

Council

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| Meeting Date | 26 March 2026 |
| Title | Finance Report |
| Author(s) | Busola Akinlabi, Financial Analyst James Afolabi, Financial Planning & Analysis Manager Alan Keshtmand, Head of Finance & Commercial |
| Executive Sponsor | Alastair Bridges, Executive Director of Resources |

Executive Summary

| | February 2026 Year to Date (YTD) | | | Full Year | | |
|--|----------------------------------|--------------|------------|----------------|--------------|--------------|
| | Actuals | Forecast | Variance | Budget | Forecast | Variance |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Total Income | 39,737 | 39,706 | 31 | 45,516 | 43,481 | (2,035) |
| Total Expenditure | 38,589 | 38,688 | 99 | 45,336 | 42,366 | 2,970 |
| Surplus/(Deficit) - Excl. Exceptional Legal Costs | 1,148 | 1,018 | 130 | 180 | 1,115 | 935 |
| Exceptional Legal Costs | 271 | 271 | 0 | 1,500 | 320 | 1,180 |
| Total Surplus/(Deficit) - Incl. Exceptional Legal Costs | 877 | 747 | 130 | (1,320) | 795 | 2,115 |

1. Financial Performance (Year-to-Date)

- **Surplus:** Year-to-date surplus of £877k including exceptional legal costs.
- **Income:** Actual income of £39.7 million is in line with the forecast.
- **Expenditure:** Total expenditure of £38.9 million is £99k lower than the forecast. This is mainly due to lower payroll costs and lower partners costs, which is partially offset by higher legal costs.

2. Full-year Forecast vs Budget

- **Surplus:** the forecast for the full year is a surplus of £795k (previously £550k) which is £2.1 million higher than the budgeted deficit of £1.3 million (including exceptional legal costs).
- **Income:** adverse variance of £2 million is mainly due to a decrease in volume of international applications (forecast of 2,700 applications vs budget of 7,500 applications) which is partially offset by an increase in income fees as a result of

the 6% fee rise that came into effect from April 2025 and an increase in bank interest.

- Expenditure:** full year expenditure forecast of £42.7 million, is £4.1 million lower than the budget. Key drivers include a decrease in direct costs associated with lower international applications, a decrease in partners costs, a decrease in legal costs, a decrease in payroll costs primarily due to unfilled vacant posts and lower exceptional costs than budgeted for 2025-26. **Note:** the remaining contingency fund of £50k has been released.

3. Major Project and Investments

| 2025-26 Budget | 2025-26 Forecast | Committed Spend to Date | Actuals to Date |
|----------------|------------------|-------------------------|-----------------|
| £2.3m | £1.2m | £1.2m | £1m |

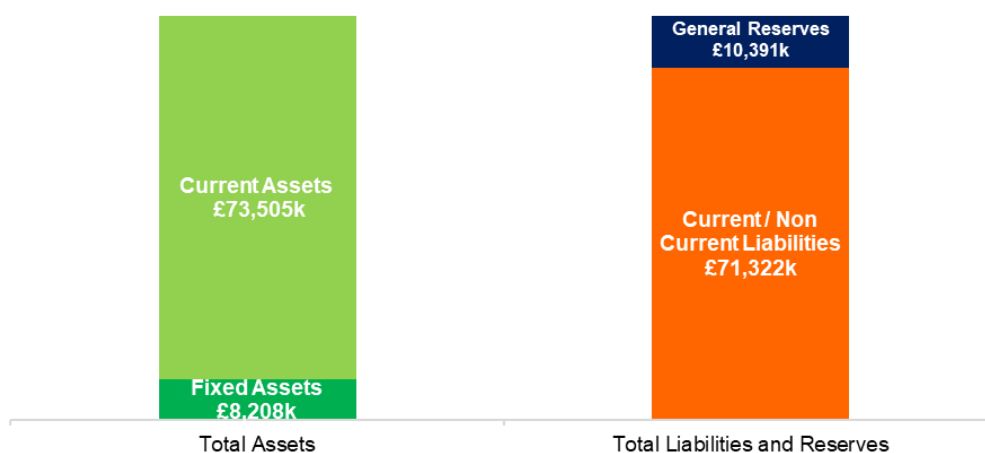
The finance report shows an investment budget of £2.3 million, which includes £579k in capital expenditure (CAPEX) carried forward from last year. The total spend is forecast to be £1.2 million this financial year. Approximately £1.1 million of the investment budget will be deferred into 2026-27, largely due to project phasing and timelines.

While strong progress has been made across all 15 workstreams, around £250k has been deferred as part of phase-2 plans, with the remaining £850k driven by Heating, Ventilation and Air Conditioning (HVAC) works completing in May 2026, network transformation procurement delays, international test of competence assessment timing, and Fitness to Practise (FTP) items being delivered as part of the ongoing works on the legal services project. From 2026-27 onward, we will be adopting a 24-month rolling investment plan with quarterly reviews to improve forecasting.

4. Risks and Opportunities

- Opportunities:** potential release of partners historic liabilities provision, and possible decrease in payroll costs from unfilled vacant posts.

5. Balance Sheet and Reserves



- **Reserves:** General reserves stand at approximately £10.4 million, with realisable net assets of £7.8 million, representing just over two months of operating expenditure.
- In relation to next financial year, we have the opportunity to ring-fence certain amounts from the projected full year 2025-26 surplus, that would flow into reserves, to cover certain risks and potential opportunities, without weakening our underlying financial position.

6. Employee Full Time Equivalents (FTEs)

| Employment Type | 28 February 2026 Actuals | 28 February 2026 Forecast | Variance |
|------------------|--------------------------|---------------------------|----------|
| Permanent/FTC | 367 | 372 | 5 |
| Agency | 7 | 5 | (2) |
| Total FTE | 374 | 377 | 3 |

The report highlights a shortfall in FTEs when compared to the forecast, particularly within the Case Progression department. There is a slight increase in FTEs in the legal services and adjudication department due to ongoing exceptional legal cases.

Conclusion

As of February 2026, the HCPC is reporting a surplus of £877k, including exceptional legal costs. Following the latest forecast, the year-end outlook indicates a surplus of £795k; £245k higher than the previous forecast. This is largely driven by lower partners costs, reduced legal costs due to slower progression of cases from external legal services, and delays in filling vacant roles, mainly in FTP. It should be emphasised that the surplus mainly reflects timing of expenditure, with the underlying position remaining broadly balanced. There remains potential for further surplus if identified opportunities materialise.

| | |
|---|--|
| Action required | The Council is asked to review the information provided and seek clarification on any areas. |
| Previous consideration | Previous finance report (December 2025 YTD) provided to the Council in February 2026. |
| Next steps | Year-end accounts completion – we will collaborate closely with our external auditors to provide them with the necessary information and documentation for their review. |
| Financial and resource implications | The implications are set out in the report. |
| Associated strategic priority/priorities | Build a resilient, healthy, capable and sustainable organisation |
| Associated strategic risk(s) | 5.a The resources we require to achieve our strategy are not in place or are not sustainable |

| | |
|---|-------------------------|
| Risk appetite | Financial – measured |
| Communication and engagement | Not applicable |
| Equality, diversity and inclusion (EDI) impact and Welsh language standards | No direct implications. |
| Other impact assessments | Not applicable |
| Reason for consideration in the private session of the meeting (if applicable) | Not applicable |

February 2026 Finance Report

COUNCIL
26 MARCH 2025

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Executive Summary

| | February 2026 Year to Date (YTD) | | | Full Year | | |
|--|----------------------------------|--------------|------------|----------------|--------------|--------------|
| | Actuals | Forecast | Variance | Budget | Forecast | Variance |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Total Income | 39,737 | 39,706 | 31 | 45,516 | 43,481 | (2,035) |
| Total Expenditure | 38,589 | 38,688 | 99 | 45,336 | 42,366 | 2,970 |
| Surplus/(Deficit) - Excl. Exceptional Legal Costs | 1,148 | 1,018 | 130 | 180 | 1,115 | 935 |
| Exceptional Legal Costs | 271 | 271 | 0 | 1,500 | 320 | 1,180 |
| Total Surplus/(Deficit) - Incl. Exceptional Legal Costs | 877 | 747 | 130 | (1,320) | 795 | 2,115 |

Note. To view the full year Budget profile for 2025-26, please refer to 'Appendix 7 – 2025–26 Budget Profile'.

'Exceptional legal costs' is funded from ring-fenced reserves.

February 2026 Year to Date

- **Surplus:** Actual surplus of £877k is £130k higher than the forecast (including exceptional legal costs).
- **Income:** Actual income of £39.7 million is in line with the forecast.
- **Expenditure:** Actual expenditure of £38.9 million is £99k lower than the forecast. This is mainly due to lower payroll costs and lower partners costs, which is partially offset by higher legal costs.

