

## People and Resources Committee

<b>Meeting Date</b>	12 March 2026
<b>Title</b>	Finance Report – January 2026
<b>Author(s)</b>	Busola Akinlabi, Financial Analyst. James Afolabi, Financial Planning & Analysis Manager. Alan Keshtmand, Head of Finance & Commercial.
<b>Executive Sponsor</b>	Alastair Bridges, Executive Director of Resources

### Executive Summary

	January 2026 Year to Date (YTD)			Full Year		
	Actuals	Forecast	Variance	Budget	Forecast	Variance
	£'000	£'000	£'000	£'000	£'000	£'000
Total Income	35,991	35,991	0	45,516	43,481	(2,035)
Total Expenditure	35,045	35,131	86	45,336	42,531	2,805
<b>Surplus/(Deficit) - Excl. Exceptional Legal Costs</b>	<b>946</b>	<b>860</b>	<b>86</b>	<b>180</b>	<b>950</b>	<b>770</b>
Exceptional Legal Costs	250	250	0	1,500	400	1,100
<b>Total Surplus/(Deficit) - Incl. Exceptional Legal Costs</b>	<b>696</b>	<b>610</b>	<b>86</b>	<b>(1,320)</b>	<b>550</b>	<b>1,870</b>

### 1. Financial Performance (Year-to-Date)

- **Surplus:** Year-to-date surplus of £696k including exceptional legal costs.
- **Income:** Actual income of £36 million is in line with the forecast.
- **Expenditure:** Total expenditure of £35 million is closely in line with the forecast.

### 2. Full-year Forecast vs Budget

- **Full Year Surplus:** Total surplus of £550k for 2025-26, which is £1.9 million higher than the budgeted deficit of £1.3 million (an increase of £677k compared to previous forecast).
- **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 £42.5 million is £2.8 million lower than the budget. Key drivers include lower direct costs from reduced international applications, lower partners and legal costs, as well as a decrease in payroll costs as a result of unfilled vacant posts. **Note.** the forecast currently includes contingency fund of £50k.

### 3. Major Projects and Investments

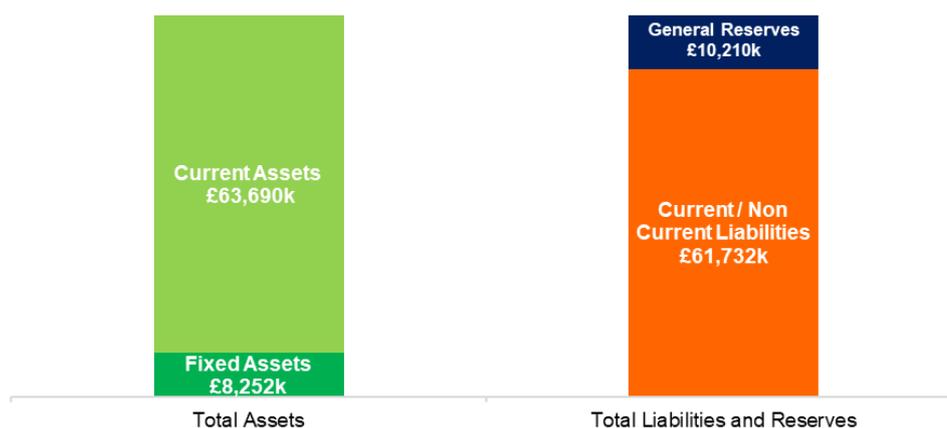
2025-26 Budget	2025-26 Forecast	Committed Spend to Date	Actuals to Date
£2.3m	£1.3m	£1.2m	£1m

The finance report highlights a budget of £2.3 million investment costs which includes £579k capital expenditure (CAPEX) carried over from the previous year. Current forecast spend is £1.3 million, of which £1.2 million is committed.

### 4. Risks and Opportunities

- **Opportunities:** potential to recoup SMS traffic volume costs via cyber security insurance, and potential release of partners historic liabilities provision based on the number of settled and ongoing claims.

### 5. Balance Sheet and Reserves



- **Reserves:** General reserves stand at £10.2 million, with Realisable Net Assets of £7.5 million, representing just over two months of operating expenditure.

## 6. Employee FTEs

Employment Type	31 January 2026 Actuals	31 March 2026 Forecast	Variance
Permanent/FTC	365	372	7
Agency	4	5	1
<b>Total FTE</b>	<b>369</b>	<b>377</b>	<b>8</b>

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.

## 7. Conclusion

As of January 2026, the HCPC is reporting a surplus of £696k, including exceptional legal costs. Following the latest forecast, the year-end outlook indicates a surplus of £550k; £677k 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 Fitness to Practise (FTP). There remains potential for further surplus if identified opportunities materialise, including the £50k general contingency being retained to manage emerging risks over the rest of the year.

<b>Action required</b>	The Committee is asked to review the information provided and seek clarification on any areas.
<b>Previous consideration</b>	Previous finance report (September 2025) provided to the Committee in November 2025.
<b>Next steps</b>	An update will be submitted to the Council meeting on 26 March 2026.
<b>Financial and resource implications</b>	The implications are set out in the report.
<b>Associated strategic priority/priorities</b>	Build a resilient, healthy, capable and sustainable organisation.
<b>Associated strategic risk(s)</b>	5.a The resources we require to achieve our strategy are not in place or are not sustainable
<b>Risk appetite</b>	Financial – measured
<b>Communication and engagement</b>	Not applicable.

Item 09

<b>Equality, diversity and inclusion (EDI) impact and Welsh language standards</b>	No direct implications.
<b>Other impact assessments</b>	Not applicable.
<b>Reason for consideration in the private session of the meeting (if applicable)</b>	Not applicable

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PEOPLE AND  
RESOURCES  
COMMITTEE

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# Executive Summary

	January 2026 Year to Date (YTD)			Full Year		
	Actuals	Forecast	Variance	Budget	Forecast	Variance
	£'000	£'000	£'000	£'000	£'000	£'000
Total Income	35,991	35,991	0	45,516	43,481	(2,035)
Total Expenditure	35,045	35,131	86	45,336	42,531	2,805
<b>Surplus/(Deficit) - Excl. Exceptional Legal Costs</b>	<b>946</b>	<b>860</b>	<b>86</b>	<b>180</b>	<b>950</b>	<b>770</b>
Exceptional Legal Costs	250	250	0	1,500	400	1,100
<b>Total Surplus/(Deficit) - Incl. Exceptional Legal Costs</b>	<b>696</b>	<b>610</b>	<b>86</b>	<b>(1,320)</b>	<b>550</b>	<b>1,870</b>

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.

## January 2026 Year to Date

- **Surplus:** actual surplus of £696k is £86k higher than the forecast (including exceptional legal costs).
- **Income:** Actual income of £36 million is in line with the forecast.
- **Expenditure:** Actual expenditure of £35 million is closely in line with the forecast.

## Budget vs Forecast (Full Year)

- Latest forecast reports a total surplus of £550k for 2025-26, which is £1.9m higher than the budgeted deficit of £1.3m (an increase of £677k 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:** £2.8 million favourable, mainly due to lower direct costs from reduced international applications, lower partners and legal costs, as well as a decrease in payroll costs as a result of unfilled vacant posts.
- **Contingency:** forecast assumes a contingency fund of £50k.

**Note.** The latest forecasted surplus may increase if no further unexpected costs materialise. This includes the release of the £50k contingency currently held, as well as the potential release of the provision for historic partner liabilities.

