
Draft HCPC Annual Report 2023-24

Executive Summary

We are required to lay our Annual Report and Accounts before the UK and Scottish Parliaments by the end of the calendar year.

The HCPC is required to take into consideration the accounting principles and disclosure requirements in the Financial Reporting Manual (FRoM), the Government Financial Reporting Manual issued by HM Treasury.

The first draft of the HCPC Annual Report for 2023-24 has been compiled, which includes:

- the performance report; and
- the accountability report, including the governance statement, the remuneration and staff report and the Parliamentary accountability and audit report.

Luther Pendragon, the external communications consultancy engaged by the HCPC, has provided input to the narrative and will be preparing the designed version of the Annual Report and Accounts 2023-24 for approval by the Audit and Risk Assurance Committee (ARAC) and the Council at meetings in September 2024.

This draft of the Annual Report is being shared with the ARAC at an early stage to ensure the ARAC is fully engaged in the development of the report and in ensuring that it is fair, balanced and understandable.

The ARAC's feedback is sought to identify any gaps in the key messages, themes and/or or tone of the narrative. As this is an early draft, it is not yet in a designed format and further reviews to finalise the formatting and ensure consistency will be carried out so it is not necessary for ARAC members to highlight these at this stage.

This draft narrative and the figures contained within the report are subject to change pending auditor review and finalisation of the 2023-24 accounts, which is due to be completed in June. The financial statements are therefore not included in this draft, but will be shared with the ARAC via email in July together with an updated draft of the narrative.

There are a small number of gaps in the content that are actively under development. The outstanding content will be included in the next draft that will be circulated to the ARAC by email in July. The narrative relating to strategic risk, unified assurance and internal control will be aligned to the regular updates that have been provided to the Committee throughout the year.

The report is broadly aligned to the structure of previous annual reports. The only major change to highlight is the delivery highlights from the corporate plan 2023-24 within the performance report. This has been aligned to the three themes of the corporate plan, unlike previous years where this content was aligned to the strategic objectives of the corporate strategy..

Previous consideration	The draft performance report was reviewed by the ELT on 29 May. The full draft narrative was subsequently shared with the ELT for review.
Decision	The Committee is asked to provide feedback on the draft narrative and, in particular, to identify any gaps in the key messages, themes and/or tone of the narrative.
Next steps	<ul style="list-style-type: none"> • A draft of the Annual Report and Accounts will be submitted to Haysmacintyre LLP, the HCPC’s external auditor, by 28 June 2024. • A draft of the Annual Report and Accounts (including financial statements) will be shared with the ARAC by email in July. • The National Audit Office (NAO) will commence its review the narrative sections of the Annual Report and Accounts from 22 July 2024. • Following further ELT review, the final draft Annual Report and Accounts will be submitted to the ARAC and the Council in September. • Laying of the Annual Report and Accounts before the UK and Scottish Parliaments is expected to take place in mid to late October, subject to autumn parliamentary recess dates, which have yet to be confirmed.
Strategic priority	Strategic priority 5: Build a resilient, healthy, capable and sustainable organisation.
Financial and resource implications	Costs associated with the preparation and printing of the Annual Report and Accounts are within the current year’s budget.
EDI impact and Welsh language standards	There is no requirement to provide a Welsh translation of the HCPC’s Annual Report and Accounts, however, this is something that will be considered in future years.

A large print version of the Annual Report and Accounts is made available to the UK Parliament and the Annual Report and Accounts is published on the HCPC's website, which is designed to support assistive technologies.

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Health and Care Professions Council

Annual Report and Accounts 2023-2024

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HC [number]

SG/2024/[number]

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Health and Care Professions Council

Annual Report and Accounts 2023-2024

Presented to Parliament and the Scottish Parliament pursuant to Articles 44(2) and 46(7)
of the Health Professions Order 2001

Ordered by the House of Commons to be printed on [day month 2024]

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HC [number]

SG/2024/[number]



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Foreword by the Chair and Chief Executive

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Christine Elliott
Chair

Bernie O'Reilly
Chief Executive and Registrar

Performance report

About the HCPC

The HCPC was established under section 60 of the Health Act 1999. As a regulator of health and care professions in the UK, our role is to protect the public. We achieve this by:

- setting the standards for education and training, professional skills, conduct, performance and ethics and continuing professional development for 15 health care professions;
- keeping a Register of professionals who meet these standards;
- approving education programmes that professionals must complete prior to registration; and
- taking action when registrants do not meet our standards.