Budget vs Forecast (Full Year)

- Latest forecast reports a total surplus of £795k for 2025-26, which is £2.1 million higher than the budgeted deficit of £1.3 million (an increase of £245k compared to previous forecast).
- **Income:** £2 million adverse, primarily driven by lower international income (international application volumes reduced from the budget of 7,500 to 2,700 – based on the continued downward trend of applications). This is partly offset by higher registration income from the 6% fee rise and increased bank interest.
- **Expenditure:** £4 million favourable, mainly due to lower direct costs from reduced international applications, lower partners costs, decrease in payroll costs as a result of unfilled vacant posts, and lower exceptional legal costs for 2025-26.
- **Contingency:** the remaining £50k of the contingency fund has now been released, with all known risks now reflected in the forecast.

Note: the latest forecasted surplus may increase should the highlighted opportunities materialise.

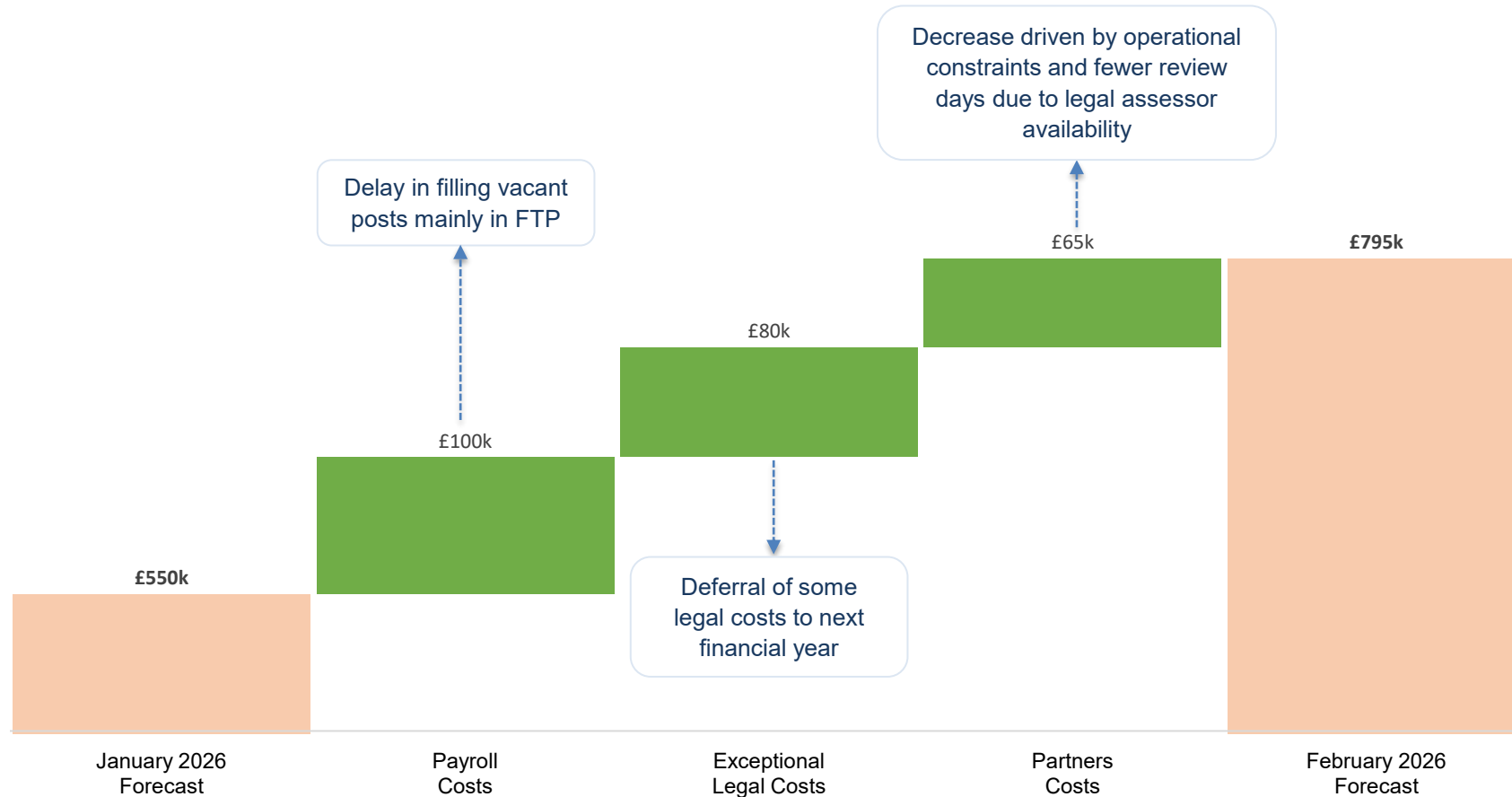
Summary Figures – February 2026 (YTD)

| | February 2026 YTD | | | Full Year | | |
|--|-------------------|---------------|------------|----------------|---------------|----------------|
| | Actuals | Forecast | Variance | Budget | Forecast | Variance |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Registration Income | 38,677 | 38,689 | (12) | 44,561 | 42,371 | (2,190) |
| Grant Income | 107 | 107 | 0 | 117 | 117 | 0 |
| Other Income | 953 | 910 | 43 | 838 | 993 | 155 |
| Total Income | 39,737 | 39,706 | 31 | 45,516 | 43,481 | (2,035) |
| Payroll Costs | 17,554 | 17,602 | 48 | 20,168 | 19,235 | 933 |
| Other Staff Costs | 792 | 784 | (8) | 1,052 | 884 | 168 |
| Non-Payroll Costs | 20,013 | 20,079 | 66 | 23,360 | 22,003 | 1,357 |
| Total Operating Expenditure | 38,359 | 38,465 | 106 | 44,580 | 42,122 | 2,458 |
| Exceptional Costs | 230 | 223 | (7) | 756 | 244 | 512 |
| Total Expenditure | 38,589 | 38,688 | 99 | 45,336 | 42,366 | 2,970 |
| Surplus/(Deficit) - Excl. exceptional legal costs | 1,148 | 1,018 | 130 | 180 | 1,115 | 935 |
| Exceptional Legal Costs | 271 | 271 | 0 | 1,500 | 320 | 1,180 |
| Surplus/(Deficit) - Incl. exceptional legal costs | 877 | 747 | 130 | (1,320) | 795 | 2,115 |

'Other Staff Costs' includes temporary staff, training, recruitment fees and other employee costs e.g. life assurance costs.

Key Movements (January Forecast vs February Forecast)

