

14 June 2023

HCPC 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.

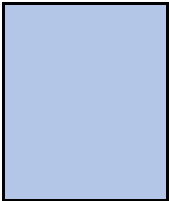
Recommendations which have been implemented have been removed from this report. The original numbering of recommendations has been retained.

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

Previous consideration	This is a standing item considered at each meeting of the Committee.
Decision	The Committee is asked to discuss and note the report.
Next steps	The next report will be received in September 2023
Strategic priority	All
Risk	All
Financial and resource implications	None as a result of this paper.
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ELT Sponsor	Claire Amor, Executive Director of Governance Assurance & Planning claire.amor@hcpc-uk.org

Internal Audit report – Diversity Review (considered at Audit and Risk Assurance Committee 15 March 2023)

Recommendations summary



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

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>1 Staff members may not be aware of their specific responsibilities in relation to equality, diversity and inclusion</p> <p>Staff members may not be aware of the relevant and/or applicable regulations, and may not consider these during decision-making processes</p> <p>Without a document owner and formal version control, changes made to policies and procedures may not be accurately tracked</p> <p>We recommend that management consider including the areas highlighted above in future iterations of the policies, procedures and guidance.</p>	<p>Future revisions of policies will include document owners and formal version control.</p>	<p>30 August 2023</p> <p>Adrian Barrowdale Equality, Diversity and Inclusion Strategic Lead</p>		<p>Action now complete.</p>	<p>N/A</p>

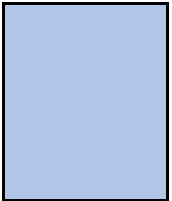
<p>2 HCPC should consider whether it wishes to comply with the Workforce Race Quality Standards and Workforce Disability Equality Standards.</p>	<p>At the next meeting of the EDI Steering Group the HCPC will consider the issue of making WRES and WDES submission and then provide an update.</p>	<p>30 August 2023 Adrian Barrowdale Equality, Diversity and Inclusion Strategic Lead</p>		<p>The EDI Steering Group met on 18 May 2023 and discussed the viability of participating in the WRES and WDES.</p> <p>It was agreed that the HCPC would not use the WRES or the WDES for reporting on workforce metrics.</p> <p>The group discussed the usefulness of the measures, bearing in mind the NHS-focus of the two schemes, and the overlap with the ethnic (and gender) paygap reports the HCPC already produces.</p> <p>It was agreed that the ethnic paygap report currently provides more useful, HCPC-specific focus that would be inappropriately duplicated through participation in the WRES.</p> <p>It was also acknowledged that the plans for future reporting of further protected characteristics in HR data, to include disability data, remains a priority subject to improvements in our staff EDI data and the usefulness of reporting very small data sets.</p> <p>Action now complete</p>	<p>N/A</p>
<p>4 If the topics detailed above are not included in benchmarked training, staff members may not have sufficient awareness over compliance and reporting requirements in relation to ED&I, nor may they be sufficiently aware of the process of challenging and reporting inappropriate behaviour</p> <p>We recommend that management consider refreshing the ED&I training module and including the areas of good practice noted above.</p>	<p>We will be refreshing the EDI module this new FY, and will consider the content suggested identifying elements most relevant for staff training.</p>	<p>31 March 2023 Tehmina Ansari – L&D Manager</p>		<p>The review of the EDI module is underway currently. Information from the Pulse Survey results has also been included.</p>	<p>N/A</p>

6	<p>Members of the People and Resource Committee may not be sufficiently informed of the HCPC's internal culture, and any potential breaches of ED&I rules and legislation set</p> <p>We recommend management consider including the areas of good practice identified above within future KPI reports.</p>	<p>We will include this in the pulse survey on a yearly basis rather than as part of the standard quarterly question rotation.</p>	<p>31 March 2023</p> <p>Adrian Barrowdale Equality, Diversity and Inclusion Strategic Lead</p>		<p>Completed</p> <p>EDI information is included in HR KPI report and Pulse Survey to the PRC. Moreover, we are concentrating on this within staff working groups for the all employee away day.</p>	<p>N/A</p>
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Internal Audit report – Unified Assurance Framework (considered at Audit and Risk Assurance Committee 15 March 2023)

Recommendations summary

Priority	Outstanding recommendations	Status
High	0	Overdue 0
Medium	5	Not yet due 6
Low	1	Completed 0



