workshops and meetings where KPI owners can collaborate and discuss how their KPIs support the current and new Corporate Strategy, fostering a shared understanding and commitment to strategic goals. b)Good documentation, regular communication and training: Ensure a routine communication and on the job training programme and documentation for new KPI owners and for the introduction of new KPIs This should include information such as KPI purpose and alignment with the Corporate Strategy. c)Automation: Investigate automating manual parts of the data collection for KPI 5.	a)Accept – this will be integrated into the overarching corporate strategy development which will take place in 2025/26 to ensure the new KPIs are aligned to the new strategy. b)Accept – we will ensure appropriate KPI training included in the induction programme. c)Accept – This will be considered as part of the 2024/25 Feedback & Complaints review	a)Deputy CEO & Executive Director of ERRS b)Executive Director of Resources c)Head of Assurance and Compliance	Y N- awaiting new Head of Governance Y	01/03/2026 Updated to 01/03/27, approved by Head of Assurance and Compliance Updated to 01/03/27, approved by Head of Assurance and Compliance	1a)External and internal consultation on corporate strategy has been completed. Next step in development will include workshops with Council, staff, and external stakeholders. These will take place in October 25. Until this stage is complete, 1b cannot progress. 1b)Please see above. 1c)This recommendation has been deferred to 2026-27.
2	2. HCPC should undertake regular (cyclical) documented reviews of their KPIs and associated underpinning assumptions to ensure they remain relevant and accurate.	Accept – we will undertake a full review aligned to the development of the corporate strategy and we will complete a full cycle of review across the KPIs during the lifetime of the strategy.	Head of Assurance and Compliance	Y	01/03/2026 (or when the new strategy is developed)	Following the workshops, the development of new KPIs & strategic risk register will take place.
3	3.HCPC should consider establishing a standardised template for documenting lessons learned from each KPI review cycle. This should include details of successes, challenges, and specific actions taken.	Accept - Recommendation a: as part of the cyclical review of KPIs (see recommendation 2 above) we will develop a process and document to capture that review.	Head of Assurance and Compliance	Y	01/03/2026	Following the workshops, the development of new KPIs & strategic risk register will take place.

Internal Audit report – Data Privacy (first considered at Audit and Risk Assurance Committee 11 June 2025)

Recommendations summary

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

	Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	On track Y/N	Completion Date/Status	Current Commentary
5	HCPC should separate the privacy notice from the data protection policy and develop: a. A Data Protection Policy which sets out how HCPC complies with the requirements of the UK GDPR b. HCPC should reformat the existing privacy notice, to reflect a layered approach so that individuals can easily navigate to the section of the privacy notice which is applicable to then.	We accept the findings. a) The Privacy Notice and Data Protection Policy will be separated. The Data Protection Policy will define how HCPC complies with UK GDPR requirements. b) The privacy notice will be reformatted to make it more accessible.	Action Owner: CISRO	Y	Updated to October 2025, approved by CISRO	Work is currently underway and is due to be completed in October 2025
10	HCPC should define the process for assessing the severity of a data breach (using the Information Incident rating tool) and reporting to the ICO and affected individual (if appropriate) in the helpdesk system	We accept the finding. For context, currently, the response to information incidents is the sole responsibility of the Information Governance Team who have been trained and have experience in this area. A process flow exists that flags each potential type of incident and the business lead. The Information Gov Mgr reports breaches to ELT & ARAC annually in a lessons learned section of her annual report. Employees and Partners have been trained to flag incidents to allow us to respond in appropriate time scales reporting issues to informationsecurity@hcpc-uk.org.	Action Owner: CISRO	Y	Updated to November 2025, approved by CISRO	The calculation of severity is not possible within the IT helpdesk. We will maintain a manual scoring process. The IT side is still being worked on; to be completed end of November 2025.
11	HCPC should implement defined data retention periods and automated deletion process (where possible) across organisation-wide systems to ensure personal data is not retained for longer than required.	Partial accept – a review of retention requirements is due in FY 2025/2026. A technology road map has been defined for most business areas and the requirement will be added to backlogs where required, but this does not guarantee implementation.	Action Owner: CISRO on behalf of system owners	Y	31/03/2026	We are conducting some retention audits currently to gauge scale of the challenge. Work

