

Audit Committee, 4 June 2019

Internal audit report – assurance mapping review

Executive summary and recommendations

Introduction

As part of the quarter one Internal Audit Plan for 2019-20, BDO LLP have undertaken a review of the HCPC's assurance mapping.

The aim of the review was to map the assurance activities for HCPC and to identify any gaps in assurances and recommend how any of these gaps might be closed.

This work helped to inform the proposed full year Internal Audit Plan.

Decision

The Committee is asked to review and discuss the report.

Background information

The quarter one Internal Audit Plan was agreed by the Committee at its meeting in March 2019.

Resource implications

None

Financial implications

BDO LLP agreed fees for 2019-20 were £61k including VAT.

Appendices

None

Date of paper

30 May 2019



THE HEALTH AND CARE PROFESSIONS COUNCIL (HCPC)

ASSURANCE MAP

**Confidential
Status - Final**

May 2019

Contents

	Page
1 Executive Summary	3
A Assurance Map 2019/2020	5
B Detailed Assurance Map for Functional Areas	11
C Staff consulted during review	19

Document history		Distribution	
Final	30/05/2019	The Health and Care Professions Council	Final

Auditor: Heather-Louise
Buckingham

Reviewed by: Michelle
Debique/Bill
Mitchell

1 Executive Summary

Introduction

- 1.1 This audit was completed in accordance with the approved annual Internal Audit plan for Q1 of 2019/20.
- 1.2 There are various definitions for the terms used in assurance mapping - the clearest are cited below and reflect all sectors and industries:
- **Assurance** is defined by the Chartered Institute of Internal Auditors as “...an objective examination of evidence for the purpose of providing an independent assessment on governance, risk management, and control processes for the organisation.” (Institute of Internal Auditors Practice Advisory)
 - **An assurance framework** is defined by HM Treasury as “a structured means of identifying and mapping the main sources of assurance in an organisation, and co-ordinating them to best effect.”
 - **Assurance mapping** is defined HM Treasury as “a mechanism for linking assurances from various sources to the risks that threaten the achievement of an organisation’s outcomes and objectives. They can be at various levels, dependent upon the scope of the mapping”.
- 1.3 As an organisation develops over time, so too do the assurances provided through information about performance, assurances about the accuracy and relevance of that information and information about the effectiveness of procedures, processes, risk management and controls.
- 1.4 Typically for an organisation like HCPC, assurances can come from several sources and can be categorised into three types or ‘lines of defence’:
- **First line of defence** -
 - procedures and controls directly undertaken by staff and managers for their areas of responsibility in the organisation through the normal course of business and management reporting,
 - through the execution of internal controls and the upward reporting of those controls,
 - quality systems administered by line divisions and line management embedded in day-to-day operations;
 - **Second line of defence** -
 - reviews and checks by management including management review functions,
 - review by managers from other areas of the business, such as spot checks conducted by a headquarters functions on other offices; and
 - independent quality assurance or quality control mechanisms and functions;
 - **Third line of defence** -
 - review by internal audit,
 - review by independent bodies such as external regulators or interested parties,
 - one off reviews commissioned by senior management or the Board, and
 - external audit through the statutory financial audit and possibly, value for money reviews directed by the HCPC.
- 1.5 However, while the third line of defence is a stream of assurance activity, apart from the work of internal audit, it is preferable to obtain the assurance from the first and second line of defence. This will avoid HCPC relying on indirect assurance or otherwise from other external stakeholders and third parties, such as NHS England or government departments or regulators. An organisation should be sufficiently robust in its first and second line of defence together with its internal audit regime.

Purpose of an assurance map in principle

- 1.6 The purpose of developing the assurance map is to understand the control, governance and management oversight environment operating at HCPC. If the assurances are strong, then it is likely that HCPC's senior management and the Board could:
- reasonably rely on the information provided to it about the performance of its core functional areas;
 - that the 'delivery' systems are working to ensure that the same, if not better performance can continue into the future, and
 - the risks to achieving business objectives are reasonably mitigated.

Purpose of this assurance mapping exercise

- 1.7 The primary objective was to map the assurance activities for HCPC and to identify any gaps in assurances and recommend how any of these gaps might be closed.
- 1.8 Our review was not intended to be a full audit of the effectiveness of the operation in practice of assurance activities at HCPC. Also, just like an ordnance survey map showing the 'physical geography' of landscape with differing levels of detail depending on the scale of the map, an assurance map can be shown on different scales. Our intention here was to provide a large scale map, to provide an overview of the key assurance mechanisms in place. In particular, the assurances from internal controls and local management checks in the 'first line of defence' was not reviewed in detail - that is the role of our internal audit activity itself.
- 1.9 Moreover, an assurance map is an evolving document because:
- the assurance activities will hopefully become more developed;
 - processes and activities change, or
 - our understanding of the veracity of the assurance activities will become clearer as a result of our internal audit work.
- 1.10 Thus, our objective for now was to provide a map as a starting point, which will develop over time as assurance activities are developed for the first time, or become clearer or better focused.