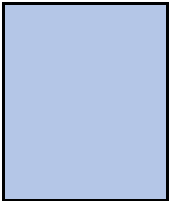
Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>1, 2 & 3 The current approach to determining the control environment in each department may mean that key aspects of the line 1 control environment is overlooked. Furthermore, lack of a Quality Framework may make it more difficult to compare the adequacy and effectiveness of controls operating across the organisation.</p> <p>1. Develop a Quality Framework that contains ‘pillars’ to create a standard way in which to assess the control environment across departments. These pillars could include Policies and Guidance, Induction and Training, Quality Checks / Peer Review, Continuous Improvement and Performance Monitoring, as examples (Year 1).</p> <p>2. For each pillar, design high level guidance setting out expectations for the expected controls to be captured within each pillar, including a good/better/best system of self assessment to support continuous improvement (Year 1).</p> <p>3 Ask teams to complete a self-assessment against each of the pillars, utilising the good practice guidance. Collate these responses and use them as the basis for the population of the UAF (Year 2).</p>	<p>The variability of level 1 assurance activity across departments reflects the existing matrix of departmental workload, resources, processes and stability of those variables. Level 1 check enhancement may require resources greater than those possible under existing financial constraints.</p> <p>However, efforts to include these potential pillars will continue and progress to deliver against these pillars will be monitored.</p>	<p>Requires a complete cycle of audits to create and check compliance</p> <p>01/03/24 Year 1 activities and 01/03/25 Year 2 active use in UAF.</p> <p>Anna Raftery, Quality Assurance Lead.</p>		<p>2023-24 assurance framework has clearer deliniation of the areas of mitigation/control reflecting the types of assurance, and a more consistant approach accross each function. These will be refined with use in risk and assurance meetings in order to identify the most effective 'pillars' for the HCPC.</p>	N/A

5 & 6	<p>Failure to have an independent assessment of controls could result in an unreliable or inaccurate assessment of control adequacy and effectiveness, thus giving those charged with governance false assurance as to the efficacy of HCPC's system of governance, risk management and internal control.</p> <p>5. Following implementation of recommendations 1-4, The Quality Assurance Team should introduce a rolling programme of reviews of team assurance maps over a three-year cycle, assessing the veracity of the self-assessment statements and providing an independent assessment of the strength of the control environment (Year 2).</p> <p>6. As part of the above process, collate information on best practice observed and use this to continually improve the good practice guidance and Quality Framework (Year 2).</p>	<p>Departmental self-assessment statements and methods will be evaluated on a case by case basis, to check the veracity of claimed effectiveness, and share best practise where observed and applicable to other departments.</p>	<p>1 March 2024</p> <p>Anna Raftery, Quality Assurance Lead.</p>		<p>Planning for the QMS/Guidance and Process library review has started. This review will include departments providing required evidence of the documentation of processes and guidance. Public reporting is monitored as needed.</p>	N/A
7	<p>The organisation may exhaust a disproportionate amount of resource trying to mitigate against a risk that senior management and the Board may be willing to accept, reducing the efficiency and effectiveness of the risk management process. Our earlier recommendations to have more proactive local manager involvement in the risk, control and assurance framework could widen the disconnect with the corporate risk appetite thinking.</p> <p>7. Incorporate risk appetite into discussions around risk as part of the quarterly update process and consider whether a target risk score, linked to the organisation's risk appetite statement should be included within the Risk Register.</p>	<p>We will be refreshing the EDI module this new FY, and will consider the content suggested identifying elements most relevant for staff training.</p>	<p>1 July 2023</p> <p>Roy Dunn. CISRO</p>		<p>The Head of QA and CISRO continue to meet with Operational Risk Owners, to capture information around assurance and risk. This also assists the development of robust a SRR.</p>	N/A

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

Recommendations summary

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



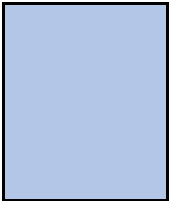
Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>2 Where updates made to the assumptions applied within the model are manually updated within the output report there is a risk that errors and conflicting numbers are produced which can result in ambiguity as to which is the correct data and thus the accuracy of the registrant numbers being produced which ultimately are used for decision making purposes.</p> <p>We recommend that a method of cross-referencing is considered between the output report generated by the model and the inputs section, to prevent users from potentially being misled.</p>	<p>This exercise will become part of the regular periodic reconciliations for our month-end reporting.</p>	<p>January 2023</p> <p>Jagana Abubacarr – Finance BP</p>	<p>Revised completion date: end of March 2023</p>	<p>We are testing different method of reconciling input parameter and output in the model and hope to find robust and reliable methodology that can be automated by end Sep 23 and depended on successful delivery of BC Re-implementation</p>	<p>Commentary History See Appendix 1 or [PRESS]</p>