Internal Audit report – Environmental Sustainability (first considered at Audit and Risk Assurance Committee 11 June 2025)

Recommendations summary

Priority	Outstanding recommendations		Status	
High	0		Overdue	0
Medium	2		Not yet due	1.5
Low	0		Completed	0.5

	Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	On track Y/N	Completion Date/Status	Current Commentary
1	1.a. Whilst HCPC has not undertaken a materiality assessment, HCPC has completed key elements via the gap analysis. This was completed via conversations with key stakeholders. HCPC should continue to review their priorities on a regular basis via Council and interaction with the third party consultants. HCPC should continue to identify any areas pertinent to HCPCs business model and the overall strategy. 1.b.HCPC should consider using a recognised framework to underpin and direct all HCPC's environmental sustainability work.	1.a. HCPC will continue to update as part of our regular reporting cycle. 1.b.HCPC will consider using a recognised framework with along with further advice. The 24 criteria assessment outlined in the executive summary of good practise (point three) aims to capture best practise. Elements of the assessment are derived from frameworks, e.g., SBTi (Science Based Target Initiative) and Social Value TOMs (Themes Outcomes Measures). Expert consultants conducted the assessment and led HCPC in the development of the strategy with knowledge of these and other such frameworks. We plan to recruit an Environment and Quality Manager who will bring further insight and assist with the proposed implementation of an Environmental Management System (EMS) which should provide opportunity to align with relevant frameworks that fits the needs of the organisation. The EMS will be enhanced over an extended period as our plans develop.	Head of Estates, Facilities Management and Sustainability	Y	1.a. June 2025 1.b.31 March 2025 Recruitment 31 March 2026 EMS Implemented	1.a)The audit of Greenhouse Gas Emissions has been completed in collaboration with our third-party consultant, who also verified the results. These findings will be fed into reports for ELT, PRC and Council, supporting the ongoing roadmap and action plan. This recommendation is now complete. 1. b) Additional EHS resources are being progressed. The EHS Technician Apprentice role was filled in July 2025, and recruitment for an EHS Specialist is underway with appointment expected in Autumn 2025. A proof of concept for the Business Central EMS system is also scheduled for implementation in Autumn 2025. We are continuing to work with specialist consultants to review the framework and ensure alignment with objectives.
2	2.The roadmap should be supported by action plans outlining who is responsible, timelines, and to allow progress tracking.	Action since the strategy's initiation in 2023, including progress and targets, has been shared with ELT, PRC, and the Council, who approved the initial emission reduction targets we are working toward. A progress update covering action to date and those planned was provided to the Council in September 2024. We will continue to provide similar updates as relevant. The recruitment of the Environment and Quality Manager will provide additional resources to assist across a range of areas including the documentation of more detailed actions plans in time.	Head of Estates, Facilities Management and Sustainability	Y	31 September 2026	The EHS Manager is actively developing the detailed action plans to support the agreed roadmap. Delivery of the action plan remains on track.

Internal Audit report – Follow-up Audit (first considered at Audit and Risk Assurance Committee 18 September 2025)

Recommendations summary

Priority		Outstanding recommendations		Status		
High		2		Overdue		0
Medium		2		Not yet due		2.5
Low		0		Completed		1.5

	Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	On track Y/N	Completion Date/Status	Current Commentary
1	Diversity- We recommend that - a) staff members with training outstanding are encouraged to complete their required training as soon as possible. b) A fixed schedule is set for reporting on training completion rates to the HoDs and the ELT. c) Disciplinary procedures should be formally implemented for any staff members who do not complete staff training in the required time frame. d) a formal sanction process is implemented if a partner does not attend their induction and complete outstanding ED&I training.	A document was provided stating that 17 staff from a total of 336 had not completed EDI training by the required deadline. Some instances included staff returning from maternity leave and staff on career breaks. However, there were several instances where it was not clear why training had not been completed, nor the action being taken to complete the training. Whilst it may not be possible to have all staff 100% up to date at any one time, reasons should be identified for those staff who are at work but have not completed the training. We were informed that quarterly reviews of training completeness are undertaken, which include first and secondary checks. The L&D team proactively engage with people who have not completed training, and their line managers are also made aware that training should be completed.	EDI Strategic Lead	Y	30/06/2025	We remain committed to quarterly reviews of our training completeness, this includes first and secondary checks. The L&D team proactively engage with people who have not completed training and their line managers are also made aware that training should be compliant. This is monitored on an ongoing basis. This recommendation is complete.
2	Key Financial Controls- We recommend that HCPC: a) Review the composition of the 116 policies and procedures and consider whether any can be combined (e.g. P2P process) b) Update the Adding New Users to WAP Policy, ensuring it details how changes to individuals' access and approval thresholds are made c) Create a central finance manual and policy tracker. The policy tracker should detail the date of last update (which should align to the date on the document) and detail a responsible individual for ensuring the accuracy and completeness of the policy/procedure. The tracker should detail areas covered within policies and procedures. d) Update the Finance Induction Slides to align to the above changes as well as changes from SAGE to Business Central (BC).	Business Central was implemented 12th April 2024. The WAP aspect of the system is no longer relevant however HCPC will need to ensure that there are clear guidelines on how changes to individuals' access and approval thresholds are made in Business Central. HCPC are still working to fully, review, update and consolidate HCPC's finance policies. Some policies, such as the Credit Card, Investment, Financial Regulations and Expenses policies have been updated and approved by Council; Work is currently underway on updating the Financial Strategy. The team will continue to update the remaining policies and processes and aim to collate them in one Finance Manual once the Financial Strategy is approved.	Financial Controller, Financial Consultant, Head of Finance	Y	In progress - revised due date: 31/12/25, approved by Head of Finance	The team are currently being audited by external audit. We are updating the financial processes and documenting the changes following the migration of our financial software from Sage and WAP to BC. The Credit Card Policy, Investment Policy, Financial Regulations, Expenses Policy and financial strategy have been updated and approved by Council. We will continue to update our remaining policies and processes and aim to collate them in one manual.
3	Key Financial Controls- HCPC should investigate adding approvals within the finance system (for both SAGE and BC) for each addition or change to bank details, with a change of bank details being put on hold without the approval of the second individual. If it is not possible to require approval within the system, HCPC should look to add electronic signatures to the sign-off of each weeks' audit log, so that individuals checking these additions or changes can be held accountable for any errors not identified.	HCPC are working with a Business Central (BC) consultant to develop a workflow model within the system. It is anticipated that the workflow model once implemented would require bank account amendments to be processed by the Operations team once the relevant approver has received the BC amendment request & approved the amendment on the BC system. The consultant is currently supporting on a number of projects and once the essential projects are complete, the workflow model will be implemented. In the interim, a workaround is in place via a segregation of duties & the regular sign off of the BC audit log (of system changes) by the Financial Controller	Financial Controller, Financial Consultant, Head of Finance	Y	30/09/2025	This risk is mitigated by segregation of duties and the regular sign-off of the BC audit log by the Financial Controller. Our BC consultant is working on a workflow model, which would require bank account amendments to be processed by the operations team. The changes are made once the relevant approver has received the request and approved the amendment on the BC system. Our BC Consultant is still working on a number of projects. Once the essential projects are completed, this workflow model will be prioritised.

