

Audit and Risk Assurance Committee, 16 September 2021

Internal and External audit recommendations tracker

Executive summary

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

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

Decision

The Committee is requested to note the paper.

Background information

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

Date of paper

8 September 2021

Internal Audit report – Payroll (considered at Audit and Risk Assurance Committee 11 June 2021)

Recommendations summary

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

For the related
Audit Findings
See Appendix 1
or
[PRESS]

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>1 Key Risk Area 1: Payroll policies and procedures</p> <p>HCPC should formalise the Finance related payroll processing activities in a documented procedure, which can align with the payroll manual and be referred to by both current and future Finance staff.</p>	<p>To produce a payroll processing manual to formalise and document the actions the Finance Dept has to take to process payroll.</p>	<p>Completion date: 30 June 2021</p> <p>Interim Head of Finance & Financial Control Manager</p>	<p>On hold until January 2022</p>	<p>The HoF and FCM roles are both vacant at the moment. The HoF has been appointed and is scheduled to start on 4 Jan 2022. This task will be on the HoF priority task for when they commence.</p>	<p>N/A</p>

2	<p>Key Risk Area 3: Timely amendments to Core HR data & Key Risk Area 5: Exception reporting, internal checking and supervisory controls</p> <p>HCPC should strengthen the controls where Heads of Department review monthly pay reports for their areas. Heads of Department should be required to positively confirm that there are no factors outside of the Core HR system that could influence monthly payroll (eg voluntary extension of maternity leave), rather than confirm on an exceptions basis. Any changes should be approved and updated in the Payroll Manual.</p>	<p>Email template to review departmental check reports has been amended and issue has been discussed with HoSs. A further follow up email is required to ensure that all HoSs understand the requirements fully. Deputies will need to be nominated and a full schedule released.</p>	<p>Completion date: 12 June 2021</p> <p>Uta Pollmann, HEAD OF PARTNERS & HR OPERATIONS</p>		<p>This has been actioned. HoSs have been emailed to and advised that they will need to check the report and confirm back to HR that all entries are correct. All confirmation emails are saved in the monthly payroll folder. G:\X. Cross Department Shares\Finance\Finance_HR_portal\2021-2022\4. July 2021\Departmental Check Reports\Confirmation Emails</p>	N/A
3	<p>Key Risk Area 5: Exception reporting, internal checking and supervisory controls</p> <p>HCPC should ensure Core Bureau authorise additionally the Director of Corporate Services and Financial Consult to the PT-X payment platform, and update the BACS authorised trustee list accordingly.</p>	<p>Since the audit, CoreBureau has changed its system and no longer uses PT-X. They now send across an authorisation form and we compare the totals for PG100, PG200 and P30 with the totals provided by Finance. CoreBureau conducts all other checks for us. The Director of Corporate Services and the Interim Head of Finance have now been added to the BACS authorised trustee list.</p>	<p>Completion date: COMPLETED</p> <p>Uta Pollmann, HEAD OF PARTNERS & HR OPERATIONS</p>		NO UPDATE REQUIRED	N/A

4	<p>Key Risk Area 5: Exception reporting, internal checking and supervisory controls</p> <p>HCPC should amend the financial scheme of delegation to include the authorised persons for payroll transactions, and keep this in line with the PT-X platform list of approvers. Any changes required to the PT-X platform where a new role is required to be added should be replicated in the financial scheme of delegation via consultation with the Senior Management Team.</p>	<p>As explained in recommendation 3. CoreBureau decided to no longer use PT-X.</p>	<p>Completion date: COMPLETED</p> <p>Uta Pollmann, HEAD OF PARTNERS & HR OPERATIONS</p>		<p>NO UPDATE REQUIRED</p>	<p>N/A</p>
5	<p>Key Risk Area 6: Unauthorised accessibility to Core HR data</p> <p>HCPC should contact Core Bureau to check the feasibility of reviewing the user access rights within the system and seek to understand whether audit reports to allow full oversight of access rights, and also change reports showing users with differing access levels within the Core HR system, can be developed.</p> <p>Regular reviews of access privileges, and changes to access privileges, should be undertaken to ensure that access rights remain appropriate for HR staff members' roles.</p> <p>In the event that system generated checks are not possible, a suitable manual workaround (such as manual checking of user privileges) should be introduced to ensure that user access to HR and payroll information is appropriately restricted.</p>	<p>We have contacted CoreBureau to explore the options we have to facilitate the above recommendation.</p>	<p>Completion date: 1 July 2021</p> <p>Uta Pollmann, HEAD OF PARTNERS & HR OPERATIONS</p>		<p>Reply from CoreBureau: Access rights are controlled by the super user within HCPC and the onus is on us to update the trustee list regularly. This action has been added to the super users schedule to check this on a monthly basis. In addition a case has been raised with Core to inquire about the develeopment of an audit report which would provide oversight of access right levels to the system. Currently only HR employees receive payroll and HR access rights and their account is made dormant when they leave the organisation which eliminates their access rights.</p>	<p>N/A</p>

Internal Audit report – Registration End-To-End (considered at Audit and Risk Assurance Committee 10 March 2021)

Recommendations summary

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

For the related
Audit Findings
See Appendix 1
or
[PRESS]

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>2 Key Risk Area 1: Initial registration – UK and overseas</p> <p>HCPC should explore the feasibility of introducing automated emails to be sent to registrants in the event of any changes to their personal or contact information within HCPC’s portal.</p>	<p>The feasibility of introducing automated emails to be sent to Registrants in the event of any changes to their personal or contact information will be explored.</p>	<p>Completion date: 1 July 2021</p> <p>Richard Houghton (Head of Registration)</p>		<p>The feasibility of introducing automated emails has been investigated and this will be implemented. This solution has been developed and is currently undergoing system user acceptance testing</p>	<p>Commentary History See Appendix 2 or [PRESS]</p>

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

Recommendations summary

Priority	Outstanding recommendations	Status	
High	9	Overdue	0
Medium	4	Not yet due	13
Low	0	Completed	0

For the related
Audit Findings
See Appendix 1
or
[PRESS]

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>1 Key Risk Area 1: Strategy and Governance 1.1 Strategic direction and organisational design</p> <p>Ownership for individual datasets and the precise roles and responsibilities for the insights and intelligence staff and front line staff needs to be made clear. This includes the responsibility for the accuracy of data</p>	Individual dataset ownership and related roles & responsibilities will be defined as part of the creation of a data governance framework.	Completion date: Q2/Q3 Head of Governance		We currently hold an agreed list of data owners as part of our ISO27001 compliance documentation.	<p>Commentary History See Appendix 2 or [PRESS]</p>
<p>2 Key Risk Area 1: Strategy and Governance 1.1 Strategic direction and organisational design</p> <p>There needs to be clear ownership of the insight and intelligence end-to-end process, including at SMT level (with the new executive director role having clear authority) and a Council lead.</p>	The new Executive Director for Professional Practice and Insight will take ownership of insight and intelligence when they take up the role. In the meantime, the Insight & Intelligence Manager is developing a framework which will be presented to SMT and Council.	Completion date: Q2/Q3 ED Professional Practice & Insight		<p>Insight & Intelligence Manager has left HCPC on the 6th August. A draft Insight and Intelligence framework has been developed, this will be picked up by the new Head of Insight and Analytics.</p> <p>Following approval of budgets at Council on 1 July and at the time of this update, we are now part way through the recruitment process for a new Head of insight and analytics with the advert closing on 16 August 2021.</p>	<p>Commentary History See Appendix 2 or [PRESS]</p>