<p>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.</p> <p>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.</p> <p>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.</p>	<p>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.</p>	<p>January 2023</p> <p>Jagana Abubacarr – Finance BP</p>		<p>June update here: Await to see what BC Re-implementation offers by end Sep 23</p>	<p>Commentary History See Appendix 1 or</p> <p>[PRESS]</p>
<p>5 Variances in registrant data may go undetected, which may result in model adaptations not made and/or investigation into variances not taking place</p> <p>We recommend that the Forecasting team check whether the variance analysis built into the model operates as intended.</p>	<p>Once the full handover of registrant forecasting is completed and the area is managed by the Finance Team, we will create specific reports to identify key variances for the specific areas of income and the key drivers for the movements between actuals and forecast.</p>	<p>January 2023</p> <p>Ifeoluwa Ojo, Senior Finance BP</p>	<p>Revised completion date: end of September 2023</p>	<p>June update here: Business central still under construction, update likely after Sep 2023</p>	<p>Commentary History See Appendix 1 or</p> <p>[PRESS]</p>

Internal Audit report – Education Standards (considered at Audit and Risk Assurance Committee 9 June 2022)

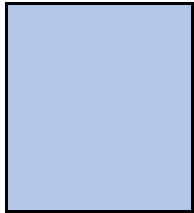
Recommendations summary

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



Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>1 Key Risk Area 1: Suitable organisations are appointed to deliver educational programmes</p> <p>HCPC should continue to keep the standards under review and provide an annual update to the Education and Training Committee highlighting any issues which have arisen that could prompt an interim review mid-cycle.</p>	<p>Action: Develop an annual reporting mechanism to highlight any issues that could prompt an interim review of the Standards to the Education and Training Committee.</p>	<p>Action Owner: Head of Policy, Standards and Strategic Relationships</p> <p>Completion date: 31/08/2022</p>	<p>Revised date 31 December 2022</p> <p>2nd Revised date: Due to commence Q4.</p>	<p>The SETs review is still planned to begin in Q4 of this financial year</p>	<p>Commentary History See Appendix 1 or</p> <p>[PRESS]</p>

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



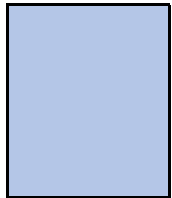
Priority	Outstanding recommendations	Status
High	0	Overdue 1
Medium	1	Not yet due 0
Low	0	Completed 0

Recommendation / Priority (RAG)	BDO's follow up review findings	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>4 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>In Progress - The initial priorities for the Insight and Intelligence function have been defined in the Insight and Intelligence Framework approved in September 2021. We reviewed the approved Insight and Intelligence Framework document and the meeting minutes for the September 2021 Council meeting that showed the evidence of approval. A Council seminar was held on 7 April 2022 to receive and discuss analysis of FtP and EDI data to date. We reviewed the presentation pack for this seminar. We reviewed the data analysis document in relation to FtP and EDI presented to the Council Seminar on 7 April 2022. This is in line with the initial management response in relation to analysis of EDI and Ftp. However, Management should establish a plan to develop the CPD analysis for this recommendation to be fully implemented, in addition to the analysis about EDI and FtP data.</p>	<p>Completion date: End of Q4 2021</p> <p>Responsible Officer: Geoff Kirk (Head of IT & Digital Transformation)</p> <p>Gareth Davies Head of Insight and Analytics</p>		<p>To date, the Programme for Data Excellence has delivered the HEE data sharing project; a unified EDI dataset now being used for public facing analyses; a number of other analytical datasets including for renewals; some aspects of FtP; annotation and modalities; better geocoding to enable place-based analyses and on-going documentation and data quality work. A technical review is underway with our new specialist data partner, Adatis, which will lead to an updated technical roadmap for the data platform.</p> <p>A project proposal was submitted through the investment programme process for taking forward the work in 2023-24. Although the need for this work was acknowledged, the project was deemed to be unaffordable unless and until a fee increase is secured. Work will continue on the data platform utilising existing resources, but will of necessity be at a slower pace and with less certainty over timescales.</p> <p>A cross-organisation workshop was held in May to prioritise data and analytical tasks, which produced a prioritised list with automation of FTP reporting identified as the main priority for 2023-24. This priority list will be updated as necessary to reflect evolving organisational requirements.</p>	<p>Commentary History See Appendix 1 or</p> <p>[PRESS]</p>

Internal Audit report – Registration Payment Process (considered at Audit and Risk Assurance Committee 9 June 2022)

