

9 March 2022

## Strategic Risk Register

### Executive Summary

The presented Strategic Risk register has been reviewed and updated most recently being finalised on 1 March 2022.

This paper also proposed changes to the Strategic Risks following one year of monitoring. These changes have been discussed by the ELT and ARAC is invited to discuss the changes and recommend them to Council. If the changes are approved the changed risks will be populated as appropriate and first presented to the Committee's June meeting.

Following discussion of the most recent iteration of the Register, and proposals to change some of the risks, the Head of Governance and The Chief Information Security and Risk Officer will introduce a discussion on risk related to Data Protection and Privacy as highlighted in appendix 2 (an extract from BDO's Internal Audit progress report, November 2021). Also included for reference, is appendix 3 which is an example of an IIR risk assessment that relates to data breaches.

Previous consideration	The Committee reviews the Strategic Risk Register at each meeting.
Decision	<ul style="list-style-type: none"> <li>The Committee is invited to question and provide any feedback on the content of the register</li> <li>The Committee is asked to recommend the proposed changes to the Strategic risks, as set out in appendix 1, to Council for adoption.</li> <li>The Committee is asked to agree the theme for discussion of the Strategic Risk Register in June 2022.</li> </ul>
Next steps	The Strategic Risk Register will be included in the Chief Executive's report to Council in March 2022.
Strategic priority	The strategic risks are relevant to all aspects of the Corporate Strategy 2021-26.
Financial and resource implications	None as a result of this update.

Author Claire Amor, Head of Governance  
[claire.amor@hcpc-uk.org](mailto:claire.amor@hcpc-uk.org)

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






# HCPC Strategic Risks

## Summary of strategic risks

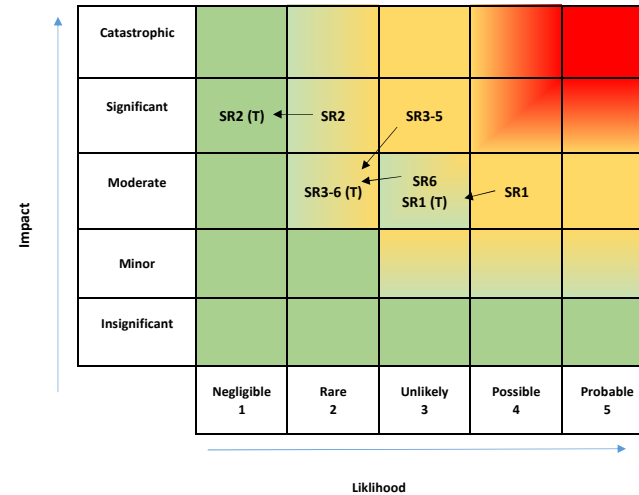
Strategy	Strategic Risks - High Level	Risk Description	Mar-22	Target Risk*
1 - Continuously improve and innovate - To improve our performance against PSA standards of good regulation and to innovate across all our regulatory functions to provide an enhanced user experience.	1. Our performance does not improve to a standard that enables us to achieve all the PSA standards of good regulation. In seeking to meet these standards we lose focus and lose standards in other areas	This includes our understanding of the PSA's expectations and the gap in our current performance we need to meet. This requires positive and ongoing engagement with the PSA and effective mechanisms for performance improvement and monitoring of our regulatory quality	12	9
2 - Promote high quality professional practice - Enable our professions to meet our standards so they are able to adapt to changes in health and care practice delivery, preventing harm to service users.	2. The HCPC's regulatory expectations are not appropriate or not understood by registrants and other stakeholders	This includes the quality and suitability of our standards and guidance in setting a threshold for safe practice which protects the public. It also includes how effectively we communicate our regulatory expectations	8	4
3 - Develop insight and exert influence - Learning from data and research to inform our decision making and share insights to protect, promote and maintain the health, safety and well-being of the public.	3. We are unable to harness the benefits of the wealth of data we hold	This includes our effectiveness in collecting, maintaining and utilising the data we need to be an intelligence driven regulator. It includes the effectiveness of our insight and intelligence, and professionalism and upstream regulation work. It relies heavily on the work of the digital transformation and IT team and includes operational reporting in the Corporate Services team. It also relies on regulatory teams inputting information.	12	6
4 - Be visible, engaged and informed - We regulate, take and communicate decisions which are informed by a deep understanding of the environment within which our registrants, employers and education providers operate.	4. We do not understand our stakeholder's needs and so are unable to be the regulator they (the wider system) need	This includes how effectively we engage with our stakeholders and our credibility with them and how well we play our part in the wider system. It includes our EDI practice externally, the ability to respond and influence external drivers for change, like the impact of Brexit, devolution or a change in government as well as issues like workforce development.	12	6
5 - Build a resilient, healthy, capable and sustainable organisation - Employees feel valued and supported, and fully able to contribute. The organisation is resilient and able to quickly adapt to changes in the external environment.	5. The resources we require to achieve our strategy are not in place or are not sustainable.	This risk includes not securing the resources we need to be effective and / or not being efficient and effective in our use of our resources (resources include financial, knowledge, skills, culture, infrastructure). It includes the development of our culture, people and physical assets, our continued financial viability and the significant failure of key business processes.	12	6
6 - Promoting the value of regulation - The public, registrants, students and employers understand the value and importance of regulated health and care professionals.	6. We are unable to demonstrate the value of regulation due to negative experiences of our regulation in practice	This risk includes ensuring a human and compassionate approach in our regulatory processes, our stakeholders experiences of our customer service. It also includes the promotion of the value of regulation and of the value of the professions we regulate. As outdated legislation contributes to bureaucratic processes this risk includes maximising the benefit to the HCPC of upcoming regulatory reform.	9	6

\* Expected risk score post planned actions

### Mitigation key

	Preventative
	Monitoring
	Detective
	Remedial
	Horizon scanning
	Best practice development
	Communication

### Heat map of strategic risks - residual to target (T)



**Strategic risk 1 - Our performance does not improve to a standard that enables us to achieve all the PSA standards of good regulation. In seeking to meet these standards we lose focus and lose standards in other areas**

**Risk summary**  
This includes our understanding of the PSA's expectations and the gap in our current performance we need to meet. This requires positive and ongoing engagement with the PSA and effective mechanisms for performance improvement and monitoring of our regulatory quality