3	<p>Key Risk Area 1: Strategy and Governance 1.2 Data strategy – data platform approach</p> <p>The use of the data for intelligence purposes should be structured and agreed. They should be targeted to answer ‘questions’ that are most pertinent to HCPC’s strategic aims and most significant risks and issues.</p>	<p>The delivery approach for the data platform and subsequent reporting and analytics needs will be driven by needs that align to HCPC strategic aims including those of the Insight and Intelligence Team, how HCPC control this will be defined as part of the project and ongoing data governance frameworks.</p>	<p>Completion date: End of Q4</p> <p>Director - Digital Transformation / ED Professional Practice & Insight</p>		<p>The budget is not available in the current financial year to move the data platform project forward. This will be reviewed for the forthcoming financial year. In the meantime internal development work has been continuing e.g development of use cases.</p>	<p>Commentary History See Appendix 2 or [PRESS]</p>
4	<p>Key Risk Area 1: Strategy and Governance 1.2 Data strategy – data platform approach</p> <p>Decisions need to be made formally on what data analysis work is done using the front line systems such as registration & FtP and that drawn from the new data platform. Some data may be available ‘self-service’ and other will need analysis work.</p>	<p>The initial priorities for the insight & intelligence function have been identified and are based on risk. These include analysis of EDI, FtP and CPD, all of which align to the strategic aims in the new Corporate Strategy</p>	<p>Completion date: End of Q4 2021</p> <p>Director - Digital Transformation / ED Professional Practice & Insight</p>		<p>Work has progressed on stakeholder perceptions tracking with stakeholder engagement currently scheduled to begin in September.</p> <p>A project to capture EDI data via the registrant portal and registration and renewal processes has commenced with IBM working on the delivery of the technical components of this project.</p> <p>Analysis of risk factors relating to FTP and the approach to CPD audit are both still in the early stages of data exploration and the insight team are investigating whether the required data can be extracted via Power BI data models in the absence of a data platform and analytical environment</p>	<p>Commentary History See Appendix 2 or [PRESS]</p>

<p>5 Key Risk Area 2: Data gathering and assimilation – range of coverage 2.1 Approach to data gathering</p> <p>Part of the consideration about what questions to ask of the intelligence system and what it should be focussed on, need also to consider the cost of compliance, in terms of the cost and inconvenience to the registrants in requiring more data fields. Registrants are likely to question the added value of further data requests. HCPC will be subject to GDPR if they require data outside of their 'statutory' responsibilities too.</p>	<p>Will be addressed as part of the project and ongoing data governance frameworks</p>	<p>Completion date: Q2/Q3</p> <p>Head of Governance</p>		<p>no change from June's update.</p> <p>Data Platform Project (including new data governance) currently paused whilst budget prioritisation occurs. There are existing GDPR governance processes for additional data collection within the governance team.</p>	<p>Commentary History See Appendix 2 or [PRESS]</p>
<p>6 Key Risk Area 2: Data gathering and assimilation – range of coverage 2.1 Approach to data gathering</p> <p>Both opportunities to capture both hard and soft data must be incorporated into the intelligence and insights model and a key consideration in the design of all systems used to capture, store and analyse data and draw insights and intelligence from that.</p>	<p>Will be addressed as part of the project and ongoing data governance frameworks</p>	<p>Completion date: Q3/Q4</p> <p>Head of Governance / ED Professional Practice & Insight</p>		<p>Data Platform Project currently paused whilst budget prioritisation occurs. However, work has progressed on stakeholder perceptions tracking with stakeholder engagement currently scheduled to begin in September.</p> <p>A project to capture EDI data via the registrant portal and registration and renewal processes has commenced with IBM working on the delivery of the technical components of this project.</p> <p>Analysis of risk factors relating to FTP and the approach to CPD audit are both still in the early stages of data exploration and the insight team are investigating whether the required data can be extracted via Power BI data models.</p> <p>A draft Insight and Intelligence framework has been developed, this will be picked up by the new Head of Insight and Analytics.</p>	<p>Commentary History See Appendix 2 or [PRESS]</p>

7	<p>Key Risk Area 2: Data gathering and assimilation – range of coverage 2.2 Data sets captured</p> <p>HCPC need to implement a comprehensive CRM system to capture soft and hard data used in the process of stakeholder engagement, media & social media analysis and outreach, for the purposes of day-to-day stakeholder engagement and for the capturing of data for insight and intelligence purposes.</p>	<p>Initial scoping work has commenced, although is currently limited to the consolidation of excel data sheets. The intention is move to a CRM using Dynamix. The new ED for Professional Practice & Insight will need to work with the digital transformation team to implement a comprehensive CRM system.</p>	<p>Completion date: tbc</p> <p>Director - Digital Transformation / ED Professional Practice & Insight</p>		<p>Resourcing & budgets not currently in place to support introduction of CRM system this financial year - budgets will be reviewed for next financial year to consider whether this can be supported.</p> <p>In the meantime stakeholder mapping and engagement plan has been agreed and is being implemented to improve our stakeholder engagement, approach and ability to responded to insights from stakeholders.</p> <p>Interim arrangement based on Teams has been set up to facilitate information-sharing and limited tracking of stakeholder engagement between HCPC and Luther Pendragon via MS Teams.</p> <p>Ambition to introduce CRM remains – dependent on resourcing being in place.</p>	<p>Commentary History See Appendix 2 or [PRESS]</p>
8	<p>Key Risk Area 2: Data gathering and assimilation – range of coverage 2.3 Engagement with other bodies</p> <p>Outreach and other external contact work needs to have clear ownership and data capture standards and processes so that its data, intelligence and insights capture is readily assimilated, complete and accurate.</p>	<p>Outreach and other external contact work needs to have clear ownership and data capture standards and processes so that its data, intelligence and insights capture is readily assimilated, complete and accurate.</p>	<p>Completion date: Q4</p> <p>ED Professional Practice & Insight</p>		<p>Stakeholder mapping and engagement approach agreed; relationship management approach to be implemented from autumn to ensure relationships are effectively developed and maintained. Manual intelligence sharing processes being developed in absence of CRM. More comprehensive approach possible when CRM system available.</p> <p>Also see recommendation 7 update</p>	<p>Commentary History See Appendix 2 or [PRESS]</p>

9	<p>Key Risk Area 2: Data gathering and assimilation – range of coverage</p> <p>2.3 Engagement with other bodies</p> <p>We encourage the further development of data sharing between regulators and other institutions at an aggregate level.</p>	<p>We encourage the further development of data sharing between regulators and other institutions at an aggregate level.</p>	<p>Completion date: Q4</p> <p>Head of Governance</p>		<p>The majority of data held by the HCPC constitutes personal data. All data sharing needs to be carefully considered in light of our legislative purpose and relevant data protection law. Template sharing agreements are being developed with legal input. the decision to share data will continue to be made on a case-by-case basis taking into account the rights of individuals and accompanied by a data protection impact assessment, a process already in place. To assist in consistency of decision making, a cross organisational data working group will be established to assess requests though an all-organisation lens.</p>	<p>Commentary History See Appendix 2 or</p> <p>[PRESS]</p>
10	<p>Key Risk Area 3: Storage and analysis</p> <p>3.2 Information security & governance</p> <p>Ensure there is a regular check in with data governance experts so the design of the data platform and associated systems and processes are fully compliant with data governance and user access requirements. These should assessed and set as the project progresses and address the risk of identifying registrants through the disaggregation of data when it is analysed.</p>	<p>Will be defined as part of the ongoing data governance framework</p>	<p>Completion date: Q4</p> <p>Head of Governance</p>		<p>The data platform is not within the Corporate plan for 2021-22. When initiated, there will be representation from information governance on the project board</p>	<p>Commentary History See Appendix 2 or</p> <p>[PRESS]</p>
11	<p>Key Risk Area 3: Storage and analysis</p> <p>3.3 Culture and skills to maximise benefits of the platform</p> <p>Ensure there is a regular check in with data governance experts so the design of the data platform and associated systems and processes are fully compliant with data governance and user access requirements. These should assessed and set as the project progresses and address the risk of identifying registrants through the disaggregation of data when it is analysed.</p>	<p>HCPC need to ensure that it upskills the whole organisation and changes the culture so that data and intelligence is embedded in the ‘the way the organisation does things’.</p>	<p>Completion date: Q4</p> <p>Head of Governance</p>		<p>The data platform is not within the Corporate plan for 2021-22. When initiated this requirement will be included in the scoping.</p>	<p>Commentary History See Appendix 2 or</p> <p>[PRESS]</p>

