
Chief Executive's report on organisational performance March 2021

Executive Summary

This paper provides the Council with updates on the organisation's performance since the February 2021 Council meeting.

Given the recency of the last report, this iteration is brief and focuses on our current finances (appendix B), an extended update on our work on advanced practice, an update on the systems issues with the registration finance interface and an annual review of our Public Inquiries recommendations tracker (appendix C).

Previous consideration	This is a standing item, considered at each Council meeting.
Purpose of report	The Council is asked to discuss the paper and provide any feedback on future format and information to be included.
Next steps	The next report will be received in May 2021.
Strategic priority	This report is relevant to all strategic priorities. Once the Strategy starts in April 2021, progress against annual Corporate Plans will be included in this report.
Financial and resource implications	None as a result of this paper.
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Chief Executive's Performance Report

March 2021

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1. Chief Executive's Organisational Assessment

The focus of the Executive over the past month has been refining the Corporate Plan and budget for 2021-22. The success of our Corporate Strategy depends on our ability to make the financial investments needed whilst continuing to be a financially viable organisation. This has required the Executive to continue to challenge budget holders on their priorities and associated resource costs for the coming year, and seek assurance on the achievement of benefits and any projected efficiency savings that have been factored into the budget. The Corporate Plan also now includes the development of a Financial sustainability strategy in quarter one.

With regards our income, the progress of the amendments to our fee rules through the UK and Scottish Parliaments means we can continue to be optimistic about the realisation of the registration fee changes in July.

Although it has been just under a month since my last report to Council, the organisation continues to make good progress against its strategic priorities including: EDI, advanced practice and our professionalism and upstream regulation work. Of particular note, has been our focus on sharing health and wellbeing insights with employers and managers of HCPC registrants through our Employer newsletter and hub.

The FTP accelerated improvement project continues at pace with the implementation of the PWC Perform Plus modules, a senior lawyer joining us on secondment to support our case managers and the engagement of three legal providers to accelerate the progression of the oldest cases that are at the threshold stage of the process. Of particular note has been the response to the case manager recruitment campaign. The new approach to the recruitment process has resulted in nearly 300 applications being received which represents a significant increase compared to previous campaigns.

Supporting the organisation to be more human, accessible and compassionate in its communications with registrants and other stakeholders is a key element of the cultural shift which is embodied in the new corporate strategy and values. As part of our tone of voice work, a colleague from our Policy and Standards team gave a thought provoking presentation at a recent all employee meeting on why tone of voice is so important and the impact when we don't get this right.

As highlighted in my February 2021 report to Council, issues relating to errors in direct debit collection arising from the interface between the new registration system and finance processes continues to be a cause of concern and focus. A SMT led task group has been established to resolve the issues and additional resource has been brought into the Finance team to support the management of the income process and preparation for the financial year end.

2. Chief Executive's public agenda overview – 25 February 2021

Equality, Diversity and Inclusion Strategy and Action Plan

I am pleased that we are presenting the HCPC's first EDI Strategy to Council for approval. The development of the Strategy has been a collaborative effort with our stakeholders engaged through our EDI forum, as well as the previous consideration and steer provided by Council. Accompanying this important statement of our commitment to improving our EDI practice are the results of an independent review of our current organisation-wide approach to EDI and the gap analysis for where we want to be as a champion of inclusivity.

Corporate Plan 2021-22

Following Council's feedback at its February 2021 meeting, the final Corporate Plan 2021-22 is presented for approval and publication. This is the first Corporate Plan for the first year of the new strategy. The Corporate Plan 2021-22 focusses on the delivery of FTP improvement and the enabling work that is needed to deliver the strategy over the next five years

Strategic Risks Review

Following the Council's approval of a new risk appetite at its February meeting, a new set of strategic risks are proposed by SMT for Council adoption. These new risks are explicitly connected to our strategy priorities and will be fully worked up with scoring and mitigations once adopted. Monitoring the new strategic risk Register will be a key tool in ensuring our progress against our Corporate Plan 2021-22 is on track and that internal and external risk does not impede delivery.

Management of temporary registers

Our temporary register for former registrants, established to respond to workforce demand at the start of the pandemic, have been in operation for one year. The time is right to review how we manage these registers, to ensure ongoing public protection and that we are meeting the needs of our stakeholders, as part of the national response effort.