- Current risk influencers**
- ✚ HCPC not meeting a number of PSA standards, remediation is a longer term effort due to case length.
  - ▬ 2020-21 PSA performance report published, acknowledges progress is being made towards meeting standards.
  - ✚ Registration system issues resulted in increased contact rates impacting customer service responsiveness. Registration office based working has increased to mitigate infrastructure limitations.
  - ✚ Increasing international application volumes requiring more resource to process, this has intersected with the annual peak in UK applications and renewals causing some service delays.
  - ▬ Mitigations in place have returned processing service standards to expected levels for readmissions and UK applications. Focus is now on International service levels. A process review underway to mitigate a repeat of service issues. Surge-support partner contracted to process 4.5k international applications.
  - ▬ Online applications project has commenced, International applications est close of Q4 and UK close of Q1 2022-23.
  - ✚ Pandemic impact progression of cases due to pressures on health sector.
  - ▬ The second tranche of FtP Improvement projects are in delivery, remaining focus on embedding of tranche 1 benefits.
  - ▬ First successful in person hearings held post pandemic restrictions outside of the closed 405 tribunal centre. Permanent legislative provision for remote hearings progressing, consultation analysis underway for presentation to Council March 22.

- Mitigations in place**
- 🔍 Enhanced QA plan for 2021-22 to review success of improvements in FtP (and registration & education)
  - 📊 FtP improvement programme and governance in place, FtP improvement oversight board regularly meeting with attendance of PSA and DHSC
  - 📊 Monitoring regulatory performance through performance report and KPIs (All, ongoing)
  - 📊 PSA improvement action plans for other PSA standards in place monitored by internal working group & regular self-assessment against PSA standards reported to Council
  - 🏗️ Regulatory functions refined to allow remote operation (COVID-19)
  - 🏗️ Regular training for Partners and employees
  - 📊 Learning through review of PSA performance reviews of other regulators and commissioned reviews within the sector
  - 🏠 Temporary resource in place to address increase in international application volumes.

**Reporting period commentary**

Risk influencers - reflect that registration focus is on returning international application processing to within normal service. At the end of 2021 an external partner was appointed to process 4.5k international applications. Wider review of international processes has commenced to better ensure we can manage spikes in volume in future.  
Risk score – We had expected score to reduce at first review in 2022 as reported in November 2022. However, due to ongoing challenge of international application volumes, cautious approach taken. Surge-support partner contracted and once processing well underway impact on the risk as a result of the increased volume will reduce.

<b>Review date</b>	<b>Risk owner</b>
Mar-22	ELT Lead - Executive Director of Regulation

	Impact	Likelihood	Risk Score	
<b>Inherent risk</b>	5	x	5	<b>25</b>
<b>Current risk</b>	3	x	4	<b>12</b>
<b>Target risk (planned mitigations in place)</b>	3	x	3	<b>9</b>

No change

**Risk Appetite**  
Our risk appetite for actions to achieve regulatory quality is open, our risk appetite for actions relating to compliance is measured.  
This risk needs to be rated in the green/amber range to meet the risk appetite due to the measured appetite for compliance (PSA standards) we currently are not meeting a number of PSA standards and have a comprehensive improvement programme in place to address this.  
Reaching the target risk score is dependent on 1. The launch and successful embedding of the new Education QA model. 2. Registration applications being online, volumes reducing and the review of the international process. 3. Changes from FTP improvement programme embed and evidence that improvement is lasting in medium – long term.

Current risk level is one level outside of risk appetite

Planned mitigations 2021-22	progress
☀️ New Education Quality Assurance Model project (Q1-4).	✓ Full scale up complete
🩹 PSA standard improvement action plan (PSA Action Plan Working Group) (Q1-4).	➡️ Action plan for 2021 produced and being monitored.
☀️ New FtP Case Management System (improved performance data visibility). (Q1-4)	➡️ Phase one complete system launched and in use. Phase two underway.
🔍 Registration workplan includes review of international process. (Q3)	➡️ Underway
🩹 Online applications project	➡️ Initiated, international expected Q4, UK Q1 2022-23.
🩹 FtP Improvement Plan (FtP Q1-4).	➡️ On track second tranche of projects being delivered with a continuing focus on embedding from first tranche.

**Strategic risk 2 - The HCPC's regulatory expectations are not appropriate or not understood by registrants and other stakeholders**

**Risk summary**

This includes the quality and suitability of our standards and guidance in setting a threshold for safe practice which protects the public. It also includes how effectively we communicate our regulatory expectations

**Current risk influencers**

- Changing expectations of our professions' practice, including as a result of pandemic response, technology or other societal events.
- Professional liaison team - Scotland based resource appointed and soon to join HCPC, expanding our engagement reach.
- Resourcing pressures in Policy team due to regulatory reform engagement intensity and some illness.
- Recruitment underway for key roles in Policy and Communications teams.
- Materials supporting registrant understanding of Duty of Candour published.
- Review of SOPs will be presented to Council in March for approval as per timetable.
- Reflective practice guidance and supervision toolkit resources published.

**Mitigations in place**

- 🏗️ Public consultation process in place
- 📢 Engagement with key stakeholders/experts for widescale profession specific changes to standards
- 🌟 Guidance provided on meeting our standards, 'My Standards' webinar series
- 📢 Dedicated website hubs for registrants, students, employers, members of the public, education providers
- 📢 Dedicated Covid Hub covering practice in pandemic
- 🌟 Policy enquiries function available to support understanding and application of our standards
- 🏗️ Regulatory approach to advanced practice defined and agreed by Council

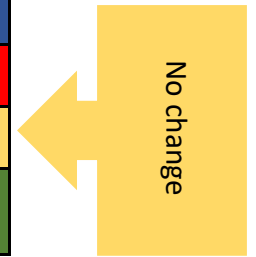
**Reporting period commentary**

Risk influencers - reflect significant piece of work, review of SOPs, close to end. Cosmetic practice review has commenced but other areas of policy work have required priority resourcing. The recruitment of a PL consultant based Scotland is also a positive influence as it will expand our prevention engagement reach.  
Mitigations progress - good progress made on planned mitigations implementation.