12	<p>Key Risk Area 4: Reporting and Delivering Regulatory Responses to Intelligence</p> <p>4.2 Vision for future reporting</p> <p>As part of building the insights and intelligence capability, consideration is needed on the reporting requirements – what (and why), when, to whom, how often. A prioritisation process needs to be formulated based on MoSCoW1 principles, referenced to HCPC’s strategy and risks.</p>	Will be defined as part of the project and ongoing data governance frameworks	<p>Completion date: Q4</p> <p>ED Professional Practice & Insight</p>		<p>The data platform is not within the Corporate plan for 2021-22. When initiated this requirement will be included in the scoping.</p>	<p>Commentary History See Appendix 2 or</p> <p>[PRESS]</p>
13	<p>Key Risk Area 4: Reporting and Delivering Regulatory Responses to Intelligence</p> <p>4.3 Escalation and regulatory impact</p> <p>In a similar way to governance and ownership of data and the role of the intelligence and insights system, there needs to be clear authority and governance on the information sharing, reporting and the coordination and tracking of regulatory responses to insights and intelligence:</p> <p>a. A forum for the initial assessment of intelligence</p> <p>b. Escalation protocols for the escalation of intelligence to more a more senior level</p> <p>c. A senior cross-HCPC group is for prioritising actions and making decisions on the best regulatory interventions and have the authority to instruct others in HCPC to build the intervention required.</p> <p>d. A mechanism to track delivery of the intervention and measure its success.</p>	Will be defined as part of the project and ongoing data governance frameworks	<p>Completion date: Q4</p> <p>ED Professional Practice & Insight / ED of Regulation</p>		<p>The data platform is not within the Corporate plan for 2021-22. When initiated this requirement will be included in the scoping.</p> <p>In the meantime:</p> <ul style="list-style-type: none"> - We currently hold an agreed list of data owners as part of our ISO27001 compliance documentation. - Stakeholder mapping and engagement plan has been agreed and is being implemented to improve our stakeholder engagement, approach and ability to responded to insights from stakeholders. - Interim arrangement based on Teams has been set up to facilitate information-sharing and limited tracking of stakeholder engagement between HCPC and Luther Pendragon via MS Teams. - The organisation is looking to upskill itself in the use of PowerBI through training and superusers, to provide better access to information to improve operational and regulatory decision making. 	<p>Commentary History See Appendix 2 or</p> <p>[PRESS]</p>

Internal Audit report – Reshaping the Organisation (considered at Audit Committee 17 September 2020)

Recommendations summary

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

For the related
Audit Findings
See Appendix 1
or
[PRESS]

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>7 Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out</p> <p>The comments raised with regards to annotations to the Register should be considered as part of the future planning of improvements in this area.</p>	<p>A priority for the recently appointed Executive Director of Regulation is to develop their plans for the future of the Registration function. The comments regarding annotations to the Register will be part of these plans.</p>	<p>Executive Director of Regulation</p> <p>Q4 2020/21</p>		<p>The DHSC consultation on regulatory reform closed in June 2021. This includes reform to the information that regulators publish on the Register to improve consistency. In our response we supported maintaining one register with separate parts for each of the professions we regulate and annotating the register where that is necessary for public protection e.g. to reflect those who have independent prescribing status. This is something we currently do. In our response we also flagged a concern about publishing qualifications and this may discriminate against those who joined the register before approved programmes became degree level or who originally qualified from outside of the UK. We will keep what we publish on the Register under review as the regulatory reform process continues.</p> <p>In relation to advanced practice in July 2021 Council recently discussed and approved an approach to 'lead the development of a definition and guiding principles for advanced practice in collaboration with key stakeholders and to continue to monitor the developing advanced practice landscape and review and respond to changes where necessary.</p>	<p>Commentary History See Appendix 2 or [PRESS]</p>

Internal Audit report – IT Controls (considered at Audit Committee 17 September 2020)

Recommendations summary

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

For the related
Audit Findings
See Appendix 1
or
[PRESS]

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>1 Key Risk Area 1: The IT governance framework Key Risk Area 2: IT's support for the achievements of enterprise objectives</p> <p>HCPC should develop and introduce a formal IT Governance framework which aligns with the Code of Corporate Governance. The aim of the framework should be:</p> <ul style="list-style-type: none"> · To ensure that appropriate roles, responsibilities and accountabilities are established for data, system ownership, reporting and communications. This will build on the information which already forms part of the ISMS. · To report on IT Governance status and tracking of all IT Governance issues and remedial actions to closure; and · To define responsibility for key IT controls, particularly in respect of IT systems managed by business units. <p>The IT governance framework should be reviewed periodically, and updated as needed.</p>	<p>The Digital Transformation has an ambitious agenda and roadmap, which means we already recognise that there is a need to develop a Governance model to support transformation activity and operations.</p>	<p>Director of Digital Transformation</p> <p>Q2 2021 (revised from Q1 2021)</p>	<p>On track</p>	<p>A draft governance framework based on an agile Gartner approach will be reviewed against TOGAF in September. New Head of IT and Digital Transformation to start socialising with ELT and the wider organisation September/October</p>	<p>Commentary History See Appendix 2 or [PRESS]</p>

<p>2 Key Risk Area 3: Effectiveness and added business value of IT is demonstrated to both the business and IT executives</p> <p>We recommend HCPC consider developing a more detailed set of KPIs to measure IT performance as a part of the digital agenda and in respect of best practice. Typical general examples for IT KPIs that could be used are as follows:</p> <ul style="list-style-type: none"> - IT expense per employee - Support expense per user - IT expense as a % of total expense - The number of recurring problems. <p>Furthermore, based on the new operation model specifics, HCPC should consider adopting ITIL Key Performance Indicators especially in the area of Service Design and Continual Service Improvement.</p>	<p>Review and revise KPIs against strategic imperatives and best practice.</p>	<p>Head of IT and Projects</p> <p>March 2021</p>	<p>require further review later in the year</p>	<p>New KPIs now agreed, being measured and reported on. New PIs were drafted for ED Corporate Resources, need to be reviewed for appropriateness against BDO recommendations.</p>	<p>Commentary History See Appendix 2 or</p> <p>[PRESS]</p>
<p>3 Key Risk Area 3: Effectiveness and added business value of IT is demonstrated to both the business and IT executives</p> <p>When processes and IT systems are being reviewed and updated as part of transformation, it is important to ensure that the proportionality of controls is kept as a critical success factor in the delivery of new systems.</p>	<p>Review and revise KPIs against strategic imperatives and best practice.</p>	<p>Head of IT and Projects</p> <p>March 2021</p>	<p>require further review later in the year</p>	<p>New KPIs now agreed, being measured and reported on. New PIs were drafted for ED Corporate Resources, need to be reviewed for appropriateness against BDO recommendations.</p>	<p>Commentary History See Appendix 2 or</p> <p>[PRESS]</p>

<p>4 Key Risk Area 4: The service desk Key Risk Area 5: Problem & Incident Management HCPC should develop a Service Portfolio to manage the entire lifecycle of all services, and include three categories: Service Pipeline (proposed or in development); Service Catalogue (Live or available for deployment); and retired services. In the development of the Service Catalogue, business unit managers and other decision makers should work with both end users and stakeholders to determine the level of require IT services. Categorisation of the services should be undertaken together with access permissions, restricting access to specific services. We recommend that for each identified IT service within the Service Catalogue, the following attributes should be recorded:</p> <ul style="list-style-type: none"> - Name of the service - Description of each individual service - Service category (i.e. Infrastructure, Software, Hardware, Video, Support, etc.) - Supported and related services - Service Level Agreement - Who can request the service - Service owner - Costs associated with the service - Delivery expectations - Security Requirements 	<p>This is work that is already identified and will be implemented as part of the service desk improvement.</p>	<p>Head of IT and Projects March 2021</p>		<p>New Service Desk implemented June 2021</p>	<p>Commentary History See Appendix 2 or [PRESS]</p>
<p>6 Key Risk Area 4: The service desk Key Risk Area 5: Problem & Incident Management The IT Service desk manager should develop the Service Desk Mission, Vision and Values. This should be approved by Senior Management and distributed to all staff.</p>	<p>This is work that is already identified and will be implemented as part of the service desk improvement.</p>	<p>Head of IT and Projects March 2021</p>	<p>Revised to July 2021 - ARAC June</p>	<p>New Service Desk implemented June 2021</p>	<p>Commentary History See Appendix 2 or [PRESS]</p>

