
Internal Audit Progress Report 2021-22

Executive Summary

This report summarises the progress so far regarding the delivery of the internal audit plan for 2021-22.

As a result of the recent appointment of the Executive Director of Resources and Business Performance, and BDO's internal audit planning activities for 2022-23, it is requested that the Digital Transformation Benefits Realisation audit be deferred into next year's plan.

Previous consideration	The Committee reviews the Internal Audit Progress Report at each meeting
Decision	The Audit & Risk Assurance Committee is requested to note this report and approve the proposed deferral of the Digital Transformation Benefits Realisation audit.
Next steps	The Committee will receive update reports at each meeting on the progress of the Plan.
Strategic priority	All
Risk	All
Financial and resource implications	None as a result of this report
Author	BDO LLP



INTERNAL AUDIT PROGRESS REPORT
FOR THE 2021/22 AUDIT PLAN
HEALTH AND CARE PROFESSIONS COUNCIL

CONFIDENTIAL
STATUS - DRAFT

MARCH 2022

1. Internal Audit Progress Report

Introduction

- 2.1 This report summarises the progress so far regarding the delivery of the internal audit plan for 2021/22. The Audit & Risk Assurance Committee is requested to note this report and approve the proposed deferral of the Digital Transformation Benefits Realisation audit.

Delivery of the plan

- 2.2 The Safeguarding Controls audit has been finalised and is being presented at this meeting. A draft report of our Key Financial Controls audit has been issued to management for their review and commentary. Fieldwork has concluded for our Registrations Payment Processes and Education audits, with preliminary findings fed back to management. These audit reports are currently going through our internal quality control processes prior to issue to management.

Changes to the plan

- 2.3 As a result of the recent appointment of the Executive Director of Resources and Business Performance, and our internal audit planning activities for 2022/23, it is requested that the Digital Transformation Benefits Realisation audit be deferred into next year's plan. The proposed approach is set out in more detail in our draft 2022/23 audit plan, but will include two reviews - the first advisory on HCPC's approach to business change, followed by an assurance review in Q4 of next year.

Internal Audit Plan 2022/23

- 2.4 Since our last update to the Audit & Risk Assurance Committee we have undertaken audit planning activities with management and Council, alongside HCPC's internal Quality Assurance team. The draft Internal Audit Plan for 2022/23 is also presented at this meeting for approval.

Assignment title	Output type	Period	Status	Proposed Audit Committee Date
Risk Management	Assurance	Q1	Final Report	September 2021
Safeguarding Controls	Assurance	Q3	Final Report	March 2022
Key Financial Controls	Assurance	Q3	Draft Report	June 2022
Registrations Payment Processes	Assurance	Q3	Fieldwork Completed	June 2022
Education	Assurance	Q4	Fieldwork Completed	June 2022
Digital Transformation Benefits Realisation	Assurance	Q4	Deferral Requested	N/A
Follow up	Assurance	Q4	Scheduled	June 2022

APPENDIX: Thought Leadership

Focus on fraud

Fraud is an ever-present threat for the not-for-profit sector, and it is on the increase. Action Fraud found that 1,059 separate incidents of fraud were reported by charities last year but warned that this is likely to under-estimate the true scale of the problem.

Fraud can be particularly detrimental for not-for-profit organisations which may already be experiencing scarcity of resources. Trustees and Senior Management need to protect their organisations from the financial and reputational risk that can arise from fraud.

We share some strategies and insights into fraud - highlighting some of the vulnerabilities that employees can exploit to perpetrate fraud and how you can build up your organisation's fraud resilience. You can access our insights through the links below.

[Employee Fraud - the threat from within](#)

[Fraud response plan - no plan is planning to fail](#)

The Audit and Risk Committee Checklist

Audit and Risk Committees help organisations function according to good governance, accounting, auditing and risk management standards. The audit committee should regularly assess its own effectiveness and the adequacy of its terms of reference, work plans, forums of discussion and communication.

Regular assessment may identify areas in which the committee and its processes might be more effective or may highlight skills and/or knowledge gaps in the committee.

The Audit and Risk Committee checklist is based on best practice and feedback from staff and Audit and Risk Committees. The template can be used as a basis to undertake your own self-assessment.

If an online version is required do contact Sarah.Hillary@bdo.co.uk or Bill.Mitchell@bdo.co.uk to request a Microsoft Forms version.

We can also help Committees by facilitating a workshop to assess performance or performing wider governance assessments.

[READ MORE](#)

Fraud Report

BDO conducted a survey with the Fraud Advisory Panel to understand the impact of the COVID-19 pandemic on the charity sector in the UK, to evaluate how it has affected the fraud landscape for charities and to determine what we can do to better protect charities against fraud. While aimed at charities, there were many useful insights relevant for whole not-for-profit sector.

How can you protect your organisation against fraud? Learn more in our report with the [Fraud Advisory Panel](#).

[READ MORE](#)

FOR MORE INFORMATION:

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