Review date
Mar-22

Risk owner
ELT Lead - Executive Director of Professional Practice and Insight

	Impact	Likelihood	Risk Score	
Inherent risk	5	x	5	<b>25</b>
Current risk	4	x	2	<b>8</b>
Target risk (planned mitigations in place)	4	x	1	<b>4</b>



**Risk Appetite**

Our risk appetite for actions to achieve regulatory quality is open, the appetite for actions related to communication and profile is seeks. This makes the risk appetite target level within tolernace if below amber. We are confident that our standards and guidance are fit for purpose and so this risk is currently within risk appetite. However, to maintain that control onward reviews are essential to ensure standards are constantly kept under review to maintain relevance to changing practice and the wider health sector.

Current risk level is within risk appetite

**Planned mitigations 2021-22**

**progress**

- |   |   |
|---|---|
| 🌟 Development of learning materials for education providers and students and international registrants (Q3) | ✅ Seminars held for students and international registrants.                       |
| 📢 Increase partnership working & support for employers (Q3) & Develop employer hub & e-newsletter (Q4)      | ✅ Dedicated employer hub is in place and materials are in development.            |
| 🌟 Professional liaison service developed and expanded (Q4)  | ➡ Recruitment for Scotland based resource successful joining April 22             |
| 📢 Programme of employer events delivered (Q4)   | ➡ Underway  |
| 🔍 Review of the SOPs, ODP SET1, returners to practice (Q2-4)  | ➡ ODP SET 1 review complete. SOPs review to be presented to March ETC and Council |
| 🔍 Review of our regulatory position on aesthetic/cosmetic practice (Q4)                                     | ➡ Ongoing, work slowed due to other priorities                                    |
| 📢 Programme of #MyHCPCstandards events (Q4)   | ✅ Events underway, positive feedback received.                                    |
| 🌟 Toolkits (professionalism, supervision, reflective practice) delivered Q4                                 | ✅ Materials published.  |

**Strategic risk 3 - We are unable to harness the benefits of the wealth of data we hold (benefits - better regulatory decisions, prevention, workforce planning, influencing the agenda)**

**Review date**  
Mar-22

**Risk owner**  
ELT lead - Executive Director of Professional Practice and Insight

**Risk summary**  
This includes our effectiveness in collecting, maintaining and utilising the data we need to be an intelligence driven regulator. It includes the effectiveness of our insight and intelligence, and professionalism and upstream regulation work. It relies heavily on the work of the digital transformation and IT team and includes operational reporting in the Corporate Services team. It also relies on regulatory teams inputting information.

- Current risk influencers**
- Analysis of FTP outcomes linked to age and sex EDI characteristics underway.
  - 1st in house statistical analysis report on EDI data was published in September 21.
  - % of registrant EDI data held has improved with 45% of those renewing opting to provide data. Further expected once online applications goes live Q4 21-22 - Q1 22-23.
  - Insights and Intelligence Framework setting out priorities and approach for data analysis approved by Council September 21 now in delivery.
  - Potential for partnership funding to improve our data capabilities progressing to contract stage.
  - Understanding of data platform needs developing with new expertise on board, meaning previous plans not taken forward as this thinking develops. Interim solutions identified and programme for data excellence selected as a priority for 2022-23 Corporate Plan.
  - Future structure and skills needed within IT and Infrastructure agreed.

- Mitigations in place**
- Publication of FtP, Education and Registration information and datasets through annual reports and FOI requests
  - Professionalism and prevention framework
  - Limited dedicated resource for Analysis and Intelligence and Professionalism and Upstream Regulation
  - Professionalism Liaison service in place influencing employers, using knowledge to effect change through engagement and advice

**Reporting period commentary**  
Risk influencers - recognises increase in EDI data and progress in producing in house data analysis.  
Planned mitigation progress - represents the changing view of our need for a data platform and how best to achieve this. This means the data platform has not been delivered in 2021-22. However a programme for data excellence will be a key element of our Corporate Plan 2022-23.

	Impact	Likelihood	Risk Score
<b>Inherent risk</b>	5	x 4	<b>20</b>
<b>Current risk</b>	4	x 3	<b>12</b>
<b>Target risk (planned mitigations in place)</b>	3	x 2	<b>6</b>

No change

**Risk Appetite**  
Our risk appetite for actions to achieve regulatory quality is open, the appetite for actions related to communication and profile is seeks. These categories are not a direct link however and consideration is needed of the future expectations for data use in regulation and that we are at the start of our development in this area. . Therefore our appetite for this risk is to be within the green-amber scale rather than a higher appetite.  
To reach our target we need to have the data platform in place to enable an analytics environment. We will require a more substantial I&A team, as well as more systematic data collection through online applications to increase the % of registrant characteristics data held.

Current risk level is one level outside of risk appetite

Planned mitigations 2021-22	progress
Insight & Intelligence framework development (Q2)	Approved by Council September 21
Online applications project (Q4)	Project will enable more systematic data collection. Int Q4, UK Q1 22-23
Using our research portfolio to establish HCPC as a thought leader (externally commissioned and internal analysis)	Ongoing - e.g reg reform, EDI, H&CB, PQB, supervision materials, reflective practice materials and duty of candour.
Deliver IT systems and operating model that allow HCPC to become more predictive in its use of data (Q4)	Understanding of data platform needs developing previous plans not taken forward as this thinking develops. Framework and priorities are in place for enhancing our capabilities without the platform.

## Strategic risk 4 - We do not understand our stakeholder's needs and so are unable to be the regulator they (the wider system) need

### Risk summary

This includes how effectively we engage with our stakeholders and our credibility with them and how well we play our part in the wider system. It includes our EDI practice externally, the ability to respond and influence external drivers for change, like the impact of Brexit, devolution or a change in government as well as issues like workforce development. It recognises that we have numerous and diverse stakeholders across 15+ professional groupings and health provision across the 4 nations.

### Current risk influencers

- An interim stakeholder CRM has been developed within our current infrastructure to improve stakeholder engagement management and insights. Relationship managers system agreed by ELT and being implemented with agreed prioritisation. Strategic Relationships Lead is being recruited.
- Positive engagement in public affairs, HCPC submitted evidence to scrutiny committee on Professional Qualifications Bill and has been referenced in dispatches.
- ⊕ Ops functions not resourced to respond as quickly as other regulators to urgent Government needs.
- Regional engagement approach implemented within our education team to build greater understanding of regional differences in education provision.
- Positive engagement across the 4 nations in the reporting period. Recruitment for Scotland based resource Professional Liaison resource successful.
- % of registrant EDI data held has improved with 45% of those renewing opting to provide data, focus on increasing complainant EDI data collection included in 2022-23 priorities.
- ⊕ HCPC did not meet the PSA EDI standards as a result of last year's assessment.
- ⊕ Service responsiveness within registration impacting negatively, forms a risk to HCPC reputation. Surge support has been put in place.