Key Findings

- 1.11 The table overleaf gives an overview assurance map. The colours represent the efficacy of the assurances *in principle*, divided into the three lines of defence. A key for the table is immediately underneath the table. More detail is presented in a table given to management and given in the Appendix.
- 1.12 It should be stressed that, when 'reading' the map, the map provides an assessment of assurance activities reported to us by management at a given point in time. We have assessed the efficacy of each assurance activity in principle and does not infer that the assurance activities are operating in practice. Nor does the map provide assurance that all of the underlying processes and controls are sound and working in practice.
- 1.13 Also, as we conduct more internal audit work, we will be able to refine the map and our assessment of the assurance mechanisms in place. For example, our audits of projects in future will provide us with a more in depth understanding of the planning, governance and oversight mechanisms for projects as a whole.

2 Assurance Map 2019/2020

Objective or Function	First Line	Second Line	Third Line
Core functions			
Registration and Continual Professional Development (CPD)			
Fitness to Practise			
Education			
Policy and Standards			
Core enabling 'management' systems			
Governance			
Finance			
Risk Management			
Performance Management			
Strategy and Planning			
Media Handling and Communications			
Freedom of information (FOI)			
Projects			
Core support functions/objectives			
GDPR/DPA 2018			
Procurement			
Payroll			
Human Resources (HR)			
Health and Safety			
Business Continuity and Disaster Recovery			
Fraud Awareness and Corruption			
IT Operations			

Key to the Assurance Map

*(grey type is where assurance activities require confirmation required from management)

Green	<i>Unlikely that further assurance activity is required in principle.</i>	
Yellow	<i>Assurance activity not sufficient but planned new assurance activity is moving this to a level of assurance that is reasonable.</i>	
Amber	<i>Limited assurance, requires improvement.</i>	
Red	<i>No assurance activity understood to be in place.</i>	
White	<i>New or planned new activity, no assurance activity as yet required</i>	

Key Conclusions

- 2.1 Currently HCPC has an array of assurances provided to management across most of the key areas of the business and no area has been assessed as not having any assurance activity in place. Assurances in place are thought to be well designed, most notably the first line of defence. It has been noted however that there are some existing gaps in fraud awareness and corruption, in addition to finance and budgets.
- 2.2 The Quality Assurance (QA) function as a second line of defence within HCPC has been in a place for a number of years but has been a centralised function since June 2018. . The QA team have been undertaking audits in heavily regulated areas that have been based on risk and agreed with the Heads of the regulatory departments. In addition, to the QA team undertaking ISO audits to give business areas assurance on areas that are not so heavily regulated such as HR.

Areas that worked well

- 2.3 It was identified that the core regulatory functions of HCPC, namely Registration, Fitness to Practise (FTP), Education, and Policy & Standards have a good coverage of the three lines of defence in place. This is mainly attributable to the fact that they are core regulatory functions and are therefore under constant scrutiny by a number of independent bodies on an annual basis. The prescribed legislation also determines the first line of defence for the core functions.
- 2.4 Likewise, for the management systems functional areas, it was identified that there was once again a good coverage of the three lines of defence within the following areas: risk management, performance management and strategy & planning. This is mainly assisted via good controls and policies at the operational level, allowing sufficient information and decision making through to the SMT, Committees and subsequently the Council with a good selection of external assurance providers providing additional independent assurance to the HCPC.
- 2.5 With respect to the non-regulatory departments, there were sufficient controls in place and oversight covering all three lines of defence in the areas of payroll and IT. The payroll function is outsourced which helps to prevent fraud and allows a segregation of duties to be imposed at both the operational first line of defence and at the second line of defence in reviewing payroll runs made on a monthly basis. The IT function has had some independent assurance work undertaken by the previous internal audit team within the past two years with a good level of controls set at the operational level.