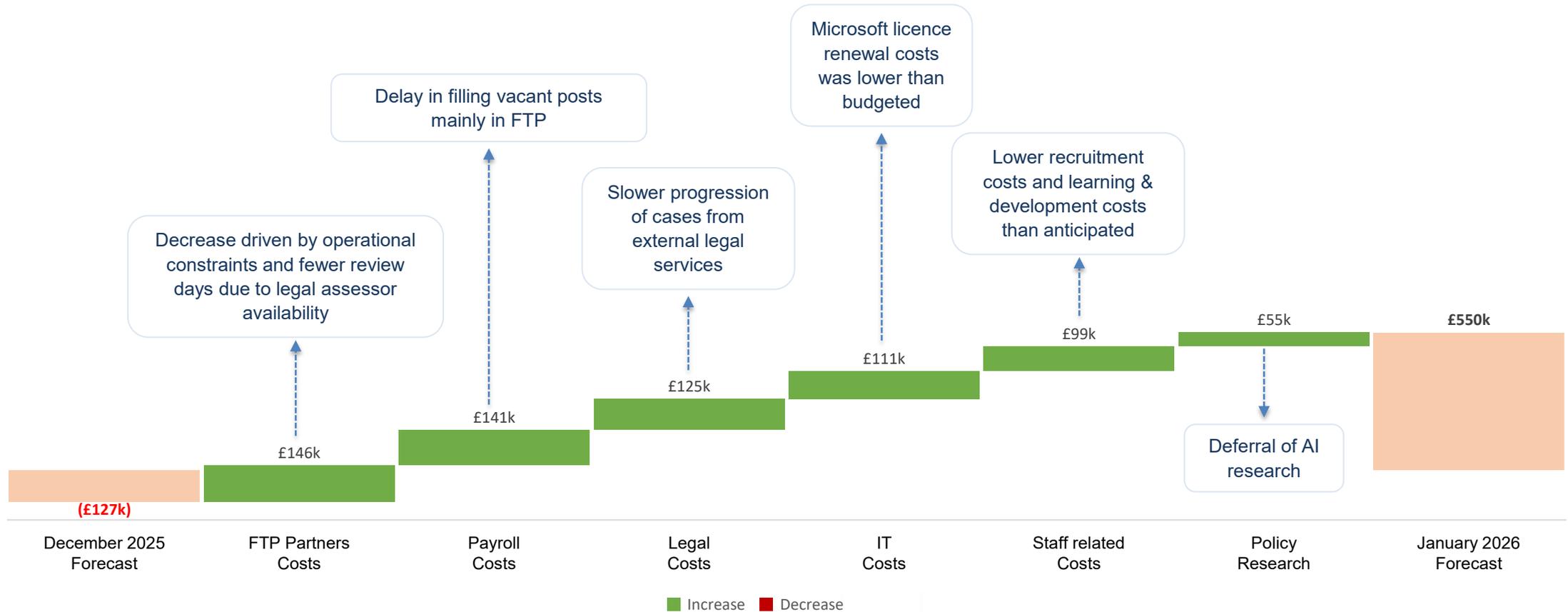
# Summary Figures – January 2026 (YTD)

	January 2026 YTD			Full Year		
	Actuals	Forecast	Variance	Budget	Forecast	Variance
	£'000	£'000	£'000	£'000	£'000	£'000
Registration Income	35,063	35,063	0	44,561	42,371	(2,190)
Grant Income	98	98	0	117	117	0
Other Income	830	830	0	838	993	155
<b>Total Income</b>	<b>35,991</b>	<b>35,991</b>	<b>0</b>	<b>45,516</b>	<b>43,481</b>	<b>(2,035)</b>
Payroll Costs	15,940	15,959	19	20,168	19,337	831
Other Staff Costs	696	697	1	1,052	884	168
Non-Payroll Costs	18,209	18,273	64	23,360	22,016	1,344
<b>Total Operating Expenditure</b>	<b>34,845</b>	<b>34,929</b>	<b>84</b>	<b>44,580</b>	<b>42,237</b>	<b>2,343</b>
Exceptional Costs	200	202	2	756	294	462
<b>Total Expenditure</b>	<b>35,045</b>	<b>35,131</b>	<b>86</b>	<b>45,336</b>	<b>42,531</b>	<b>2,805</b>
<b>Surplus/(Deficit) - Excl. Exceptional Legal Costs</b>	<b>946</b>	<b>860</b>	<b>86</b>	<b>180</b>	<b>950</b>	<b>770</b>
Exceptional Legal Costs	250	250	0	1,500	400	1,100
<b>Surplus/(Deficit) - Incl. Exceptional Legal Costs</b>	<b>696</b>	<b>610</b>	<b>86</b>	<b>(1,320)</b>	<b>550</b>	<b>1,870</b>

'Other Staff Costs' includes Temporary Staff, Training, Recruitment Fees and Other Employee Costs e.g. Life Assurance Costs.

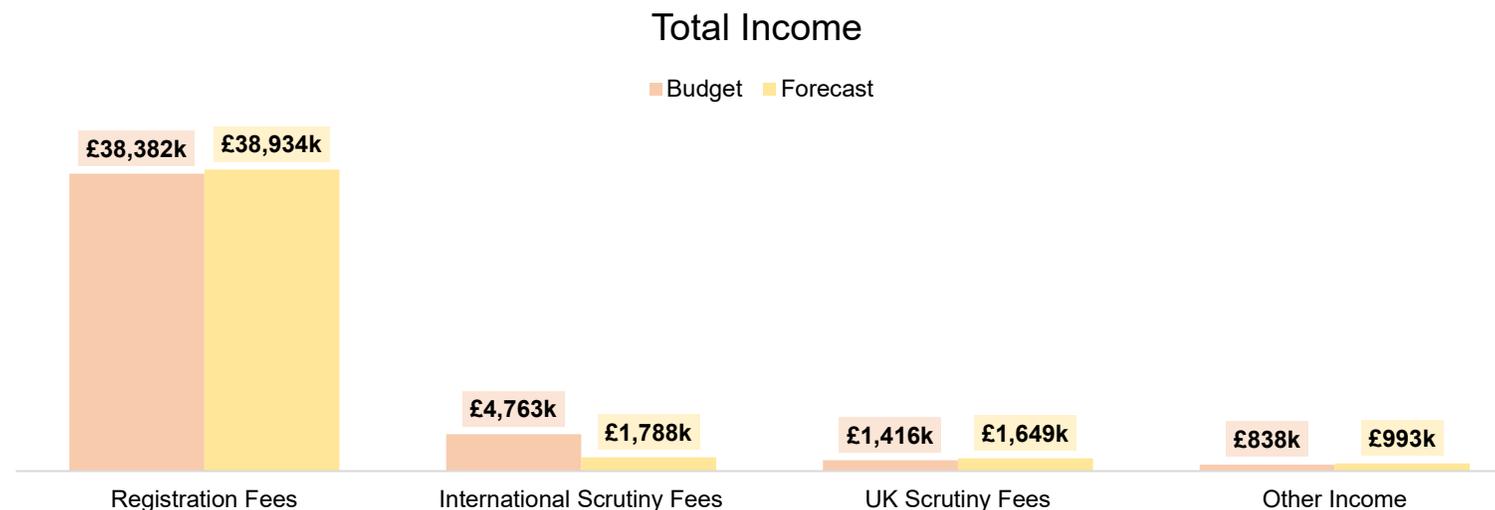
# Key Movements (December Forecast vs January Forecast)