Recommendations summary

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



Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>2 Key Risk Area 2: Systematic issues from the 2020/21 financial reporting exercise have been cleared</p> <p>A long-term solution systems-based solution should be introduced which eliminates, as much as reasonably practicable, the requirement for complex monthly reconciliations and manual journal postings to HCPC's finance system.</p>	<p>Paper submitted to Exec Team stating that a retender will be undertaken to ensure we are covered by the correct CCS Framework agreement and a staggered project implementation approach, as we have an existing platform and partial implementation from which to build on. In the interim, we are close to completing our manual income reconciliations with a level of automation introduced within our files to produce expected revenue, based on our fee structure, which is dependent on the specific renewal cycle and also the type of applicant/registrant (UK or International). This is then compared against the amounts in Business Central and any differences are investigated and, thereafter, corrected within Business Central and/or Customer Engagement (CRM system). Once all corrections and adjustments are made, a final summary check will be carried out to ensure total amounts in BC versus total amounts for expected revenue match. Our reconciliation files will hold data on an individual basis, which will enable us to provide detailed backing of our recognised income and deferred income to audit.</p> <p>We have set a deadline for potential suppliers to submit their bids to undertake the Business Central Reimplementation Project by 10th June.</p>	<p>Action Owner: Doyin Adeleye (Finance Operations Manager)</p> <p>Completion date: 10 June for receipt of bids, timescales</p> <p>Date for a single finance system - 31 March 2023.</p>	<p>Revised Date: Provisional go live date is now JULY 2023</p> <p>revised provisional go-live date of November 2023</p>	<p>We have now concluded the Vision & Validate phase of the project, which resulted in additional workshops and reviews. This has had a knock-on effect on the original go-live date of July 2023 with a revised provisional go-live date of November 2023. We are in discussions with our current supplier to agree the proposed project timelines.</p>	<p>Commentary History See Appendix 1 or [PRESS]</p>

Internal Audit report – Safeguarding controls (considered at Audit and Risk Assurance Committee 9 March 2022)

Recommendations summary

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



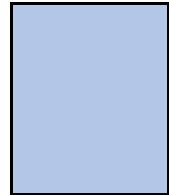
Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
Committee note (March 2022): The Committee commented that the report was helpful and provided some good assurance. Whilst some of the management actions were reported as being contained in workplans and therefore completed, the Committee agreed that those actions should remain active in the recommendation tracker with implementation dates until completed.	N/A	N/A	N/A	N/A	N/A
<p>4 Key Risk Area 2: Guidance to registrants on standards and safeguarding risks</p> <p>HCPC should develop a suite of safeguarding materials aimed at assisting registrants manage key safeguarding risks which they may encounter during the course of their professional roles. These materials should be readily available to registrants through HCPC’s website. This should be benchmarked against the safeguarding materials provided by other healthcare professions regulators.</p> <p>HCPC should also consider delivering specific safeguarding guidance sessions as part of the programme of Professional Liaison Service webinars.</p>	<p>While we have materials relevant to safeguarding (eg #MyStandards webinars) these are not readily accessible or specifically flagged as safeguarding materials. There is an opportunity to review our materials and update/improve them via the planned review of our Standards of Conduct, Performance and Ethics, due in 2022/23.</p> <p>Action: (1) Add to 2022/23 Policy and Comms team workplans. (2) Add safeguarding to 2022/23 Prof Liaison event programme.</p>	<p>Action Owners: Rachael Gledhill (Head of Policy & Strategic Relationships), Kim Tolley, (Professional Liaison Project Lead), Tony Glazier (Communications Lead)</p>		<p>Policy RG: Consultation on SCPE review launched in March, closes on 16 June. Consultation on guidance scheduled for Q4.</p> <p>KT - 3 #myhpcstandards have been delivered so far. The new website materials are in development.</p> <p>TG: Comms plans in place to support development, delivery and promotion of: #myhpcstandards webinars and new supportive content SCPE consultation activities and content</p>	<p>Commentary History See Appendix 1 or [PRESS]</p>

