

19 June 2024

HCPC internal audit recommendations tracker

Executive Summary

This report provides the Committee with progress updates on the implementation of recommendations arising from Internal and External audits. In addition, any significant Quality Assurance recommendations and recommendations arising from ISO standard audits will be added.

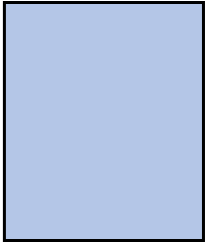
Recommendations which have been implemented have been removed from this report. The original numbering of recommendations has been retained.

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

Previous consideration	This is a standing item considered at each meeting of the Committee.
Decision	The Committee is asked to discuss and note the report.
Next steps	The next report will be received in September 2024
Strategic priority	All
Risk	All
Financial and resource implications	None as a result of this paper.
Author(s)	Nicole Jones, Compliance Officer nicole.jones@hcpc-uk.org
ELT Sponsor	Alastair Bridges, Executive Director of Resources alastair.bridges@hcpc-uk.org

Internal Audit report – HCPC Payroll and IR35 (considered at Audit and Risk Assurance Committee 15 November 2023)

Recommendations summary



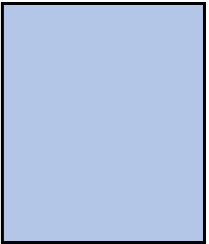
Priority	Outstanding recommendations	Status
High	0	Overdue 1
Medium	1	Not yet due 0
Low	0	Completed 0

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>4 Where reconciliations are not undertaken between employee bank accounts vs supplier bank accounts there is a risk that payments are made into employee bank accounts which are disguised as suppliers.</p> <p>On an annual basis, employee vs supplier bank account checks should be undertaken across the whole organisation. Other triggers for review of employee vs supplier bank account details could include the following: onboarding of new suppliers, new or change in supplier bank details and new employee details.</p>	<p>This was highlighted in a review meeting, and we are in agreement with this recommendation. We will be implementing this control measure going forward to ensure that duplication of bank details in terms of both data quality and fraud prevention are addressed.</p>	<p>December 2023 Finance</p>		<p>A reconciliation has been carried out between our employee bank accounts in our payroll register and our suppliers register, and vice versa. We are satisfied that there are no discrepancies to report. A copy of the reconciliation file can be provided to the Committee on request.</p>	<p>N/ A</p>

Internal Audit report – Regulatory Policy (considered at Audit and Risk Assurance Committee 15 November 2023)

Recommendations summary

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



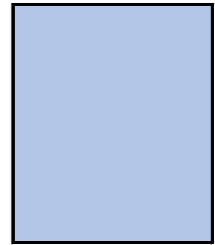
Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>1 Where policies, procedures and guidance are not in place and up to date there is a risk that consultations are managed inconsistently, ineffectively and do not allow for a forum whereby stakeholders can voice their concerns or thoughts. As a result, the outcomes from consultations may not be effective in impacting future policies and ensuring buy in from key stakeholders to their implementation.</p> <p>HCPC should develop policies, procedures and guideline which cover the below suggested areas:</p> <ul style="list-style-type: none"> • Strategy and Planning: Consultation strategy and planning, how, who and when the planned consultations will be undertaken including how non-cyclical consultations will be factored in the plan. • Pre-consultation guidelines – things to be considered pre the consultation activity starts. • Milestones: Consultation key timeliness, stage wise reporting, documentation storage. • Stakeholder engagement: including pre-consultation surveys, during consultation surveys, webinars, workshops etc. • Consultation reporting: Post consultation final report content, areas to consider, internal reporting process. • Feedback: Post consultation feedback from internal and external stakeholders. • Publishing: How to externally publish and report any policy changes. • Lessons learnt from consultations and shared within the Policy team • Management and oversight: Consultation with ELT and Council approval, what will be included in an ELT paper e.g., risk assessments, scope of consultation, main key stakeholders etc. 	Building on recommendations of audit and expertise in team, develop a standardised consultation procedure	Q1 2024-25 Rachael Gledhill, Head of Policy & Standards		In progress, not many new updates. Although there are a lot of things listed there it's just one process document that we're looking at producing which covers those areas. Rather than multiple documents, there will be one step-by-step document. There is an existing document which is currently being updated, however, there have been difficulties regarding capacity to update it.	N/A