Internal Audit report – Business Continuity Planning (considered at Audit Committee 4 March 2020)

Recommendations summary

Priority	Outstanding recommendations	Status
High	0	Overdue 0
Medium	3	In Progress 2
Low	0	Completed 1

For the related
Audit Findings
See Appendix 1
or
[PRESS]

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>6 Key Risk Area 5: Business continuity testing</p> <p>HCPC should address identified gaps in the current BCP and schedule another planned BCP test to ensure that updated areas are working effectively.</p>	<p>A further test will be carried out in the next Financial year</p> <p>COVID-19 response (essentially a major interruption to normal business operations negates any immediate requirement for BCP testing) March – June 2020.</p>	<p>CISRO 31/03/2020</p> <p>NEW TARGET DATE:Dec 2021</p>	In Progress	<p>Test user successfully logged on with minimal support. Now planning a test using access to Shadow Planner data, aiming for October/November 2021</p>	<p>Commentary History See Appendix 2 or [PRESS]</p>

Internal Audit report – Follow up Audit - Business Continuity Planning (considered at Audit and Risk Assurance Committee 11 June 2021)

Recommendation / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
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8	<p>The Chief Information Security and Risk Officer should document staff training (in the use of the Shadow Planner App).</p> <p>June 2021 - BDO's assessment of implementation during this audit:</p> <p>Standalone generic BCM / DR training is still being developed ahead of being provided to SMT, Business system owners and Heads of department.</p>	<p>Original Management Response: ShadowPlanner users are already trained on its use as the app is delivered to their device. Annual testing includes a training element. Standalone generic BCM/DR training is being developed for SMT & Business system owners and Heads of department.</p> <p>Updated Management Response as at June 2021: Testing of the paper-based training will occur with a new SMT member that has no experience of ShadowPlanner in June, and if successful the updated material will be rolled out to all users.</p>	<p>CISRO 31/03/2020</p>		<p>Test occurred in July, succesful, so will use existing training material. DR/BCM test will require all users to log in to SP and access specific information which will be reported back on to the DR/BCM team.</p>	<p>Commentary History See Appendix 2 or [PRESS]</p>
9	<p>HCPC should refresh Shadow Planner app training at least annually for users and could consider developing training and guidance to ensure a continued knowledge and awareness of the app.</p> <p>June 2021 - BDO's assessment of implementation during this audit:</p> <p>Standalone generic BCM / DR training is still being developed ahead of being provided to SMT, Business system owners and Heads of department.</p>	<p>Original Management Response: ShadowPlanner users are already trained on its use as the app is delivered to their device. Annual testing includes a training element. Standalone generic BCM/DR training is being developed for SMT & Business system owners and Heads of department.</p> <p>Updated Management Response as at June 2021: Assuming (8) is successful, a training session with ShadowPlanner over Teams will be organised, or potentially an office based BCM exercise. However it must be remembered that the organisation is still operating under BCM conditions. The long term future of DR/BCM practises are being reviewed this financial year.</p>	<p>CISRO 31/03/2020</p> <p>NEW TARGET DATE: Dec 2021</p>	<p>In Progress</p>	<p>Scenario based testing orientated around accessing the Shadow Planner data will be carried out October/November 2021</p>	<p>Commentary History See Appendix 2 or [PRESS]</p>

Internal Audit report – Key Financial Controls Review – Transactions Team (considered at Audit Committee March 2019)

Risk summary

Priority	Outstanding recommendations of No.	Status
High	0	Overdue 0
Medium	2	Not yet due 0
Low	0	Completed 2

For the related
Audit Findings
See Appendix 1
or
[PRESS]

Risk / Priority (RAG)	Management response	Timescale/Responsibility	Completion Date/Status	Current Commentary	Commentary log
<p>1 Lack of formally documented procedures heightens the succession risk in case of a loss of key personnel. This may lead to an incorrect/inconsistent application of key processes and decisions being taken.</p> <p>Outdated procedures can also cause confusion for a new person who joins any of the above teams regarding what processes to follow, and may lead to processing errors.</p>	<p>Management will implement the following actions:</p> <p>1.Develop a detailed process document for credit control related activities.</p>	<p>Financial Control Manager</p>	<p>31/10/2020 revised at June ARAC - Sept 2021</p>	<p>2 interim staff with BC (Business Central) experience have been engaged to improve the systems and processes. Training of staff has commenced and this training is being recorded and filed in a MS Teams Wiki for future reference.</p>	<p>Commentary History See Appendix 2 or [PRESS]</p>

3	<p>Lack of formally documented procedures heightens the succession risk in case of a loss of key personnel. This may lead to an incorrect/inconsistent application of key processes and decisions being taken.</p> <p>Outdated procedures can also cause confusion for a new person who joins any of the above teams regarding what processes to follow, and may lead to processing errors.</p>	<p>Management will implement the following actions:</p> <p>3. Update all policies and procedure documents to capture the owner and dates of review.</p> <p>As part of the RCA of the process issues, we will process map the processes and document the control points. Improvement plans will be created based on risk.</p>	<p>Financial Control Manager Registration Operations Manager Treasury accountant / Head of Financial Accounting.</p>	<p>31/10/2020 revised at June ARAC - Sept 2021</p>	<p>See Above. In addition the Finance Department Operating Model and processes has started to be documented in preparation for the employment of new finance staff.</p>	<p>Commentary History See Appendix 2 or [PRESS]</p>
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Appendix 1 - Audit Findings (nb positive findings not listed)

Payroll		
Key Risk Area 1: Payroll policies and procedures	<p>The PG200 (Council Members') payroll process is not documented in any payroll procedures or policies held by HCPC. This payroll is processed by Finance, and HR Ops are not involved with the processing of this. The process is known to the Financial Control Manager and the Financial Accountant, however the HCPC staff interviewed noted there was no documented procedure for the monthly work carried out by Finance. While we found no issues with our wider compliance testing in this area, the risk is that the monthly payroll process may not be processed correctly as there is no reference documentation to refer to.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
Key Risk Area 3: Timely amendments to Core HR data	<ul style="list-style-type: none"> · While the proposed monthly pay reports are sent to relevant HCPC line managers to confirm their accuracy and thus identify any exceptions or errors, we noted that these departmental level controls rely on relevant managers reviewing reports and contacting HR teams if any issues are identified. Examples of recent payroll issues highlighted by management included one example in 2017 (unpaid maternity leave not flagged to HR, overpayment circa £3,500) and another example in 2020/2021 (leaver was not flagged to HR, overpayment circa £3,250). Both instances were not flagged to HR by managers in the respective employee's department. · The risk is that without stronger confirmatory checks in place, HR staff processing monthly payroll may not be aware of changes to individual circumstances which have not been updated in Core HR leading to errors in processing payroll. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
Key Risk Area 5: Exception reporting, internal checking and supervisory controls	<ul style="list-style-type: none"> · While the proposed monthly pay reports are sent to relevant HCPC line managers to identify any exceptions or errors, we noted these were responded to on an exception-only basis by relevant Heads of Department. We were informed that, for the three months reviewed, over 80% of Heads of Department did not respond to the email. The risk is that with issues such as the overpayments occurring in recent years and with managers within departments having better line of sight of the changes amongst staff, there is the possibility for further mismanagement of HCPC's resources in regards to payroll expenditure due to ineffective controls in place. · Currently, the BACS Trustee list contains three senior members of the HR Directorate and only one senior member of the Finance Directorate. However, one member of each Directorate is required to approve the payroll in the PT-X payroll system, and HCPC have noted there have been issues approving the payroll in the past when members of staff are away and not contactable. This could delay the processing of payroll transactions should key staff be unavailable. · The current financial scheme of delegation does not contain mention or reference to who is authorised to approve or action the payroll transactions at HCPC. This is inconsistent with other areas of operational expenditure as the monthly payroll authorisation is roughly £600,000. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