### Mitigations in place

- 📢 SMT relationship building and liaison with key stakeholders particularly Government Departments, professional bodies, other regulators, unions.
- 📢 Operational level engagement with key stakeholders in place across HCPC, including re Education, FtP with stakeholders such as Chief AHPs, CODH.
- 📢 Communications and strategic engagement supported by Luther Pendragon.
- 📢 Horizon scanning and intelligence gathering including from relationship building to be aware of external drivers and influencers, early planning and scenario development as pandemic response changes within UK and globally.
- 📢 EDI strategy based on independent audit of EDI practice. EDI stakeholder forum & internal EDI employee forum.
- 📢 Policy statement on approach to MOUs in place, a number of MOUs agreed with key stakeholders.
- 📢 Analysis and action planning from feedback mechanisms including corporate complaints, FtP stakeholder surveys, stakeholder opinion polling and education provider survey.
- 📢 Personal engagement plans for Chair & Chief Executive in place

### Reporting period commentary

Risk influencers - reflect development of our EDI data capture capability being systematic now capturing 45% of those renewing. Project to enable online applications will further support this capability.  
Planned mitigations - represent perceptions survey complete and analysis being acted on, progress across all areas in period.

### Review date

Mar-22

### Risk owner

ELT lead - Executive Director of Professional Practice and Insight

	Impact	Likelihood	Risk Score	
Inherent risk	5	x	5	25
Current risk	4	x	3	12
Target risk (planned mitigations in place)	3	x	2	6

No change

### Risk Appetite

Our risk appetite for actions related to communication and profile is seeks. Current risk is outside of appetite due to our not meeting the PSA EDI standard and needs to be within the green/amber range to come within appetite.

To meet our target risk our new engagement approach needs to embed which involved organisation wide relationship managers, a central CRM system is required for this to be truly effective. The target also requires the scaling up of the Liaison service to have UK wide engagement. This risk is also dependent on effective stakeholder process interactions and the attainment of PSA EDI standard 3.

Current risk level is one level outside of risk appetite

### Planned mitigations 2021-22

### progress

📢 Stakeholder perceptions survey. (Q2)	✓	Perceptions survey analysis completed and informing activity and 2022-23 CP.
📢 Increase partnership working & support for employers. (Q3)	➡	Dedicated employer hub is in place and materials are in development.
📢 Analysis of data from second annual diversity data & publishing our 2021 Diversity report. (Q2)	✓	Published and promoted in September 21
📢 Development and implementation of EDI action plan. (Q2-4)	➡	On track for Council presentation and approval March 22
📢 Project to capture diversity data at initial point of registration and renewal. (Q4)	➡	EDI captured at the point of renewal launched Q3. EDI for new registration part of online apps project due to deliver Q4
📢 Quarterly meetings with professional bodies to ensure 2-way dialogue on areas of mutual interest. (Q3)	✓	Quarterly meetings have commenced.
📢 Communications team structure review (Q3)	➡	Two of three Communication Business Partners recruited third is live

## Strategic risk 5 - The resources we require to achieve our strategy are not in place or are not sustainable

**Risk summary**

This risk includes not securing the resources we need to be effective and / or not being efficient and effective in our use of our resources (resources include financial, knowledge, skills, culture, infrastructure). It includes the development of our culture, people and physical assets, our continued financial viability and the significant failure of key business processes.

- Current risk influencers**
- ➕ NMC Partner worker status legal test case result uncertain - impact on HCPC to be determined,
  - ➡ Longer term approach to business planning is a focus, mapping of the delivery of the 5 year strategy and clear timetable in place for CP and Budget approval Mar 2022. Income strategy development commenced.
  - ➡ Working group established to support external audit 2021-22, learn from challenges of 2020-21 and mitigate issues.
  - ➕ System process interface issues between finance and registration systems, solution identified but not yet in place.
  - ➡ Specialist consultancy engaged to max benefit from any disposal of building asset. 405 lease break clause enacted, reducing ongoing rent costs from Dec 21 (costs of decanting and adapting existing estate will be incurred)
  - ➡ Grant funding for Covid response secured. Funding for data development from partnership at contract stage.
  - ➕ Majority of organisation remote working increases risk of silo working.
  - ➡ People strategy approved and launched. First two tranches of HR policies reviewed based on prioritisation of impact.
  - ➡ New normal ways of working all employee survey results positive and formalising hybrid working as normal is underway, though delay due to another period of restrictions over winter 21-22 .
  - ➡ ED of Resources and Business Performance joined Jan 22. Head of Finance and Head of IT joined HCPC end of 2021. This brings stability in the leadership of our resources directorate.
  - ➡ Finance team roles reviewed and business case approved by ELT to grow capacity and capability and ensure team has the right skills and capability to support the wider business.

- Mitigations in place**
- 🏗️ Adherence to budgeting and financial management and reporting processes which are subject to internal and external audit e.g. NAO. Medium-Term Financial Strategy incorporating an efficiency action plan.
  - ☀️ All employees are set goals and objectives and undertake annual performance review which includes an assessment against our values (Fair, Compassionate, Inclusive, Enterprising) promoted through all employee performance system and seeks to identify training needs.
  - 🏗️ HR includes a central learning and development function, which runs an annual learning and development plan for commonly identified skill and knowledge needs in addition to annual compliance training in areas such as data protection, bribery, EDI.
  - ☀️ Employee Forum acts as a consultation group for organisational change.
  - 🏗️ Adherence to HR processes in relation to recruitment, annual performance development review and learning and development for Partners and employees.
  - 🏗️ Effective IT system design maintaining confidentiality, integrity and availability of data. Digital transformation strategy provides roadmap for improving our IT systems.
  - 🏗️ Maintenance of ISO27001 Information Security standard which is subject to external audit / Regular independent security assessments of key IT infrastructure.
  - 🏗️ Maintenance of business continuity infrastructure and processes.
  - 📊 ELT monthly monitoring of productivity of all departments through detailed performance reporting.