Materials for reflective practice

the HCPC committed to producing materials for our registrants on the use and benefits of reflective practice statements following the Williams Review, the rapid policy review into gross negligence manslaughter in healthcare. The materials will also support the delivery of the HCPC's Professionalism and Prevention Framework, a key strategy priority.

3. Regulatory Development

3.1 Advanced Practice

An extended update on this work is provided below. This update was discussed with the Education and Training Committee at their March 2021 meeting.

Progress to date

The HCPC commissioned a research team from the University of Bradford to undertake extensive research and engagement (July 2020-January 2021), in order to identify a range of facts, opinions and experiences, from a range of stakeholders, across a range of settings, professions and geographies. The final report is published on our website.

We also commissioned Community Research to undertake research (Autumn/Winter 2020) with service users and members of the public to understand their perceptions about advanced practice and whether there should be additional regulation of it.

At the end of February and beginning of March 2021, the HCPC hosted a two-part workshop with key stakeholders (led by our Expert Reference Group) to explore perceptions on the research findings; identify evidential gaps; and further work that needs to be done before HCPC's Council can make an informed decision about next steps. The workshops included approximately 45 participants from the following stakeholder groups, from across the UK (although representation from Northern Ireland was lacking):

- Professional bodies
- Trade unions
- PSA, systems and other professions regulators
- National education bodies
- Registrants practising at AP level
- Chief Allied Health and Scientific Officers' office

In March 2021 we are also hosting a joint regulator (HCPC, NMC, GMC, GOSC, GDC, GOC) and HEE Centre for Advanced Practice two-part workshop to explore plans for AP and credentialing, alignment, support and areas of overlap.

Our research, engagement and evidence gathering to date is somewhat inconclusive on whether or not there is sufficient evidence and consensus to justify additional regulatory measures, and there are a number of areas where further research and analysis is necessary to satisfy our evidence requirements. Additional data is necessary to provide the Executive with clarity about the nature/level of risk to patient safety presented by AP over and above that presented by the cognate profession's practice in order to inform any decision HCPC Council take on the regulatory measures required to mitigate any additional risk, if present.

Revised high-level project plan and indicative timescales

The independent research phase took slightly longer than first anticipated (from July 2020 -January 2021) due to factors outside of HCPC's control and, given the scale and complexity of the work, there remain some areas the research brief sought to

address which are still outstanding – requiring more time to undertake/complete this phase.

We require further information on:

- Number of, and profile of, HCPC registrants working at AP level.
- Consensus on scope of AP (what it includes vs what belongs in entry level scope of practice) and associated nature of risk to patient safety.
- Consensus on appropriate educational preparation.
- What local governance, accountability and oversight mechanisms are in place for employment of AP and (enough) employer perceptions.
- The degree to which (non-statutory) voluntary assurance measures address any such additional patient safety risk (eg HEE or college accreditation although noting, not four-country wide).
- The impact that the HEE Centre of Advanced Practice's new/future system of AP programme accreditation will have on consistency of education in (albeit England only).
- Perceptions of other professions, particularly doctors who work with/supervise AP.

Next steps

The following steps will be taken over the next few months prior to the options appraisal to be taken to Council to inform its decision at its July meeting:

- In Spring (to allow time for COVID 19 and vaccination pressures to slightly alleviate) Community Research will undertake targeted research with employers from a cross-section of employer types, across settings and geographies.
- Further exploration of any potential data sources in relation to potential additional risk to patient safety presented by advanced practice, including with medical colleges.

3.2 Inquiries, external consultations and reports

The 2021 Annual Report on the HCPC's Public Inquiries Tracker is attached to this report as appendix C.

4. Organisational development

4.1 Regulatory IT systems

Registration

The task force to identify and correct the post go live issues in the new registrations system has had its scope extended to ensure it is capturing and resolving people and process issues too. Governance has been established and is now reporting progress into SMT on a weekly basis.

The initial focus of the task force has been to progress on high priority stabilisation issues and ensure all issues are consolidated onto a single list. The objective once stabilised will be to plan and implement a permanent strategic solution that supports Finance Transformation.

The initial high priority stabilisation issues in question have been to ensure there is:

- No repeat of the Direct Debit errors that have impacted each collection run since Christmas. These errors have materialised as part of an ongoing, planned, data migration process that has not been executed correctly.