<p>Key Risk Area 6: Unauthorised accessibility to Core HR data</p>	<ul style="list-style-type: none"> · HR capabilities within Core HR can be provided to employees without further approval or oversight. We noted that any user with the appropriate user access rights can grant any of the access rights of a HR Manager to other roles, even if those job roles are not linked to HR. Any changes made to user access rights are not currently traceable in the system easily, and could only be noted through manual verification of a single employee’s user access rights (there are circa 250 HCPC employees). The risk is that HCPC is unaware of who has what levels of access when there is a change, as this does not have to be approved by another user, and therefore unauthorised employees could gain access to sensitive information. · Standardised user access reports generated by the Core HR system are not currently well understood within HCPC to be able to provide accurate information regarding user access rights within the Core HR system. Audit testing also showed that the HR & MI Officer did not appear to have basic user access rights per the report. However, we noted they exhibited management level control throughout walkthroughs during the fieldwork. Without clear reports showing access rights within the system it is more difficult to monitor whether access rights for current (or indeed former) staff is appropriate. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
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Appendix 1 - Audit Findings (nb positive findings not listed)

<p>Registration end to end</p> <p>Key Risk Area 1: Initial registration – UK and overseas</p>	<p>Applications are received by post or email and there is still a manual data entry element involved in the process where RAs copy an applicant’s personal details onto CRM Dynamics to create a registration record. While the adoption of CRM Dynamics involved the introduction of a more self-service approach for applicants, steps with manual data entry still carry risks that information is not entered onto CRM Dynamics correctly, and entering the data is time consuming exercise. Work is being done to automate this process, which we support.</p> <ul style="list-style-type: none"> · As part of the registration process registrants create an account on the online portal which is protected by a two-factor identification system codes sent to a registrant’s mobile phone must be entered in addition to a password. While two-factor authentication offers a good degree of protection from unauthorised access account security could be strengthened by using automated emails to registrant email addresses in the event that any account, password or mobile phone details are updated. · An international application can be processed by one or more RA, in addition to a RM reviewing the outcome of an assessor’s decision. However, a UK application can be processed in its entirety by a single RA. While the UK registration process is easier to administer, If a RA was to make an error when processing the application this may not be detected until after the applicant was added to the register. · One of the risks of a fully customer self-service approach is the over-reliance on prospective or renewing registrants providing accurate information where this is not subject to an independent check, e.g. in relation to criminal records, suitability of character, or completion of practical experienced signed-off by a supervisor. We do note, however, that independently verifying this kind of information is not common practice among other healthcare professions regulators, but is more commonly undertaken by employers. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
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Appendix 1 - Audit Findings (nb positive findings not listed)

Intelligence Gathering		
<p>Key Risk Area 1: Strategy and Governance</p> <p>1.1 Strategic direction and organisational design</p>	<ul style="list-style-type: none"> · Data is held currently in ‘siloes’ and its creation and analysis into intelligence tends to be localised. It is not clear on the responsibility and accountability for data once it goes into the live data platform (lake), including responsibility over data accuracy and ensuring any data modification or assumptions built into data are clear and mutually agreed and understood. · Linked to silo working is the cultural aspects of taking responsibility for data - the propensity for being open to share it. Given our experience in other regulators, it is likely that there will be some resistance to sharing data and challenge over the ownership of data going forward. This particularly applies where activities shift from local frontline teams such as registration and FtP to an insights and intelligence team. · HCPC needs to consider who “owns” and oversees the intelligence process end-to-end. There are and will be several parties involved in the end-to-end process. A single SMT member or committee oversight and authority is required to provide a coherent authority and oversight over the end-to-end process. For example, deciding and agreeing on priority areas for seeking deeper insight and the priorities for data collection to support that insight. A new executive director is being appointed for insights and intelligence and should fulfil this role, with the right authority to own and drive the end-to-end process. HCPC would also be beneficial if Council has a representative for data and intelligence – to provide the necessary expertise to act as a critical friend. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>Key Risk Area 1: Strategy and Governance</p> <p>1.2 Data strategy – data platform approach</p>	<ul style="list-style-type: none"> · There are virtually endless possibilities as to what can be learned from interrogating an intelligence model or platform. Thus, there needs to be clarity on the questions that the process needs to be asked/answers sought and the key, strategic priorities for HCPC’s analysis work. We suggest that HCPC start by prioritising intelligence gathering and analysis relating to core business objectives and risks, ensuring quick-wins and demonstrable improvements to regulation. · Given that HCPC has invested in new FtP and registration systems, it is important that the data analysis tools built in to these systems are utilised and not replicated in the intelligence and insights work. As the systems are new, they will have many more capabilities for data analysis than their predecessors. HCPC are conscious of this point, but it needs to be kept in view. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>Key Risk Area 2: Data gathering and assimilation – range of coverage</p> <p>2.1 Approach to data gathering</p>	<ul style="list-style-type: none"> · Care needs to be taken to avoid asking registrants for significantly more information about themselves as part of their normal interactions with HCPC. Increasing the number of data fields required of registrants might enrich HCPC’s data platform but could easily degrade the relationship with the registrant, unless the information is clearly and demonstrably justifiable. Information requirements need to be thought about carefully and established in a coordinated way, with a clear business case and clear benefits realisation. · Emphasis is being placed on ‘hard’ data, but it is ‘soft’ data which gives the fully rounded picture about the area, group or person subject to regulation. Capture for this is not routine and mechanisms need to be set up to do record this data. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

<p>Key Risk Area 2: Data gathering and assimilation – range of coverage</p> <p>2.2 Data sets captured</p>	<ul style="list-style-type: none"> · There is a known lack of formal data capture and retention mechanisms for some datasets that would be used for some day-to-day operations and for intelligence-gathering purposes. There is no formal single CRM system to manage media matters identified (other than direct referrals to FtP, which are picked up in the FtP referral process), stakeholder engagement activities, including stakeholders such as the professional bodies, education institutes, registrants' employers, other industry players such as the Department of Health and other regulators. Information can be in the form of recording of direct interaction with those organisations, newsfeeds and social media intelligence. The lack of a CRM system limits the effectiveness of HCPC's day-to-day interaction with those bodies and also means that data is not being captured systematically to enable intelligence gathering. It is the cross referencing of data, often soft data, from stakeholders that can give the most insight. · Website tracking occurs but it is not as sophisticated as other organisations currently. The basic analytics on website usage are there but it is not clear who is using the site. The Comms team are aware of the need for more tracking and personalisation. It is in their plans to improve. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>Key Risk Area 2: Data gathering and assimilation – range of coverage</p> <p>2.3 Engagement with other bodies</p>	<ul style="list-style-type: none"> · There needs to be clarity on who leads the relationship with stakeholders and the inputting of correspondence, intelligence and interactions with them into HCPC systems. Otherwise, there is a risk that the process for drawing intelligence and insight from these new interactions and sources could be patchy in quality, relevance and timeliness. · We noted that currently, referrals from/to other regulators are mainly registrant led, or registrant specific if shared regulator to regulator. Professionals making referrals about fellow professionals registered with HCPC or others should always be encouraged, but is not a substitute for strategic data sharing across regulatory bodies. This is because the broader insights are more likely to be seen at this strategic level. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>Key Risk Area 3: Storage and analysis</p> <p>3.2 Information security & governance</p>	<ul style="list-style-type: none"> · HCPC need assurance that security by design principles have been applied in practice. We noted that the Head of Information Governance has not been heavily involved in the development of the data platform. In our experience in other organisations, there is a risk that product developers and product owners do not take full cognisance of information security and governance, as their focus and knowledge is centred on the usability of the product. This can leave the finished products lacking in the necessary data governance requirements or lead to expensive project delays, back-tracking or unnecessary change control mid-project. · Consideration will need to be given to the access rights of the data platform going forward as new users and new uses are identified. For example, we have seen a particular risk concerning such systems in other regulators. This is where aggregated information, once 'sliced and diced' for analysis purposes, can easily identify individual registrants. Protocols will need to be in place where such analysed data to avoid the inadvertent identification of registrants, particularly where the data is provided for more general consumption in HCPC and especially if shared externally. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>Key Risk Area 3: Storage and analysis</p> <p>3.3 Culture and skills to maximise benefits of the platform</p>	<ul style="list-style-type: none"> · The power of such systems is reliant on having the right skills, culture and appetite to use them. Getting the most out of the data platform and associated reporting tools will require training. Using the more sophisticated tools planned for Phase 3, machine learning, will require a new level of skill and approach. It will be important that the development of the tools for drawing insights and intelligence will require a change in skillsets, wider changes in the regulatory approach and mind-set. Upstream regulation requires new skills, and a shift from transactional activities to analytical approaches. · The appointment of an insights and intelligence manager provides the initial capacity and capability to maximise the opportunity from the development of HCPC's intelligence and insights work. However, each department needs to upskill and have clear ownership of its data, its insights and intelligence needs and act as the interface between the central insights team and those departments. In our experience, there is a risk that 'data and intelligence' is perceived as someone else's responsibility. Likewise, in the current stage of the programme, it is going to be important that there is good engagement across HCPC with the early work using the data platform. Getting that initial involvement in building useful reports will create buy-in and provide credibility about the data platform amongst HCPC colleagues in general. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