<p>5 Key Risk Area 3: Responding to complaints or referrals relating to a registrant's conduct</p> <p>The Case Management Manual document should be formally reviewed and updated to ensure that it accurately reflects the latest case management processes.</p> <p>As part of this review, specific guidance on identifying safeguarding concerns should be detailed within the document. This could be done by also making reference to HCPC's internal Safeguarding Policy.</p>	<p>Action: The Case Management Manual is in the process of being replaced with a series of Best Practise Standards (BPS). This includes a BPS on Risk Assessment.</p> <p>Developing FtP approach and guidance on safeguarding referrals for the wider team is a workplan activity for 2022-23.</p>	<p>Action Owner: Kellie Green (Head of FtP)</p> <p>BPS development and go live by end of April 2022</p> <p>Safeguarding procedure for FTP development, training and roll out by end of Q3 2022-23.</p>	<p>Best Practice Standard on Risk Assessment is live</p> <p>Best Practice Standard on Safeguarding currently in draft and requires final review. Completion date now end Q4 2022-23.</p>	<p>The Best Practice Standard on Safeguarding has been produced and signed off. Training commenced in May 2023.</p>	<p>Commentary History See Appendix 1 or [PRESS]</p>
<p>6 Key Risk Area 4: Controls to identify safeguarding issues identified through DBS</p> <p>HCPC should explore the feasibility of having a formal relationship with Disclosure Scotland as it currently has with the DBS, whereby the DBS proactively alerts the HCPC of registrants who have been arrested or convicted for a serious criminal offence.</p>	<p>Action: The DBS covers both England and Wales and NI. We do have a relationship with Disclosure Scotland and receive information from them, but we do not have a formal MOU with them. The feasibility of implementing a formal relationship will be explored.</p>	<p>Action Owner: Roy Dunn Completion date: 31 July 2022</p>	<p style="background-color: red; color: red;">[REDACTED]</p>	<p>Disclosure Scotland were attempting to get back to HCPC in March, however nothing to date. Now indicating will respond by mid June.</p>	<p>Commentary History See Appendix 1 or [PRESS]</p>

Internal Audit report – Financial Modelling (considered at Audit and Risk Assurance Committee 16 September 2021)

Recommendations summary

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



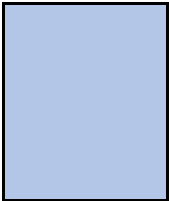
Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>8 Key Risk Area 5: Inflationary assumptions are appropriate and represent a fair estimate of increases and decreases to key variables</p> <p>HCPC should model a modest fee increase within the Income Model to aid the model more accurately predict income. This can either be estimated using an agreed inflationary assumption (accepting that HCPC's fee rules do not use this) or by modelling a flat increase after a certain period of time (for example every five years).</p>	<p>The income model was designed to model specific fee scenarios being proposed. It is a priority for Council to have a Fee Strategy in place and this requirement is linked to delivering the understanding of the impact of Fee Increase Options.</p> <p>Action: Continue to develop and refine the Options Analysis function.</p>	<p>Head of Finance</p> <p>March 2022</p>	<p>revised completion date: October 2022</p> <p>revised completion date: February 2022</p>	<p>This action is now complete as it formed an integral part of the financial modelling and analysis of the income fees work. Inflationary pressures were built into the income model based on the latest projections from the Bank of England and we are able to adjust the percentage figures in line with developments.</p>	<p>Commentary History See Appendix 1 or [PRESS]</p>

<p>9 Key Risk Area 6: Financial model updates timely and accurate</p> <p>The way in which data is exported from the new Business Central system should be assessed in the context of obtaining information in a format capable of easy uploading into the Income Model to keep its information as up-to-date as possible.</p> <p>Where a technical solution is being developed, an interim process should be introduced to facilitate keeping the Income Model updated with live performance data. A consistent approach should be decided upon, documented and then followed to resume the practice of updating the Income Model on a monthly basis.</p>	<p>The Income model was built prior to the new Registration System go-live and therefore was built to accept NetRegulate data. The development of the Registration System export / model input routines need to be completed.</p> <p>Action: Aligned to completing the model development.</p>	<p>Head of Finance</p> <p>Feb 2022</p> <p>Revised completion date: October 2022</p>	<p>revised completion date: October 2022</p> <p>revised completion date: February 2022</p>	<p>This action is now complete as the current process involves using the latest data as per the CRM (CE) for our Registration and Renewals income estimates, which are validated through detailed quarterly income reconciliations carried out on an individual customer account level. The income estimates are very close to actuals due to the granular level of the reconciliation exercises. Other key income streams such as UK and International Scrutiny Fees are based on live actual data, which means the overall income figures for both reported and projected numbers are within expected levels.</p>	<p>Commentary History</p> <p>See Appendix 1 or</p> <p>[PRESS]</p>
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Internal Audit report – IT Controls (considered at Audit Committee 17 September 2020)

Recommendations summary

Priority	Outstanding recommendations	Status
High	0	Overdue 0
Medium	1	On track 0
Low	0	Completed 1



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>Head of IT & Digital Transformation</p> <p>Due: Q1 2021</p> <p>Revised to Q2 2021</p>	<p>[Green background]</p>	<p>The ISMS Board ToR have been updated to empower this group to act as the IT Governance Board, retaining responsibility for ISMS but also taking on a role monitoring and overseeing IT governance. This will include ensuring roles and responsibilities outside of the IT team are appropriately understood and enacted.</p>	<p>Commentary History See Appendix 1 or [PRESS]</p>