## December vs January 2026 Forecast



**Note.** Forecast including Exceptional Legal Costs

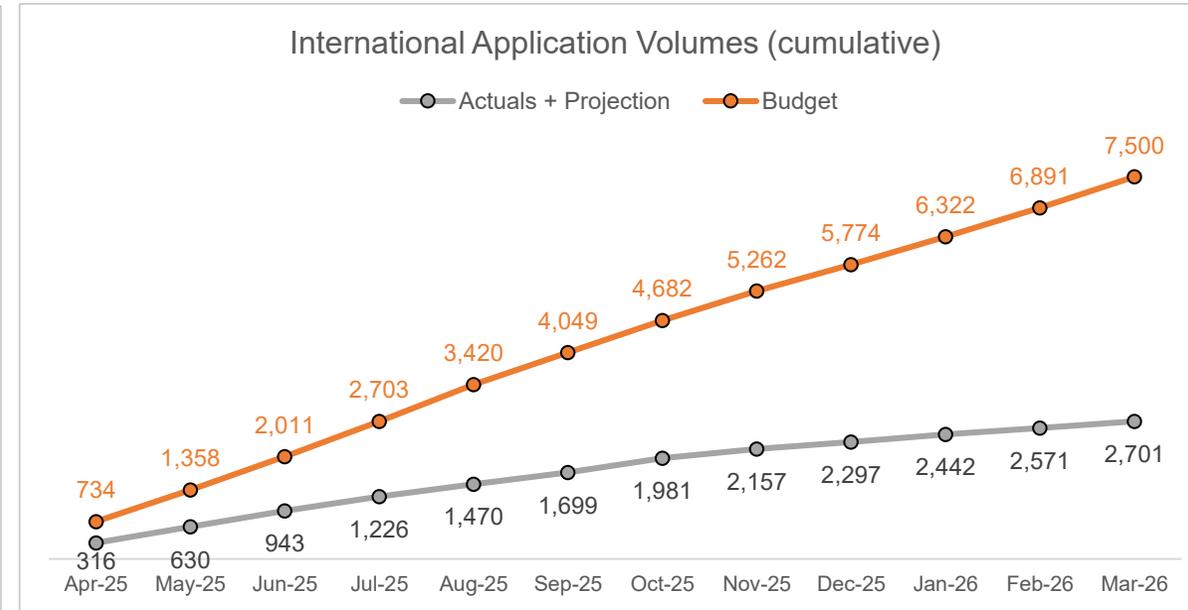
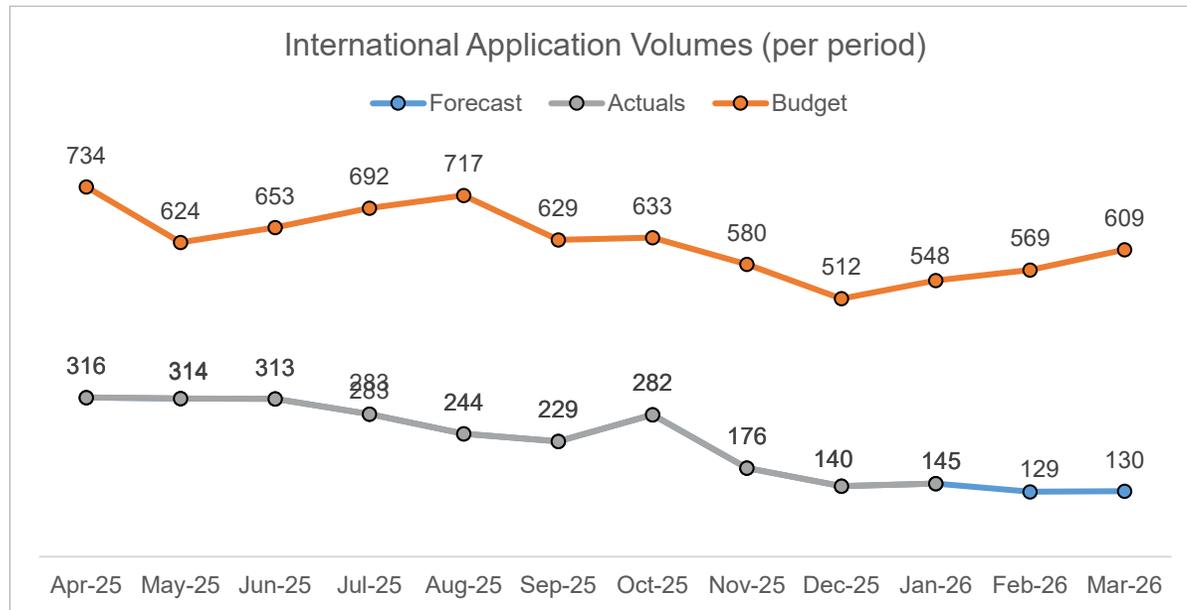
# Total Income – Full Year Budget vs Forecast



	January 2026 YTD		
	Actuals	Forecast	Variance
	£'000	£'000	£'000
Registration Fees	31,987	31,987	0
International Scrutiny Fees	1,613	1,613	0
UK Scrutiny Fees	1,463	1,463	0
Other Income	830	830	0
Grant Income	98	98	0
<b>Total Income</b>	<b>35,991</b>	<b>35,991</b>	<b>0</b>

	Full Year 2025-26		
	Budget	Forecast	Variance
	£'000	£'000	£'000
Registration Fees	38,382	38,934	552
International Scrutiny Fees	4,763	1,788	(2,975)
UK Scrutiny Fees	1,416	1,649	233
Other Income	838	993	155
Grant Income	117	117	0
<b>Total Income</b>	<b>45,516</b>	<b>43,481</b>	<b>(2,035)</b>

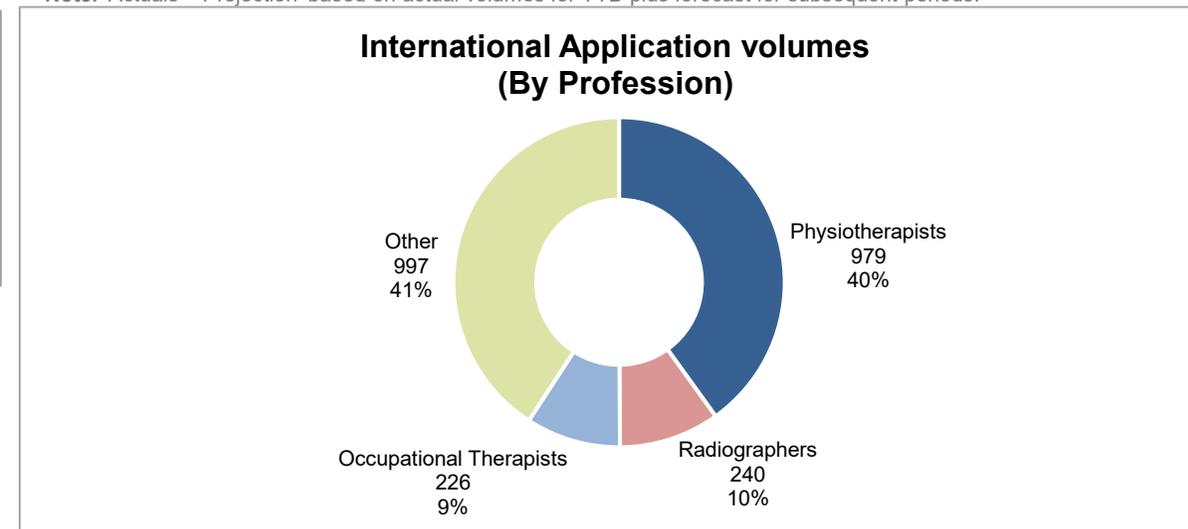
# International Income – January 2026 (YTD)