<p>2 There is risk that consultations and the respective subject matters where not compared to HCPC's strategic risk register may not align with HCPC's risk appetite. This could lead to reputational damage for HCPC.</p> <p>HCPC should align its risk assessment for individual consultations directly to the strategic risk register and report this in its papers to ELT and the Council. The paper should set out whether the subject matter risk sits within the risk appetite or outside of the risk appetite. Where the consultation subject matter sits outside, HCPC should consider whether additional controls are required such as what additional actions will be undertaken because of the risk assessment. HCPC can also consider the 'phrasing' of consultations to ensure appropriate for the risk and to enable stakeholder buy-in.</p>	<p>Working with Governance, discuss how we might include risk assessment and risk appetite within governance paper cover sheets across the organisation.</p>	<p>Q4 2024-25</p> <p>Anna Raftery, Head of Assurance and Compliance</p>		<p>Governance have shared the draft of updated guidance and templates. They are being reviewed on a meeting taking place 24 June 2024. The results of the review will go back to Governance.</p>	<p>N/ A</p>
<p>3 Where no formal lessons learnt process is in place there is a risk that learnings will not be fully identified and able to make a positive impact on future consultations and team efficiency and effectiveness.</p> <p>A formal process for undertaking and reviewing lessons learnt should be established.</p>	<p>Incorporate this into the consultation process outlined in Finding 1</p>	<p>Q1 2024-25</p> <p>Rachael Gledhill, Head of Policy & Standards</p>		<p>In progress, formal reflections paper developed re SCPEs review to provide a basis for other learning</p>	<p>N/ A</p>
<p>4 Staff may be over or underutilised within the Policy team, which may impact staff well-being and overall team performance.</p> <p>The Policy team should use the work planner to include staff assigned to consultations to demonstrate workloads and where alternative approaches to the current workforce may be required.</p> <p><i>(As per recommendation 1, a formalised approach should be put in place for work planning and work force management.)</i></p>	<p>Incorporate into Team work planning for 2024-25</p>	<p>Q4 2023-24</p> <p>Rachael Gledhill, Head of Policy & Standards</p>		<p>2024-25 work plan includes staff assigned to consultations.</p>	<p>N/ A</p>

Internal Audit report – Partners Review (considered at Audit and Risk Assurance Committee 15 November 2023)

Recommendations summary

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

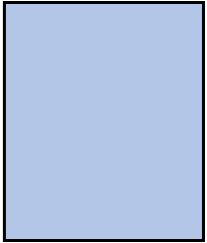


Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>1 Where there are high levels of manual intervention required for the calculation of partner payments, and limitations on the second line assurance checks completed by areas such as Finance, there is a risk that payments are made incorrectly, and resources are not working efficiently.</p> <p>HCPC should:</p> <p>a) Review the process for calculating cancellation payments within the FtP directorate, and the methods of calculation. Consider whether the process can be redefined and updated to be more efficient.</p> <p>b) Ensure where practicable, all requests for payment which are derived from data in the Nexus system, include supporting documentation. Finance should then verify the payment charge is valid and has not been previously paid.</p> <p>c) On a regular basis, assess whether upgrades can be made to its business systems to allow an automated transfer of payment data from the CRM system to the WAP system, which would remove the need for manual Excel spreadsheets as a delivery mechanism.</p>	<p>WE ACCEPT THE FINDINGS AND ADD THAT FURTHER ANALYSIS WILL BE COMPLETED BY THE END OF THE MONTH.</p>	<p>1 April 2024</p> <p>Uta Pollmann, Partner Project Lead</p> <p>Aihab Al Koubaisi, Financial Controller</p> <p>Deborah Oluwole, FTP</p>		<p>We are in the process of preparing a file that will alert the team of any cancellations and prompting them to send an email to either the cancellation inbox or teams channel. With regards to duplicate payments, Finance have been provided with PowerBI links to the Nexus system. This allows Finance to search raw data for duplicate payments going back 6 months.</p>	N/A

<p>2 There is a risk that where there is limited guidance on how long CPD assessments should take, assessors may 'rush' assessments to maximise the number of assessments they undertake to maximise the fees payable. As a result, assessors may sign off inappropriate assessments, that could ultimately put patients at risk.</p> <p>HCPC should:</p> <p>a) Review the process for CPD Assessments to include more specific detail on the expected time and review work to be carried out. This should specify how long assessments are expected to take, and if considered necessary, include a specific requirement to assess the CPD record and verify that a sample of courses provided a satisfactory level of training. For example, assessors could be required to score courses or other training activity with a determined amount of CPD units to indicate their effectiveness and then confirm whether a minimum number of CPD units have been accumulated by the partner during the two-year review period.</p> <p>b) Consider re-introducing a maximum number of assessments that an assessor can undertake in a specified period.</p> <p>c) Undertake periodic spot checks on CPD assessments to verify that the level of review is consistent with policy requirements, ie that there has not been a 'light touch' review which does not delve into the details of training and make a formal assessment of its suitability.</p>	<p>WE ACCEPT THE FINDINGS AND ADD THAT FURTHER ANALYSIS WILL BE COMPLETED BY THE END OF THE MONTH.</p>	<p>1 April 2024</p> <p>Uta Pollmann, Partner Project Lead</p> <p>Vesna Maglov, Registration Manager</p>	<p>Revised due date 31 July 2024</p>	<p>The CPD review project is underway. Nearly 50% of all CPD assessors have agreed to partake in the pilot and provide us with feedback. We aim to implement the new form during the gap of CPD profile assessments between 31 July and 1 September 2024. The project is on track.</p>	<p>N/ A</p>
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Internal Audit report – Unified Assurance Framework (considered at Audit and Risk Assurance Committee 15 March 2023)