4	Partners- HCPC should: a) Review the process for calculating cancellation payments within the FTP directorate, and the methods of calculation. Consider whether the process can be redefined and updated to be more efficient. b) Ensure where practicable, all requests for payment which are derived from data in the Nexus system, include supporting documentation. Finance should then verify the payment charge is valid and has not been previously paid. c) On a regular basis, assess whether upgrades can be made to its business systems to allow an automated transfer of payment data from the CRM system to the WAP system, which would remove the need for manual Excel spreadsheets as a delivery mechanism.	An email was disseminated by the Financial Controller for managing FTP partner payments to officers including those in the Finance and Partners team. The email detailed step by step guidance on cancelling payments, evidence required when hearings end early, duplicate payments and further checks to be completed. We saw evidence that the FTP team attach a copy of the cancellation email as evidence of a cancellation. The email is subsequently checked by the Finance team to ensure the cancellation payment is per the Cancellation policy which depends on when the cancellation email was sent. A new payroll system – due to go live on 1 October 2025, is being implemented for partners. During the second phase of the project (October 2025 – April 2026), IT will be looking at further automation of payroll with a potential to move from data upload to assignments reports (= timesheets).	Financial Controller, Partner Project Lead	Y	b) 30/06/25 c) 01/04/26	b)The FTP team include a copy of the cancellation email to evidence the cancellation. The email is checked by the Finance team to ensure the payment is in accordance with the cancellation policy. This recommendation is complete. c)We are currently implementing a new payroll system for Partners. This will go live on 1 October 2025. During the second phase of the project, IT will be looking at further automation of payroll; potentially to move from data upload to assignments reports (timesheets). The second phase of the project will run from October 2025 to 01 April 2026.

Internal Audit report – Outreach (first considered at Audit and Risk Assurance Committee 12 March 2025)

Recommendations summary

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

	Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	On track Y/N	Completion Date/Status	Current Commentary
1	Develop a list of 'must have' datasets that should be incorporated in future system upgrades, such as the employer's name and workplace location.	We accept the findings and will work with relevant colleagues to identify the data capture required and wider system and process changes that might be needed to be able to capture and analyse the data.	Head of Professionalism and Upstream Regulation	Y	30/09/2025	FTP data still ongoing. We are meeting with Data and Insights team in September to solidfy our plan of working together on ongoing basis. We will clarify what we need and what their team is doing.
2	Take a more strategic approach to coverage of professions, geographical areas and groups, informed by FtP and other data, refining the picture as more data sets become available.	We accept the findings and will develop a more targeted and risk-based approach to our prevention work, whilst identifying future data and insight needs	Head of Professionalism and Upstream Regulation	Y	30/09/2025	Plans drawn up by consultants for each nation, based on available FTP data, external bodies (EG CQC reports, RQIA), intelligence from external sources (eg othe regulators, contacts), and intelligence from sesssions already undertaken (e.g. registrant feedback.)
3	Develop a strategic resource plan on the basis of the resource needs, with due consideration to coverage (Rec 2) cost realism, likely risks and organisational risk appetite.	We accept the findings and will develop a strategic resource plan.	Head of Professionalism and Upstream Regulation	N - delay owing to head of department leaving organisation.	TBD, pending new department head, approved by Head of Communications	Recruitment process starting in September.
4	Provide 'hostile audience' training for outreach staff and have an emergency response plan.	We accept the findings. Training will be provided and an emergency plan will be developed.	Head of Professionalism and Upstream Regulation	Y	30/11/2025	Budget approved by learning and development team. Will begin organising training.

Internal Audit report – Procurement of Large Contracts (first considered at Audit and Risk Assurance Committee 13 March 2024)