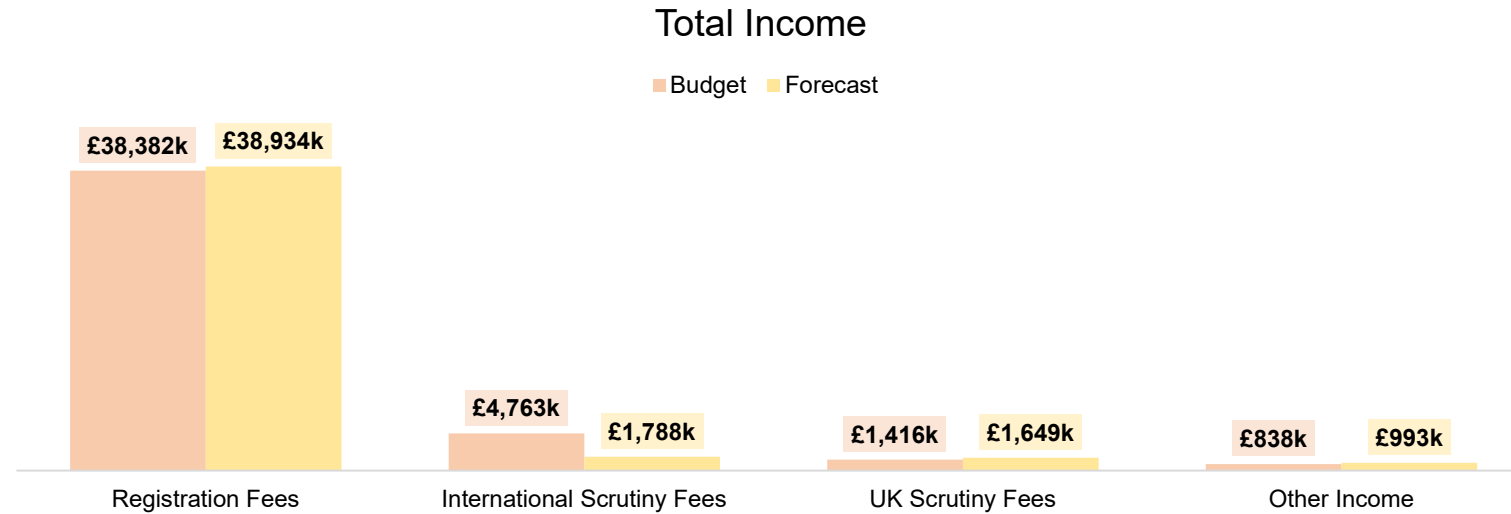
January vs February 2026 Forecast



Note: Forecast including exceptional legal costs

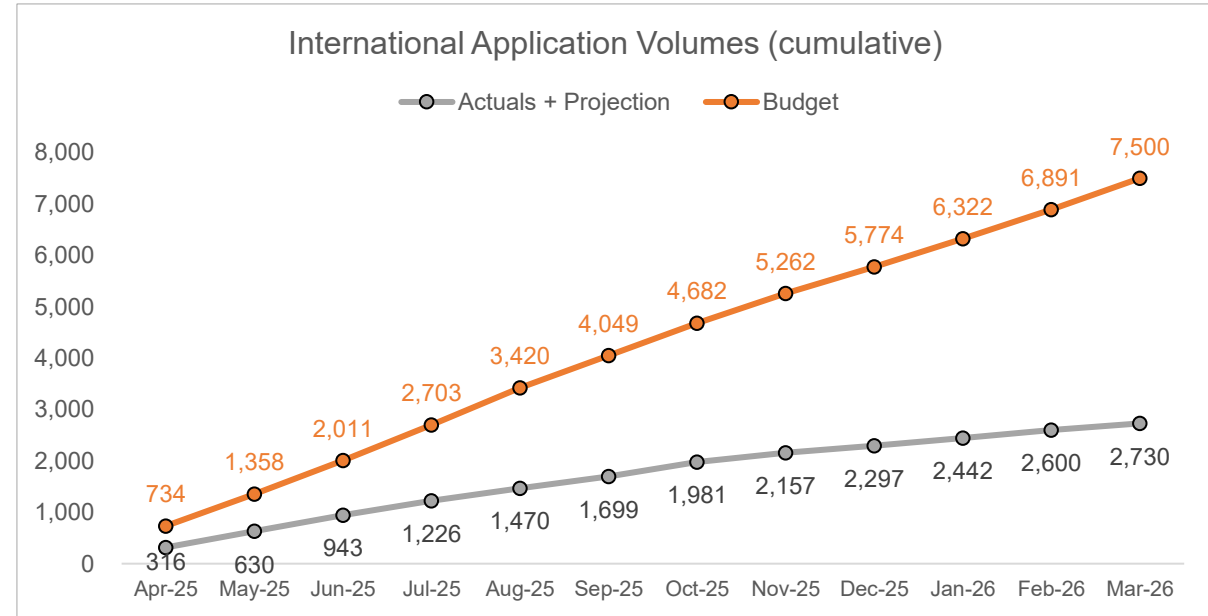
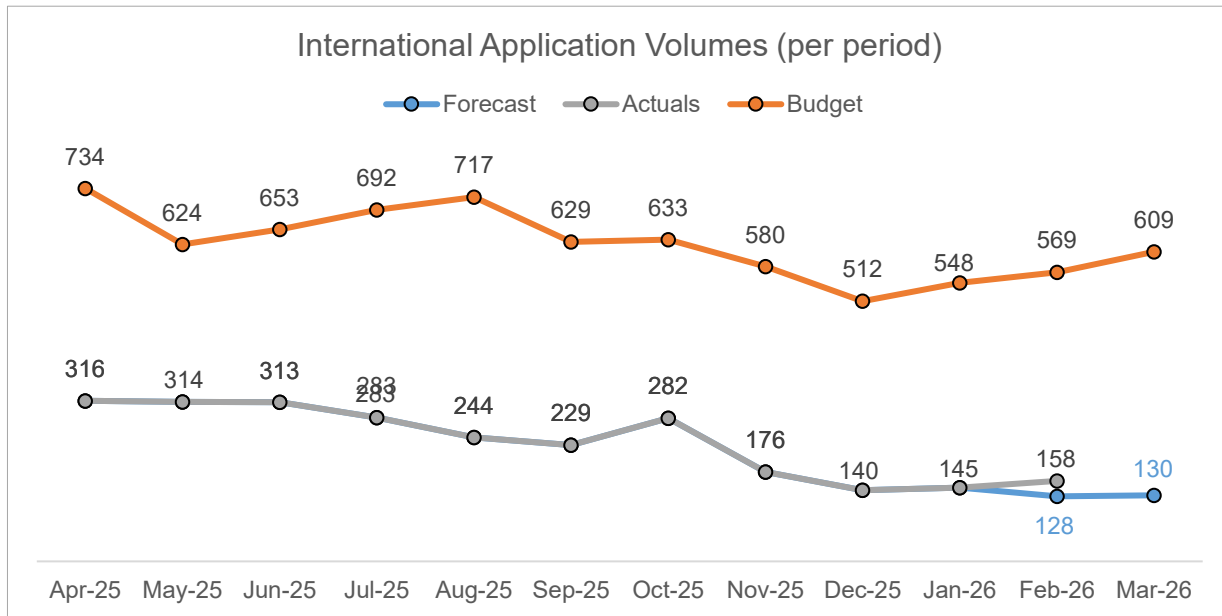
■ Increase ■ Decrease

Total Income – Full Year Budget vs Forecast



| | February 2026 YTD | | | Full Year 2025-26 | | |
|-----------------------------|-------------------|---------------|-----------|-------------------|---------------|----------------|
| | Actuals | Forecast | Variance | Budget | Forecast | Variance |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Registration Fees | 35,420 | 35,442 | (22) | 38,382 | 38,934 | 552 |
| International Scrutiny Fees | 1,719 | 1,700 | 19 | 4,763 | 1,788 | (2,975) |
| UK Scrutiny Fees | 1,538 | 1,547 | (9) | 1,416 | 1,649 | 233 |
| Other Income | 953 | 910 | 43 | 838 | 993 | 155 |
| Grant Income | 107 | 107 | 0 | 117 | 117 | 0 |
| Total Income | 39,737 | 39,706 | 31 | 45,516 | 43,481 | (2,035) |

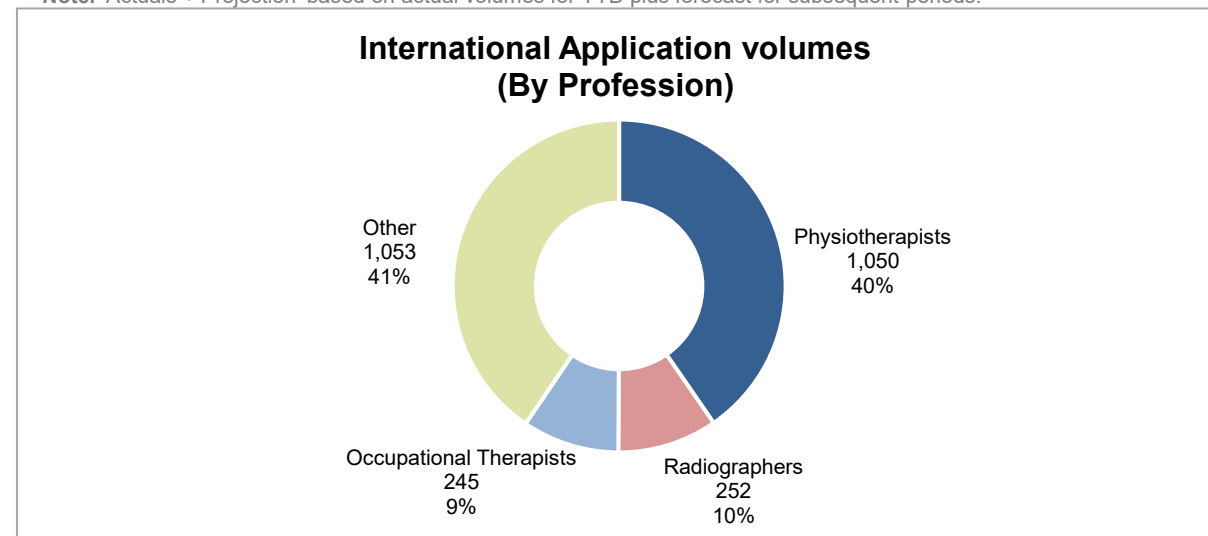
International Income – February 2026 (YTD)



Note: 'Actuals + Projection' based on actual volumes for YTD plus forecast for subsequent periods.