Key gaps in assurance

- 2.6 Other finance staff/members of the budget holders' respective teams are not well informed on current budget situations for their teams. Therefore, as an example, for succession planning, this could prove to be an issue if someone else had to take over that budget.
- 2.7 The procurement function of HCPC has a procurement support team in place. However there is no centralised procurement system in place as of yet. It is expected that Delta e-sourcing system will go live in quarter three. Where there is no procurement system in place this can cause a number of issues when ordering goods and services with a risk of HCPC not achieving value for money on their purchases. In addition to this, there is not an up to date approved supplier list, which can, once again, result in HCPC wasting both time and resources when procuring goods and services. There has not been any training for those staff in departments who are responsible for procuring goods and services and there is therefore a risk that they do not follow the Procurement Manual that is currently in place, leading to inconsistencies in procurement across the teams.
- 2.8 The culture within HCPC seems to be one that is not fraud aware, there is no evidence of formal, systematic fraud & corruption, anti-money laundering or bribery training in place. Although HCPC does not deal with vast amounts of money, there are risks to fraud in areas such as registration and FtP.

Audit Plan 2019/20

- 2.9 The Quarter 1 audit plan 2019/2020 for HCPC has been agreed so far and will include the following audits (which have not been included in the scoring in the assurance mapping exercise - they will be included as an assurance activity once the reviews have been undertaken):
- A review of the Quality Assurance function - The centralised QA function has been operating for about a year. We will examine the way in which the function operates, particularly relating to the coverage it gives, sampling strategy, working methods, reporting, etc. Our focus is on the regulatory assurances.
 - A review of Procurement - HCPC is currently undergoing the beginning of a major procurement exercise for FtP legal services. The work is likely to cost over £4m. We will review the early stages of procurement, giving advice on areas of best practice and improvement. This work will continue through the life of the procurement cycle for this large item of expenditure and will provide also a case study for future procurements.

Line three assurance gaps - other potential areas for internal audit

2.10 There are a number of audits that internal audit could undertake as part of the three year audit cycle to assist in closing the assurance gaps at the third line of defence. These include the following but are not to exhaustive to the following:

- Review of the budget setting process and interaction between budget holders and finance
- Review of the starters and leavers process for HCPC and assuring staff are on boarded and removed from systems in a timely manner
- Review of remuneration setting for council members
- Review of the BCP/DR plans
- Review of Health and Safety incidents, lessons learned, recording of incidents
- Review of media and communications approval and consistency
- Review of project management function (approval and milestones, lessons learned)
- Review of Items procured (in line with procurement manual, sample testing)
- External fraud risk assessment
- End to end procurement review including management oversight and support
- Fraud risk assessment

2.11 The following tables show the recommendations and the assurance map in detail.

A Table of Recommendations

Objective or Function	Finding / Risk	Recommendation	Priority	Management Response
Finance	The finance systems SAGE and WAP are not well integrated and require a degree of manual input.	1) The finance systems and their integration should be considered to see if improved functionality can be identified.	3	Plans are being developed to better inform the full departmental teams regarding their department's financial performance, and that may include for example finance team members being invited to departmental team meetings. A finance team development plan is being developed with the HR teams which once delivered, will lead to better liaison of finance with budget holders and their direct reports.
Media Handling and Communications	Process maps are in place for the media handling and communications team to follow however these include staff names and re very basic. The escalation and approval procedures for communication/media channels both for internal and external communication is not currently clearly documented.	5) It would be beneficial for the team to produce procedures or more detailed process maps, including staff job titles, expected timeframes and clear routes of approval. This will improve the first line of defence. 6) The first line of defence can also be strengthened with escalation and approval procedures for communication/media channels both for internal and external communication. 7) No recent third part review/assurance of this team has been undertaken. HCPC will benefit from an Internal Audit in this area.	3	The Quality Assurance Department will be assisting the Communications team in a review of processes as the Head of Communications had identified a lack of consistency in approach across communications teams and that staff names had been used instead of role names. The workshop is scheduled mid-June. An interim escalation route has been put in place until the revised processes are developed. The Communications team recommend an audit takes place three months after the new processes are developed to ensure these are embedded and sufficient.
GDPR/DPA 2018	Staff had training and were therefore made aware of GDPR / DPA 2018 There is currently not management oversight on GDPR / DPA 2018 compliance.	9) Second line of defence can be strengthened with Management oversight arrangements for monitoring compliance with GDPR/DPA 2018 compliance.	3	Non - compliance with GDPR and DPA 2018 is reported through the monthly Governance Report to SMT.