Arts Therapists and Bio Medical Scientists recently executed successfully, which are the last full professions to migrate. Therefore this issue should not reoccur, as new checks are now in place and after the remaining Physiotherapists have migrated, we will not need to run the process again. Apart from the early collection at Christmas, this issue has directly impacted about 3,500 registrants. We are in the process of planning communications, refunds or additional collection for those affected.

- A focus on the renewal process for Practitioner Psychologists, as they are the first profession to go into a full renewal cycle. A number of system issues have been identified that are being resolved for Practitioner Psychologists, and all other professions.

4.2 Finance

A full finance report is included as appendix B.

Appendix A - Meeting list

Chief Executive – John Barwick

Meeting schedule period covering 26 February – 22 March 2021

CEORB Forum Meeting	26 February 2021
Kathryn Flynn, DHSC – Emergency Registers	1 March 2021
Simon Whale, Luther Pendragon – Regulatory Reform	2 March 2021
Nick Jones, Chief Executive GCC	3 March 2021
Matthew Smith, BDB Pitmans – Monthly Meeting	5 March 2021
Caroline Corby, Chair and Alan Clamp, Chief Executive, PSA quarterly meeting	16 March 2021
AHP Workforce & Education Strategic Oversight Forum	17 March 2021
Unison quarterly meeting	18 March 2021

P11 February 2021 Management Accounts Overview

Tian Tian
Head of Finance

Highlights

- The original budget deficit for 20-21 was **(£2,867k)**
- The 2nd quarter outturn forecast was **(£692k)**
- The latest outturn forecast is **(£644k)**

See the changes below:

Changes		
	Negative/ Positive movement £	Commentary
Income	0	No change because the actuals are currently being estimated in the last four months; but there is an opportunity to overachieve due to the higher international applications
Grant Income	110	Higher than original forecast in July due to the extension of the usage of the temporary register
Pay costs	69	Slippage in recruitment of some roles and start dates
Non Pay Costs		
FTP Improvement Plan	-610	Project management being delivered by PWC and the front loading legal costs
Partners costs	504	Less partner related costs mainly due to the impact of covid and more efficient ways of working
Other non-pay costs	-53	
Redundancy Costs	144	Not used; has been included in next financial year's budget
Turnaround team	-114	3 Months extension from January to end of March 21
Total	50	

Risks and Opportunities		
	Negative/ Positive movement £	Commentary
Income	198	Based on 400 international applications over forecast target
Non Pay Costs		
International assessors fees	-66	Additional costs associated with assessing international applications
Other non-pay costs	-50	Any additional costs not forecasted
Total	82	

There is equal opportunity and risk related to the income outturn until the interface from the new registration system's sales ledger into Sage the accounting system is fully implemented

YTD to February 2021 - YTD Variance Analysis

■ Increase ■ Decrease ■ Total



1. Lower training, partner related costs, staff recruitment and staff rewards.

2. Impact of 2nd lockdown on property costs and forecasted professional fees and health & safety costs

5. Settlement costs forecasted in December not yet incurred. This cost will now be re-forecasted in the next financial year.

3. Registration CPD assessments costs and printing costs lower than forecast. Due to the higher level of applications received and processed; as income continue to increase the cost of assessors fees will also increase.

7. Lower payroll costs compared to the forecast due to the timing of staff starting.

4. Income has been manually calculated since November 20. More reconciliation work is underway to rectify the BC issues and implement a seamless automation of the interfacing for income processing from BC into the accounting system. Although, there is evidence of an increased level of international applications; this is mainly due to the NHS global recruitment drive.

6. The professional research has been delayed because of COVID. Its unlikely to be completed this financial year; so no costs has been incurred.

Income and Expenditure Account	Actual	Year to date Forecast	Variance	Full Year 6+6 forecast	Estimated Year-end Forecast
YTD up to end of February 21	£	£	£	£	£
Income (A)					
Registration Income	24,483,931	24,507,162	(23,231)	26,770,850	26,770,850
Other Income	169,884	169,934	(50)	184,767	184,767
Income (A)	24,653,814	24,677,095	(23,281)	26,955,617	26,955,617
Expenditure					
Pay Costs	10,755,948	10,865,172	109,224	11,942,776	11,862,292
Non-Pay Costs	12,418,623	12,771,802	353,179	14,021,166	14,200,624
Depreciation	729,613	701,814	(27,798)	780,528	809,613
Total Operating Exp (B)	23,904,184	24,338,788	434,604	26,744,470	26,872,529
Corporation Tax	0	0	0	35,106	35,106
Turnaround Costs	579,995	647,542	67,547	647,542	618,102
Grant Costs - Covid 19	439,837	444,659	4,822	475,720	439,837
Total Expenditure©	24,924,016	25,430,989	506,973	27,902,838	27,965,574
Grant Income-Covid 19 (D)	0	0	0	(255,294)	(365,480)
Total Surplus/(Deficit) E= (A-C+D)	(270,201)	(753,893)	483,692	(691,927)	(644,477)