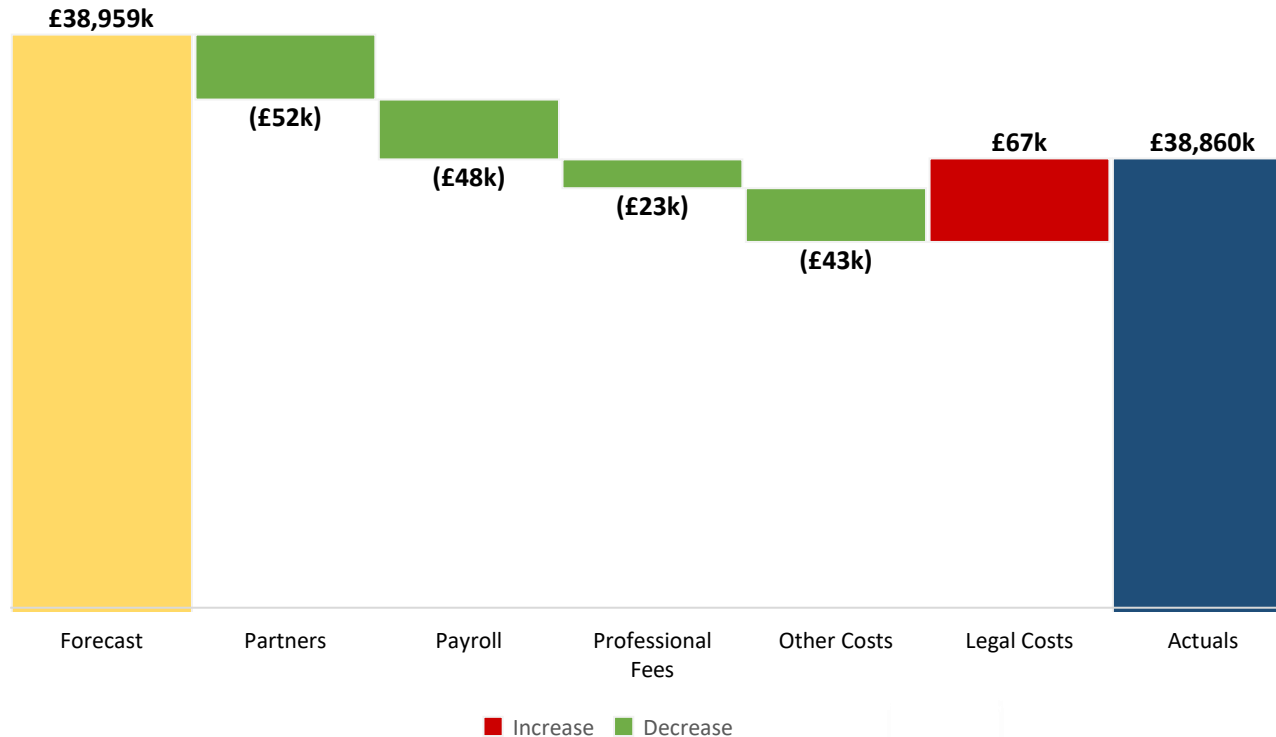
- **February 2026 Period Only:** actual number of international applications of 158 which is closely in line with the forecast.
- **February 2026 YTD:** 2,600 applications to date (30 applications higher than forecast of 2,570).
- **Full Year Forecast:** based on the downward trend in international applications, the recent forecast was adjusted down to 2,700 compared to the budget figure of 7,500.

Financial vs Operational Reporting: There will be a slight difference in the reported volumes of international applications, related to recognising applications based on received payments (financial) versus the number of applications processed (operational).



Expenditure – February 2026 (YTD) Actuals vs Forecast (by Category)

Actuals vs Forecast (February 2026 YTD)



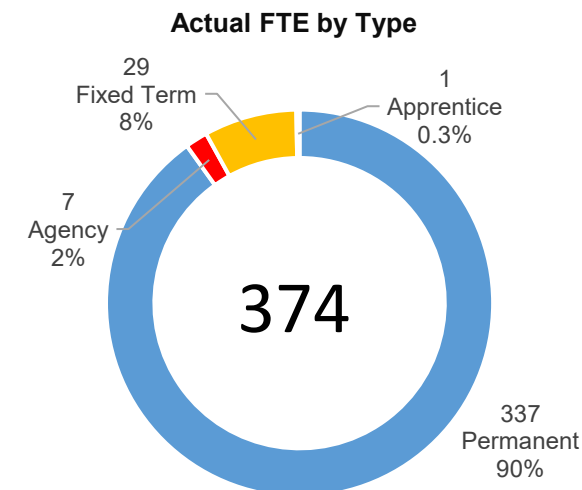
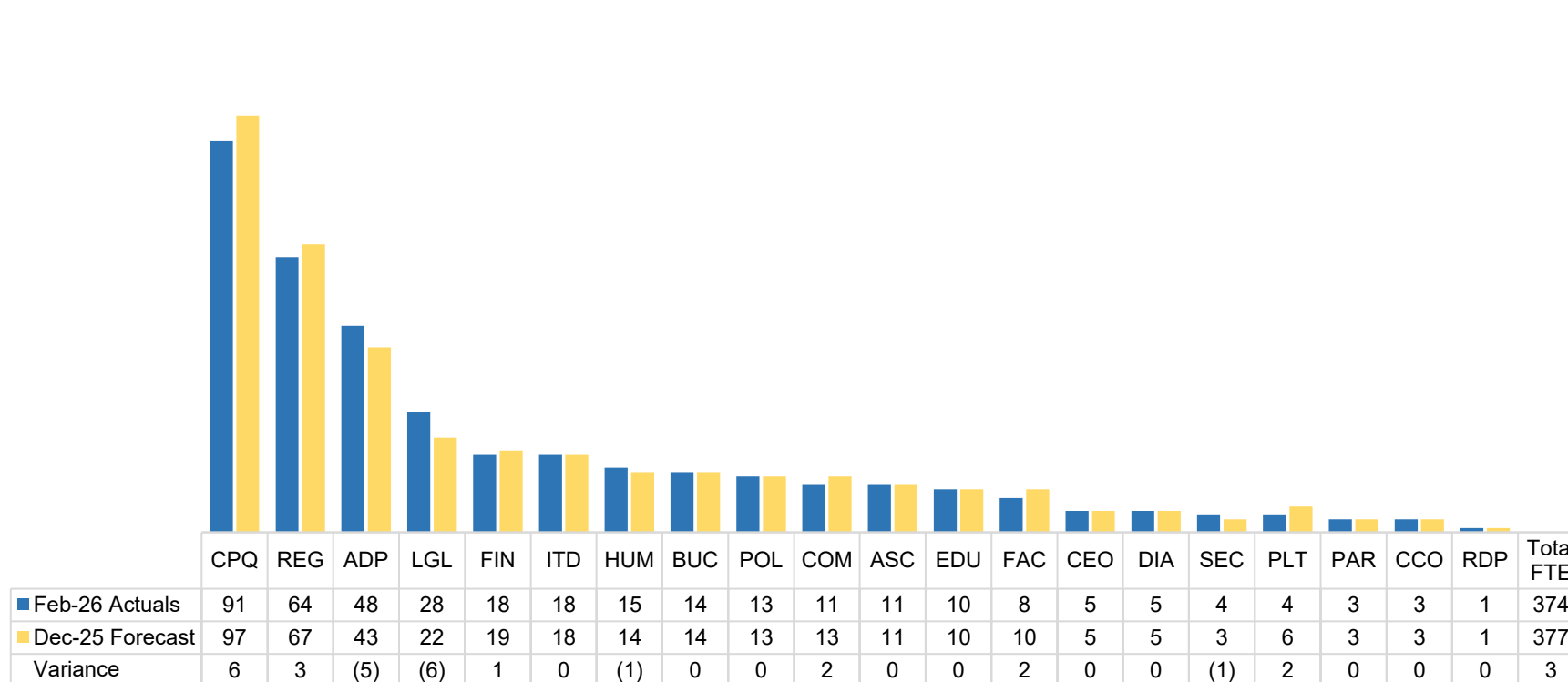
Total year to date expenditure of £38.9 million is lower than the forecast of £39 million, with key variances as follows:

- **Partners Costs: £57k** favourable driven by fewer review days than anticipated due to legal assessor availability, and a lower number of final hearings than forecasted.
- **Payroll Costs: £48k** favourable mainly due to unfilled vacant posts in FTP.
- **Professional Fees: £23k** favourable mainly due to timing of costs
- **Legal Costs: £67k** adverse due to timing of legal cases (based on latest supplier statements).

Note:
Forecast and Actuals including exceptional legal costs.

Key variances above £20k.
To view the full year forecast, please refer to 'Appendix 2 – Income and Expenditure February 2026 YTD (by Category)'.