HM External Auditor's report 2022 – Detailed control points (considered at Audit and Risk Assurance Committee and Council October 2022)

Recommendations summary

Priority	Outstanding recommendations	Status
Significant	0	Overdue 0
Important	1	On Track 1
Limited	0	Completed 0
Advisory	0	

RISK	HM Comments/Proposals	Management response	Completion Date/Status	Update for Audit and Risk Committee (November 2022)
From our review of journals, we identified that not all journals are reviewed by someone other than the poster. There is a risk that incorrect postings may be made to the nominal ledger and that these would not be identified at the earliest opportunity.	We recommend that a policy is put in place regarding journal review.	HCPC has in place a review process for all journals. The issue identified was that the journal approvals were not all electronically filed in one place and therefore could not be provided to the auditors from the system; this was partly the result of staff turnover. HCPC will consider how best to tighten up this control, by filing all journal approvals electronically in one place, or ensuring that approvals are attached to the journal on the Sage system. The Financial Control team will also undertake a periodic review of journal approvals on a sample basis.	On Track	A review of the March 2023 journals is currently being undertaken. Following the completion of the Y/E a/c's, further checks will be undertaken in relation to 2023-24 journals. No 2023-24 journals are yet to be posted.

Appendix 1 - Commentary History - a log of the last 4 Audit and Risk Assurance Committee updates

Registrant Forecasting Review	Mar-23	Nov-22	Sep-22	Jun-22	
<p>1 Where updates made to the assumptions applied within the model are manually updated within the output report there is a risk that errors and conflicting numbers are produced which can result in ambiguity as to which is the correct data and thus the accuracy of the registrant numbers being produced which ultimately are used for decision making purposes.</p> <p>We recommend that a method of cross-referencing is considered between the output report generated by the model and the inputs section, to prevent users from potentially being misled.</p>	<p>This process will fully be in place by end of March 2023 (JA)</p>	<p>N/A</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 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.</p> <p>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.</p> <p>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.</p>	<p>Secondary sample check about 10% are now implemented on an ongoing basis. Automated upload and incorporating registrants fee type are still work in progress, the model will need to be re-engineered to accommodate this. (JA)</p>	<p>N/A</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 Variances in registrant data may go undetected, which may result in model adaptations not made and/or investigation into variances not taking place</p> <p>We recommend that the Forecasting team check whether the variance analysis built into the model operates as intended.</p>	<p>This is still under construction.</p> <p>We aim to complete by on or around end of September 2023 after go-live for new BC Re-implementation. (JA)</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

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Education Standards	Mar-23	Nov-22	Sep-22	Jun-22	
<p>1 Key Risk Area 1: Suitable organisations are appointed to deliver educational programmes</p> <p>HCPC should continue to keep the standards under review and provide an annual update to the Education and Training Committee highlighting any issues which have arisen that could prompt an interim review mid-cycle.</p>	<p>SETS review pushed back due to other priorities (fees, SCPEs review) and team capacity. Due to commence Q4.</p>	<p>Early planning for SETs review not due until the end of the year.</p>	<p>Early planning for SETs review not due until the end of the year.</p>	<p>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

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HCPC Intelligence Gathering	Mar-23	Nov-22	Sep-22	Jun-22	
<p>4 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>During 2022-23, the focus of the PDE work was on the HEE project deliverables and on EDI, as well as creating the core infrastructure needed for the data platform. Solutions are now in place in the data platform that deliver the HEE and EDI requirements. Work on Renewals is currently underway as the next agreed priority.</p> <p>A project proposal was submitted through the investment programme process for taking forward the work in 2023-24. Although the need for this work was acknowledged, the project was deemed to be unaffordable unless and until a fee increase is secured.</p> <p>Work will continue on the data platform utilising existing resources, but will of necessity be at a slower pace and with less certainty over timescales. Nevertheless an indicative plan has been drawn up, which prioritises the automation of existing FTP reporting to improve efficiency and resilience.</p>	<p>A new Programme for Data Excellence project board has been established, chaired by the Exec Director of Professional Practice and Insight. Part of the remit of this group is to review and prioritise the requests for new data and analyses that form the development backlog for the modern data platform and analytical tools that is being developed. The data platform is being developed incrementally in accordance with the priorities agreed through the PDE board.</p>	<p>An investigation has been undertaken into the current approach to CPD reporting which concluded there was no need to alter the approach until such time as the wider CPD policy review has been undertaken. An updated version of the FtP and EDI analysis is expected to be presented to ELT in September.</p>	<p>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