Internal Audit Report - Assurance Map

Objective or Function	Finding / Risk	Recommendation	Priority	Management Response
Procurement	<p>Assurances around the procurement function show weakness in the following areas.</p> <p>First line of defence</p> <p>A centralised procurement system is not in place, but is planned to be put in place in quarter 3.</p> <p>The current preferred supplier list is not up to date and includes suppliers that are no longer used</p> <p>Staff involved with procuring goods and services have not had training</p> <p>Second line of defence</p> <p>Management reporting on procurement activity is not undertaken regularly</p>	<p>12) Updating of current preferred supplier listing.</p> <p>13) Appropriate training of staff involved in the procuring of goods and services.</p> <p>14) Capturing and monitoring of performance data related to procurement activity, for example procurement spend information, procurement routes, minimising supplier lists etc.</p>	2	<p>The HCPC has a centralised procurement support approach rather than a centralised function. A procurement policy is in place which includes thresholds and procedures.</p> <p>A procurement specific role is in place within the finance team to provide procurement support to other departments.</p>
HR	<p>There hasn't been a recent audit on the HR function by the third line of defence with respect to starters and leavers and them being input to the payroll system in addition to the removal of staff once left. This has also not been looked at from the perspective of both staff and partners of HCPC.</p>	<p>15) HCPC should consider if this would be beneficial For example a general HR Controls review of starters and leavers with regarding to adding and removal of the payroll and other systems within HCPC..</p>	3	<p>Payroll and Recruitment and Retention were reviewed by the previous internal auditors. More detail on the aims of a proposed review required.</p>
Health and Safety	<p>An overall independent review of Health and Safety within HCPC has not been undertaken.</p>	<p>16) An independent review in this area should be considered as well to provide independent assurance.</p>	3	<p>The Office Services Department Facilities Team were audited by internal audit (Quality Assurance) prior to ISO Auditing (9001/27001) which covered elements of Health and Safety (eg security and fire safety). Office Services further commissioned an external auditor to review Facilities and Health and Safety Compliance, report still in progress during May whilst the BDO Audit was taking place.</p>
Business Continuity Plan and Disaster Recovery	<p>Although the in-house QA team review the BCP /DR plan and undertake reviews as part of second line of defence assurances, an independent review should be considered.</p>	<p>17) Review of the BCP / DR by the Internal Auditors has not been undertaken for a number of years and should be considered.</p>	3	<p>BCP/DR tests and plan processes are reviewed under ISO9001 & ISO27001. Last internal BCM/DR test with IT took place in 21 Sept 2018 at the recovery site. Recovery / restoration of redirected services was successfully tested. This was reviewed by BSI at the ISO 27001 external audit in April 2019.</p> <p>Significant incidents and Near Misses are reported and reviewed by SMT and BSI if and when they occur.</p>

Objective or Function	Finding / Risk	Recommendation	Priority	Management Response
<p>Fraud Awareness and Corruption</p>	<p>Controls within different areas in HCPC exist to help to address fraud risk. For example the payroll function which is outsourced and approved for payment via both HR and finance, however there does need to be specific mitigations and assurances around fraud prevention. For example there is a risk of fraud in the frontline regulations such as ID theft etc.</p> <p>There currently is no training in the following areas:</p> <ul style="list-style-type: none"> • fraud and fraud awareness; • anti-money laundering, and • bribery and corruption. <p>As part of its first line of defence arrangements, HCPC should ensure that all new staff undertake appropriate fraud awareness training in the aforementioned areas on commencement of their roles at HCPC and on a cyclical basis.</p> <p>Management should consider whether an external fraud risk assessment will be beneficial.</p>	<p>18) As part of its first line of defence arrangements, HCPC should ensure that all new staff undertake appropriate fraud awareness training in the aforementioned areas on commencement of their roles at HCPC and on a cyclical basis.</p> <p>19) Management should consider whether an external fraud risk assessment will be beneficial - this can be done as part of an internal audit plan.</p>	<p>2</p> <p>3</p>	<p>This will be considered following the independent review findings.</p> <p>The Executive would welcome such a review should the Audit Committee agree to include this in the annual internal audit plan.</p>