Expenditure	Year to Date			
	Feb-21	Pay	Non-Pay	Total
Chair, Council & Committee		0	265,608	265,608
Chief Executive	888,426		798,609	1,687,035
Policy & External Relations	679,419		387,316	1,066,735
HR & Office Services	1,044,866		2,141,625	3,186,491
IT & Major projects	1,029,165		1,905,389	2,934,554
Governance & QAD	411,182		40,699	451,881
FTP	3,994,637		5,999,791	9,994,428
Registration	1,819,662		613,866	2,433,528
Education	481,319		74,612	555,931
Finance	407,272		191,108	598,381
Depreciation	0		729,613	729,613
Transformation Costs	0		579,995	579,995
Total	10,755,948	13,728,231	24,484,179	
COVID 19	111,660		328,177	439,837

Summarised Departments by Exec Directors with larger departments still shown separately

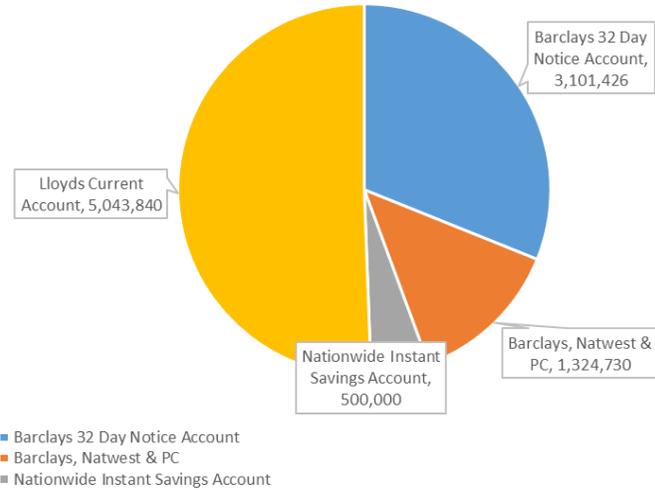
Commentary on expenditure variances situated in the bridge on page 3.

Income By Activity	Feb-21	Year to date
Graduate Registration Fees	154,697	1,503,551
Readmission Fees	-27,054	171,369
Renewal Fees	1,834,798	20,403,503
International Scrutiny Fees	281,655	1,607,265
UK Scrutiny Fees	32,760	767,984
Other Registrant Income	4,452	30,259
Registration Income	2,281,308	24,483,931

Due to the outstanding issue of the interface between the new Registration system and the Finance system. The monthly income has been calculated manually since November 2020. The income by profession table and further analysis and commentary on the income variance will be provided in due course.

Colour Legend	
Light Blue	More than 5% better than Forecast
Red	More than 5% worse than Forecast
Light Green	Close to Forecast
Yellow	Between 2.5% & 5% better than Forecast
Orange	Between 2.5% & 5% worse than Forecast

Total Funds at Bank



At the end of Feb 21; the cash balance at the banks were £10m; of which £3.1m was held on fixed term deposit and £6.9m was in instant access accounts.

The interest rate on our main instant account is now 0%.

The chart shows the cash balance as @ 28th of Feb 21.

The variance in cash is mainly due to the impact of actual cash outflow being lower than the forecast



Statement of Financial Position	Actual Feb-21	YTD Forecast Feb-21
Balance Sheet		
Total Fixed Assets	9,880,111	10,573,519
Current Assets		
Other Current assets	2,476,653	1,026,212
Cash & cash equivalents	9,969,997	9,120,421
	12,446,649	10,146,633
Total Assets	22,326,761	20,720,152
Current Liabilities		
Current Liabilities	1,730,211	1,700,925
Deferred Income	16,212,331	15,118,701
Total current liabilities	17,942,542	16,819,626
Liabilities greater than one year	163,052	163,052
Total Assets less liabilities	4,221,167	3,737,475
Reserves	(4,491,368)	(4,491,368)
This Period's (surplus)/deficit	270,201	753,893
General Fund c/fwd	(4,221,167)	(3,737,474)