Recommendations summary



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

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>1, 2 & 3 The current approach to determining the control environment in each department may mean that key aspects of the line 1 control environment is overlooked. Furthermore, lack of a Quality Framework may make it more difficult to compare the adequacy and effectiveness of controls operating across the organisation.</p> <p>1. Develop a Quality Framework that contains ‘pillars’ to create a standard way in which to assess the control environment across departments. These pillars could include Policies and Guidance, Induction and Training, Quality Checks / Peer Review, Continuous Improvement and Performance Monitoring, as examples (Year 1).</p> <p>2. For each pillar, design high level guidance setting out expectations for the expected controls to be captured within each pillar, including a good/better/best system of self assessment to support continuous improvement (Year 1).</p> <p>3 Ask teams to complete a self-assessment against each of the pillars, utilising the good practice guidance. Collate these responses and use them as the basis for the population of the UAF (Year 2).</p>	<p>The variability of level 1 assurance activity across departments reflects the existing matrix of departmental workload, resources, processes and stability of those variables. Level 1 check enhancement may require resources greater than those possible under existing financial constraints.</p> <p>However, efforts to include these potential pillars will continue and progress to deliver against these pillars will be monitored.</p>	<p>Requires a complete cycle of audits to create and check compliance</p> <p>01/03/24 Year 1 activities and 01/03/25 Year 2 active use in UAF.</p> <p>Anna Raftery, Head of Assurance and Compliance.</p>		<p>The Q1 Risk and Assurance meetings are happening in June and July, so will have fuller update for Q2.</p>	<p>Commentary History See Appendix 1 or [PRESS]</p>

<p>5 & 6 Failure to have an independent assessment of controls could result in an unreliable or inaccurate assessment of control adequacy and effectiveness, thus giving those charged with governance false assurance as to the efficacy of HCPC's system of governance, risk management and internal control.</p> <p>5. Following implementation of recommendations 1-4, The Quality Assurance Team should introduce a rolling programme of reviews of team assurance maps over a three-year cycle, assessing the veracity of the self-assessment statements and providing and independent assessment of the strength of the control environment (Year 2).</p> <p>6. As part of the above process, collate information on best practice observed and use this to continually improve the good practice guidance and Quality Framework (Year 2).</p>	<p>Departmental self-assessment statements and methods will be evaluated on a case by case basis, to check the veracity of claimed effectiveness, and share best practise where observed and applicable to other departments.</p>	<p>1 March 2024</p> <p>Anna Raftery, Head of Assurance and Compliance.</p>	<p>Revised due date: Q2 2024-25</p>	<p>This will be reviewed in Q2 as we have the revised date following the Q1 Risk and Assurance meetings.</p>	<p>Commentary History See Appendix 1 or [PRESS]</p>
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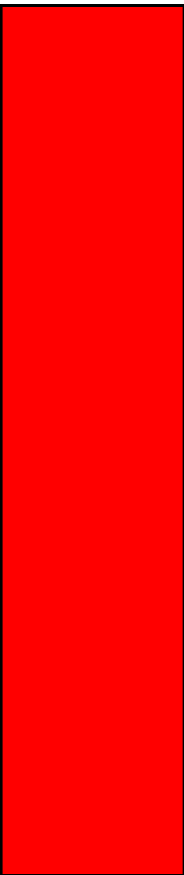
Internal Audit report – Key Financial Controls Follow up (considered at Audit and Risk Assurance Committee 15 March 2023)

Recommendations summary

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

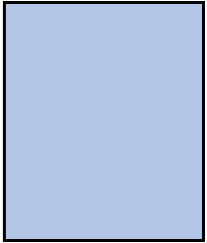


Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>1 Where there are a large number of policies and procedures which are not logged in a policy tracker and cover several topics, there is a risk that policies and procedures are not reflective of current methodologies, and tasks are not completed correctly and consistently which can leave HCPC vulnerable to fraud or error.</p> <p>We recommend that HCPC:</p> <p>a) Review the composition of the 116 policies and procedures and consider whether any can be combined (e.g. P2P process)</p> <p>b) Update the Adding New Users to WAP Policy, ensuring it details how changes to individuals' access and approval thresholds are made</p> <p>c) Create a central finance manual and policy tracker. The policy tracker should detail the date of last update (which should align to the date on the document) and detail a responsible individual for ensuring the accuracy and completeness of the policy/procedure. The tracker should detail areas covered within policies and procedures.</p> <p>d) Update the Finance Induction Slides to align to the above changes as well as changes from SAGE to Business Central (BC).</p>	<p>Points a) & c) The focus for HCPC up until July 23, will be on the new BC implementation. This system change will impact a number of the procedures & so represents a good opportunity to review the policies and procedures and determine the best way to monitor & maintain them, which will include drawing all of these documents together in a tracker. Consideration will be given to also creating a finance manual to pull all of the finance policies & procedures together to provide a holistic view.</p> <p>Point d) The induction slides will be updated post the completion of the BC implementation.</p>	<p>30 August 2023</p> <p>Points a) & c) Head of Financial Control 31/12/23</p> <p>Point d) Head of Financial Control 30/09/23</p>	<p>1b was reported as completed to ARAC September 2023</p>	<p>A: We are looking at our policies in order to consolidate them once the year-end activities for 2023-24 are completed, which will be from August 2024 onwards.</p> <p>B: This action is now not applicable as we have implemented our new finance system, Business Central as of 12th April. This is a standardised, out-the-box solution, which has clear how-to guides via the Microsoft Dynamics website.</p> <p>C: Similar to the comments for point (A), we are looking to update this from August 2024.</p> <p>D: This is currently in progress and will be in effect from the end of June 2024, which is when the quarterly inductions sessions will take place, to align with Business Central. These will also be updated in line with policy changes from August 2024.</p>	<p>Commentary History See Appendix 1 or [PRESS]</p>