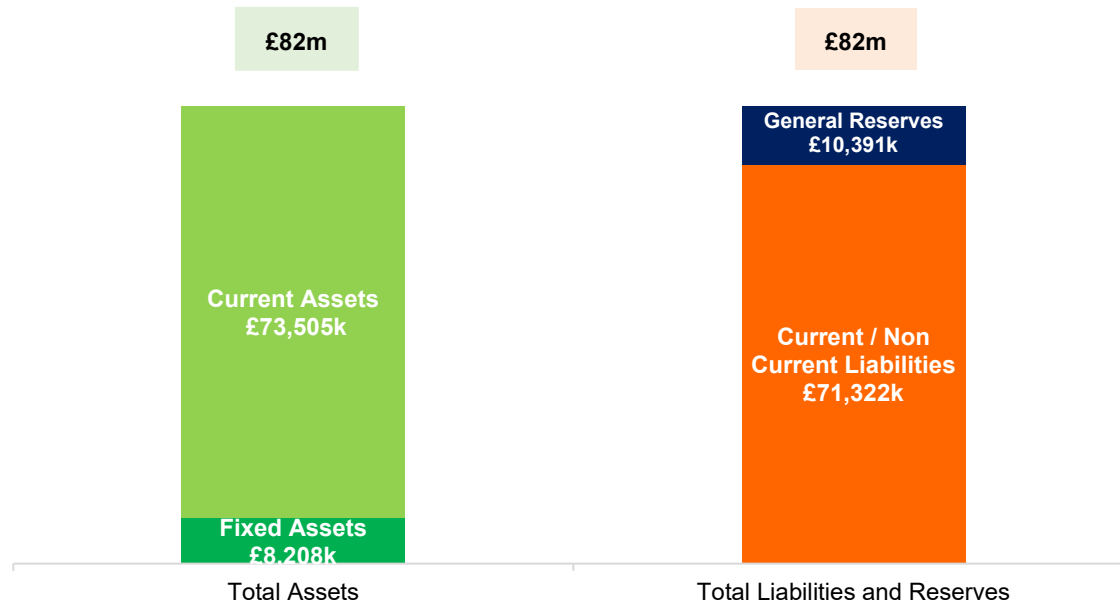
Employee FTEs as at 28 February 2026



CPQ - Case Progression and Quality
 REG - Registrations
 ADP - Adjudication Performance
 LGL - Legal Services
 FIN - Finance and Commercial
 ITD - IT and Digital Transformation
 POL - Policy and Standards
 HUM - Human Resources
 BUC - Business Change
 EDU - Education
 COM - Communications
 ASC - Assurance and Compliance
 FAC - Facilities Management
 PLT - Professional and Upstream Regulation
 DIA - Data Insight and Analytics
 CEO - Chief Executive and Registrar
 PAR - Partners
 CCO - Chair and Chief Executive Office
 SEC - Governance
 RDP - Regulatory Development and Performance

- **Case Progression and Quality:** actual FTEs below forecast, mainly due to unfilled vacant posts for 'Case Manager' positions.
- **Legal Services / Adjudication Performance:** actual FTEs above forecast, due to ongoing investigative work on exceptional legal cases funded from ring-fenced reserves.

Balance Sheet and Reserves as at 28 February 2026



- **Current Assets:** mainly comprise cash and cash equivalents of around £31 million and account receivables of around £42 million.
- **Liabilities:** mostly relate to deferred income of around £66 million as a result of registrants paying their fees in advance.
- **General Reserves (or Net Assets):** approximately £10.4 million.
- **Positive Realisable Net Assets:** approximately £7.8 million, calculated by taking our reserves position of £10.4 million less our 'intangible assets' of around £2.6 million (representing just over two months of total operating expenditure).

Note. The reserves policy requires us to hold positive Realisable Net Assets

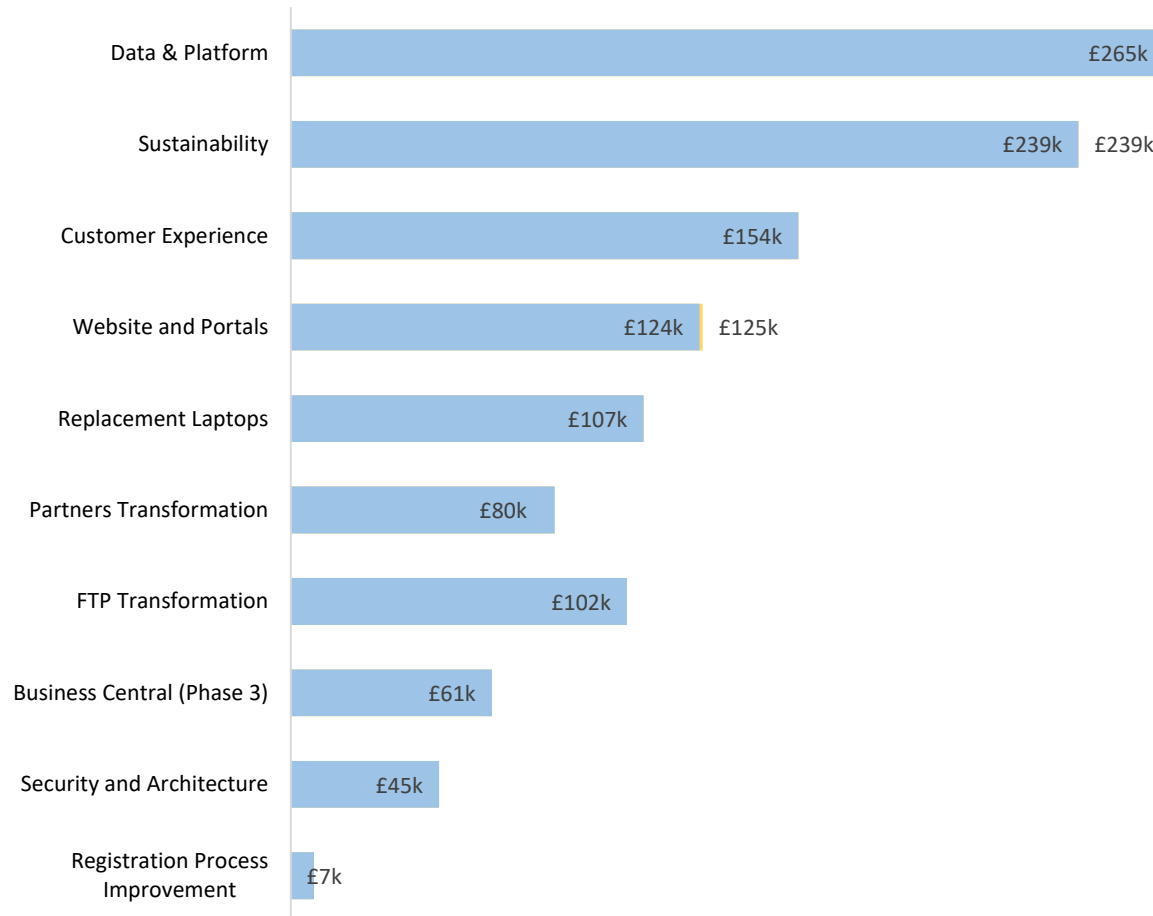
| | 28 February 2026 Actuals | 28 February 2026 Forecast | Variance |
|------------------------------|--------------------------|---------------------------|------------|
| | £'000 | £'000 | £'000 |
| General Reserves | 10,391 | 10,261 | 130 |
| Realisable Net Assets | 7,754 | 7,575 | 179 |

Operating Reserves (Realisable Net Assets): are essentially the accumulation of surpluses without restrictions that are liquid (as opposed to invested in fixed assets). Having adequate reserves increases our ability to absorb or respond to temporary changes, such as the unanticipated event of significant unforecasted increases in expenditure and/or losses in income.

Investments Portfolio 2025-26

Investments Portfolio 2025-26

Forecast Committed Spend



| 2025-26 Budget | 2025-26 Forecast | Committed Spend to Date | Actuals to Date |
|----------------|------------------|-------------------------|-----------------|
| £2.3m | £1.2m | £1.2m | £1m |

Note: the Investment budget includes £579k Capital Expenditure brought forward from 2024-25. The classification of Operating and Capital Expenditures within the Investment Portfolio is currently under review and remains subject to potential adjustment.

- 'Committed Spend' represents the project's financial obligations from agreed contracts, where purchase orders have been or will be issued.
- 'Actuals' refers to costs that have been invoiced / accrued and entered into our financial records.

Risks and Opportunities

Risks

| Low | Medium | High |
|-----|--------|------|
| | | |

Opportunities

| Low | Medium | High |
|---|--|--|
| SMS Verification: recoup SMS traffic volume costs via cyber security insurance (£218k) | Partners Costs: deferral of costs to next financial year if fewer hearings are held than forecast | Partners Claims: release of provision for Partners' historic liabilities (£150k) |
| | | FTP Vacancies: potential delays in recruiting vacant posts across FTP directorate |

Note: Low/Medium/High Risk categories relate to the likelihood of the risk or opportunity materialising.