B Detailed Assurance Map for Functional Areas

Objective or Function	Areas	Owners	First Line of Defence	Second Line of Defence	Third Line of Defence
			<i>Operational delivery</i> <i>Performance management & data</i> <i>Self-Assurance</i> <i>Governance structures & processes</i>	<i>Functional compliance reviews</i> <i>Quality control checks</i> <i>Business change reviews</i> <i>Customer satisfaction reviews/complaints</i> <i>Risk management</i>	<i>External project reviews</i> <i>Adjudication/tribunals</i> <i>External accreditation</i> <i>Strategic partners</i> <i>Internal audit engagement</i>
'Frontline' Activities					
Registration and Continual professional Development (CPD)	Registration	Head of Registration Executive Director of Regulation	<ul style="list-style-type: none"> • Induction training • Structured training specific to registrations • Top up training • Partners trained every two years and ensure they are also trained as required. • e-learning • all work at the start of a new task is 100% checked • Team leaders work across five areas and these are rotated • Any registration query that could be appealed will be reviewed by management • Peer reviews are undertaken • Targets/KPIs are in place for staff to meet set by management • Specific induction training for education, standards and CPD 	<ul style="list-style-type: none"> • Quality Assurance Team reviews registration business processes. • Operational team schedule audits • Targets are set by management • Information goes to the Education and Training Committee (ETC), for example: <ul style="list-style-type: none"> ◦ Service standards set by management, reviewed by ETC and approved by Council ◦ Report of performance vs standards ◦ Change in policies sent to committee • Complaints information is collated and these are reported up to SMT • Any changes to the comparable qualifications list are approved by ETC and then reviewed by Council • Lessons learned exercises completed • KPIs reported to the SMT and Council. 	<ul style="list-style-type: none"> • PSA • Internal Audit (registration project phase 1 2018/19) • ISO audits • Business Analyst IBM for Registration Project
Fitness to Practise	Fitness to Practice	Head of FTP Executive Director of Regulation	<ul style="list-style-type: none"> • Legislation - 'Health and Social Work Professions Order 2001' (The ORDER). Available on the HCPC website. Accompanying this are rules. From this policies/procedures and guidance are in place for staff to follow. There are numerous procedures/guidance documentation available for FTP staff to use due to the complexity of the area. • A quality manual is also in place. 	<ul style="list-style-type: none"> • The Quality Assurance (QA) team undertake reviews of FTP business processes and decisions. • Any identified issues with FTP are discussed at Senior management team (SMT) • Key Performance Indicators (KPIs) are reported to both SMT and Council. 	<ul style="list-style-type: none"> • PSA • Internal Audit (FTP improvement plan 2018/19) • ISO audits

Objective or Function	Areas	Owners	First Line of Defence	Second Line of Defence	Third Line of Defence
			Operational delivery Performance management & data Self-Assurance Governance structures & processes	Functional compliance reviews Quality control checks Business change reviews Customer satisfaction reviews/complaints Risk management	External project reviews Adjudication/tribunals External accreditation Strategic partners Internal audit engagement
			<ul style="list-style-type: none"> Staff undergo training when they first join the HCPC as well as ongoing training via annual performance development reviews (APDR). And department training plan Practice Notes for Panels and Tribunal participants. 		
Education	<ul style="list-style-type: none"> Education 	<ul style="list-style-type: none"> Head of Education Executive Director for Regulation Education and Training Committee and the Council. 	<ul style="list-style-type: none"> Induction training for HCPC Regular annual performance development reviews (APDR) to set targets and objectives Observation of a case for visiting and then be observed for the next case Peer reviews All reports signed off by a manager If in an administration role undertake shadowing Processes, procedures and guidance notes are in place KPIs are in place for staff to achieve The information system is maintained by a manager and an officer to ensure secure working One to one training on system Lessons learned exercises for end users 	<ul style="list-style-type: none"> Head of education, monthly performance reports are produced on operations There is stakeholder engagement discussions regarding any information that may need to be discussed with stakeholders. Stakeholder meetings will be held between the SMT and stakeholders quarterly in addition to an ad hoc basis. On a quarterly basis report to Council, these cover specific KPIs which are linked to strategic objectives Quality Assurance team undertake reviews of Education business processes and decisions. Any relevant amendments go through Education and Training Committee and the Council 	<ul style="list-style-type: none"> Internal Auditors (CPD 2017/18) PSA ISO audits
Policy and Standards	Standards	Head of Policy and Standards Executive Director of Policy and External Relations	<ul style="list-style-type: none"> Policies are updated in line with the review schedule in place Procedure notes and guidance are derived from the Order legislation A schedule is in place for the renewal of projects, 	<ul style="list-style-type: none"> The Education and Training Committee makes any relevant changes to policies and procedures. Council have final approval of policies, procedures and guidance. Consultation requirements when changes made to standards or guidance. 	<ul style="list-style-type: none"> PSA Internal audits