**Reporting period commentary**

Risk influencers – represent a lot of positive development. A number of senior roles in the resources and business performance directorate have been filled with post holders in place, this includes the Executive Director who is now providing leadership of the directorate. A plan is in place to strengthen the finance function and to anticipate and mitigate repeat external audit issues. The HCPC's people strategy was launched in Jan 22, setting out how we will develop our people and working culture over the next 5 years. Focus on change control as a result of the business change function establishment. While developments are positive they remain new or not yet launched and so do not impact on risk score.

Review date	Risk owner
Mar-22	ELT - ED of Resources and Business Performance

	Impact	Likelihood	Risk Score	
<b>Inherent risk</b>	5	x	5	<b>25</b>
<b>Current risk</b>	4	x	3	<b>12</b>
<b>Target risk (planned mitigations in place)</b>	3	x	2	<b>6</b>

No change

**Risk Appetite**

Financial and Value for Money - how will we use our resources? – Measured  
 People - how will we lead our workforce? – Seeks

Current risk is outside risk appetite, the risk needs to be within the amber/green rate.

To meet our target risk we need to have in place a robust finance and registration interface, a stable budget and forward planning process with a 2-3 year forward planning timeframe and we need to have enacted our People Strategy and have confidence it is effective. The target also requires our financial reserves to be in a better position and the resources avoid deficit budgets.

Current risk level is one level outside of risk appetite

Planned mitigations 2021-22	progress
🗨️ Organisational Culture is defined and agreed. (Q1)	✅ Incorporated into our recently launched People Strategy.
☀️ Organisational behaviours and values integrated into performance management system & all employee customer focus workshops delivered. (Q1-2)	✅ Integration completed. Compassionate regulator workshops held with all employees attending.
🩹 All HR policies reviewed and modernised & succession planning and career development plans agreed. (Q2-4)	➡ First two high priority tranches reviewed and implemented.
🏢 Fee Income Strategy. (Q4)	➡ Development underway ED Resources and Business Performance in post and taking forward.
☀️ People strategy developed.	✅ Approved by Council Nov 21 and launched in Jan 22. The strategy is 5 years and will be implemented and tracked.
🏢 Estates Strategy review to ensure we have the physical space to support our culture and new ways of working.	➡ Specialist expertise in place to undertake longer term estates needs and current assets disposal assessment



## Strategic risk 6 - We are unable to demonstrate the value of regulation due to negative experiences of our regulation in practice

### Risk summary

This risk includes ensuring a human and compassionate approach in our regulatory processes, our stakeholders experiences of our customer service. It also includes the promotion of the value of regulation and of the value of the professions we regulate. As outdated legislation contributes to bureaucratic processes this risk includes maximising the benefit to the HCPC of upcoming regulatory reform.

### Current risk influencers

- HCPC engaging with DHSC on how the recommendations of KPMG on the future regulatory landscape will be taken forward. Increased confidence on the timing of regulatory reform for HCPC. Working group meeting weekly to oversee HCPC activity and engagement on reg reform this includes a dedicated policy resource to enable HCPC to feed into legislative drafting.
- Positive and wide-reaching engagement on regulatory reform undertaken in the reporting period. Proven model of multi profession model of regulation. Reform agenda open to benefits of model.
- ⊕ Performance against PSA standards could increase organisational vulnerability during a time of regulatory reform.
- 2020-21 PSA report published, acknowledges progress is being made towards meeting standards.
- ⊕ Registration responsiveness contributing to negative registrant experience - Mitigations in place have returned processing service standards to expected levels for readmissions and UK applications. Focus is now on International service levels. A process review underway to mitigate a repeat of service issues. Surge-support partner contracted to process 4.5k international applications.
- Compassionate regulator workshops held with all employees attending.
- Stakeholder perceptions survey analysis completed and informing activity and 2022-23 Corporate Plan.
- Project to implement online registration capability progressing, first delivery expected Q4 21 will represent a significant improvement in service experience.

### Mitigations in place

- ☀️ Registrant health and wellbeing strategy in place .Resourcing of action plan being prioritised.
- 🩹 Research conducted into experiences of FtP and action plan in place.
- 🗣️ FtP representatives forum - regular mechanism for formal engagement with unions and others involved in representing our registrants in FtP.
- 🗣️ Organisational values 'Fair, Compassionate, Inclusive, Enterprising' promoted through performance system.
- 🗣️ Feedback and Complaints system with SLAs reporting to SMT & ARAC learning from complaints fed into system, you said we did examples published on website.
- 🗣️ Communications and strategic engagement, including parliamentarians, on regulatory reform supported by Luther Pendragon.

### Reporting period commentary

Risk influencers - represent the outsourcing of 4.5k international applications to improve timeliness of service as well as the progress on implementing online applications. 100 international applicants have signed up to test the new functionality in March 22. Also represented is the progression in regulatory reform. KPMG review has completed and the HCPC is engaging with DHSC on its recommendations.

### Review date

Mar-22

### Risk owner

ELT lead - Chief Executive

	Impact		Likelihood	Risk Score
Inherent risk	5	x	4	20
Current risk	3	x	3	9
Target risk (planned mitigations in place)	3	x	2	6

No change

### Risk Appetite

Our risk appetite for actions to achieve regulatory quality is open, the appetite for actions related to communication and profile is seeks.

Current risk is within appetite.

The target risk will be reached if the outcome of regulatory reform and broader reforms compliments and endorses the multi profession regulation model. This requires successful HCPC engagement and effective messaging.