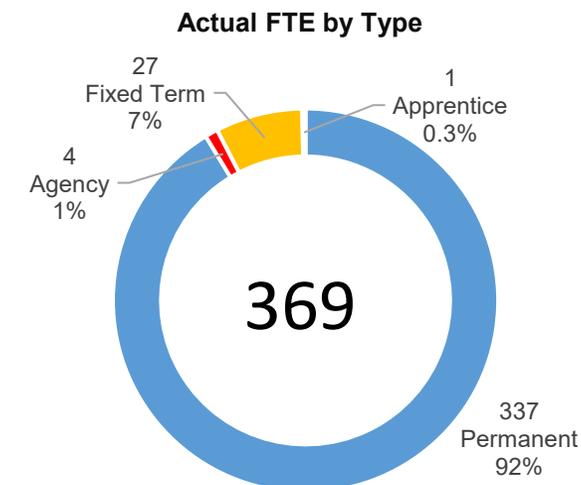
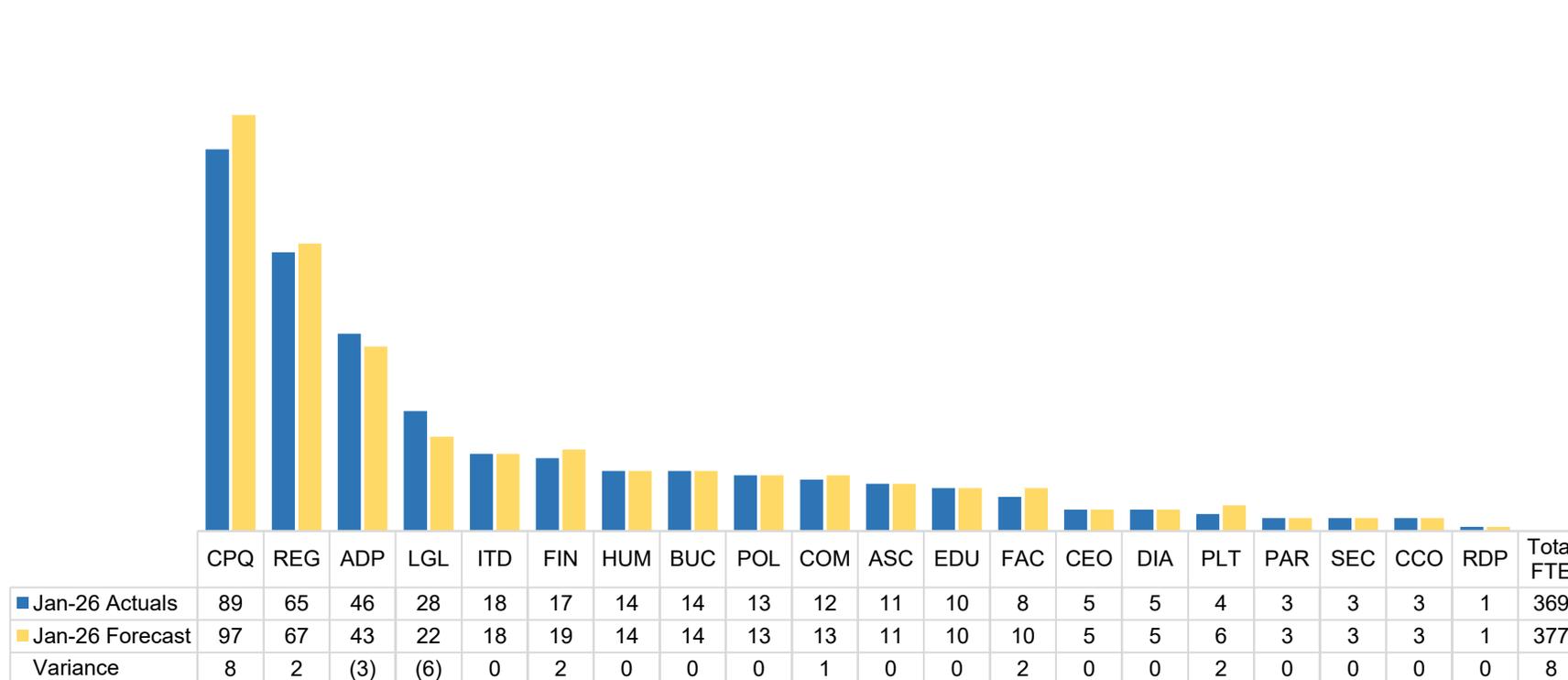
Note. 'Actuals + Projection' based on actual volumes for YTD plus forecast for subsequent periods.

- **January 2026 Period Only:** Actual number of international applications of 145 which is in line with the forecast.
- **January 2026 YTD:** 2,442 applications to date (last three months average of 153 applications per month).
- **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).



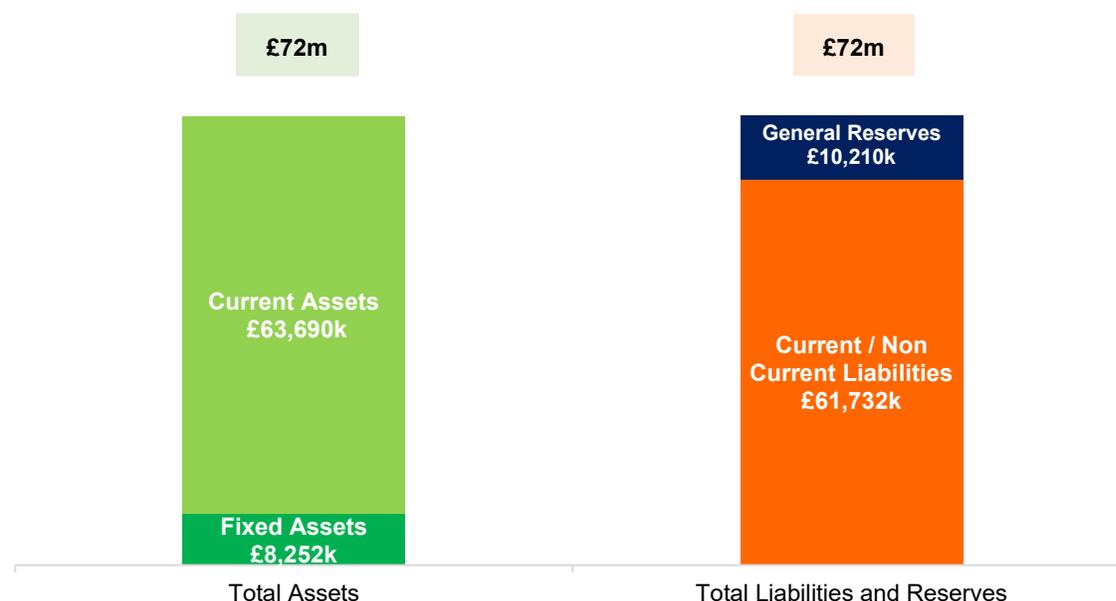
# Employee FTEs as at 31 January 2026



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 31 January 2026



- **Current Assets:** mainly comprise cash and cash equivalents of around £29m and account receivables of around £35m.
- **Liabilities:** mostly relate to deferred income of around £56m as a result of registrants paying their fees in advance.
- **General Reserves (or Net Assets):** approximately £10.2m.
- **Positive Realisable Net Assets:** approximately £7.5m, calculated by taking our reserves position of £10.2m less our 'intangible assets' of around £2.7m (representing just over two months of total operating expenditure).