<p>2 Where controls are not suitably robust around supplier set up and changes to bank details there is a risk that incorrect bank accounts are paid due to error or fraud, with could lead to monies being unrecoverable.</p> <p>HCPC should investigate adding approvals within the finance system (for both SAGE and BC) for each addition or change to bank details, with a change of bank details being put on hold without the approval of the second individual. If it is not possible to require approval within the system, HCPC should look to add electronic signatures to the sign-off of each weeks' audit log, so that individuals checking these additions or changes can be held accountable for any errors not identified.</p>	<p>Currently HCPC does not have the functionality on Sage to require such approvals on Sage. Given it is being replaced by BC, reconfiguring Sage doesn't represent a cost effective solution. This risk is significantly mitigated by segregation of duties & the introduction of regular sign off of the Sage audit log (of system changes) by the Head of Financial Control. It is planned for BC to be implemented using the workflow model, which would require bank account amendments to be processed by the System Accountant (once he has received appropriate documentation to make this amendment) with the changes only being made once the relevant approver has received the BC amendment request & approved the amendment on the BC system.</p>	<p>31 August 2023</p> <p>Head of Financial Control</p>		<p>The sign off of audit log changes by the financial controller are continuing on a timely basis.</p>	<p>Commentary History See Appendix 1 or [PRESS]</p>
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Internal Audit report – Registrant Forecasting Review (considered at Audit and Risk Assurance Committee 9 November 2022)

Recommendations summary

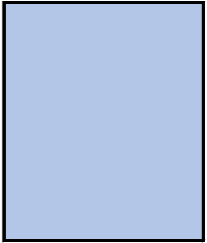


Priority	Outstanding recommendations	Status
High	0	Overdue 1
Medium	1	Not yet due 0
Low	0	Completed 0

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>4 Where there is manual intervention, for example extracting the number of registrants from the model and importing into the Financial model there is a risk that errors arise which can ultimately affect decision making and further numbers generated.</p> <p>4. a) Investigate whether it is possible to do an automated upload from the model into the Financial model. If this is not possible, consider whether the model can be adapted to include what is required for the Financial model with less manual intervention. A secondary check should be undertaken for all data extracted from the model that is incorporated into the Financial model to verify accuracy.</p> <p>4. b) Consider if it is possible to incorporate and thus easily identify from the model the number of registrants on discounted registrant fees and those on full registrant fees to support the Finance team further.</p>	<p>This is happening already, to a certain extent, whereby registrant numbers are extracted from the CRM system to inform our financial figures. Further work will need to be carried out to incorporate this seamlessly as part of the overall process.</p>	<p>January 2023</p> <p>Jagana Abubacarr – Finance BP</p>		<p>Finance team have started Phase 2 of the Business Central transformation. Part of the project includes automate registrant financial model and implement deferred income module within the Business Central</p>	<p>Commentary History See Appendix 1 or [PRESS]</p>

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

Recommendations summary

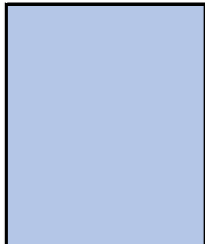


Priority	Outstanding recommendations	Status
High	0	Overdue 1
Medium	0	Not yet due 0
Low	1	Completed 0

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>1 Key Risk Area 1: Suitable organisations are appointed to deliver educational programmes</p> <p>HCPC should continue to keep the standards under review and provide an annual update to the Education and Training Committee highlighting any issues which have arisen that could prompt an interim review mid-cycle.</p>	<p>Action: Develop an annual reporting mechanism to highlight any issues that could prompt an interim review of the Standards to the Education and Training Committee.</p>	<p>Action Owner: Head of Policy, Standards and Strategic Relationships</p> <p>Completion date: 31/08/2022</p>	<p>Revised date 31 December 2022</p> <p>2nd Revised date: Due to commence Q4 2023-24.</p>	<p>SETs review has now commenced. An initial plan and timetable were presented to ETC in March and update will be given at June ETC meeting. Review currently planned to run until early 2026.</p>	<p>Commentary History See Appendix 1 or [PRESS]</p>

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

Recommendations summary

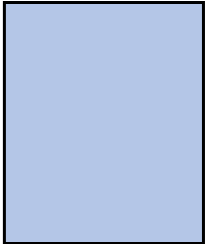


Priority	Outstanding recommendations	Status
High	0	Overdue 1
Medium	1	Not yet due 0
Low	0	Completed 0