February 2026
Finance Report

APPENDICES

Appendix 1 – Income and Expenditure (By Department)

| | February 2026 YTD | | | Full Year 2025-26 | | | Full Year Forecast | Notes |
|--|-------------------|---------------|------------|-------------------|---------------|----------------|--------------------|-------|
| | Actuals | Forecast | Variance | Budget | Forecast | Variance | Actuals | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | % | |
| Total Income | 39,737 | 39,706 | 31 | 45,516 | 43,481 | (2,035) | 91% | |
| Fitness to Practise | 19,108 | 19,159 | 51 | 21,737 | 21,040 | 697 | 91% | 8 |
| IT and Digital Transformation | 3,670 | 3,680 | 10 | 4,210 | 3,965 | 245 | 93% | 7 |
| Registrations | 3,429 | 3,422 | (7) | 4,832 | 3,716 | 1,116 | 92% | 9 |
| Chief Executive and Registrar | 1,713 | 1,714 | 1 | 1,801 | 1,875 | (74) | 91% | 1 |
| Finance and Commercial | 1,663 | 1,653 | (10) | 1,751 | 1,810 | (59) | 92% | |
| Facilities Management | 1,149 | 1,176 | 27 | 1,389 | 1,295 | 94 | 89% | 3 |
| Human Resources | 1,116 | 1,112 | (4) | 1,412 | 1,238 | 174 | 90% | 5 |
| Communications | 952 | 970 | 18 | 1,068 | 1,068 | 0 | 89% | |
| Depreciation | 874 | 874 | 0 | 1,144 | 957 | 187 | 91% | 6 |
| Business Change | 809 | 816 | 7 | 851 | 910 | (59) | 89% | |
| Policy and Standards | 781 | 784 | 3 | 957 | 869 | 88 | 90% | 2 |
| Assurance and Compliance | 710 | 704 | (6) | 699 | 769 | (70) | 92% | |
| Education | 543 | 545 | 2 | 609 | 608 | 1 | 89% | |
| Chair, Council and Committees | 317 | 316 | (1) | 354 | 344 | 10 | 92% | |
| Data Insight and Analytics | 286 | 286 | 0 | 306 | 312 | (6) | 92% | |
| Partners | 265 | 271 | 6 | 259 | 296 | (37) | 90% | |
| Professional and Upstream Regulation | 260 | 265 | 5 | 418 | 288 | 130 | 90% | 4 |
| Governance | 256 | 260 | 4 | 292 | 281 | 11 | 91% | |
| Major Projects | 225 | 224 | (1) | 230 | 230 | 0 | 98% | |
| Chair and Chief Executive Office | 139 | 140 | 1 | 158 | 148 | 10 | 94% | |
| Regulatory Development and Performance | 94 | 94 | 0 | 103 | 103 | 0 | 91% | |
| Total Operating Expenditure | 38,359 | 38,465 | 106 | 44,580 | 42,122 | 2,458 | 91% | |
| Contingency | 0 | 0 | 0 | 455 | 0 | 455 | 0% | |
| Other Exceptional Costs | 230 | 223 | (7) | 301 | 244 | 57 | 94% | |
| Total Expenditure | 38,589 | 38,688 | 99 | 45,336 | 42,366 | 2,970 | 91% | |
| Surplus/(Deficit) - Excl. Exceptional Legal Costs | 1,148 | 1,018 | 130 | 180 | 1,115 | 935 | | |
| Exceptional Legal Costs | 271 | 271 | 0 | 1,500 | 320 | 1,180 | | |
| Surplus/(Deficit) - Incl. Exceptional Legal Costs | 877 | 747 | 130 | (1,320) | 795 | 2,115 | | |

Budget vs Forecast

- **Note 1: (Chief Executive) £74k** adverse variance due to release of vacancy gap built in the budget.
- **Note 2: (Policy and Standards) £88k** favourable variance due to discontinuation of professional boundaries research and deferral of AI research.
- **Note 3: (Facilities Management) £94k** favourable variance due to unfilled vacant post as well as reduced repairs and maintenance costs than originally anticipated.
- **Note 4: (Professional and Upstream Regulation) £130k** favourable variance due to timing of recruiting a new Head of Professional and Upstream Regulation.
- **Note 5: (Human Resources) £174k** favourable variance mainly due to delay in filling Talent Acquisition Manager post and reduced learning and development costs and recruitment costs than anticipated.
- **Note 6: (Depreciation) £187k** favourable variance due to delays in projects expected to commence this financial year.
- **Note 7: (IT and Digital Transformation) £245k** favourable variance mainly due to lower IT contracts costs than originally expected, as well as a one-off credit received for elastic cloud storage overcharge.
- **Note 8: (Fitness to Practise) £697k** favourable variance mainly due to delay in filling vacant posts and decrease in partners costs due to lower reviews and final hearings than expected.
- **Note 9: (Registrations) £1.1 million** favourable variance is mainly attributable to lower direct costs associated with the decrease in international applications (assessors fees and test of competence).

Note: 'Other Exceptional Costs' include corporation tax and transformation costs.

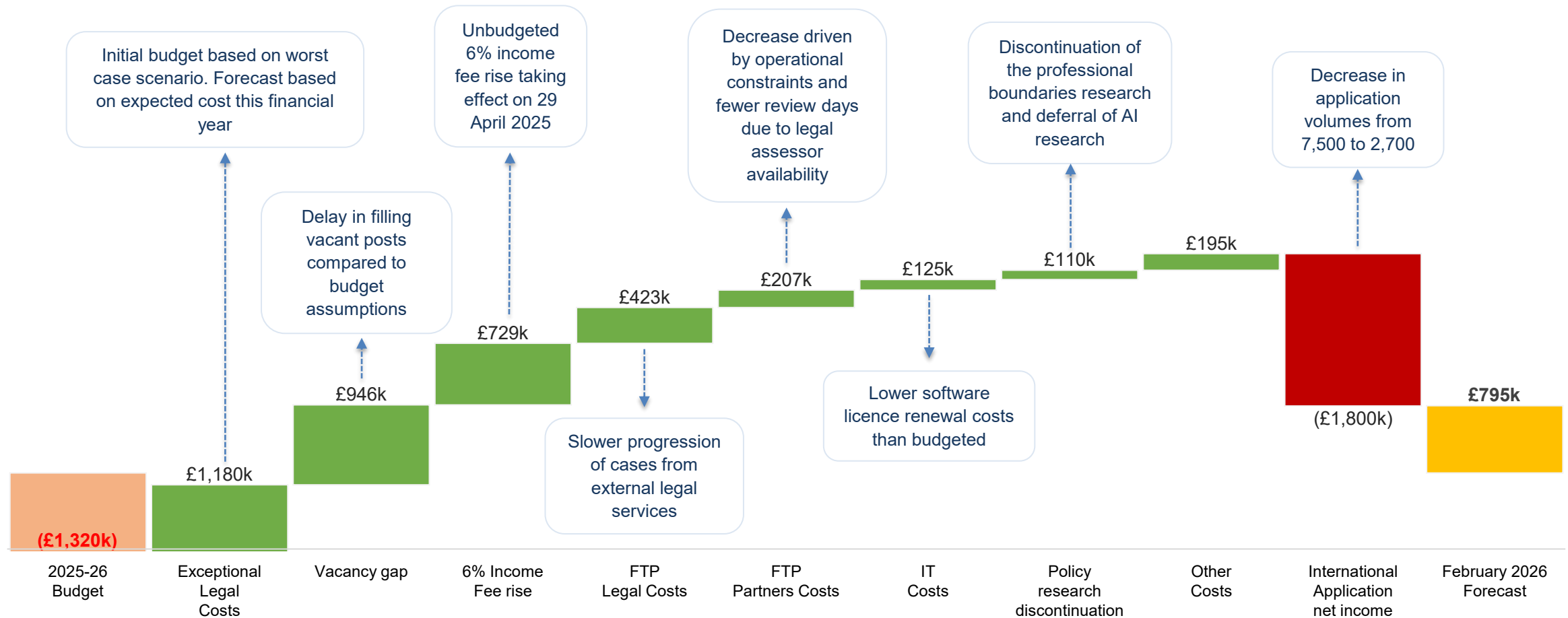
Appendix 2 – Income and Expenditure February 2026 YTD (by Category)

| | February 2026 YTD | | | Full Year | | | Full Year Forecast |
|--|-------------------|---------------|------------|----------------|---------------|----------------|--------------------|
| | Actuals | Forecast | Variance | Budget | Forecast | Variance | % of Actuals |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | % |
| Total Income | 39,737 | 39,706 | 31 | 45,516 | 43,481 | (2,035) | 91% |
| Payroll | 17,554 | 17,602 | 48 | 20,168 | 19,235 | 933 | 91% |
| Legal Costs | 8,685 | 8,618 | (67) | 9,682 | 9,418 | 264 | 92% |
| Partners | 4,175 | 4,227 | 52 | 5,800 | 4,660 | 1,140 | 90% |
| IT Costs | 2,500 | 2,503 | 3 | 2,624 | 2,674 | (50) | 93% |
| Professional Fees | 2,153 | 2,176 | 23 | 1,670 | 2,383 | (713) | 90% |
| Depreciation | 874 | 874 | 0 | 1,144 | 957 | 187 | 91% |
| Staff Related Costs | 457 | 452 | (5) | 596 | 515 | 81 | 89% |
| Property Costs | 387 | 394 | 7 | 423 | 435 | (12) | 89% |
| Temporary Staff | 334 | 331 | (3) | 456 | 369 | 87 | 91% |
| Office Services | 324 | 339 | 15 | 649 | 396 | 253 | 82% |
| Other Costs | 274 | 293 | 19 | 1,192 | 360 | 832 | 76% |
| Utilities | 272 | 278 | 6 | 341 | 306 | 35 | 89% |
| Corporation Tax | 230 | 223 | (7) | 201 | 244 | (43) | 94% |
| Communication Costs | 213 | 215 | 2 | 143 | 232 | (89) | 92% |
| Travel & Subsistence | 115 | 121 | 6 | 225 | 138 | 87 | 83% |
| Council Committee | 42 | 42 | 0 | 22 | 44 | (22) | 95% |
| Surplus/(Deficit) - Excluding exceptional legal costs | 1,148 | 1,018 | 130 | 180 | 1,115 | 935 | |
| Exceptional Legal Costs | 271 | 271 | 0 | 1,500 | 320 | 1,180 | |
| Surplus/(Deficit) - Including exceptional legal costs | 877 | 747 | 130 | (1,320) | 795 | 2,115 | |

Note: 'Other Costs' includes bank charges and contingency. 'Staff Related Costs' includes training, recruitment fees and life assurance costs.