We regulate:



How we work

Our vision, purpose and values underpin everything we do:

<p>Our vision</p>	<p>Our purpose</p>
<p><i>To be a high performing, adaptable and caring regulator that ensures public protection through strong, evidence-based regulation</i></p>	<p><i>To promote excellence in the professions we regulate and champion high quality care that the public can access safely and with confidence</i></p>



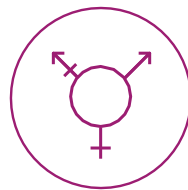
Fair

Being honest, open and transparent



Compassionate

treating people with respect, empathy and care



Inclusive

collaborating with others and championing diversity



Enterprising

seeking opportunities to be creative and foster innovation to improve our performance

Our values are demonstrated by:

Working with all our stakeholders to understand and respond to their specific needs

Actively listening to diverse and protected groups including those who may not traditionally have a strong voice

Being empathetic and compassionate in our dealings with registrants, complainants and witnesses

Contributing and adapting to reflect regional, national and profession differences

Using our data and evidence, and that of our stakeholders, to inform our decision-making

Being an excellent employer

Our core activities

Regulation

- Maintain and publish an accurate Register
- Set appropriate standards
- Quality assure education and training programmes
- Respond proportionally to fitness to practise (FTP) concerns, taking action to protect the public

Learning

We will harness our data to have more informed insights about the impact of our processes and take that learning to improve our regulatory activity, future approach and decision-making.

We use what we know from our own learning, and that of others, to promote positive and inclusive professional working environments.

Preventative Action

We will develop an approach based on preventative action. This will use our learning to address and reduce the conditions that may contribute to instances of service user harm.

This preventative approach will support quality practice by articulating the expected standards, helping registrants overcome any barriers they face in meeting those standards, thereby reducing the need for unnecessary FTP actions.



Core Activities 2023-24 highlights

This section provides highlights of our core activity in 2023–24.

Regulation

The HCPC Register

The HCPC maintains an accurate Register of the 15 health and care professions we regulate. In the year of this report, a significant number of new registrants joined our Register, adding vital resource to the UK's health and care workforce.