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>2 Key Risk Area 2: Systematic issues from the 2020/21 financial reporting exercise have been cleared</p> <p>A long-term solution systems-based solution should be introduced which eliminates, as much as reasonably practicable, the requirement for complex monthly reconciliations and manual journal postings to HCPC's finance system.</p> <p><u>Status update from BDO following Follow up Audit June 2023:</u> HCPC are working with KPMG to implement the new finance system having a provisional go-live date of early July 2023. However, due to a required extension to the Vision and Validate stage, and subsequent expiation of must-have scope, there is now a revised due date is December 2023</p>	<p>Paper submitted to Exec Team stating that a retender will be undertaken to ensure we are covered by the correct CCS Framework agreement and a staggered project implementation approach, as we have an existing platform and partial implementation from which to build on. In the interim, we are close to completing our manual income reconciliations with a level of automation introduced within our files to produce expected revenue, based on our fee structure, which is dependent on the specific renewal cycle and also the type of applicant/registrant (UK or International). This is then compared against the amounts in Business Central and any differences are investigated and, thereafter, corrected within Business Central and/or Customer Engagement (CRM system). Once all corrections and adjustments are made, a final summary check will be carried out to ensure total amounts in BC versus total amounts for expected revenue match. Our reconciliation files will hold data on an individual basis, which will enable us to provide detailed backing of our recognised income and deferred income to audit.</p> <p>We have set a deadline for potential suppliers to submit their bids to undertake the Business Central Reimplementation Project by 10th June.</p>	<p>Action Owner: Mahmoud Hamed (Finance Operations Manager)</p> <p>Completion date: 10 June for receipt of bids, timescales</p> <p>Date for a single finance system - 31 March 2023.</p>	<p>Revised Date: Provisional go live date is now JULY 2023</p> <p>revised provisional go-live date of November/December 2023</p> <p>revised provisional go-live date of January 2024</p> <p>revised provisional go-live date of April 2024</p>	<p>Phase 1 and 2 were successfully completed. Phase 1 go live date was 10 March 2024. Phase 2 go live date was 09 April 2024.</p>	<p>Commentary History See Appendix 1 or [PRESS]</p>

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

Recommendations summary



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

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
Committee note (March 2022): Whilst some of the management actions were reported as being contained in workplans and therefore completed, the Committee agreed that those actions should remain active in the recommendation tracker with implementation dates until completed.					
<p>4 Key Risk Area 2: Guidance to registrants on standards and safeguarding risks</p> <p>HCPC should develop a suite of safeguarding materials aimed at assisting registrants manage key safeguarding risks which they may encounter during the course of their professional roles. These materials should be readily available to registrants through HCPC’s website. This should be benchmarked against the safeguarding materials provided by other healthcare professions regulators.</p> <p>HCPC should also consider delivering specific safeguarding guidance sessions as part of the programme of Professional Liaison Service webinars.</p> <p>Status update from BDO following Follow up Audit June 2023: Webinars have been developed by HCPC and attended by staff to help increase safeguarding awareness across the organisation. For example, the #myhpcstandards webinar on safeguarding, which included a survey where 95% of staff rated the webinar as good and above. Work is ongoing with updating policies, procedures and guidance and subsequently making these more accessible to staff. Revised due date: September 2023</p>	<p>While we have materials relevant to safeguarding (eg #MyStandards webinars) these are not readily accessible or specifically flagged as safeguarding materials. There is an opportunity to review our materials and update/improve them via the planned review of our Standards of Conduct, Performance and Ethics, due in 2022/23.</p> <p>Action: (1) Add to 2022/23 Policy and Comms team workplans. (2) Add safeguarding to 2022/23 Prof Liaison event programme.</p>	<p>Action Owners: Rachael Gledhill (Head of Policy & Strategic Relationships), Kellie Green, (Head of Professionalism and Upstream Regulation), Tony Glazier (Communications Lead)</p>	<p>Revised due date: September 2023</p> <p>Partially completed November 2023.</p>	<p>Work to update supporting guidance and materials to the SCPEs underway. Priority focus on updating current materials in line for standards taking effect in September 2024. Potential additional materials on safeguarding being scoped for next phase.</p>	<p>Commentary History See Appendix 1 or [PRESS]</p>

<p>6 Key Risk Area 4: Controls to identify safeguarding issues identified through DBS</p> <p>HCPC should explore the feasibility of having a formal relationship with Disclosure Scotland as it currently has with the DBS, whereby the DBS proactively alerts the HCPC of registrants who have been arrested or convicted for a serious criminal offence.</p> <p><u>Status update from BDO following Follow up Audit June 2023:</u></p> <p>The Chief Information Risk and Security Officer (CIRSO) has contacted Disclosure Scotland to investigate implementing a formal relationship with them. Further action is required to establish what this relationship may look like.</p> <p>Revised due date: September 2023</p>	<p>Action: The DBS covers both England and Wales and NI. We do have a relationship with Disclosure Scotland and receive information from them, but we do not have a formal MOU with them. The feasibility of implementing a formal relationship will be explored.</p>	<p>Action Owner: Roy Dunn</p> <p>Completion date: 31 July 2022</p>	<p>Revised due date: September 2023</p>	<p>Disclosure Scotland (14th May 2024) have declined to sign a MoU with HCPC.</p>	<p>Commentary History See Appendix 1 or [PRESS]</p>
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Appendix 1 - Commentary History - a log of the last 4 Audit and Risk Assurance Committee updates