Current risk level is within risk appetite

### Planned mitigations 2021-22

### progress

- |  |  |
|--|--|
| 🔧 Online registration functionality project (improved registrant experience) (Q4)                                    | ➡️ International live Q4, UK Q1 2022-23.   |
| 🩹 FTP improvement project  | ➡️ Tranche 2 projects underway   |
| 🗣️ Engage key stakeholders to understand key misconceptions about our regulation and action plan (Q3)                | ✓ Perceptions survey analysis complete and informing activity                    |
| 🩹 Tone of voice review project (Q2)  | ➡️ An FtP specific project has launched as part of tranche 2 of FTP improvement. |
| 🗣️ Incorporate our research on registrants' experiences into employee learning and development and inductions (Q2-4) | ✓ Complete. Series of Compassionate regulator workshops for all employees held   |
| 🗣️ Engaging stakeholders on the provision of mental health support for registrants (Q1-4)                            | ✓ Ongoing  |
| 🗣️ Messaging and dedicated engagement for the Future of Health and Care White Paper & Bill (Q1-4)                    | ➡️ Underway  |
| 🗣️ Influence the policy on how consolidation of regulators should align with regulatory reform (Q2 -4)               | ➡️ Underway  |

## Risk Likelihood scoring

	Strategic	Programme/Project	Operational
<b>Probable 5</b>	"Clear and present danger" represented by this risk - will probably impact on this initiative - sooner rather than later.	Likely to occur in the life-cycle of the project, probably early on and perhaps more than once.	The threat is likely to happen almost every day.
<b>Possible 4</b>	Likely to happen at some point during the next one or two years.	Likely to happen in the life-cycle of the programme or project.	May well happen on a weekly basis.
<b>Unlikely 3</b>	May well occur during the lifetime of the strategy.	May occur during the life of the programme or project.	May well happen on a monthly basis.
<b>Rare 2</b>	Only small chance of occurring in the lifetime of the strategy.	Not likely to occur during the lifecycle of the programme of project.	Does not happen often - once every six months.
<b>Negligible 1</b>	Extremely infrequent – unlikely to happen in a strategic environment or occur during a project or programmes lifecycle. May occur once a year or so in an operational environment.	Extremely infrequent – unlikely to happen in a strategic environment or occur during a project or programmes lifecycle. May occur once a year or so in an operational environment.	Extremely infrequent – unlikely to happen in a strategic environment or occur during a project or programmes lifecycle. May occur once a year or so in an operational environment.

## Risk impact scoring

	Public Protection	Finance	Reputation	Operations	Strategy	Information Security
<b>Catastrophic 5</b>	A systematic failure for which HCPC is ultimately responsible.  Exposes the public to serious harm in cases where mitigation was expected.	Unfunded pressures greater than £1 million.	Incompetence/ maladministration or other event that will destroy public trust or a key relationship.	Services to stakeholders are unavailable for an extended period of time (days)	Strategy rendered invalid	Significant breach of confidential information involving extensive quantities of data.  Regulatory investigation required
<b>Significant 4</b>	A systematic failure for which HCPC is ultimately responsible.  Exposes more than 10 people to harm in cases where mitigation was expected.	Unfunded pressures £250k - £1 million.	Incompetence/ maladministration that will undermine public trust or a key relationship for a sustained period or at a critical moment.	Services to stakeholders are unavailable for a significant period of time (hours)	Progress on multiple strategic objectives is stopped.	Significant breach of confidential information involving limited quantities of data.  Regulatory investigation required.
<b>Moderate 3</b>	A systemic failure for which HCPC is ultimately responsible.  Exposes more than 2 people to harm in cases when mitigation was expected.	Unfunded pressures £50,000 - £250,000.	Incompetence/ maladministration that will undermine public trust or a key relationship for a short period. Example Policy U-turn.	Services to stakeholders are significantly disrupted.  Services are degraded or responses are slow for an extended period of time (days).	Progress on 1 strategic objective is stopped.	Limited breach of confidential information  No regulatory investigation required
<b>Minor 2</b>	A systemic failure which results in inadequate protection for individuals/individual communities, including failure to resolve celebrity cases.	Unfunded pressures between £20,000-£50,000.	Event that will lead to widespread public criticism.	Services to stakeholders are disrupted.  Services are degraded or responses are slow for a significant period of time (hours)	Progress on multiple strategic objectives is slowed.	Significant or widespread non-compliance to information security policy by employees.  No breach of confidential information
<b>Insignificant 1</b>	A systemic failure which fails to address an operational requirement	Unfunded pressures under £20,000.	Event that will lead to public criticism by external stakeholders as anticipated.	Services to stakeholders are disrupted for a short period of time (minutes).	Progress on 1 strategic objective is slowed.	Minor or one-off non-compliance to information security policy by employees.  No breach of confidential information

HCPC Risk Appetite - agreed February 2021

<p><b>Regulatory Quality - Open</b> How will we deliver effective regulatory functions?</p>	<ul style="list-style-type: none"> <li>• Our focus is on long term and lasting quality in our regulatory delivery. We have to take risk and challenge ourselves to achieve positive change. Sticking with a low-risk status quo will limit our progress.</li> <li>• We are open to risks that will further us in our aim of delivering excellent regulatory functions.</li> <li>• We are prepared to try new approaches that do not have a guarantee of success where the potential benefits of success outweigh the consequences of failure.</li> <li>• We proactively seek to reduce public protection risk through the promotion of professionalism and prevention.</li> <li>• The risks we are willing to take do not have a significant chance of long-term negative impacts on our regulatory quality. We accept that in striving for excellence and trying new approaches, short term issues may arise which we will seek to mitigate as best we can.</li> <li>• It is <b>essential</b> that mitigations to ensure ongoing public protection are in place as a foundation of taking risks to improve our regulatory quality.</li> </ul>
<p><b>Compliance – Measured</b> How will we comply with our statutory, regulatory and policy requirements?</p>	<ul style="list-style-type: none"> <li>• We have a preference for safe delivery options that have a low degree of inherent risk and may only have limited potential for reward.</li> <li>• We are willing to take decisions that could be challenged only where we are confident we would be successful in defending against such challenge, and the adverse consequences of being unsuccessful are minimal.</li> <li>• We are willing to take low level risks of negative PSA performance impact given the appropriate controls are in place and we consider the potential benefits are required to maintain or improve our PSA standard performance.</li> <li>• It is <b>essential</b> that the long-term achievement of PSA standards is assured.</li> </ul>
<p><b>Communication and Profile – Seeks</b> How will we be viewed by our stakeholders?</p>	<ul style="list-style-type: none"> <li>• We are eager to be innovative in content and method in order to communicate more effectively, despite greater inherent risk.</li> <li>• We are willing to express our views and communicate on issues where stakeholder opinion is divided, but where the HCPC has a legitimate voice and the Council has an agreed policy position.</li> <li>• In communicating our views, we are willing to accept the possibility of manageable reputational risk or a negative, but not irreversible, impact on a stakeholder relationship.</li> <li>• We acknowledge that being bold in communicating our position may lead to increased scrutiny from stakeholders. We accept this risk as being necessary to enable the HCPC to assert its voice and shape debate in the furtherance of excellence in regulation.</li> <li>• We seek meaningful two-way dialogue with our stakeholders, even where this may pose a risk to our profile due to uncomfortable feedback.</li> <li>• It is <b>essential</b> that the HCPC's voice is not perceived to be party political. The HCPC is neutral as a public body.</li> </ul>
<p><b>People – Seeks</b> How will we lead our workforce?</p>	<ul style="list-style-type: none"> <li>• We are eager to be innovative and to choose options that increase our effectiveness as an organisation despite greater inherent risk.</li> <li>• We are prepared to accept risk as long as there is the potential for improving culture, recruitment and retention.</li> <li>• We want to innovate to improve our culture and working environment.</li> <li>• We are willing to review and restructure where this is needed, accepting the potential for short term disruption in order for the HCPC to benefit from better ways of working.</li> <li>• It is <b>essential</b> that risk taking in this area is consistent with the HCPC's values and culture. As an employer are committed to upholding and promoting Equality, Diversity and Inclusion.</li> </ul>
<p><b>Financial and Value for Money – Measured</b> How will we use our resources?</p>	<ul style="list-style-type: none"> <li>• We are prepared to accept the possibility of limited financial loss where it does not have the potential to impact on our going concern.</li> <li>• Value for money is our primary concern in financial expenditure but we are willing to consider other benefits or constraints.</li> <li>• We are funded through registrant fees and we have a responsibility to ensure we invest cautiously to minimise loss while maximising benefit.</li> <li>• We accept that investments may be long term and take time to deliver rewards, appropriate benefit realisation monitoring is required to mitigate risk in investments.</li> <li>• It is <b>essential</b> we remain a financially viable organisation to ensure continued public protection through continued operation. Significant financial risks are not compatible with this requirement.</li> </ul>