339,282

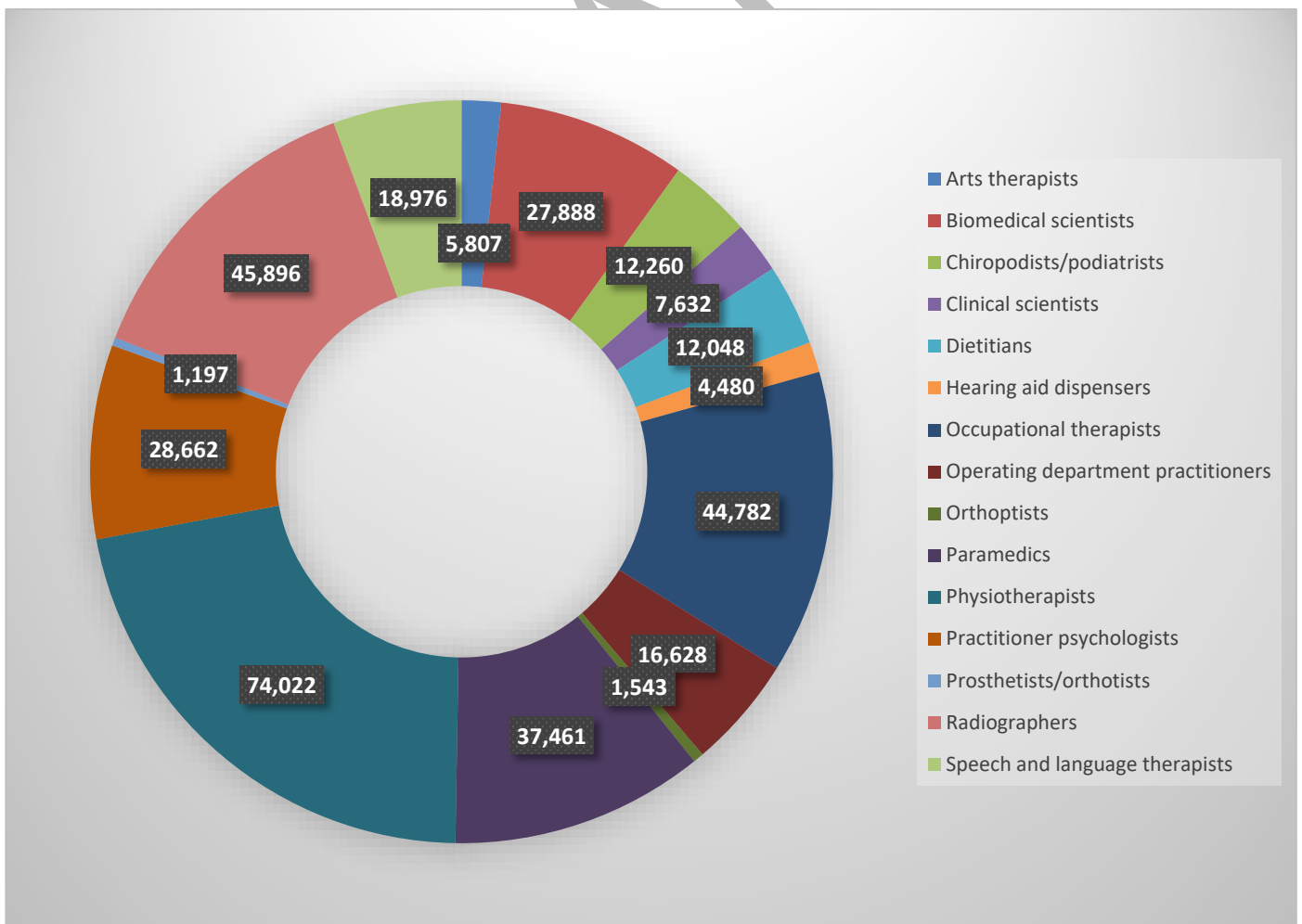
Total number of registrants



29,098

Number of new registrants in the last financial year

Breakdown by profession (as on 31 March 2024)



Quality assurance of education and training programmes

The HCPC quality assures education providers and programmes to ensure applicants meet our standards, before joining our Register.

Our quality assurance model enables us to be flexible, intelligent and data led in our risk-based assessment of education providers and programmes. We produced our first 'state of the nation' report, which was shared with stakeholders in April 2024. We are now engaging with our stakeholders on the findings of this report.

Within our regular reviews of education providers, we have continued to consider alignment of programmes with our revised standards of proficiency (SOPs), which became effective on 1 September 2023. We have found that education providers have developed their programmes in line with our revised SOPs, which is important to ensure those who join our Register meet our requirements for registration.



131

approved education providers

1079

total approved programmes

34

new programmes

Taking action to protect the public

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Improving how we regulate

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Setting standards of practice

The HCPC works with health and care professional bodies, registrants and other stakeholders to set and reach high standards of care that the public can access safely and with confidence. As part of this work to improve and set standards, the HCPC delivered the following:



Responded to 896 policy enquiries



Published supporting information on our preceptorship principles



Launched a consultation on our English language requirements for international applicants to our Register

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Insight and engagement

The levels of engagement have continued to increase across our channels in 2023-24. During the year, we saw a significant increase in engagement with our tailored website content across our student and employer hubs. The hubs are dedicated to sharing information with specific audiences about standards of practice and support. The student hub had 46,541 visitors compared to 28,729 in 2022-23 and there were over 9,700 more page views of our employer hub content.

Our social media following continued to increase on last year with over 19,000 new followers across different platforms. This has increased the total number of users who can regularly see and can engage with our social content to over 145,000.

During the year, we published our revised standards of conduct, performance and ethics accompanied by new content on our website and supportive webinars to inform registrants of the changes that will come into effect in the next financial year. The feedback we received from participants and partners on these engagements has been very positive.

In addition, we have fully established our regular forum for professional bodies to support information sharing and allow opportunities to discuss areas of mutual interest. The forum has been welcomed by our stakeholders and continues to support our engagement with the professions we regulate.