Appendix 3 – Key Movements (2025-26 Budget vs February Forecast)

2025-26 Budget vs February 2026 Forecast



Note: budget and forecast including exceptional legal costs
Other costs includes depreciation and staff related costs.

■ Increase ■ Decrease

Appendix 4 – Key Contracts (as at 28 February 2026)

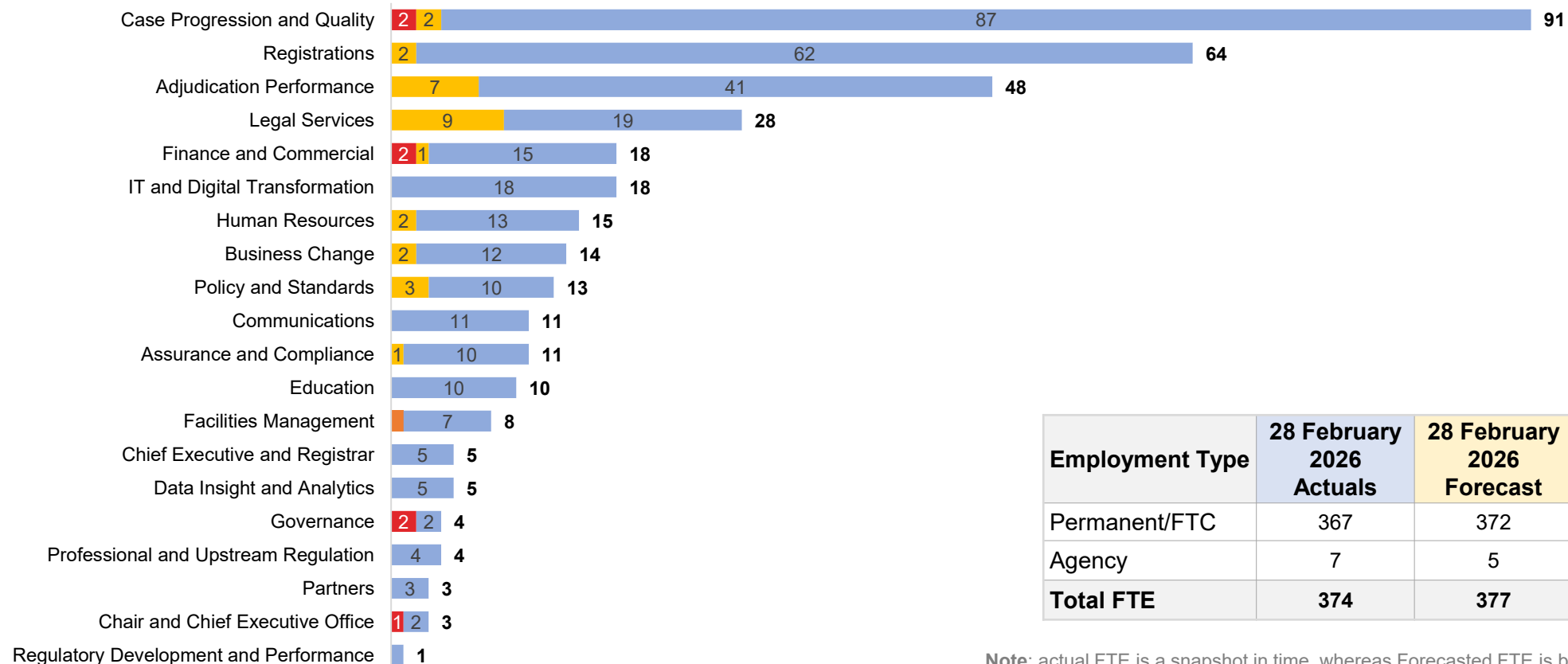
| Department | Contract Title/Name | Description of service | Contract Value | Contract Length | Supplier | Procurement Route |
|---|--|---|----------------|-----------------|-----------------|-------------------|
| Information Technology | Cloud-based telephony platform and customer contact solution | Implementation of a new cloud-based telephony and customer contact solution to replace existing telephony platform. | £236,000 | 36 months | Kocho | Direct Award |
| Information Technology/ Communications | Digital Support Retainer | Website upgrade, graph implementation and digital support for website services | £143,000 | 24 months | MMT Limited | Direct Award |
| Facilities Management | Cleaning Services | Comprehensive cleaning services for all used facilities within the HCPC main office | £211,000 | 36 months | Apollo Cleaning | Public Tender |

Note: list of key contracts above £100k

Appendix 5 – FTEs (as at 28 February 2026)

Actual FTE by Employment Type

■ Agency ■ Apprentice ■ Fixed Term ■ Permanent



| Employment Type | 28 February 2026 Actuals | 28 February 2026 Forecast | Variance |
|------------------|--------------------------|---------------------------|----------|
| Permanent/FTC | 367 | 372 | 5 |
| Agency | 7 | 5 | (2) |
| Total FTE | 374 | 377 | 3 |

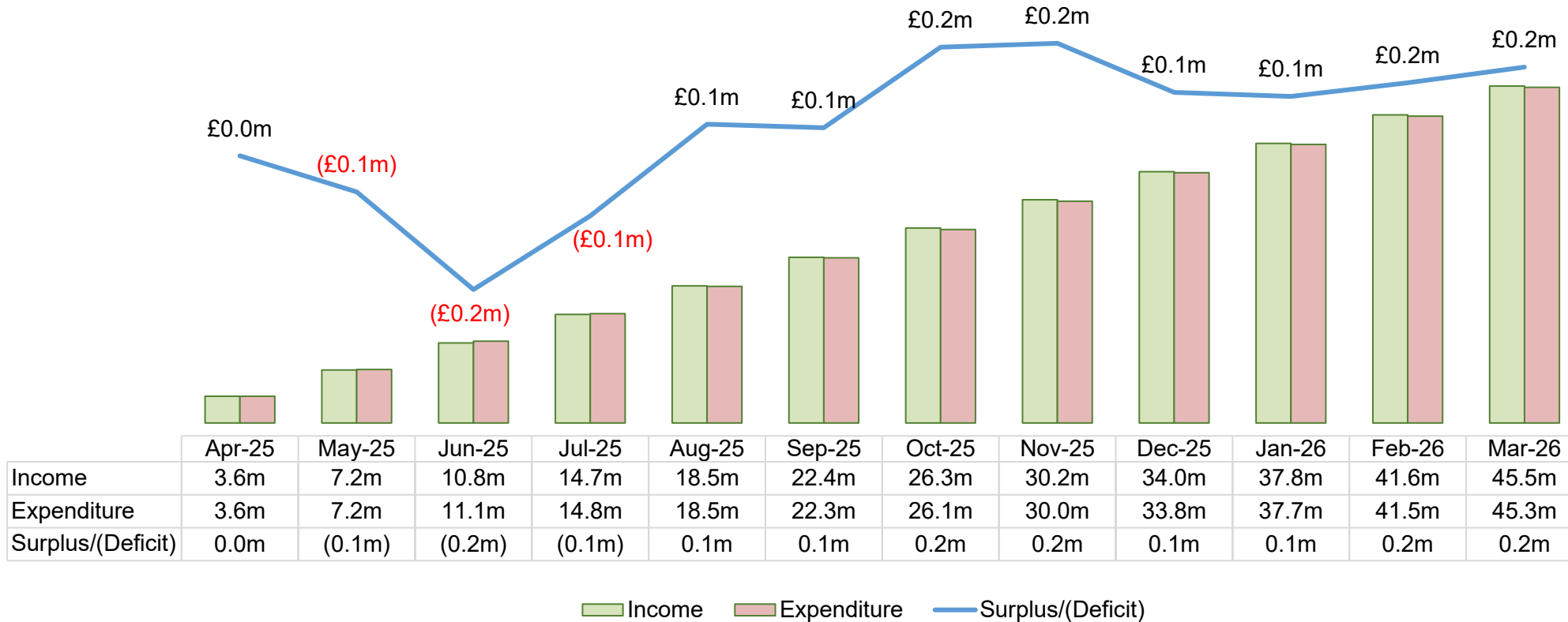
Note: actual FTE is a snapshot in time, whereas Forecasted FTE is based on an annual view. For example, if an employee was hired on a 6-month contract at the beginning of the financial year, forecasted FTE would be shown as 0.5, however, Actuals will be shown as 1.0.