<p>Key Risk Area 4: Reporting and Delivering Regulatory Responses to Intelligence</p> <p>4.2 Vision for future reporting</p>	<ul style="list-style-type: none"> · There needs to be clarity on what is reported to when and how often. Clarity on what is required and to whom is critical to understand in order to prioritise the ‘must have’, ‘should have’ and ‘could have’s’. Levels of detail, report uses and their benefit to HCPC’s strategy and operating requirements are key. Such an evaluation framework will be required as the delivery of the intelligence service is developed and when it becomes part of routine practices. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>Key Risk Area 4: Reporting and Delivering Regulatory Responses to Intelligence</p> <p>4.3 Escalation and regulatory impact</p>	<ul style="list-style-type: none"> · It is clear that there lacks a structure and clarity so far on the ownership of cross departmental responses to intelligence learning and developing and instigating a regulatory response. The governance and responsibility needs to be made clearer. We see this as a critical part of the intelligence and insight end-to-end process. · More specifically, there is no forum for drawing in, evaluating intelligence and insights and deciding on the best regulatory response to the intelligence or whether to respond at all. SMT are currently the custodians of this, but in our experience in other organisations, the time taken to review and the frequency of reviewing intelligence means that SMT is unlikely to be the most efficient forum to respond. An intelligence group should be set up to review cases and emerging insights, to propose responses, monitoring progress against previously-identified insights and intelligence, recommending to SMT the course of action for new items. Such a group should have delegated authority to make key decisions and also have the function of triaging matters that are presented to them for decision, so they are most relevant to regulatory priorities, include ensuring alignment to the PSA’s requirements and HCPC’s risks and risk appetite. · Success of the regulatory intervention needs to be tracked to ascertain its impact. The design of the intervention needs to build in the means by which the intervention’s implementation and impact is measured. 	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

Appendix 1 - Audit Findings (nb positive findings not listed)

Reshaping the Organisation		
Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out	Stakeholder interviews identified issues in the manner in which the registration department approach annotations to the Register that show where a registrant has additional entitlements, due to the completion of additional training. This was flagged as a complex area that may not have yet been considered as part of the changes to the Registration team / processes. It would be a valuable additional element to consider as part of the transformation of Registration activities.	To return to the main Summary and Tracker Scroll up or
1.4 Registration		[PRESS]

Appendix 1 - Audit Findings (nb positive findings not listed)

Business continuity		
Key Risk Area 5: Business continuity testing	·Given that we have identified some gaps in current BCP arrangements at HCPC (see KRA 1-4), BCP arrangements will need to be tested to ensure that these areas are working effectively.	To return to the main Summary and Tracker Scroll up or [PRESS]

Appendix 1 - Audit Findings (nb positive findings not listed)

Key Financial controls	
<p>2&3</p>	<p>From a review of core policies and procedures which govern the Transactions Team, Registration Operations Team and Financial Accounting Team’s operations, there were instances identified where documents do not clearly capture key processes and controls and where processes are not documented. Significant reliance is also placed on the knowledge of key personnel within HCPC. Specific observations include:</p> <ul style="list-style-type: none"> •There is no detailed process document in place for credit controls. Although there is a process map, this is high-level and does not contain sufficient detail to re-perform the task without guidance from management. •Fitness to practice cases are complex and decisions on whether registrants should be contacted for fees are based on a complex set of outcomes from the case. There is currently no documented guidance in place for the Registration Operations Team in relation to contacting registrants on fitness to practice cases on unpaid fees. •From our discussions with the Treasury Accountant we understand that the bank reconciliations process document does not reflect the current practice. The document does not specify the owner and review dates. •The Director of Finance’s payment authorisation limit is £25,000, which is documented in a July 2018 council meeting paper. From our discussions with the Director of Finance we understand that she is able to delegate an amount to other managers in the team at her discretion and has delegated an authorisation limit of £10,000 for some expense items to the Head of Financial Accounting. These delegations are not documented and it is unclear whether the Council intends the £25k delegated amount to Directors to be sub-delegated without the Council’s express authorization. •Detailed process documents are produced by the Transactions Manager on banking and refund processes, however these documents do not specify the owner and document review dates.

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Appendix 2 - Commentary History - a log of the last 4 Audit and Risk Assurance Committee updates

Registration End-To-End		Jun-21	Mar-21	Nov-20	Sep-20	
2	<p>Key Risk Area 1: Initial registration – UK and overseas</p> <p>HCPC should explore the feasibility of introducing automated emails to be sent to registrants in the event of any changes to their personal or contact information within HCPC’s portal.</p>	The feasibility of introducing automated emails is being investigated.	N/A	N/A	N/A	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

Appendix 2 - Commentary History - a log of the last 4 Audit and Risk Assurance Committee updates

Intelligence Gathering review		Jun-21	Mar-21	Nov-20	Sep-20	
1	<p>Key Risk Area 1: Strategy and Governance 1.1 Strategic direction and organisational design</p> <p>Ownership for individual datasets and the precise roles and responsibilities for the insights and intelligence staff and front line staff needs to be made clear. This includes the responsibility for the accuracy of data</p>	Data Platform Project current paused whilst budget prioritisation occurs. It is anticipated that Data Governance etc will be addressed as part of Information Governance once responsibilities are confirmed.	N/A	N/A	N/A	To return to the main Summary and Tracker Scroll up or [PRESS]
2	<p>Key Risk Area 1: Strategy and Governance 1.1 Strategic direction and organisational design</p> <p>There needs to be clear ownership of the insight and intelligence end-to-end process, including at SMT level (with the new executive director role having clear authority) and a Council lead.</p>	I&I manager update: development of the insight and intelligence strategy and framework is ongoing and should be completed by Q3.	N/A	N/A	N/A	To return to the main Summary and Tracker Scroll up or [PRESS]
3	<p>Key Risk Area 1: Strategy and Governance 1.2 Data strategy – data platform approach</p> <p>The use of the data for intelligence purposes should be structured and agreed. They should be targeted to answer ‘questions’ that are most pertinent to HCPC’s strategic aims and most significant risks and issues.</p>	I&I manager update: submitted sample use cases for the new data platform to Neil Cuthbertson (ED of Digital Transformation). Meeting with Neil and the project lead Alex Loder and IT managers on May 26th to clarify plans for project handover and next steps as they are both leaving HCPC.	N/A	N/A	N/A	To return to the main Summary and Tracker Scroll up or [PRESS]
4	<p>Key Risk Area 1: Strategy and Governance 1.2 Data strategy – data platform approach</p> <p>Decisions need to be made formally on what data analysis work is done using the front line systems such as registration & FtP and that drawn from the new data platform. Some data may be available ‘self-service’ and other will need analysis work.</p>	I&I manager update: work is progressing on initial priorities related to EDI, FTP and stakeholder perceptions monitoring. Data is being drawn from frontline systems via front and backend queries in the absence of the data platform.	N/A	N/A	N/A	To return to the main Summary and Tracker Scroll up or [PRESS]
5	<p>Key Risk Area 2: Data gathering and assimilation – range of coverage 2.1 Approach to data gathering</p> <p>Part of the consideration about what questions to ask of the intelligence system and what it should be focussed on, need also to consider the cost of compliance, in terms of the cost and inconvenience to the registrants in requiring more data fields. Registrants are likely to question the added value of further data requests. HCPC will be subject to GDPR if they require data outside of their ‘statutory’ responsibilities too.</p>	Data Platform Project (including new data governance) currently paused whilst budget prioritisation occurs. There are existing GDPR governance processes for additional data collection within the governance team.	N/A	N/A	N/A	To return to the main Summary and Tracker Scroll up or [PRESS]