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Registration Payment Process	Mar-23	Nov-22	Sep-22	Mar-22	
<p>2 Key Risk Area 2: Systematic issues from the 2020/21 financial reporting exercise have been cleared</p> <p>A long-term solution systems-based solution should be introduced which eliminates, as much as reasonably practicable, the requirement for complex monthly reconciliations and manual journal postings to HCPC's finance system.</p>	<p>We are currently in the Vision and Validate process which should be finalised by 10/03/2023. The next step will be to conduct a UAT test for the new Business Central environment, followed by data migration and go live. Provisional go live date is now JULY 2023</p>	<p>The retendering process has now been completed and a preferred supplier identified. Contract negotiations are under way and initial steps towards formulating a project plan have commenced. The objective is to have a single finance system in place by 31 March 2023. Data cleansing of the existing system is ongoing.</p> <p>System-based solution to monthly income reconciliation will be incorporated into the new finance system. The deferred income model is in-scope as part of our BC Re-implementation.</p>	<p>The retendering process has now been completed and a preferred supplier identified. Contract negotiations are under way and initial steps towards formulating a project plan have commenced. The objective is to have a single finance system in place by 31 March 2023. Data cleansing of the existing system is ongoing.</p>	<p>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

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Safeguarding controls	Mar-23	Nov-22	Sep-22	Jun-22	
<p>4 Key Risk Area 2: Guidance to registrants on standards and safeguarding risks</p> <p>HCPC should develop a suite of safeguarding materials aimed at assisting registrants manage key safeguarding risks which they may encounter during the course of their professional roles. These materials should be readily available to registrants through HCPC’s website. This should be benchmarked against the safeguarding materials provided by other healthcare professions regulators.</p> <p>HCPC should also consider delivering specific safeguarding guidance sessions as part of the programme of Professional Liaison Service webinars.</p>	<p>Policy RG: Work continuing on the SCPE review with draft consultation going to Council in March 2023. This will inform later consultation on safeguarding guidance currently scheduled for launch end Q3 2023-24.</p> <p>KT: Plans to deliver five #myhpcstandards webinars from April to July 2023 focused on the revised Standards of proficiency. These will include changes made to wording related to safe guarding</p> <p>TG: Comms plan in place to support delivery and promotion of upcoming webinars and supportive content relating to the new standards, including on the safeguarding topic.</p>	<p>Policy: Work on the SCPE review has commenced, with consultation on the SCPEs due in January and a further consultation on Guidance relating to the SCPEs to follow afterwards.</p> <p>KG: #myhpcstandards webinar on safeguarding was delivered on 21 September 2022. 222 registrants attended and 95% rated the webinar as good and above in the evaluation form.</p> <p>TG: Promoting and supporting #myhpcstandards webinars, including those on safeguarding. Review and updates to safeguarding content in 2022/23 comms workplan</p>	<p>Policy - Review/updates of safeguarding materials to be included within SCPE guidance review. Work to commence on the guidance review in Q3/Q4 2022.</p> <p>KG - #myhpcstandards webinar on safeguarding will be held on 21 September 2022</p> <p>TG – Promoting and supporting #myhpcstandards webinars, including those on safeguarding. Review and updates to safeguarding content in 2022/23 comms workplan.</p>	<p>Policy - Reviewing/updates safeguarding materials included in Policy Team workplan for 2022/23.</p> <p>KG - #myhpcstandards webinars exploring safeguarding will be delivered in September and November 2022. Content is currently being developed.</p> <p>TG – Supporting #myhpcstandards webinars Review and updates to safeguarding content in 2022/23 comms workplan.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>5 Key Risk Area 3: Responding to complaints or referrals relating to a registrant’s conduct</p> <p>The Case Management Manual document should be formally reviewed and updated to ensure that it accurately reflects the latest case management processes.</p> <p>As part of this review, specific guidance on identifying safeguarding concerns should be detailed within the document. This could be done by also making reference to HCPC’s internal Safeguarding Policy.</p>	<p>Best Practice Standard on Safeguarding currently in draft and requires final review, sign off and implementation. Completion date now end Q4 2022-23.</p>	<p>Still on track to commence work later in Q3.</p>	<p>Next phase of work due to commence by the end of Q3.</p>	<p>Roll out of new Best Practice Standards will be completed in June. We are taking phased approach to roll out given the number of documents.</p> <p>Best Practice Standard on Risk Assessment is live.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>6 Key Risk Area 4: Controls to identify safeguarding issues identified through DBS</p> <p>HCPC should explore the feasibility of having a formal relationship with Disclosure Scotland as it currently has with the DBS, whereby the DBS proactively alerts the HCPC of registrants who have been arrested or convicted for a serious criminal offence.</p>	<p>Chased in November, there are no outstanding requirements from HCPC, just awaiting their (Disclosure Scotland) response as of 4th November 2022.</p>	<p>Still awaiting response for Disclosure Scotland, will chase contact imminently.</p>	<p>The Disclosure Scotland template has been populated by HCPC, and we await a final version for validation and signature.</p>	<p>Disclosure Scotland were contacted, and responded 31st May indicating their Governance team will progress a MoU, and be in contact shortly.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