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

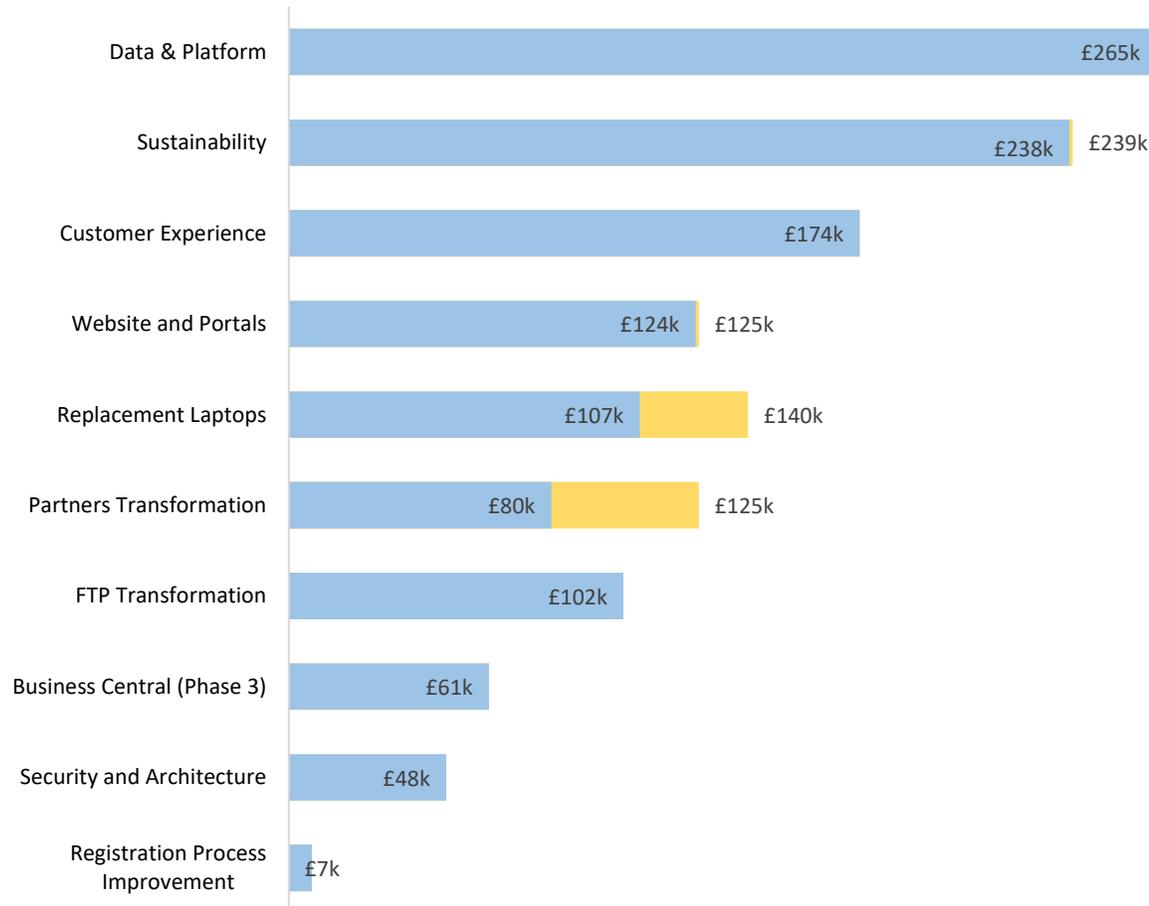
	31 January 2026 Actuals	31 January 2026 Forecast	Variance
	£'000	£'000	£'000
<b>General Reserves</b>	10,210	10,124	86
<b>Realisable Net Assets</b>	<b>7,545</b>	<b>7,417</b>	<b>128</b>

**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	£1.3m	£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
<p><b>SMS Verification:</b> recoup SMS traffic volume costs via cyber security insurance (£218k)</p>		<p><b>Partners Claims:</b> release of provision for Partners' historic liabilities based on the number of settled and ongoing claims (£170k)</p>

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

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APPENDICES

# Appendix 1 – Income and Expenditure (By Department)

	January 2026 YTD		
	Actuals	Forecast	Variance
	£'000	£'000	£'000
<b>Total Income</b>	<b>35,991</b>	<b>35,991</b>	<b>0</b>
Fitness to Practise	17,352	17,381	29
IT and Digital Transformation	3,361	3,361	0
Registrations	3,090	3,123	33
Chief Executive and Registrar	1,558	1,558	0
Finance and Commercial	1,503	1,503	0
Facilities Management	1,076	1,084	8
Human Resources	1,002	1,002	0
Communications	870	863	(7)
Depreciation	792	792	0
Business Change	727	722	(5)
Policy and Standards	714	714	0
Assurance and Compliance	639	639	0
Education	495	494	(1)
Chair, Council and Committees	292	292	0
Data Insight and Analytics	255	255	0
Partners	248	248	0
Professionalism and Upstream Regulation	239	240	1
Governance	232	232	0
Major Projects	193	219	26
Chair and Chief Executive Office	121	121	0
Regulatory Development and Performance	86	86	0
<b>Total Operating Expenditure</b>	<b>34,845</b>	<b>34,929</b>	<b>84</b>
Contingency	0	0	0
Other Exceptional Costs	200	202	2
<b>Total Expenditure</b>	<b>35,045</b>	<b>35,131</b>	<b>86</b>
<b>Surplus/(Deficit) - Excl. Exceptional Legal Costs</b>	<b>946</b>	<b>860</b>	<b>86</b>
Exceptional Legal Costs	250	250	0
<b>Surplus/(Deficit) - Incl. Exceptional Legal Costs</b>	<b>696</b>	<b>610</b>	<b>86</b>

	Full Year 2025-26			Full Year Forecast	Notes
	Budget	Forecast	Variance	Actuals	
	£'000	£'000	£'000	%	
	<b>45,516</b>	<b>43,481</b>	<b>(2,035)</b>	<b>83%</b>	
	21,737	21,182	555	82%	7
	4,210	3,998	212	84%	6
	4,832	3,716	1,116	83%	8
	1,801	1,875	(74)	83%	1
	1,751	1,745	6	86%	
	1,389	1,295	94	83%	3
	1,412	1,238	174	81%	5
	1,068	1,068	0	81%	
	1,144	957	187	83%	
	851	910	(59)	80%	
	957	869	88	82%	
	699	769	(70)	83%	2
	609	608	1	81%	
	354	344	10	85%	
	306	312	(6)	82%	
	259	296	(37)	84%	
	418	288	130	83%	4
	292	289	3	80%	
	230	230	0	84%	
	158	145	13	83%	
	103	103	0	83%	
	<b>44,580</b>	<b>42,237</b>	<b>2,343</b>	<b>82%</b>	
	455	50	405	0%	
	301	244	57	82%	
	<b>45,336</b>	<b>42,531</b>	<b>2,805</b>	<b>82%</b>	
	<b>180</b>	<b>950</b>	<b>770</b>		
	1,500	400	1,100		
	<b>(1,320)</b>	<b>550</b>	<b>1,870</b>		

## Budget vs Forecast

- **Note 1: (Chief Executive) £74k** adverse variance due to release of vacancy gap built in the budget.
- **Note 2: Assurance and Compliance) £70k** adverse variance mainly attributed to additional posts approved after budget was finalised. This was funded by general contingency.
- **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: (IT and Digital Transformation) £212k** 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 7: (Fitness to Practise) £555k** 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 8: (Registrations) £1.1m** 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.

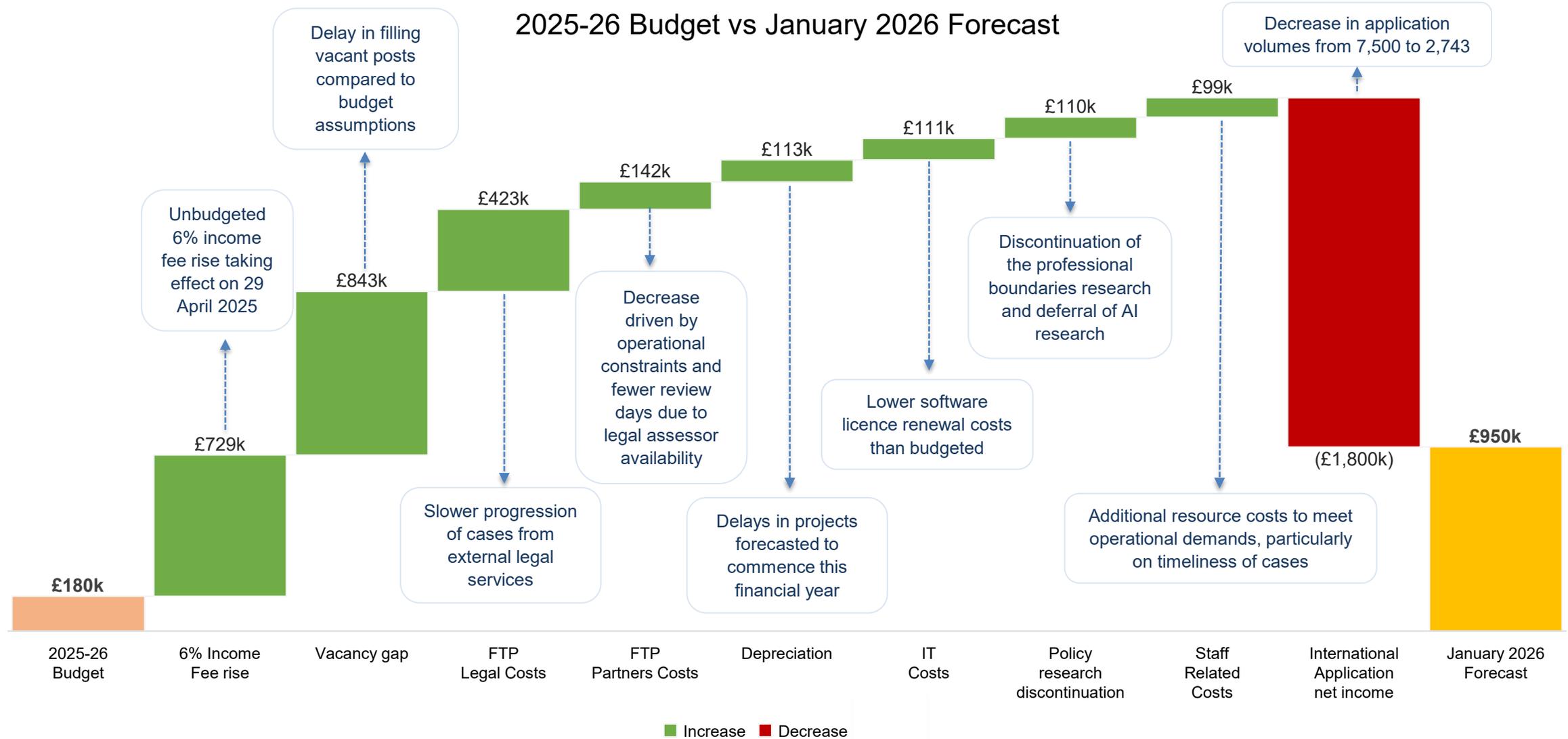
# Appendix 2 – Income and Expenditure January 2026 YTD (by Category)