Payroll and IR35		Mar-24	Nov-23	Sep-23	Jun-23
<p>4 Where reconciliations are not undertaken between employee bank accounts vs supplier bank accounts there is a risk that payments are made into employee bank accounts which are disguised as suppliers.</p> <p>On an annual basis, employee vs supplier bank account checks should be undertaken across the whole organisation. Other triggers for review of employee vs supplier bank account details could include the following: onboarding of new suppliers, new or change in supplier bank details and new employee details.</p>		<p>We are in the process of carrying out a reconciliation check. We have obtained all employees together with their bank details from our payroll software. We have not been able to download a list of suppliers with their bank details from our Sage Accounting Software. We are therefore going to reach out to Sage to assist us with this and then implement a reconciliation check on a regular basis.</p>			<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

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

Regulatory Policy	Mar-24	Nov-23	Sep-23	Jun-23	
<p>1 Where policies, procedures and guidance are not in place and up to date there is a risk that consultations are managed inconsistently, ineffectively and do not allow for a forum whereby stakeholders can voice their concerns or thoughts. As a result, the outcomes from consultations may not be effective in impacting future policies and ensuring buy in from key stakeholders to their implementation.</p> <p>HCPC should develop policies, procedures and guideline which cover the below suggested areas:</p> <ul style="list-style-type: none"> • Strategy and Planning: Consultation strategy and planning, how, who and when the planned 		In progress, no new updates.			<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>2 There is risk that consultations and the respective subject matters where not compared to HCPC’s strategic risk register may not align with HCPC’s risk appetite. This could lead to reputational damage for HCPC.</p> <p>HCPC should align its risk assessment for individual consultations directly to the strategic risk register and report this in its papers to ELT and the Council. The paper should set out whether the subject matter risk sits within the risk appetite or outside of the risk appetite. Where the consultation subject matter sits outside, HCPC should consider whether additional controls are required such as what additional actions will be undertaken because of the risk assessment. HCPC can also consider the ‘phrasing’ of consultations to ensure appropriate for the risk and to enable stakeholder buy-in.</p>		Governance will be sending out a draft cover sheet and guidance to get feedback with a view to launching this before the next Council and Committee meetings in May/June 2024. We are going to use the same cover sheet for ELT too and it does include the statement of risk appetite.			<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>3 Where no formal lessons learnt process is in place there is a risk that learnings will not be fully identified and able to make a positive impact on future consultations and team efficiency and effectiveness.</p> <p>A formal process for undertaking and reviewing lessons learnt should be established.</p>		In progress, no new updates.			<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

<p>4 Staff may be over or underutilised within the Policy team, which may impact staff well-being and overall team performance.</p> <p>The Policy team should use the work planner to include staff assigned to consultations to demonstrate workloads and where alternative approaches to the current workforce may be required.</p> <p><i>(As per recommendation 1, a formalised approach should be put in place for work planning and work force management.)</i></p>		In progress, no new updates.			<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
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Partners Review	Mar-24	Nov-23	Sep-23	Jun-23	
<p>Where there are high levels of manual intervention required for the calculation of partner payments, and limitations on the second line assurance checks completed by areas such as Finance, there is a risk that payments are made incorrectly, and resources are not working efficiently.</p> <p>HCPC should: a) Review the process for calculating cancellation payments within the FtP directorate, and the methods of calculation. Consider whether the process can be redefined and updated to be more efficient.</p>		<p>Finance check processes have improved after working with FTP to gain a better understand of the Nexus report and the data shared. A specific Inbox was created to communicate cancellations between FTP and the finance department to add an additional layer of control.</p>			<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>There is a risk that where there is limited guidance on how long CPD assessments should take, assessors may 'rush' assessments to maximise the number of assessments they undertake to maximise the fees payable. As a result, assessors may sign off inappropriate assessments, that could ultimately put patients at risk.</p> <p>HCPC should: a) Review the process for CPD Assessments to include more specific detail on the expected time and review work to be carried out. This should specify how long assessments are expected to take, and if considered necessary, include a specific requirement to assess the CPD record and verify that a sample of courses provided a satisfactory level of training. For example, assessors could be required to score courses or other training activity with a determined amount of CPD units to indicate their effectiveness and then confirm whether a minimum number of CPD units have been accumulated by the partner during the two-year review period. b) Consider re-introducing a maximum number of assessments that an assessor can undertake in a specified period. c) Undertake periodic spot checks on CPD assessments</p>		<p>We have reviewed the CPD audit form and will pilot the new form shortly with current CPD assessor to gather their feedback. After the pilot, the new form can't be introduced until 31 July as we need to wait for a gap in the CPD cycle due to the require system update to reflect the changes.</p>			<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