<p>6 Key Risk Area 2: Data gathering and assimilation – range of coverage 2.1 Approach to data gathering</p> <p>Both opportunities to capture both hard and soft data must be incorporated into the intelligence and insights model and a key consideration in the design of all systems used to capture, store and analyse data and draw insights and intelligence from that.</p>	<p>Data Platform Project currently paused whilst budget prioritisation occurs.</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>7 Key Risk Area 2: Data gathering and assimilation – range of coverage 2.2 Data sets captured</p> <p>HCPC need to implement a comprehensive CRM system to capture soft and hard data used in the process of stakeholder engagement, media & social media analysis and outreach, for the purposes of day-to-day stakeholder engagement and for the capturing of data for insight and intelligence purposes.</p>	<p>Resourcing & budgets not currently in place to support introduction of CRM system. Excel stakeholder information with Luther for consolidation. Interim arrangement based on Teams has been set up to facilitate information-sharing and limited tracking of stakeholder engagement between HCPC and Luther Pendragon via MS Teams.</p> <p>Ambition to introduce CRM remains – dependent on resourcing being in place.</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>8 Key Risk Area 2: Data gathering and assimilation – range of coverage 2.3 Engagement with other bodies</p> <p>Outreach and other external contact work needs to have clear ownership and data capture standards and processes so that its data, intelligence and insights capture is readily assimilated, complete and accurate.</p>	<p>Clarity exists around current relationships. Luther Pendragon progressing stakeholder database. More comprehensive approach possible when CRM system available.</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>9 Key Risk Area 2: Data gathering and assimilation – range of coverage 2.3 Engagement with other bodies</p> <p>We encourage the further development of data sharing between regulators and other institutions at an aggregate level.</p>	<p>When comprehensive data platform is available more data sharing will be established.</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>10 Key Risk Area 3: Storage and analysis 3.2 Information security & governance</p> <p>Ensure there is a regular check in with data governance experts so the design of the data platform and associated systems and processes are fully compliant with data governance and user access requirements. These should be assessed and set as the project progresses and address the risk of identifying registrants through the disaggregation of data when it is analysed.</p>	<p>Linked WITH RISK 9 ABOVE</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

<p>11 Key Risk Area 3: Storage and analysis 3.3 Culture and skills to maximise benefits of the platform</p> <p>Ensure there is a regular check in with data governance experts so the design of the data platform and associated systems and processes are fully compliant with data governance and user access requirements. These should be assessed and set as the project progresses and address the risk of identifying registrants through the disaggregation of data when it is analysed.</p>	<p>Linked WITH RISK 10 ABOVE Once new technology is available</p> <p>Not only training, but data is accessible on a need to know basis</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>12 Key Risk Area 4: Reporting and Delivering Regulatory Responses to Intelligence 4.2 Vision for future reporting</p> <p>As part of building the insights and intelligence capability, consideration is needed on the reporting requirements – what (and why), when, to whom, how often. A prioritisation process needs to be formulated based on MoSCoW1 principles, referenced to HCPC’s strategy and risks.</p>	<p>When data platform is in place, data governance process will be in place.</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>13 Key Risk Area 4: Reporting and Delivering Regulatory Responses to Intelligence 4.3 Escalation and regulatory impact</p> <p>In a similar way to governance and ownership of data and the role of the intelligence and insights system, there needs to be clear authority and governance on the information sharing, reporting and the coordination and tracking of regulatory responses to insights and intelligence:</p> <ul style="list-style-type: none"> a. A forum for the initial assessment of intelligence b. Escalation protocols for the escalation of intelligence to more a more senior level c. A senior cross-HCPC group is for prioritising actions and making decisions on the best regulatory interventions and have the authority to instruct others in HCPC to build the intervention required. d. A mechanism to track delivery of the intervention and measure its success. 	<p>Will be defined when project commences.</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

Appendix 2 - Commentary History - a log of the last 4 Audit and Risk Assurance Committee updates

Reshaping the Organisation		Jun-21	Mar-21	Nov-20	Sep-20	
7	<p>Key Risk Area 1: The forward plan and how it will be achieved is sufficiently marked out</p> <p>The comments raised with regards to annotations to the Register should be considered as part of the future planning of improvements in this area.</p>	The previous update stands and linked to regulatory reform.	No change to the previous update and linked to regulatory reform and new registration systems.	Registrations is subject of business improvement focus. Recent roll out of new registration system provides a vehicle for further improvements enabling registration resource to be focused on value add activity. . Regulatory reform proposals include provisions on annotations.	N/A	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

Appendix 2 - Commentary History - a log of the last 4 Audit and Risk Assurance Committee updates

IT Controls	Jun-21	Mar-21	Nov-20	Sep-20	
<p>1 Key Risk Area 1: The IT governance framework Key Risk Area 2: IT's support for the achievements of enterprise objectives</p> <p>HCPC should develop and introduce a formal IT Governance framework which aligns with the Code of Corporate Governance.</p> <p>The aim of the framework should be:</p> <ul style="list-style-type: none"> · To ensure that appropriate roles, responsibilities and accountabilities are established for data, system ownership, reporting and communications. This will build on the information which already forms part of the ISMS. · To report on IT Governance status and tracking of all IT Governance issues and remedial actions to closure; and · To define responsibility for key IT controls, particularly in respect of IT systems managed by business units. <p>The IT governance framework should be reviewed periodically, and updated as needed.</p>	<p>Whilst it is the intention to complete the Technology Governance Framework by the end of June, in reality by the time it has been socialised and signed off by SMT it will move into July and need to be handed over to the new Head of IT and Digital Transformation.</p>	<p>Draft Technology Governance Framework has been developed and discussed at Digital Transformation Advisory Forum.</p> <p>Realistically it will be Q2 before it is completed.</p>	<p>Also highlighted in the Digital Transformation Strategy.</p> <p>The intention is to develop a new governance model to support more agile ways of working both within technology and across the wider organisation.</p>	<p>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>2 Key Risk Area 3: Effectiveness and added business value of IT is demonstrated to both the business and IT executives</p> <p>We recommend HCPC consider developing a more detailed set of KPIs to measure IT performance as a part of the digital agenda and in respect of best practice. Typical general examples for IT KPIs that could be used are as follows:</p> <ul style="list-style-type: none"> - IT expense per employee - Support expense per user - IT expense as a % of total expense - The number of recurring problems. <p>Furthermore, based on the new operation model specifics, HCPC should consider adopting ITIL Key Performance Indicators especially in the area of Service Design and Continual Service Improvement.</p>	<p>Suggested updates to KPIs have been prepared by the Executive Director of Digital Transformation and broader alignment of KPIS and Benefits will be incorporated into the development of services as part of the change function. These will require further review later in the year once the new structures are in place.</p>	<p>These items are dependent on the finalisation of the new organisation as part of the Digital Transformation strategy. The final decision of the structure has been deferred whilst the new Executive Director of Corporate Services is onboarded and is able to review. As part of the strategic planning these items have been discussed at an initial level in forums such as the Digital Advisory Forum and some conversations on governance have been started with the PRC.</p> <p>Item 2 is directly driven by the consolidation of the strategic plan (which will influence investment spend), the reorganisation of Digital (which will influence the costs to operate), the output of the new normal (which will influence operating costs) and the adoption of the Data Platform to enable clear and decisive reporting of investment and cost metrics.</p> <p>Based on the points lists, I believe that these items should undergo further review in September 2021.</p>	<p>A standard set of KPI will be considered as part of the reorganisation work resulting from the Digital Transformation work.</p> <p>Following the approval of the strategy presented by the Executive Directory of Digital Transformation at the last meeting Council, work has now started to shape the new Digital organisation.</p>	<p>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