Management Systems

Objective or Function	Areas	Owners	First Line of Defence	Second Line of Defence	Third Line of Defence
			Operational delivery Performance management & data Self-Assurance Governance structures & processes	Functional compliance reviews Quality control checks Business change reviews Customer satisfaction reviews/complaints Risk management	External project reviews Adjudication/tribunals External accreditation Strategic partners Internal audit engagement
Governance	Boards/committees	Council is overall responsible with delegated authority to its four committees Head of Governance Executive Director of Policy and External Relations	<ul style="list-style-type: none"> An up to date (05/07/2018) Scheme of Delegation is in place denoting the delegated authority to committees and officers Peer reviews are undertaken in a number of departments allowing any areas of weakness to be identified A register of Interest is maintained of all Council members Terms of References for committees can be found on the HCPC website A code of corporate governance is in place for staff to follow. This also details the ToR for the committees and the Council Departmental risk registers are in place Training and induction for Council members Annual appraisal of Council and Committee members 	<ul style="list-style-type: none"> An OMT is in place which is a subcommittee of the SMT. The senior management team is in place (SMT) and meet on a bi-weekly basis. Above the SMT are four committees: The Education and Training Committee, Audit Committee (which also is involved in the financial aspect of HCPC, The Remuneration Committee and the Tribunal Advisory Committee. All committees meet on a regular basis with meetings minuted and uploaded onto the HCPC website. Above the committees is the Council. All committees report to the Council which meets 6-7 times per year with an offsite strategic day each year in October. 	<ul style="list-style-type: none"> Professional Standards Authority (PSA) reviews ISO audits External audits National Audit Office (NAO) Internal Audit (SW transfer project governance 2018/19)
Finance	<ul style="list-style-type: none"> Organisation wide 	<ul style="list-style-type: none"> Audit Committee & Council Executive Director of IT and Resources/ Interim Director of Finance 	<ul style="list-style-type: none"> An up to date scheme of delegation is in place. Induction training on two main systems for all staff when they join: <ul style="list-style-type: none"> Click travel The SAGE and WAP finance systems are not integrated systems Budget holders have associated finance officers to assist in budget setting Procurement policy is in place Financial procedure are in place NetRegulate has impose segregation of duties for purchasing Budget holders set their budgets 	<ul style="list-style-type: none"> Council approved budgets Council is provided budget information at each Council meeting QA team will undertake internal QA reviews. 	<ul style="list-style-type: none"> External audit Internal audit (core financial control 2018/19) Internal audit (budget forecasting and key financial controls 2017/18 & 18/19)

Objective or Function	Areas	Owners	First Line of Defence	Second Line of Defence	Third Line of Defence
			Operational delivery Performance management & data Self-Assurance Governance structures & processes	Functional compliance reviews Quality control checks Business change reviews Customer satisfaction reviews/complaints Risk management	External project reviews Adjudication/tribunals External accreditation Strategic partners Internal audit engagement
Risk Management	• Organisation wide	• Head of Business Process Improvement • SMT	<ul style="list-style-type: none"> • Departmental risk registers form part of the Enterprise Risk Register. • Strategic risk register • Project risk registers • Social Work Risk Register • OMT review departmental risks in detail. 	<ul style="list-style-type: none"> • Ongoing review of the Enterprise Risk Register by SMT • Audit Committee and Council reviews the Strategic Risk Register • Regulatory risks are considered as part of the QA coverage. • The commissioning of audits 	<ul style="list-style-type: none"> • Internal Auditors • External Auditors • PSA • ISO audits
Performance Management	• Organisation Wide	• SMT Audit Committee and the Council	<ul style="list-style-type: none"> • Corporate KPIs are in place • Annual performance appraisals are in place. • Intensive training on induction to HCPC • Regular performance reports produced 	<ul style="list-style-type: none"> • Reports produced and provided to SMT • Further reports produced and provided to the committees and Council • Management Oversight through performance reporting. • QA work undertaken 	<ul style="list-style-type: none"> • Internal Audit • External Audit • ISO audits • PSA
Strategy and Planning	• Organisation wide	• Council / Chief Executive, / SMT	<ul style="list-style-type: none"> • Formal approval channels for review and approval of business plans by SMT and Council. • Policies and procedures are in place for staff to use daily • Annual Council away day, strategy is reviewed and feeds into next budget 	<ul style="list-style-type: none"> • Strategy is reviewed and approved by Council in line with legislation • Annual Directorate work plans focused on strategic priorities. 	<ul style="list-style-type: none"> • Internal Audit (strategic and operation planning 2018/19) • External Audit • PSA • ISO audits • Government (legislation setters)
Media Handling and Communication	• Organisation Wide	• Head of communications / Executive Director of Policy and External Relations	<ul style="list-style-type: none"> • Process Maps for each sub-process • There are not detailed procedures/process maps in place with key job titles documented, identifying clear approval routes. • A clear documented escalation process for approval is not in place for media and communications • Approval process prior to release of information • Team meetings • Review and approval of media content prior to release • Briefs are given to staff regarding work/media releases they are working on 	<ul style="list-style-type: none"> • Oversight of sensitive subjects by Director of Policy and External Communications • Prior to responding to certain negative/controversial subjects on social media any correspondence will be cleared with Chief Executive and Registrar • Communications strategy is in place. • Reports are provided to SMT and Council quarterly of performance on communication/media KPIs such as hits on the website etc. 	<ul style="list-style-type: none"> • Legal oversight • No recent third line review. • ISO 90001 audits