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Unified Assurance Framework		Mar-24	Nov-23	Sep-23	Jun-23	
<p>1, 2 & 3 The current approach to determining the control environment in each department may mean that key aspects of the line 1 control environment is overlooked. Furthermore, lack of a Quality Framework may make it more difficult to compare the adequacy and effectiveness of controls operating across the organisation.</p> <p>1. Develop a Quality Framework that contains 'pillars' to create a standard way in which to assess the control environment across departments. These pillars could include Policies and Guidance, Induction and Training, Quality Checks / Peer Review, Continuous Improvement and Performance Monitoring, as examples (Year 1).</p> <p>2. For each pillar, design high level guidance setting out expectations for the expected controls to be captured within each pillar, including a good/better/best system of self assessment to support continuous improvement (Year 1).</p> <p>3 Ask teams to complete a self-assessment against each of the pillars, utilising the good practice guidance. Collate these responses and use them as the basis for the population of the UAF (Year 2).</p>		<p>Q4 risk & assurance meetings are taking place currently. A review of the pillars will take place once these are completed, in order to assess if these are adequate.</p> <p>In Q1 2024-25 a self assessment exercise will be run against these pillars, with guidance provided. These assessments will then be discussed in the Q1 R&A meetings</p>	<p>As the R&A meetings continue more clarity is being added to the identified "core" assurance areas (guidance & process, Training & induction, reporting, quality checks). As a lot of this information will not change quarter to quarter, once we have the details we can focus on the quality check outcomes, gaps, and improvements more effectively.</p>	<p>As the R&A meetings continue more clarity is being added to the identified "core" assurance areas (guidance & process, Training & induction, reporting, quality checks). As a lot of this information will not change quarter to quarter, once we have the details we can focus on the quality check outcomes, gaps, and improvements more effectively.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>	

<p>5 & 6 Failure to have an independent assessment of controls could result in an unreliable or inaccurate assessment of control adequacy and effectiveness, thus giving those charged with governance false assurance as to the efficacy of HCPC's system of governance, risk management and internal control.</p> <p>5. Following implementation of recommendations 1-4, The Quality Assurance Team should introduce a rolling programme of reviews of team assurance maps over a three-year cycle, assessing the veracity of the self-assessment statements and providing an independent assessment of the strength of the control environment (Year 2).</p> <p>6. As part of the above process, collate information on best practice observed and use this to continually improve the good practice guidance and Quality Framework (Year 2).</p>	<p>This has been moved back due to resource, risk level, and stage of recommendations 1-3. Following self assessment exercise in Q1 2024-25 these recommendations will be reviewed again to determine how best to proceed or if they have been superseded by other work.</p>	<p>Still in planning stage, will need to be re-scoped with new priorities and resource implications.</p>	<p>Still in planning stage, will need to be re-scoped with new priorities and resource implications.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
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Key Financial Controls Follow up		Mar-24	Nov-23	Sep-23	Jun-23	
1	<p>Where there are a large number of policies and procedures which are not logged in a policy tracker and cover several topics, there is a risk that policies and procedures are not reflective of current methodologies, and tasks are not completed correctly and consistently which can leave HCPC vulnerable to fraud or error.</p> <p>We recommend that HCPC:</p> <p>a) Review the composition of the 116 policies and procedures and consider whether any can be combined (e.g. P2P process)</p> <p>b) Update the Adding New Users to WAP Policy, ensuring it details how changes to individuals' access and approval thresholds are made</p> <p>c) Create a central finance manual and policy tracker. The policy tracker should detail the date of last update (which should align to the date on the document) and detail a responsible individual for ensuring the accuracy and completeness of the policy/procedure. The tracker should detail areas covered within policies and procedures.</p> <p>d) Update the Finance Induction Slides to align to the above changes as well as changes from SAGE to Business Central (BC).</p>		<p>A&C: Once Business Central is implemented & the audit for 2023-24 is completed this can be actioned.</p> <p>D: Once Business Central is implemented & the audit for 2023-24 is completed this can be actioned.</p>	<p>The Commentary is repeated from September's update.</p> <p>A&C: Once Business Central is implemented & the audit for 2022-23 is completed this can be actioned.</p> <p>D: Once Business Central is implemented & the audit for 2022-23 is completed this can be actioned.</p>	<p>A&C: Once Business Central is implemented & the audit for 2022/23 is completed this can be actioned.</p> <p>B: This is now closed as we have assigned John Du as the gatekeeper for this.</p> <p>D: Once Business Central is implemented & the audit for 2022/23 is completed this can be actioned.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