23 March 2021

2021 Annual Report on the HCPC's Public Inquiries Tracker

1. Introduction

- 1.1. Inquiries provide key learning opportunities for the HCPC and play a vital role in informing the HCPC's work and driving strategic change across the organisation. It is therefore important that the HCPC monitors and responds to these inquiries, to overcome/address patient safety concerns and to ensure HCPC continues to improve its regulatory performance.
- 1.2. Since November 2018, the Policy and Standards team has kept a tracker of HCPC's responses to Public Inquiries and Reports. The purpose of the tracker is to record and monitor the commitments HCPC has made. It is a key tool for holding the organisation account and for updating Council on progress made. The HCPC last updated Council on the contents of the tracker in December 2019.
- 1.3. The purpose of this paper is to:
 - update Council on progress made since the previous report;
 - highlight the HCPC's continuing work to address recommendations arising from these reports and inquiries;
 - provide an overview of inquiries and reports published since the last update to Council; and
 - summarise key work that we will be progressing over the course of the year.

2. Overview: current reports, inquiries and papers included in the tracker

- 2.1. There are currently fifteen inquiries and reviews listed in the tracker. Of these, the following five reports have been published since we last updated Council:
 - PSA report on [Sexual Misconduct in Health and Social Care](#)
 - Report of the [Independent Inquiry into the issues raised by Paterson](#)
 - [The Independent Medicines and Medical Devices Safety Review](#)
 - Public Services Committee: [A critical juncture for public services: lessons from COVID-19](#)
 - The Independent Inquiry into Child Sexual Abuse: [Thematic Report into abuse in healthcare contexts](#)
- 2.2. Two further reports have also since been brought to our attention, these being: [the handling by the General Medical Council of cases involving whistleblowers](#)

(2015); and [the Independent Inquiry into Child Sexual Abuse Interim Report \(2018\)](#).

- 2.3. There are currently 102 recommendations or actions listed in the tracker. Below is a summary of the status of all included in the tracker to date:
- 23 have been successfully addressed;
 - 44 are in progress, meaning we have identified or commenced action towards addressing them.
 - We are awaiting further work from organisations before deciding our response to 8 recommendations.
 - 27 are to note, meaning they do not directly relate to the HCPC, but provide useful context for our work and are therefore important to be aware of.

3. Key examples of work and progress made

- 3.1. Below are some key examples of the work undertaken and progress made over the last year. This list is not exhaustive of HCPC's activities, but instead provides a short overview of work completed and currently in progress to address recommendations specifically listed in the tracker

Equality Diversity and Inclusion (EDI)

- 3.2. A key finding of the Williams Review (2018) was the need for greater fairness across regulatory processes, and for regulators to be cognizant and address instances of unconscious bias about certain groups.
- 3.3. EDI is a key priority for the HCPC and we have since launched a number of initiatives aimed at ensuring the integrity and fairness of our processes. In December 2020, we launched our second annual voluntary survey of registrants to have a better understanding of our registrant EDI data. We have also recently developed an external EDI forum, which is a key mechanism for regularly engaging externally on EDI and ensuring our processes/projects take account of EDI concerns. To date, we have held two forum meetings, the third of which is due to be held in March.
- 3.4. We are in the process of developing our third EDI Action Plan (2021-22), as well as our first ever EDI Strategy for 2021-26, which sets out clear short-, medium- and long-term priorities for how to improve as a regulator. Both of which will be published in the Spring and informed by the audit.

Service user engagement and support

- 3.5. The need to effectively listen to and engage with service users is raised in multiple inquiries and reviews. Gosport in particular highlighted the need for organisations to listen carefully to concerns raised, and to support them in raising concerns. Since then, we commissioned Community Research to undertake service user engagement in Autumn 2020 in relation to three priority pieces of work, these being: the Standards of Proficiency Review, Advanced Practice and the HCPC Corporate Strategy. We hope that continuing such

engagement will help increase the visibility of the HCPC as well as the public's confidence in us as a regulator.

- 3.6. As part of our ongoing efforts to improve FTP procedures, we are currently in the process of re-designing our case management system, which we hope will include a stakeholder rating system. This will improve our ability to keep patients informed of progress and help us identify those in need of increased communication and support. We are also currently in the process of developing additional guidance for the public on what to expect during our FTP processes more generally.