Objective or Function	Areas	Owners	First Line of Defence	Second Line of Defence	Third Line of Defence
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			<ul style="list-style-type: none"> Face to face training is given on joining HCPC media team Social media policy to signed when joining HCPC 		
Freedom Of Information	<ul style="list-style-type: none"> Governance / All 	<ul style="list-style-type: none"> Head of Governance Executive Director of Policy and External Relations 	<ul style="list-style-type: none"> Three officers who deal with FOI requests. Three officers are trained Central inbox for FOI 	<ul style="list-style-type: none"> FOI requests could go to SMT / chief executive if required for review and approval. 	<ul style="list-style-type: none"> Parliament Overarching Legislation ICO
Projects	<ul style="list-style-type: none"> IT and Resources 	<ul style="list-style-type: none"> Head of Projects Executive Director of IT and Resources 	<ul style="list-style-type: none"> A framework is in place for teams to follow which is based on Prince2 methodology A lessons learned exercise is undertaken and used with projects. Lessons learnt log is maintained. Projects are only closed once a lessons learned exercise has been completed Regular projects meetings are undertaken 	<ul style="list-style-type: none"> Council is made aware of major projects through the budget planning and monitoring processes. Regular bi-monthly meetings of SMT where projects will be discussed Regular project meetings undertaken with any large variances/exceptions being escalated to Council Project boards is in place that will meet monthly for project updates Exception Board meetings will be undertaken on an ad hoc basis 	<ul style="list-style-type: none"> A review of the project methodology from start to finish has been undertaken by Internal audit for four of the major projects Internal audit review of KPR building project 2018/19, registration project, and the FTP improvement project.
Support Operations					
GDPR / DPA 2018	<ul style="list-style-type: none"> Organisation wide 	<ul style="list-style-type: none"> Head of Governance 	<ul style="list-style-type: none"> 2018/GDPR pre-review was undertaken A DPO is in place A plan was put in place to help ensure GDPR / DPA compliance 	<ul style="list-style-type: none"> A review was undertaken prior to DPA Pre-review undertaken on GDPR / DPA 2018 was discussed at SMT and plan agreed upon and put in place to ensure compliance 	<ul style="list-style-type: none"> Internal Audit ICO PSA ISO audits

Objective or Function	Areas	Owners	First Line of Defence	Second Line of Defence	Third Line of Defence
			Operational delivery Performance management & data Self-Assurance Governance structures & processes	Functional compliance reviews Quality control checks Business change reviews Customer satisfaction reviews/complaints Risk management	External project reviews Adjudication/tribunals External accreditation Strategic partners Internal audit engagement
Procurement	<ul style="list-style-type: none"> Procurement of goods and services 	<ul style="list-style-type: none"> Interim Director of Finance / Finance and Procurement Officer Executive Director of IT and Resource 	<ul style="list-style-type: none"> Up to date (January 2018) procurement manual is in place which includes the procurement policy Approval levels are set out in the procurement manual All budgeted contracts and renewal of contracts are put through the planned budgets for the year at the budget setting time. Council approves all budget spends at this point Procurement officer trained in CIPS For procurement due diligence at the tender stage ask for companies to submit both a commercial and technical review Centralised procurement support is in place. A number of suggested actions are included in procurement officers objectives for the year There is not an up to date approved supplier list is in place Staff involved with procurement have not received regular sufficient training in procurement There is no evidence of regular monitoring and capturing of procurement data / activity 	<ul style="list-style-type: none"> Procurement manual is approved by Council Basic procurement information is provided to finance and sent to SMT for review 	<ul style="list-style-type: none"> Internal Audit External Audit
Payroll	<ul style="list-style-type: none"> Payroll 	<ul style="list-style-type: none"> Interim Director of Finance Director of HR Executive Director of IT and Resource 	<ul style="list-style-type: none"> Payroll function is outsourced with some checks undertaken at the operational level. New staff, and changes to staff pay is inputted by HR staff and approved by Director of HR. HR send the Payroll information to the Outsourced provider who return 	<ul style="list-style-type: none"> High level management oversight on Payroll with Head or/Director approving payroll numbers prior to payroll being paid. Monthly reports are sent to SMT. 	<ul style="list-style-type: none"> External Auditors