	January 2026 YTD			Full Year			Full Year Forecast
	Actuals	Forecast	Variance	Budget	Forecast	Variance	% of Actuals
	£'000	£'000	£'000	£'000	£'000	£'000	%
<b>Total Income</b>	<b>35,991</b>	<b>35,991</b>	<b>0</b>	<b>45,516</b>	<b>43,481</b>	<b>(2,035)</b>	<b>83%</b>
Payroll	15,940	15,959	19	20,168	19,337	831	82%
Legal Costs	7,845	7,830	(15)	9,682	9,418	264	83%
Partners	3,804	3,854	50	5,800	4,725	1,075	81%
IT Costs	2,290	2,295	5	2,624	2,687	(63)	85%
Professional Fees	1,952	1,976	24	1,670	2,318	(648)	84%
Depreciation	792	792	0	1,144	957	187	83%
Staff Related Costs	407	407	0	596	515	81	79%
Property Costs	361	361	0	423	435	(12)	83%
Office Services	303	304	1	649	396	253	77%
Temporary Staff	290	290	0	456	369	87	79%
Utilities	266	270	4	341	306	35	87%
Other Costs	244	253	9	1,192	410	782	60%
Communication Costs	202	189	(13)	143	232	(89)	87%
Corporation Tax	200	202	2	201	244	(43)	82%
Travel & Subsistence	109	109	0	225	138	87	79%
Council Committee	40	40	0	22	44	(22)	91%
<b>Surplus/(Deficit) - Excluding Exceptional Legal Costs</b>	<b>946</b>	<b>860</b>	<b>86</b>	<b>180</b>	<b>950</b>	<b>770</b>	
Exceptional Legal Costs	250	250	0	1,500	400	1,100	
<b>Surplus/(Deficit) - Including Exceptional Legal Costs</b>	<b>696</b>	<b>610</b>	<b>86</b>	<b>(1,320)</b>	<b>550</b>	<b>1,870</b>	

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 January Forecast)

## 2025-26 Budget vs January 2026 Forecast



# Appendix 4 – Key Contracts (as at 31 January 2026)

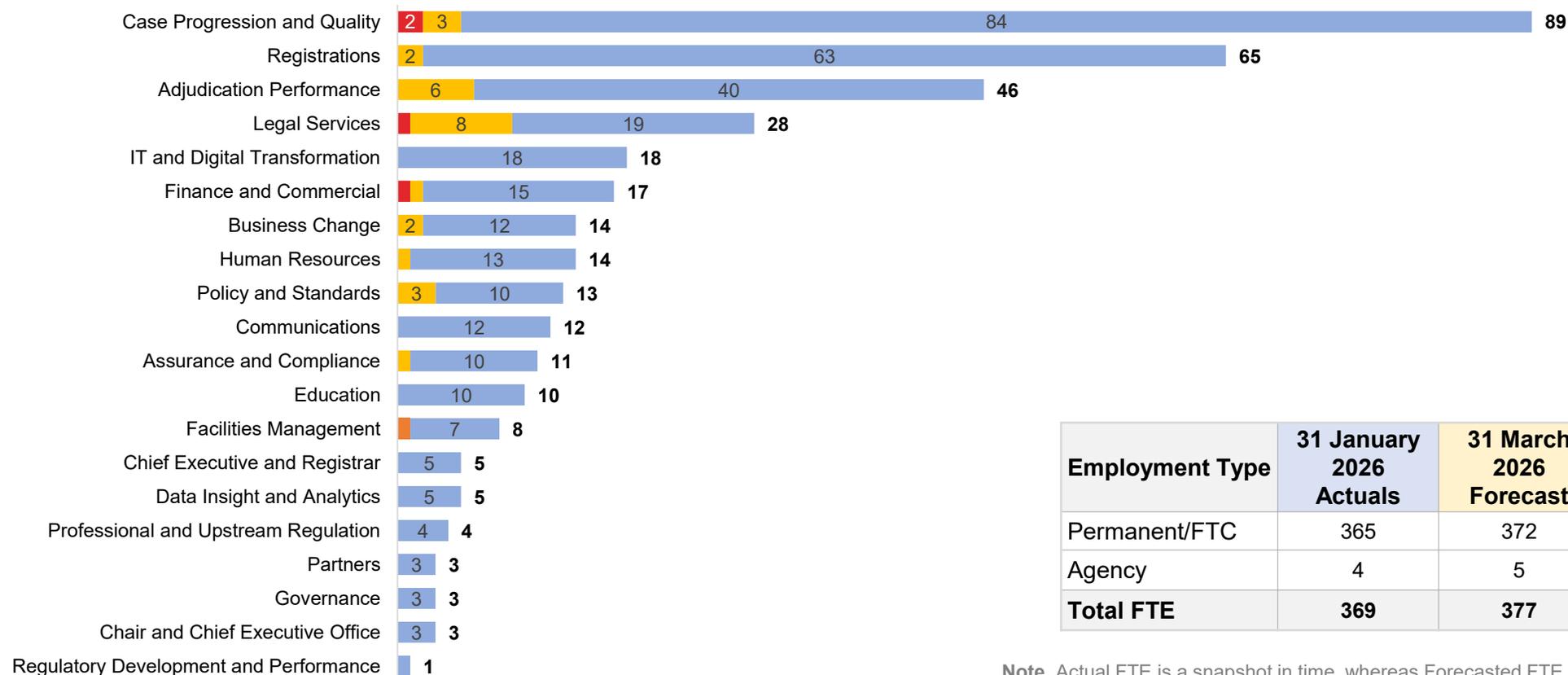
Department	Contract Title/Name	Description of service	Contract Value	Contract Length	Supplier	Procurement Route
Information Technology	Cloud-based telephony platform and customer contact solution	Implementation of a new cloud-based telephony and customer contact solution to replace existing telephony 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 31 January 2026)

## Actual FTE by Employment Type

■ Agency ■ Apprentice ■ Fixed Term ■ Permanent



Employment Type	31 January 2026 Actuals	31 March 2026 Forecast	Variance
Permanent/FTC	365	372	7
Agency	4	5	1
<b>Total FTE</b>	<b>369</b>	<b>377</b>	<b>8</b>