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Financial Modelling review		Mar-23	Nov-22	Sep-22	Jun-22	
<p>8 Key Risk Area 5: Inflationary assumptions are appropriate and represent a fair estimate of increases and decreases to key variables</p> <p>HCPC should model a modest fee increase within the Income Model to aid the model more accurately predict income. This can either be estimated using an agreed inflationary assumption (accepting that HCPC's fee rules do not use this) or by modelling a flat increase after a certain period of time (for example every five years).</p>	<p>In order to accurately predict income, we have requested IBM to develop a reporting tools in CE which will capture areas that are currently not being captured in the model, this is currently being develop by IBM. This will include incorporating reasonable assumptions in relation to fee increases.</p>	<p>As per the management reponses within the Internal Audit Report, we are aiming to complete the remaining handover of the remaining items before the end of the calendar year and produce an enhanced model that captures both volumes and associated financials within one financial model with input tabs that capture assumptions (e.g. inflationary pressures), enable variance analysis against projections and allow dynamic updates to figures.</p>	<p>We are now in the formal consultation phase of the income fee rise proposal. Worst, middle and best case scenarios were put together as part of the proposal and finalisation of the consultation document. The work also suggested the implementation of an inflationary rise to fees, which will bring us regular incremental increases without the need for formal consultations in the future.</p>	<p>Under consideration</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p style="color: red; text-align: center;">[PRESS]</p>	
<p>9 Key Risk Area 6: Financial model updates timely and accurate</p> <p>The way in which data is exported from the new Business Central system should be assessed in the context of obtaining information in a format capable of easy uploading into the Income Model to keep its information as up-to-date as possible.</p> <p>Where a technical solution is being developed, an interim process should be introduced to facilitate keeping the Income Model updated with live performance data. A consistent approach should be decided upon, documented and then followed to resume the practice of updating the Income Model on a monthly basis.</p>	<p>Interim process have been introduced and completed, technical solution are being included in the BC Re-implementation that is currently underway</p>	<p>Similar to the above comment for Key Risk Area 5 - Ongoing discussions are already taking place as part of weekly meetings between Finance and Registration Operations. This area will be noted as a point of discussion for further information and the findings will be captured within the Registrant Forecasting Teams Channel, once it is created.</p>	<p>See (1) above</p>	<p>See (1) above</p> <p>Similar to the first point, we will need to assess our reporting requirements once a successful supplier is awarded the contract for the reimplementation of BC.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p style="color: red; text-align: center;">[PRESS]</p>	

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	IT Controls	Mar-23	Nov-22	Sep-22	Jun-22	
1	<p>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>A gap analysis with the ITIL4 framework has been undertaken within the IT team. Processes and controls are continuing to be evolved with the new Product Management team to ensure clarity on roles and responsibilities. The ToR of the ISMS Board are being updated in order that this group can take on oversight of IT governance issues and actions as per the recommended action.</p>	<p>The Digital Transformation Strategy is currently being refreshed, with an updated version due to be presented to Council in December 2022. Delivery of the strategy will be governed in accordance with the HCPC project management framework. A programme board for the Programme for Data Excellence has been established to provide clear governance around the data improvement agenda. Work is underway to clarify and document the roles and responsibilities across the IT and Business Change teams, and a gap analysis is being undertaken against the ITIL4 framework to identify any further areas for enhancement.</p>	<p>Head of IT&DT is currently working with Head of Business Change to define roles & responsibilities across these 2 teams, plus Analysis & Insight and operational teams where these overlap/interact. During Q2 a standard IT governance framework template such as ITIL4 will be used to document the approach, building on the information captured in the ISMS.</p>	<p>A review of the existing IT governance controls by the outgoing Director of Digital Transformation identified a number of gaps as well as a need to modernise the controls to support a more agile approach. The new Head of IT & DT will work with stakeholders to define and put in place a new framework that meets these objectives.</p>	<p>To return to the main Summary and Tracker Scroll up or [PRESS]</p>