Objective or Function	Areas	Owners	First Line of Defence	Second Line of Defence	Third Line of Defence
			Operational delivery Performance management & data Self-Assurance Governance structures & processes	Functional compliance reviews Quality control checks Business change reviews Customer satisfaction reviews/complaints Risk management	External project reviews Adjudication/tribunals External accreditation Strategic partners Internal audit engagement
			payroll information to HR. This is approved by HR and Finance before payroll run initiated.		
Human Resources	HR Operations, Recruitment, Learning and development	Director of HR Executive Director of IT and Resource	<ul style="list-style-type: none"> HR policies and procedures are in place. Training is provided on induction to HCPC with specific training Lessons learned/immediate feedback is given for training undertaken by staff 	<ul style="list-style-type: none"> HR Performance reporting to SMT/Council. 	<ul style="list-style-type: none"> A recent audit of the HR function has not been undertaken by internal audit in relation to starters and leavers and the adding of them to payroll and removal of them from payroll and other systems. ISO 9001 Audits
Health and Safety	Health and Safety	Executive Director of IT and Resources / Office Services Manager	<ul style="list-style-type: none"> Health and safety policy is in place Staff receive health and safety training on induction Specific staff have been trained to be fire wardens Specific staff have been trained by St Johns Ambulance to train staff in first AID Fire Wardens and staff trained. Fire wardens have training every 3 years A health and safety log is in place Health and Safety incidents are reported via the accident log book which is held at reception Mental Health first aiders 	<ul style="list-style-type: none"> Accident log book is reviewed by the Office Services manager or the facilities manager. 	<ul style="list-style-type: none"> Third party assurances from St Johns Ambulance, Fire Services and Health and Safety Executive if reporting incidents under RIDDOR (none have been reported) Fire risk assessments are undertaken annually at each of the three sites by CHUBB An overall review on the Health and Safety function has not been undertaken by Internal Audit.
Business Continuity and Disaster Recovery	Organisation wide	Head of business process Improvement	<ul style="list-style-type: none"> Business Continuity Plan (BCP) / Disaster Recovery (DR) plan in place and also available on app on staff work phone All staff have access to BCP / DR plans. BCP / DR testing has been undertaken, most recently in September 2018. 	<ul style="list-style-type: none"> Review of BCP / DR when required 	<ul style="list-style-type: none"> A review of the BCP / DR plan has not been undertaken by internal audit ISO audits

Objective or Function	Areas	Owners	First Line of Defence	Second Line of Defence	Third Line of Defence
			<i>Operational delivery</i> <i>Performance management & data</i> <i>Self-Assurance</i> <i>Governance structures & processes</i>	<i>Functional compliance reviews</i> <i>Quality control checks</i> <i>Business change reviews</i> <i>Customer satisfaction reviews/complaints</i> <i>Risk management</i>	<i>External project reviews</i> <i>Adjudication/tribunals</i> <i>External accreditation</i> <i>Strategic partners</i> <i>Internal audit engagement</i>
Fraud Awareness and Corruption	<ul style="list-style-type: none"> Organisation wide 	<ul style="list-style-type: none"> Head of business process Improvement SMT 	<ul style="list-style-type: none"> A whistleblowing policy is in place and is dated 2012. Segregation of duties is in place There is no fraud awareness training in place, which covers: fraud and fraud awareness, anti-money laundering and bribery 	<ul style="list-style-type: none"> Escalation for fraud and corruption procedures can be found in the whistleblowing policy 	<ul style="list-style-type: none"> An external fraud risk assessment has not been undertaken
IT Operations	<ul style="list-style-type: none"> IT and Cyber Security; Knowledge and Information Management, Network Services 	<ul style="list-style-type: none"> Executive Director of IT and Resource 	<ul style="list-style-type: none"> Passwords are in place for access, at least 10 characters which are complex IT Policy in place for staff on joining HCPC IT Training in place on joining HCPC Annual information security training for all employees, partners and Council members. Further training will be given when needed to staff in line with their job descriptions Weekly IT meetings held Microsoft Patch updates undertaken 	<ul style="list-style-type: none"> Reports to SMT of any serious IT security breaches 	<ul style="list-style-type: none"> External run courses given ISO 27001 Internal Audit (Cyber security, specialist IT audit coverage 2017/18)

C Staff consulted during review

Name	Job title
Marc Seale	Chief Executive and Registrar
Jacqueline Ladds	Executive Director of Policy and External Relations
John Barwick	Executive Director of Regulation
Guy Gaskins	Executive Director of IT and Resources
Joanna Mark-Richards	Director of Human Resources
Jameela Khan	Interim Director of Finance
Claire Amor	Head of Governance
Roz Allison	Head of Communications
Richard Houghton	Head of Registrations
Brendon Edmonds	Head of Education
Katherine Timms	Head of Policy and Standards
Roy Dunn	Head of Business Improvement
James McMahon	Office Services Manager
Kim Wilcox	HR Manager
Fatma Ali	HR Manager
Margaret Osibowale	Finance Manager
Antonio Pinheiro	Procurement Officer

We would like to thank these staff for the assistance provided during the completion of this review.

FOR MORE INFORMATION:

SARAH HILLIARY

+44 (0)20 7651 1347
sarah.hilliary@bdo.co.uk

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