Raising concerns and FTP improvements

- 3.7. The importance of listening and responding to concerns raised by service users, registrants and staff is a recurring theme throughout many inquiries and reviews. We recently developed our registrant health and wellbeing strategy and action plan, which includes specific actions aimed at increasing our engagement with stakeholders, to improve their understanding of our processes, and to ensure that the right referrals are made at the right time. We have also developed a Professionalism and Prevention Framework which includes specific actions to improve understanding of our complaints process, through amongst other things, conducting targeted workshops with employers and registrants.
- 3.8. The Hooper review also made a series of recommendations focused on supporting and protecting whistleblowers. Since the reports publication, we have published our new whistleblowing policy. We will also be exploring whether our new FTP case management system could capture whistleblowing data, to help us identify those that have raised concerns in the past and to highlight where additional support may be necessary.

Reflective practice

- 3.9. Both the Gosport Report and the Williams Review made a series of recommendations on reflective practice. The Policy and Standards team have developed new web content on reflective practice, with the intention of highlighting the benefits of reflective practice for registrants and enhancing the information available online. This information encourages registrants to be more reflective by outlining how it can form part of their CPD, and by clarifying our approach during fitness to practice proceedings. We are aiming to publish this in April 2021.

Leadership and supervision

- 3.10. The inquiry into Hypotraemia-related deaths identified the development and improvement of leadership skills as a key priority. Since then, we have commenced a project of work focused on developing a supervision and leadership toolkit for registrants, outlining the key principles and benefits of effective leadership skills. This work will build on research we published in

November 2019 exploring key characteristics of supervision, as well as the results of our recent SOP review, which explored how leadership can be further emphasised throughout our standards.

Candour

- 3.11. Being open and honest when something has gone wrong is an essential part to a healthcare professional's practice. In their report *'telling patients the truth'*, the PSA made a series of recommendations focused on improving and embedding the duty of candour into practice.
- 3.12. In response to these recommendations, we recently developed a suite of education materials on candour on our new Student Hub to help registrants be open when things go wrong. Through our professional liaison team, we have delivered a series of workshops with registrants on applying our standards, where the importance of being open and honest has featured as a key theme throughout. Over the course of the year, we have also contributed towards the development of the Parliamentary and Health Service Ombudsman's new Complaints Standard Framework for the NHS. A key focus of this work is creating a culture of being open and honest, and effectively learning from complaints.

Professionalism and maintaining appropriate boundaries

- 3.13. In response to concerns raised about sexual harassment and misconduct in the healthcare context, our professional liaison team intend to deliver workshops with registrants and employers on professional behaviors. This will include detail on sexual misconduct, including the impact that this can have and how to raise concerns. These workshops will provide the opportunity to raise awareness of our standards and our Sanctions Policy, and reaffirm our expectations in this area.

4. Further Engagement

- 4.1. While we do not yet have specific actions to take forward, we have continued to engage the panel of the Independent Inquiry into Child Sexual Abuse as part of our wider horizon scanning work, and to proactively identify and escalate upcoming reports of relevance to the HCPC. We understand that the inquiry will be publishing its final report later this year.

5. Next steps

- 5.1. Inquiries and reviews will often engage the HCPC's core functions and will require collaboration and input from across the organisation to effectively respond to and satisfy commitments made. The Policy and Standards team are

therefore currently reviewing our approach for responding to recommendations, to ensure our processes are sufficiently clear and streamlined.

- 5.2. As part of this, we intend to increase our agility in this area by developing a set of criteria for when an inquiry or report requires a formal response and engagement, based upon the level of risk. Through this, we anticipate that only certain high-profile papers will be presented before SMT and Council. We also intend to formalise how we engage colleagues across the organisation, and aim to incorporate high-risk actions and recommendations into established HCPC risk registers, which will bring greater visibility and accountability to our commitments.
- 5.3. In addition, through this review we intend to assess and reflect on how we currently engage and collaborate with external stakeholders, including other professional regulators, in response to recommendations made. We believe there is potential to bring greater consistency across the sector by better aligning our work and through more joined-up responses.
- 5.4. We intend to brief Council on the outcome of this internal review later this year. The Policy and Standards team will also continue to annually brief Council on progress made against recommendations listed in the tracker.