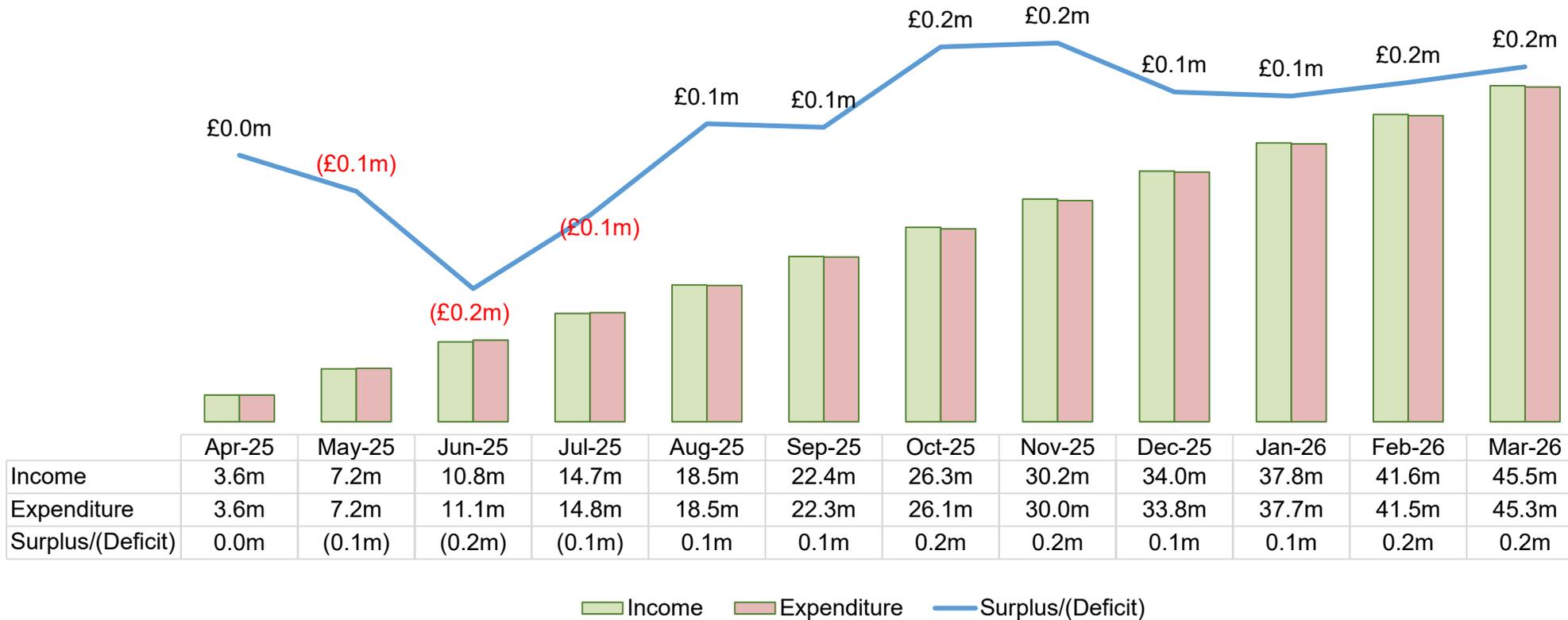
**Note.** Actual FTE is a snapshot in time, whereas Forecasted FTE is based on an annual view. For example, if an employee was hired on a 6-month contract at the beginning of the financial year, forecasted FTE would be shown as 0.5, however, Actuals will be shown as 1.0.

# Appendix 6 – Contingency (as at 31 January 2026)

Description	£'000
<b>2025-26 Budget Contingency</b>	<b>455</b>
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
<b>Total contingency as at 31 August 2025</b>	<b>275</b>
Redaction software licence costs	(35)
Release of contingency	(120)
<b>Total contingency as at 30 September 2025</b>	<b>120</b>
Contingency increase (ring-fenced for FTP)	150
<b>Total contingency as at 30 November 2025</b>	<b>270</b>
Release of contingency	(220)
<b>Total Contingency Available</b>	<b>50</b>

# Appendix 7 – 2025–26 Budget Profile

2025-26 Budget (Running Total)