<p>2 Where controls are not suitably robust around supplier set up and changes to bank details there is a risk that incorrect bank accounts are paid due to error or fraud, with could lead to monies being unrecoverable.</p> <p>HCPC should investigate adding approvals within the finance system (for both SAGE and BC) for each addition or change to bank details, with a change of bank details being put on hold without the approval of the second individual. If it is not possible to require approval within the system, HCPC should look to add electronic signatures to the sign-off of each weeks' audit log, so that individuals checking these additions or changes can be held accountable for any errors not identified.</p>		<p>The sign off of audit log changes by the financial controller are continuing on a timely basis.</p>	<p>The Commentary is repeated from September's update.</p> <p>The sign off of audit log changes by the financial controller are continuing on a timely basis.</p>	<p>The sign off of audit log changes by the financial controller are continuing on a timely basis.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
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Registrant Forecasting Review	Mar-24	Nov-23	Sep-23	Jun-23	
<p>4 Where there is manual intervention, for example extracting the number of registrants from the model and importing into the Financial model there is a risk that errors arise which can ultimately affect decision making and further numbers generated.</p> <p>4. a) Investigate whether it is possible to do an automated upload from the model into the Financial model. If this is not possible, consider whether the model can be adapted to include what is required for the Financial model with less manual intervention. A secondary check should be undertaken for all data extracted from the model that is incorporated into the Financial model to verify accuracy.</p> <p>4. b) Consider if it is possible to incorporate and thus easily identify from the model the number of registrants on discounted registrant fees and those on full registrant fees to support the Finance team further.</p>		<p>Business Central Re-implementation is at a testing stage and go live expected in December 23, we aim to further update in January 2024.</p>	<p>Business Central Re-implementation still ongoing and go live expected in December 2023, further update likely in January 2024</p>	<p>Await to see what BC Re-implementation offers by end Sep 23</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

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Education Standards		Mar-24	Nov-23	Sep-23	Jun-23	
1	<p>Key Risk Area 1: Suitable organisations are appointed to deliver educational programmes</p> <p>HCPC should continue to keep the standards under review and provide an annual update to the Education and Training Committee highlighting any issues which have arisen that could prompt an interim review mid-cycle.</p>		No further update, the SETs review is still planned to begin in Q4 of this financial year.	The SETs review is still planned to begin in Q4 of this financial year.	The SETs review is still planned to begin in Q4 of this financial year	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

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Registration Payment Process		Mar-24	Nov-23	Sep-23	Jun-23	
<p>2 Key Risk Area 2: Systematic issues from the 2020/21 financial reporting exercise have been cleared</p> <p>A long-term solution systems-based solution should be introduced which eliminates, as much as reasonably practicable, the requirement for complex monthly reconciliations and manual journal postings to HCPC’s finance system.</p>		<p>We have needed to do further testing of the system and the data migration exercise. This has had a knock-on effect on the go-live date of January 2024 with a revised Provisional go-live date of April 2024.</p>	<p>We have needed additional time for UAT testing of system and the data migration exercise. This has had a knock-on effect on the go-live date of November 2023 with a revised provisional go-live date of January 2024.</p>	<p>As previously reported, we have concluded the Vision & Validate phase of the project, which resulted in additional workshops and reviews. This has had a knock-on effect on the original go-live date of July 2023 with a revised provisional go-live date of November 2023. We are in discussions with our current supplier to agree the proposed project timelines.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>	

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Safeguarding controls		Mar-24	Nov-23	Sep-23	Jun-23	
4	<p>Key Risk Area 2: Guidance to registrants on standards and safeguarding risks</p> <p>HCPC should develop a suite of safeguarding materials aimed at assisting registrants manage key safeguarding risks which they may encounter during the course of their professional roles. These materials should be readily available to registrants through HCPC's website. This should be benchmarked against the safeguarding materials provided by other healthcare professions regulators.</p> <p>HCPC should also consider delivering specific safeguarding guidance sessions as part of the programme of Professional Liaison Service webinars.</p>		<p>RG: Work on supporting guidance and materials around SCPEs being scoped. Implementation of SCPEs including comms underway leading to Q3 23-24 when new standards take effect.</p> <p>TG: Comms support will be provided when it comes to promoting the new standards and guidance, and creating content to support understanding.</p>	<p>RG: Revised SCPEs approved by Council in October and published. Work on supporting guidance and materials on track for Q4.</p> <p>KG: We have now completed the ask from this audit</p> <p>TG: Comms support will be provided when it comes to promoting the new standards and guidance, and creating content to support understanding.</p>	<p>RG: Consultation on the SCPEs did close in June and the revised standards will go to October Council. Supporting guidance will be produced as planned in Q4.</p> <p>KT: Five HCPC #myhpcstandards have been delivered and evaluated. Evaluation data is available - which looks at the professions we reached, the number of attendees, hits to the videos on our website, changes in their level of knowledge.</p> <p>New HCPC material is about to be launched on our website - Comms will hold the list of what we are adding - fact sheets, videos.</p> <p>Safeguarding has been covered in sessions that the Professional liaison team delivers - it is incorporated in scenarios used and particularly in the monthly joining the UK workforce sessions for international registrants.</p> <p>TG: Comms support will be provided when it comes to promoting the new</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
6	<p>Key Risk Area 4: Controls to identify safeguarding issues identified through DBS</p> <p>HCPC should explore the feasibility of having a formal relationship with Disclosure Scotland as it currently has with the DBS, whereby the DBS proactively alerts the HCPC of registrants who have been arrested or convicted for a serious criminal offence.</p>		<p>Latest feedback is that it is still up for consideration by their Executive Management Team, although there seems to be a lack of enthusiasm to pursue an MoU.</p>	<p>Disclosure Scotland have advised that a decision was being escalated in early October 2023. HCPC is still awaiting feedback. A revised completion date is December 2023 at the earliest, should they decide to proceed.</p>	<p>Last contact with Disclosure Scotland was in July 2023 where a decision on whether to pursue an MoU has yet to be taken. Chased again, early September 2023,</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>