Appendix 6 – Contingency (as at 28 February 2026)

| Description | £'000 |
|--|------------|
| 2025-26 Budget Contingency | 455 |
| Additional resource requirements for Assurance and Compliance, Partners and Policy departments | (115) |
| FTP resource and operational build-up to address BAU activities and case timeliness | (215) |
| Contingency increase | 150 |
| Total contingency as at 31 August 2025 | 275 |
| Redaction software licence costs | (35) |
| Release of Contingency | (120) |
| Total contingency as at 30 September 2025 | 120 |
| Contingency increase (ring-fenced for FTP) | 150 |
| Total contingency as at 30 November 2025 | 270 |
| Release of Contingency | (220) |
| Total contingency as at 31 January 2026 | 50 |
| Release of Contingency | (50) |
| Total Contingency Available | 0 |

Appendix 7 – 2025–26 Budget Profile

2025-26 Budget (Running Total)

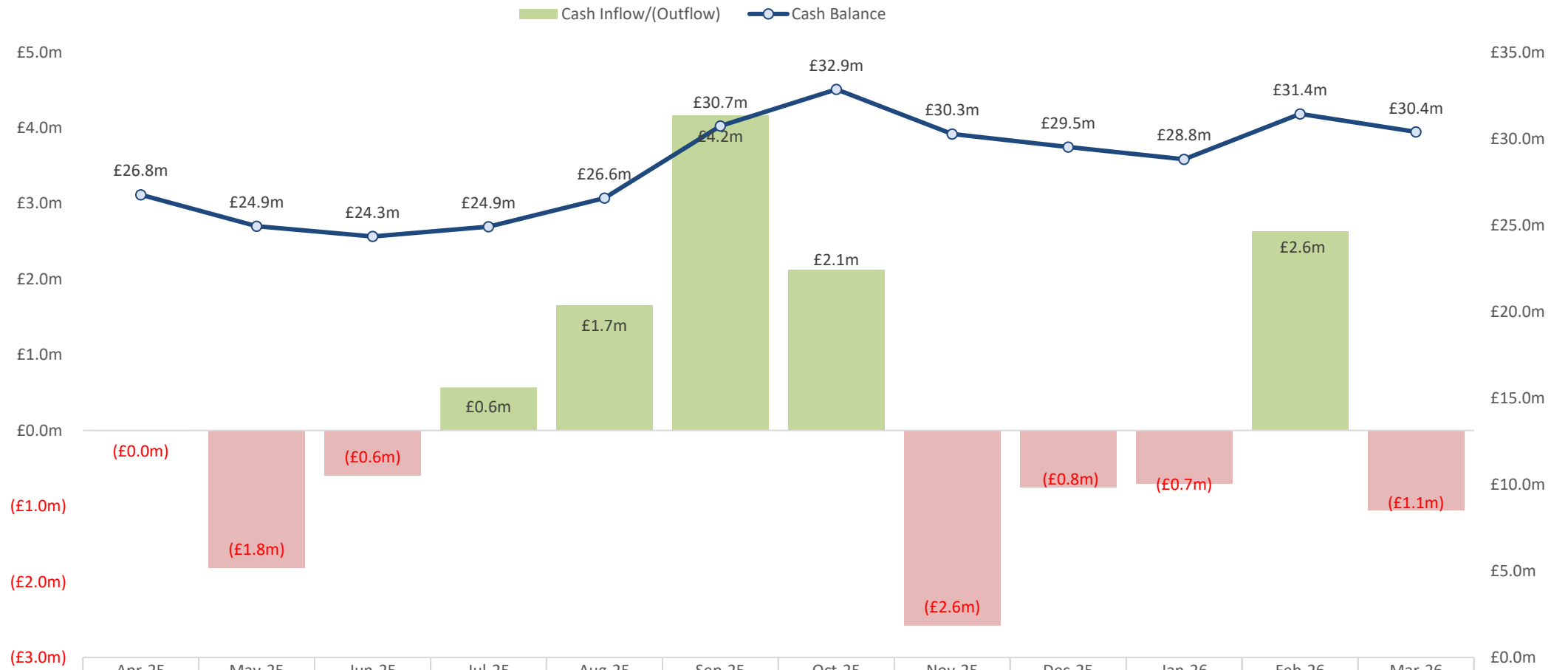


Appendix 8 – Balance Sheet (as at 28 February 2026)

| | 28 February 2026 Actuals | 28 February 2026 Forecast | Variance | 31 March 2026 Forecast |
|--|-----------------------------|------------------------------|----------------|---------------------------|
| | £'000 | £'000 | £'000 | £'000 |
| Property, Plant & Equipment | 5,570 | 5,665 | (95) | 5,816 |
| Intangible Assets | 2,638 | 2,687 | (49) | 2,721 |
| Total Fixed Assets | 8,208 | 8,352 | (144) | 8,536 |
| Current Assets | | | | |
| Trade and Other Receivables | 42,066 | 43,221 | (1,155) | 42,613 |
| Cash and Cash Equivalents | 31,440 | 28,355 | 3,085 | 30,388 |
| Total Current Assets | 73,505 | 71,576 | 1,930 | 73,001 |
| Total Assets | 81,713 | 79,928 | 1,786 | 81,538 |
| Current Liabilities | | | | |
| Deferred Income | 65,932 | 64,370 | (1,562) | 66,966 |
| Trade and Other Payables - other liabilities | 5,090 | 4,996 | (94) | 3,963 |
| Total Current Liabilities | 71,022 | 69,366 | (1,656) | 70,928 |
| Non Current Liabilities | 300 | 300 | 0 | 300 |
| Total Liabilities | 71,322 | 69,667 | (1,656) | 71,228 |
| NET ASSETS | 10,391 | 10,261 | 130 | 10,309 |
| Opening General Reserves | 7,514 | 7,514 | 0 | 7,514 |
| Opening Ring Fenced Reserves | 2,000 | 2,000 | 0 | 2,000 |
| Surplus/(Deficit) | 877 | 747 | 130 | 795 |
| TOTAL RESERVES | 10,391 | 10,261 | 130 | 10,309 |
| Realisable Net Assets | 7,754 | 7,575 | 179 | 7,589 |

Appendix 9 – Cashflow Forecast (as at 28 February 2026)

2025-26 Cashflow Forecast



| | Apr-25 Actual | May-25 Actual | Jun-25 Actual | Jul-25 Actual | Aug-25 Actual | Sep-25 Actual | Oct-25 Actual | Nov-25 Actual | Dec-25 Actual | Jan-26 Actual | Feb-26 Actual | Mar-26 Forecast |
|-----------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|--------------------|
| Cash Inflow/(Outflow) | (£0.01m) | (£1.82m) | (£0.60m) | £0.57m | £1.66m | £4.16m | £2.12m | (£2.58m) | (£0.75m) | (£0.71m) | £2.63m | (£1.05m) |
| Cash Balance | £26.76m | £24.94m | £24.35m | £24.92m | £26.57m | £30.73m | £32.85m | £30.27m | £29.52m | £28.81m | £31.44m | £30.39m |

Appendix 10 – Investment Portfolio Glossary

| Programme | Description of Programme |
|----------------------------------|--|
| Security and Architecture | Migration of data centre services to the cloud and the retirement of remaining on-premises technology. |
| Sustainability | Implementation of boiler and air conditioner replacements. |
| Customer Experience | Implementation of improved FTP telephony service and migration towards omni-channel customer contact centre approach. |
| Data & Platform | Implementation of data models for FTP, Registrations, Education, Finance and HR to improve standards, undertake proof of concepts for self-service reporting and establishing a common data dictionary. |
| Website and Portals | Implementation of new platform to enable improvement to the application portal required by the new international assessment model. This includes building integration between HCPC Website and Dynamics, defining improvements to the new Website, upgrading / Re-platforming HCPC Website and changing Management support. |
| Replacement Laptops | Purchase of new laptops to cater for existing and new employees. |
| Partners Transformation | Implementation of worker status for partners and improvement of quality through changes to the partners operating model. |
| Customer Relationship Management | Implementation to enable migration to a single improved CRM platform which will initially cover stakeholders and complaints. |
| Business Central (Phase 2) | Improvement of financial processes and systems including improved AI tools and more efficient deferred income module |
| User Engagement | Stakeholder perception and user Research |
| FTP Transformation | Improvement of FTP operating model which will help reduce reliance on legal providers. |
| Modern Workspace | Design, start File Shares to Cloud migration |