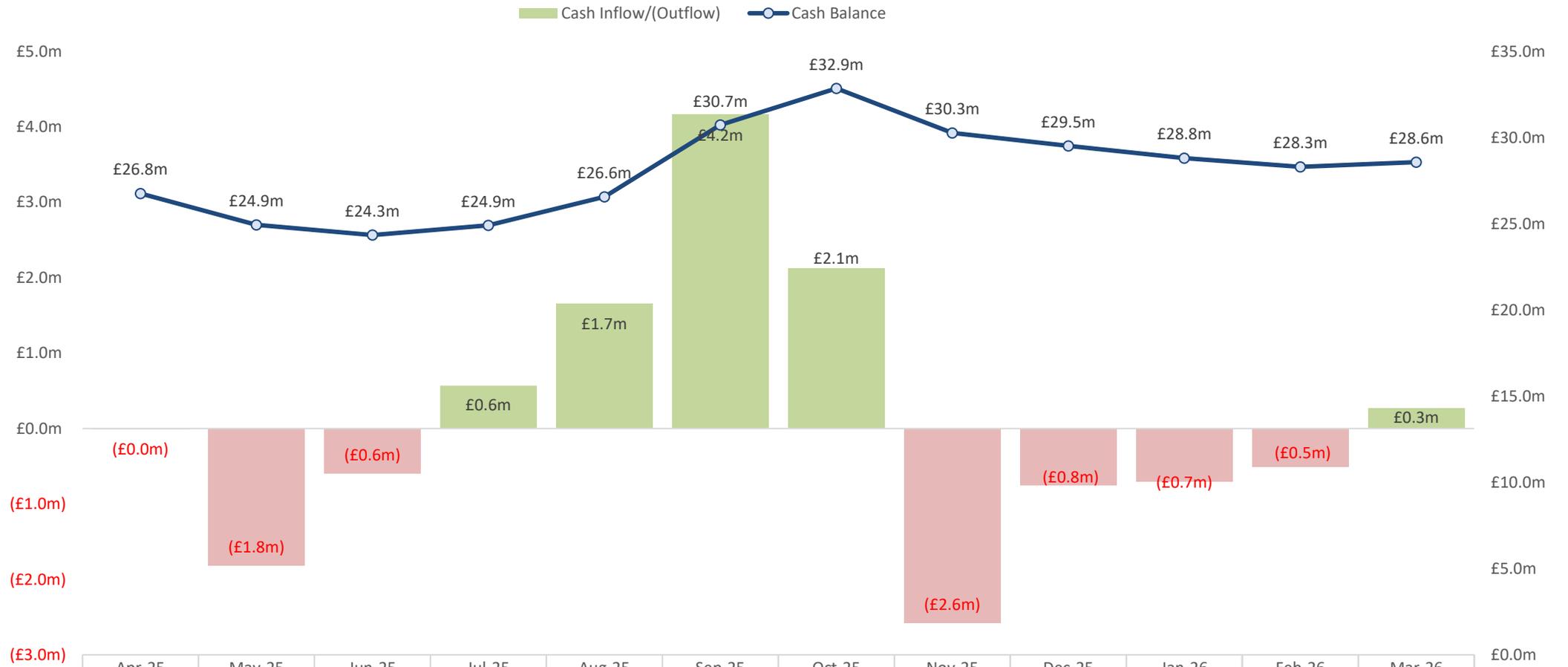


# Appendix 8 – Balance Sheet (as at 31 January 2026)

	31 January 2026 Actuals	31 January 2026 Forecast	Variance	31 March 2026 Forecast
	£'000	£'000	£'000	£'000
Property, Plant & Equipment	5,587	5,682	(95)	5,815
Intangible Assets	2,665	2,707	(42)	2,708
<b>Total Fixed Assets</b>	<b>8,252</b>	<b>8,389</b>	<b>(137)</b>	<b>8,523</b>
<b>Current Assets</b>				
Trade and Other Receivables	34,877	33,865	1,012	35,778
Cash and Cash Equivalents	28,812	29,225	(413)	28,547
<b>Total Current Assets</b>	<b>63,690</b>	<b>63,091</b>	<b>599</b>	<b>64,325</b>
<b>Total Assets</b>	<b>71,942</b>	<b>71,480</b>	<b>462</b>	<b>72,848</b>
<b>Current Liabilities</b>				
Deferred Income	56,387	56,721	334	57,318
Trade and Other Payables - other liabilities	5,045	4,335	(710)	5,166
<b>Total Current Liabilities</b>	<b>61,432</b>	<b>61,056</b>	<b>(376)</b>	<b>62,484</b>
Non Current Liabilities	300	300	0	300
<b>Total Liabilities</b>	<b>61,732</b>	<b>61,356</b>	<b>(376)</b>	<b>62,784</b>
<b>NET ASSETS</b>	<b>10,210</b>	<b>10,124</b>	<b>86</b>	<b>10,064</b>
Opening General Reserves	8,514	8,514	0	8,514
Surplus/(Deficit)	696	610	86	550
<b>TOTAL RESERVES</b>	<b>10,210</b>	<b>10,124</b>	<b>86</b>	<b>10,064</b>
<b>Realisable Net Assets</b>	<b>7,545</b>	<b>7,417</b>	<b>128</b>	<b>7,356</b>

# Appendix 9 – Cashflow Forecast (as at 31 January 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 Forecast	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)	(£0.50m)	£0.27m
Cash Balance	£26.76m	£24.94m	£24.35m	£24.92m	£26.57m	£30.73m	£32.85m	£30.27m	£29.52m	£28.81m	£28.31m	£28.57m

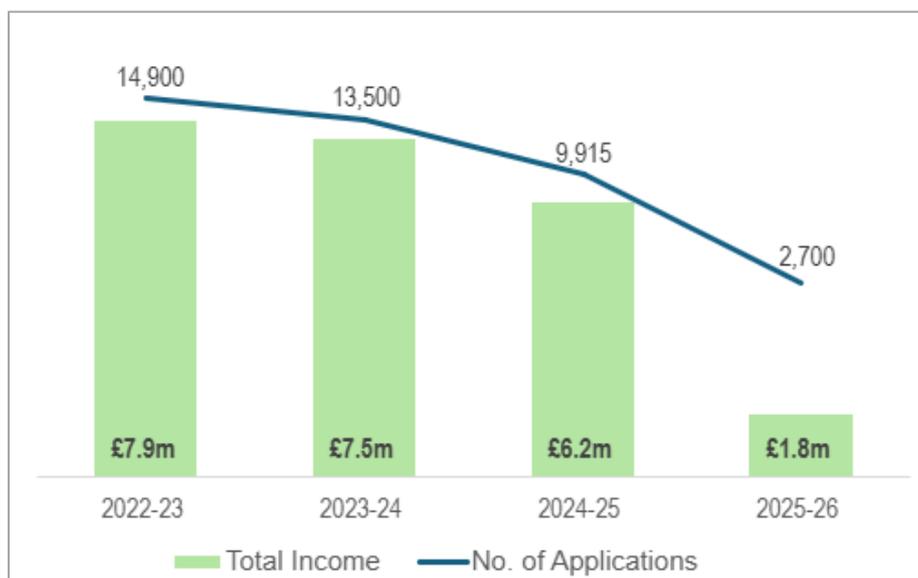
# Appendix 10 – Investment Portfolio Glossary

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, Registration, 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

## Appendix 11 – International Applications Trend Analysis

### Historic and Current Figures

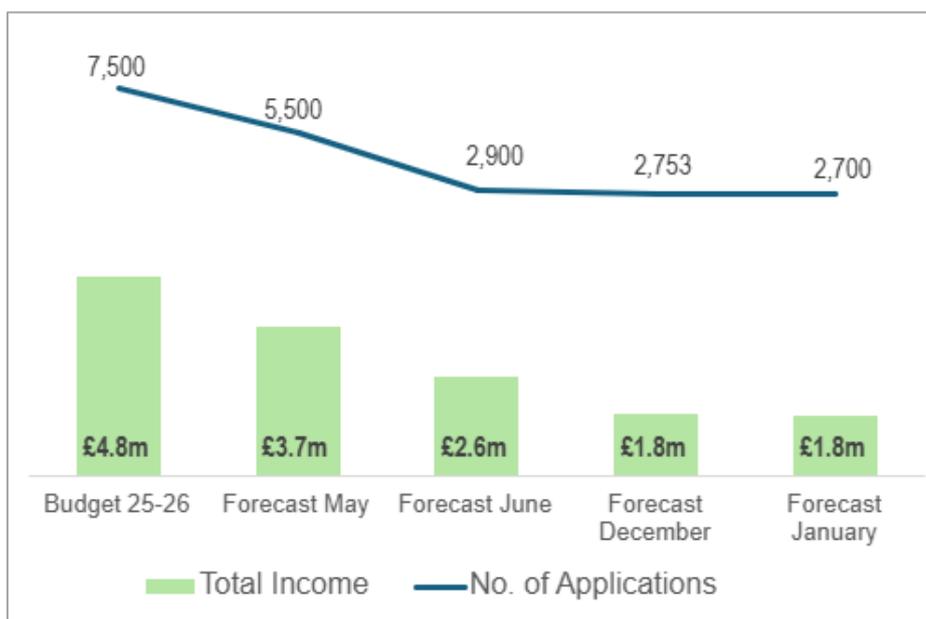
1. In 2022-23, the HCPC processed 14,900 applications, exceeding the budgeted 8,000 applications.
2. For 2023-24, the HCPC processed 13,500 applications, surpassing again the budgeted 8,000 applications.
3. For 2024-25, the HCPC processed 9,915 applications, also surpassing the budgeted assumed 6,000 international applications for the full year.
4. The average number of international applications received over the past three financial years (2022-23 to 2024-25) is approximately 12,800 per annum.
5. As for the current financial year (2025-26), we are now forecasting 2,700 international applications, which represents close to an 80% drop in volumes compared to the three-year average.



### 2025-26 Projections

6. The 2025-26 budget was set on the assumption of 7,500 international applications for the full year.
7. By June 2025, the full year forecast was revised down to 5,500 applications. This was further reduced to 2,700 by January 2026 and remains under review, with indications that volumes may decline further.

8. The revised January forecast represents a reduction of almost 64% compared to the original budget assumption, demonstrating a material and sustained downward trend. The primary drivers are understood to be external market and policy factors, rather than internal operational issues.



### Potential Drivers

9. Recent Home Office<sup>1</sup> data indicates a significant reduction in health and care worker visa applications, falling to approximately 61,000 last year, compared with 123,300 in 2024 (down 51%) and 382,700 in 2023 (down 84%). This broader decline in international health migration aligns with the downward trend in our own international application volumes.
10. Policy changes introduced in summer 2025, including tighter controls on inward migration and an increase in the skilled worker minimum salary threshold<sup>2</sup> from £38,700 to £41,700, are likely to have reduced the attractiveness and viability of overseas recruitment for UK health employers.
11. From 8 January 2026, the English language requirement for skilled worker visa applicants increased from B1 (intermediate) to B2 (upper-intermediate) level under the Common European Framework of Reference for Languages (CEFR) framework<sup>3</sup>. This higher threshold may be a further barrier and could contribute to continued softening in application volumes during the remainder of the financial year.
12. There is currently limited evidence to suggest a rebound to previous application levels. The pattern of sustained monthly decline points to a potential structural shift to a lower underlying level of demand and is the position held by the Head of Insight and Analytics and the Head of Registration.

<sup>1</sup> [Why do people come to the UK - Work? - GOV.UK](#)

<sup>2</sup> [Sharp decline in healthcare worker visa applications](#)

<sup>3</sup> [English language requirements for immigration applications | NHS Employers](#)