<p>3 Key Risk Area 3: Effectiveness and added business value of IT is demonstrated to both the business and IT executives</p> <p>When processes and IT systems are being reviewed and updated as part of transformation, it is important to ensure that the proportionality of controls is kept as a critical success factor in the delivery of new systems.</p>	<p>Suggested updates to KPIs have been prepared by the ED of DT and broader alignment of KPIs and Benefits will be incorporated into the development of services as part of the change function. These will require further review later in the year once the new structures are in place.</p>	<p>These items are dependent on the finalisation of the new organisation as part of the Digital Transformation strategy. The final decision of the structure has been deferred whilst the new Executive Director of Corporate Services is onboarded and is able to review. As part of the strategic planning these items have been discussed at an initial level in forums such as the Digital Advisory Forum and some conversations on governance have been started with the PRC.</p> <p>The additional work being undertaken on the Digital Strategy regarding the approach to the FTP CMS implementation, the work alongside PWC on the FTP transformation, and the Design Authority approach also influences items. This will drive changes on approach through item 3 and are foundational to the principles of the Digital Transformation work.</p>	<p>A standard set of KPI will be considered as part of the reorganisation work resulting from the Digital Transformation work.</p> <p>Following the approval of the strategy presented by the Executive Directory of Digital Transformation at the last meeting Council, work has now started top shape the new Digital organisation.</p>	<p>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>4 Key Risk Area 4: The service desk</p> <p>Key Risk Area 5: Problem & Incident Management</p> <p>HCPC should develop a Service Portfolio to manage the entire lifecycle of all services, and include three categories: Service Pipeline (proposed or in development); Service Catalogue (Live or available for deployment); and retired services. In the development of the Service Catalogue, business unit managers and other decision makers should work with both end users and stakeholders to determine the level of require IT services. Categorisation of the services should be undertaken together with access permissions, restricting access to specific services. We recommend that for each identified IT service within the Service Catalogue, the following attributes should be recorded:</p> <ul style="list-style-type: none"> - Name of the service - Description of each individual service - Service category (i.e. Infrastructure, Software, Hardware, Video, Support, etc.) - Supported and related services - Service Level Agreement - Who can request the service - Service owner - Costs associated with the service - Delivery expectations - Security Requirements 	<p>Work to further develop the catalogue will continue as part of the IT and Digital changes. This will include an expansion of services and commitments across applications.</p>	<p>These items are dependent on the finalisation of the new organisation as part of the Digital Transformation strategy. The final decision of the structure has been deferred whilst the new Executive Director of Corporate Services is onboarded and is able to review. As part of the strategic planning these items have been discussed at an initial level in forums such as the Digital Advisory Forum and some conversations on governance have been started with the PRC.</p> <p>In terms of 4, 5 and 6, there are additional considerations regarding Covid-19 and staff availability. The delivery of the new Service Desk is progressing and this will drive the output and opportunity to drive change on these to items. The Service Desk work however will take a number of months yet to finalise and is probably more appropriate to assess later in the year.</p> <p>Based on the points lists, I believe that these items should undergo further review in September 2021.</p>	<p>An updated Service catalogue will be produced as part of the output of the work to reorganise the Digital team during the transformation.</p> <p>Following the approval of the strategy presented by the Executive Directory of Digital Transformation at the last meeting Council, work has now started top shape the new Digital organisation.</p> <p>Part of this will be delivered alongside the implementation of the new Service Desk that will complete later in the year.</p>	<p>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

<p>6 Key Risk Area 4: The service desk Key Risk Area 5: Problem & Incident Management</p> <p>The IT Service desk manager should develop the Service Desk Mission, Vision and Values. This should be approved by Senior Management and distributed to all staff.</p>	<p>Work continues on the deployment of the new service desk service targeted for July 2021. Evolution of the Mission, Vision and Values will be considered under the new Head of IT and Digital leading up to September. This will build on current processes and procedures.</p>	<p>See 4</p>	<p>This will be delivered alongside the implementation of the new Service Desk that will complete later in the year.</p>	<p>N/A</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
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Appendix 2 - Commentary History - a log of the last 4 Audit and Risk Assurance Committee updates

Business continuity testing		Jun-21	Mar-21	Nov-20	Sep-20	
6	<p>Key Risk Area 5: Business continuity testing</p> <p>HCPC should address identified gaps in the current BCP and schedule another planned BCP test to ensure that updated areas are working effectively.</p>	<p>Still to be determined what the new BC/DR response will be. However moving toward a ShadowPlanner test with users with a desk based exercise this financial year.</p>	<p>A BC/DR test will be designed for the organisation when the “new normal” is established. HCPC is currently running under invocation conditions and a test now, is not appropriate. Desk tests under lockdown and remote working conditions will be established for future use.</p>	<p>Ongoing -Live test in covid-19 response. May look to test “New normal” at a later stage when we establish what that is.</p>	<p>Ongoing - Live test in Covid-19 response</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>

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Key Financial controls	Jun-21	Mar-21	Nov-20	Sep-20	
<p>1 Lack of formally documented procedures heightens the succession risk in case of a loss of key personnel. This may lead to an incorrect/inconsistent application of key processes and decisions being taken.</p> <p>Outdated procedures can also cause confusion for a new person who joins any of the above teams regarding what processes to follow, and may lead to processing errors.</p>	<p>Head of Finance: These findings arose from an internal audit review of the Transactions Team which was subsequently transferred from Finance to Registrations in March 2020. Furthermore many of the processes and controls existing at the time the audit was conducted have been superseded because of a major systems change in replacing Net Regulate with Customer Experience ('CE') and Business Central ('BC') which began in October 2020 and is still ongoing.</p> <p>Consequently Finance has recently prepared process notes for processing and financial controls around BC which is the financial platform for registrations and renewals. However some processes (e.g. refunds, intermediate lapsing, invoicing and collection of international scrutiny fees) are in development because they require input from Registrations. Consequently Finance is working with Registrations to implement processes with robust financial controls and expect these to be developed and implemented by September 2021.</p>	<p>There has been a delay to the preparation of process notes due to some system issues following go live. Work on this is in progress, detailed process notes are expected to be completed by end of March 21.</p>	<p>Detailed process note will be updated following the go live of the new registration system.</p>	<p>The balance report process notes which documents how debtor balances are reviewed and actions have been reviewed and updated.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>
<p>3 Lack of formally documented procedures heightens the succession risk in case of a loss of key personnel. This may lead to an incorrect/inconsistent application of key processes and decisions being taken.</p> <p>Outdated procedures can also cause confusion for a new person who joins any of the above teams regarding what processes to follow, and may lead to processing errors.</p>	<p>See above (reccomendation 1):</p>	<p>Work on registration system related process notes are in progress, these are expected to be completed by end of March 21.</p>	<p>Procedures and policies now captures the owner and date of review.</p> <p>Process and procedures will be updated following the go live of the registration system and update to the financial systems.</p>	<p>We are in the progress of updating all financial procedures with the aim to complete the review by end of September. A list of all finance policies have been collated and mapped with their next review dates.</p>	<p>To return to the main Summary and Tracker Scroll up or</p> <p>[PRESS]</p>