Recommendations summary

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

	Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	On track Y/N	Completion Date/Status	Current Commentary
3	HCPC should introduce regular (at least 6 monthly) reviews of its contracts in place to ensure performance is in line with expectations and any areas of identified under performance are identified and rectified in a timely manner.	The Procurement team should: a) Introduce second line and documented 'spot checks' to ensure that procurement activity is in line with prescribed guidance. b) Discuss second line 'end to end' spot checks with the Quality Assurance team and consider if they are able to support in undertaking them on a regular basis. c) Introduce a more comprehensive description of any large value contracts single source requests with a focus on the effectiveness of the procurement process.	Action Owner: Tarek Hussein (Procurement Manager, Finance)	Y	Updated to Q3 2025-26 by Commercial Business Partnering Manager	Vendor Performance Evaluation form is in use. The contract management is still in progress and will be completed by Q3 2025-26.
5	HCPC should review the approved supplier list on a regular basis and where required, remove suppliers no longer identified as providing value for money and add where new value for money suppliers are identified.	We will implement a similar process as per the management response for audit finding 3 (contract and supplier evaluation). We will also ensure that individuals are aware of the approved supplier list when they are looking to procure products/services, which would give assurances that the list of suppliers have been reviewed and meet our requirements.	Action Owner: Tarek Hussein (Procurement Manager, Finance)	Y	Updated to Q3 2025-26 by Commercial Business Partnering Manager	Currently in progress, and will be completed in early Q3 2025-26. Once the vendor list is approved, we will have full supplier list to carry out review.

Internal Audit report – Registrant Forecasting Review (first considered at Audit and Risk Assurance Committee 9 November 2022)

Recommendations summary

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

	Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	On track? Y/N	Completion Date/Status	Current Commentary
4	**Where there is manual intervention, for example extracting the number of registrants from the model and importing into the Financial model there is a risk that errors arise which can ultimately affect decision making and further numbers generated.** 4. a) Investigate whether it is possible to do an automated upload from the model into the Financial model. If this is not possible, consider whether the model can be adapted to include what is required for the Financial model with less manual intervention. A secondary check should be undertaken for all data extracted from the model that is incorporated into the Financial model to verify accuracy. 4. b) Consider if it is possible to incorporate and thus easily identify from the model the number of registrants on discounted registrant fees and those on full registrant fees to support the Finance team further.	This is happening already, to a certain extent, whereby registrant numbers are extracted from the CRM system to inform our financial figures. Further work will need to be carried out to incorporate this seamlessly as part of the overall process.	January 2023 Finance Business Partner	Y	Revised date 31 December 2025, agreed by Head of Finance.	Deferral income module was sucessfully implemented in June 25 by Dogma (BC support supplier). The first profession to run using deferral calculation will be Paramedics and Orthoptists from 01 September 25. We will introduce a job queue which will allow deferral calculation on a set schedule and run automatically; eliminating requirement for running it manually. Expected delivery date is 31 December 2025.

Internal Audit report – Stakeholder Engagement (first considered at Audit and Risk Assurance Committee 12 March 2025)

Recommendations summary

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

	Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	On track Y/N	Completion Date/Status	Current Commentary
1	1.HCPC should: a)Develop a stakeholder plan for the short to medium term for all stakeholder groups. b)Develop documented policies, procedures and guidance for how to manage different stakeholder groups and who manages different groups. Identify and implement best practice from each methodology. (This will help to prevent any risk from key person dependency). c)Develop a stakeholder query log that details queries / comments that have been received, who receipted them, how they were managed (i.e. what team the query was referred to) and any subsequent actions.	We agree that this is required, and further work is scheduled for this financial year and next. However, it should be noted that the production of this documentation will require resource, and this will need to be balanced with current delivery activity.	Head of Communications	Y	01/03/2026	The work to complete this action continues to be on track and activity is progressing in line with current resourcing levels.
3	3.HCPC should identify how Luther Pendragon can gain access to information on other stakeholder engagement activity undertaken by HCPC on an ad hoc basis. Any 'confidential or sensitive' information could be restricted.	We believe making information relating to our engagement more accessible across the organisation, including with our outsourced supplier would be beneficial. The work to improve information sharing is scheduled for next financial year via the development of a business case for a CRM solution. Any solution will ensure everyone with a role in stakeholder management will have access to the information they require.	Head of Communications	N	01/03/2026	The activity to build the foundational elements of the CRM is being taken forward via IT and Business Change as per investment case planning. The delivery of this recommendation continues to be contingent on the delivery of the foundational aspects of the CRM investment case due to be delivered this year. The deadline for completion may need to be extended.
	Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	On track Y/N	Completion Date/Status	Current Commentary