Appendix 1 - Proposals for amendments to the Strategic Risks

Strategy	Current Strategic Risk	Substantive change proposed?	Reasoning
<p>1 - Continuously improve and innovate - To improve our performance against PSA standards of good regulation and to innovate across all our regulatory functions to provide an enhanced user experience.</p>	<p>1. Our performance does not improve to a standard that enables us to achieve all the PSA standards of good regulation. In seeking to meet these standards we lose focus and lose standards in other areas</p> <p>This includes our understanding of the PSA's expectations and the gap in our current performance we need to meet. This requires positive and ongoing engagement with the PSA and effective mechanisms for performance improvement and monitoring of our regulatory quality</p>	<p>Yes</p>	<p>The Executive propose amending this risk to place more emphasis on the experiences of those engaging with our regulation as well as improving our regulatory quality and performance.</p> <p>We also want to focus on our own understanding of what good regulation looks like rather than being bound more narrowly by our current performance against the PSA standards. Therefore the focus will be on achieving our own t</p> <p>Our performance against the PSA standards will still be represented as a key risk influencer.</p>
<p>2 - Promote high quality professional practice - Enable our professions to meet our standards so they are able to adapt to changes in health and care practice delivery, preventing harm to service users.</p>	<p>2. The HCPC's regulatory expectations are not appropriate or not understood by registrants and other stakeholders.</p> <p>This includes the quality and suitability of our standards and guidance in setting a threshold for safe practice which protects the public. It also includes how effectively we communicate our regulatory expectations</p>	<p>No</p>	<p>Our review of the Standards of Proficiency nears conclusion and we will launch all 15 standards early in 2022-23.</p> <p>During the 2022-23 year we aim to review the Standards of Conduct Performance and Ethics, as well as initiating a review of our Standards of Education.</p> <p>Given the significant work focused on standards during the 2022-23 year, the Executive wishes to maintain a focus on delivery at strategic risk level.</p> <p>To enable a closer focus on data in SR3 we propose moving our prevention agenda outreach work into the strategic risk.</p>

<p>3 - Develop insight and exert influence - Learning from data and research to inform our decision making and share insights to protect, promote and maintain the health, safety and well-being of the public.</p>	<p>3. We are unable to harness the benefits of the wealth of data we hold</p> <p>This includes our effectiveness in collecting, maintaining and utilising the data we need to be an intelligence driven regulator. It includes the effectiveness of our insight and intelligence, and professionalism and upstream regulation work. It relies heavily on the work of the digital transformation and IT team and includes operational reporting in the Corporate Services team. It also relies on regulatory teams inputting information.</p>	<p>No</p>	<p>This remains a significant strategic risk for the HCPC. Professionalism and upstream regulation is proposed to be included strategic risk 2 to make this risk have a clearer focus on the use of data.</p>
<p>4 - Be visible, engaged and informed - We regulate, take and communicate decisions which are informed by a deep understanding of the environment within which our registrants, employers and education providers operate.</p>	<p>4. We do not understand our stakeholder's needs and so are unable to be the regulator they (the wider system) need</p> <p>This includes how effectively we engage with our stakeholders and our credibility with them and how well we play our part in the wider system. It includes our EDI practice externally, the ability to respond and influence external drivers for change, like the impact of Brexit, devolution or a change in government as well as issues like workforce development.</p>	<p>Yes</p>	<p>The proposed change is minor, rather than 'be to the regulator they need' instead 'be as effective of a regulator as we can be'.</p>

<p>5 - Build a resilient, healthy, capable and sustainable organisation - Employees feel valued and supported, and fully able to contribute. The organisation is resilient and able to quickly adapt to changes in the external environment.</p>	<p>5. The resources we require to achieve our strategy are not in place or are not sustainable.</p> <p>This risk includes not securing the resources we need to be effective and / or not being efficient and effective in our use of our resources (resources include financial, knowledge, skills, culture, infrastructure). It includes the development of our culture, people and physical assets, our continued financial viability and the significant failure of key business processes.</p>	<p>No</p>	<p>While we do not propose change to the headline for this risk, as the risk remains strategically relevant, we do wish to refine the under the headline description to be more explicit about the key areas of risk being:</p> <ul style="list-style-type: none"> <li>• Employee turnover and securing talent</li> <li>• Income strategy</li> <li>• Change management</li> <li>• Benefits realisation from investment</li> </ul>
<p>6 - Promoting the value of regulation - The public, registrants, students and employers understand the value and importance of regulated health and care professionals.</p>	<p>6. We are unable to demonstrate the value of regulation due to negative experiences of our regulation in practice.</p> <p>This risk includes ensuring a human and compassionate approach in our regulatory processes, our stakeholders experiences of our customer service. It also includes the promotion of the value of regulation and of the value of the professions we regulate. As outdated legislation contributes to bureaucratic processes this risk includes maximising the benefit to the HCPC of upcoming regulatory reform.</p>	<p>Yes</p>	<p>As regulatory reform progresses, as well as the level of resource we need to apply in preparation, the need to maintain a close strategic view on the risks involved has increased.</p> <p>The Executive wish to amend this risk to be focused on our success in making the case for multi-professional regulation in the new regulatory landscape, as well as ensuring new legislation meets our aims of a human and compassionate approach.</p> <p>The risk will also cover our internal preparation and understanding of regulatory reform, alongside the external influencing piece.</p>

## DATA PRIVACY CONSIDERATIONS FOR THE NOT FOR PROFIT SECTOR

The UK GDPR is a regulation, not a project. Three years on from the UK enshrining GDPR into UK law as the Data Protection Act 2018, many not for profit organisations are reviewing current levels of compliance. Whilst a considerable amount of work was completed across the sector in the lead up to the GDPR 'go-live' date in May 2018, there is a requirement to demonstrate continued compliance with its regulatory requirements. But what does this mean in practice?

This article sets out key considerations for the sector to ensure that you remain up to date with continued data privacy compliance requirements:

1. Has your Article 30 Record of Processing Activity (ROPA) been recently reviewed and updated, to accurately reflect data processing activity? The ROPA forms the foundation of your GDPR governance and compliance, and should be regularly reviewed and updated to reflect changes in data processing activity, and demonstrate accountability and oversight of data processing at your organisation.
2. Have privacy notices been updated to reflect changes in the ROPA? Transparency is a key principle of GDPR, and data subjects have the right to be informed about the collection and use of their personal data. If privacy notices are not regularly reviewed and updated to reflect changes in data processing, then organisations are unlikely to be accurately communicating data processing activity to data subjects.
3. What are the levels of employee awareness of GDPR requirements? Whilst a lot of work was done in 2018 to deliver GDPR awareness training to employees, staff training should be periodically refreshed and updated, to ensure that they are familiar with key internal processes, especially where strict time limits apply, i.e. data breaches and subject access requests. In addition, data protection is a constantly evolving field, so employees need to be aware of

relevant recent developments, for example in relation to international data transfers.

4. Do you have full oversight of data protection risk in the supply chain risk? Sharing personal data with third parties, inevitably exposes organisations to risk. This is why it remains crucial for organisations to maintain full oversight of data processors and joint controllers, and crucially, their location to ensure that appropriate data processing provisions are written into contracts, and both parties are clear about their responsibilities in the event of a subject access request or data breach. Recent changes in data protection law including the invalidation of the Privacy Shield, has meant that organisations need to seek an alternative safeguard in relation to transfers of personal data to processors located in the US, so it remains important to be aware of which Non EU/EEA countries you may be sharing personal data with.
5. Do you have full oversight of data processing, which relies on consent or legitimate interest as the lawful basis for processing? Are consent management arrangements in line with GDPR requirements? Remember, individuals have the right to withdraw consent at any time, at which point the data processing should cease. If organisations are relying on consent as the lawful basis for processing then there should be internal infrastructure in place to support this. Have legitimate interest assessments (LIAs) been completed for data processing activity which relies on legitimate interest?
6. Are key data protection policies and procedures regularly reviewed and updated to accurately reflect current processes? To demonstrate continued compliance with GDPR requirements, it is really important to ensure that key policies and procedures are regularly reviewed and updated to ensure that they remain up to date and reflect current practice.
7. Have Data Protection Impact Assessments been embedded into centralised processes? The GDPR requires organisations to embed data protection by design and default, to ensure that data protection risks associated with new projects

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and high risk data processing activities are identified and mitigated. Are data protection considerations (and the requirement to complete a DPIA) highlighted as part of the project development process?

8. What insights can you obtain from your data breach register? Organisations are required to maintain a record of all data breaches, regardless of whether or not a breach is sufficiently serious to warrant reporting to the Information Commissioner's Office (ICO) and/or the data subject. But it's also worth noting that the register can also provide useful insights regarding the nature and frequency of data breaches and highlight specific areas where additional controls and/or training may be required to reduce the risk of breaches reoccurring.

The themes highlighted in this article are based on our experience working in the sector and changes in the European data privacy landscape.



## Appendix 3 - Information Incident Risk scoring system

INCIDENT RATING TOOL FOR IIR's						
SCORE	A	B	C	D	E	Rating
1	Any non-identifiable personal data	1	1 person.	Internally within the HCPC.	The information has been recovered, deleted or securely destroyed.	
2	Any identifiable personal data such as name and DOB.	2 – 10	2 – 10 people.	Internally but outside of HCPC system control eg. Disclosing information to a colleague's Hotmail address.	Lost within the HCPC premises	
3	Any identifiable personal data such as name, DOB, address confidential and / or sensitive material or sensitive personal data.	11 – 100	11 – 100 people.	A third party where the HCPC has a relevant contract or information sharing agreement detailing DPA and information security requirements.	Lost in a controlled environment eg. A third party where the HCPC has a relevant contract or information sharing agreement detailing DPA and information security requirements.	
4	Any identifiable data such as name, DOB, address confidential and / or sensitive material or sensitive personal data. Level 4 will usually include significant volumes of information that could be harmful to the individual.	101 – 1000	101 – 1000 people.	NHS or organisations or professions that we have a level of understanding with and / or they are bound by patient confidentiality or solicitors' code of conduct.	Lost in a controlled environment eg. A special delivery item lost within Royal Mail systems	
5	Significant volumes of sensitive personal data that is likely to cause serious harm to the individual and / or organisation involved.	More than 1000	More than 1000 people.	A person / persons with whom the HCPC does not have a contract with.	The information has not been recovered. This score is also assigned to any incident where data is in the process of being recovered. The rating score is updated once the data is recovered or securely destroyed.	
Input score for this case here	4	2	2	3	3	8.75
	Risk of Harm, due to type of data	Number of data subjects involved	Number of people disclosed to	Who was the information disclosed to	Recovery status	INCIDENT RATING

$$=(((A12+B12)/2)*(C12+D12)/2)+E12)/1.2$$