168,334

Article and blog views



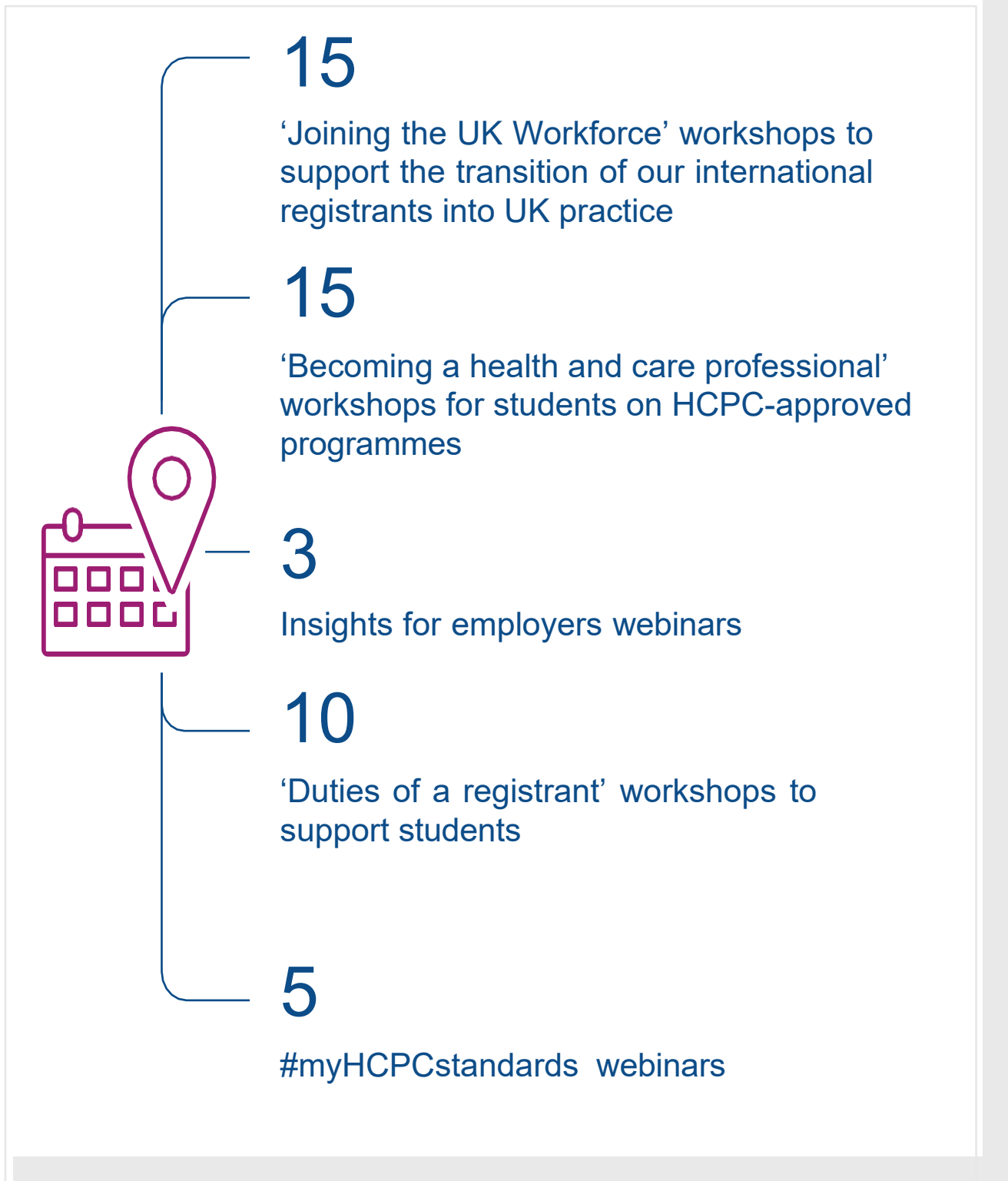
19,139

new followers on social media channels

Preventative action

The HCPC's Professional Liaison Service was established in 2020 to promote high quality professional practice through providing support to registrants, employers and students. This work is a key part of our transition to risk-based preventative regulation.

The service ran the following HCPC events and engagements in 2023–24:



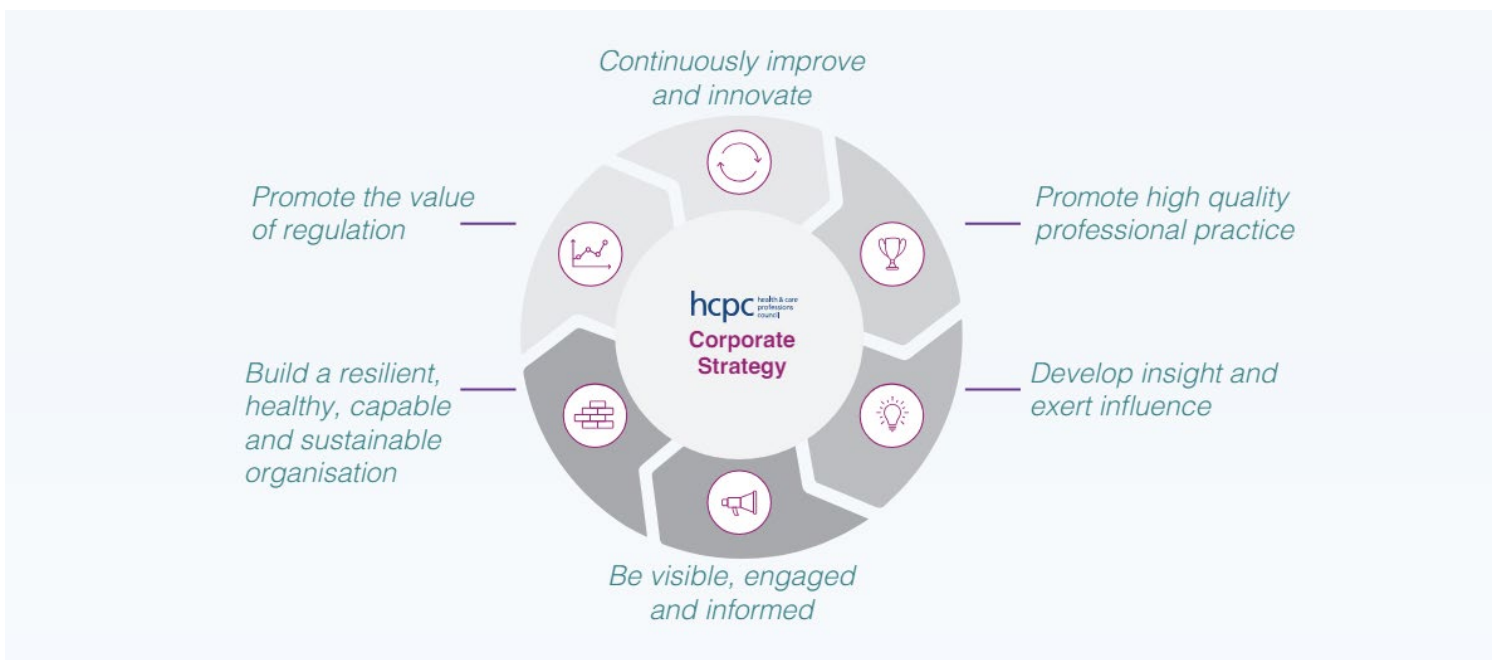
Performance analysis

This section outlines our performance over 2023-24, focusing on our strategic and operational performance and the delivery against key milestones and performance measures, as well as our performance against the PSA standards of good regulation. We also outline our learnings from the last year and look ahead to the priorities in our Corporate Plan 2024-25 and set out our views on regulatory reform.

Delivery of the Corporate strategy

The HCPC is adapting to become a more targeted and evidence-based regulator by focusing on upstream, preventative work, and working towards a more ambitious future, embracing advanced technology and new ways of working, underpinned by regulatory reform.

Our [Corporate Strategy 2021-26](#) sets out our vision and goals, as well as six priority areas of work:



At the heart of our mission is upholding high standards in the professions we regulate. The strategy sets out our commitment to improving our core regulatory performance and meeting all the PSA's standards. It sets out an approach that is empathetic and ultimately will be more effective in ensuring the very best outcomes for the public.

In May 2023 we launched our [Corporate Plan 2023-24](#), which set out how we would progress our aims from our Corporate Strategy over the year. The following pages report about the delivery and performance of our plan.

Our Corporate Plan for 2023-24 was structured around three key themes:

1. improving the experience of registrants and others who engage with the HCPC;
2. contributing to sector-wide workforce planning and resilience;
3. driving forward efficiencies and innovation in how we work.

These three themes bring together elements of the six priority areas in our Corporate Strategy, and are underpinned by our commitment to equality, diversity and inclusion (EDI), whilst public protection remains at the heart of everything we do.

Corporate Plan delivery in numbers

- 20 workstreams included in the Corporate Plan 2023-24
- 17 workstreams (85%) were completed or are on track to complete as planned
- 3 workstreams (15%) were deprioritised or will not complete as planned (detail provided later in this section)

Over the last 12 months we have achieved 85% of the project milestones from our Corporate Plan 2023-24. We provide more detail on this in the following pages.

We are pleased with the progress made and are confident we have the right people, processes and plans in place to continue to improve user experience for our registrants and better serve the public.

Significantly, 2023-24 saw us gain 16 of the 18 PSA standards, regaining two FTP standards and one standard linked to registration, and achieving the standard in EDI for the first time.

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Theme 1 - improving the experience of registrants and others who engage with the HCPC

Overview of delivery 2023-24

FTP participant support

- Completed a tone of voice review of all FTP template communications to lessen the impact of the process on those involved.
- Reviewed our POHWER Lay Advocacy Service, setting out how we can increase uptake.

SCPEs (standards of conduct, performance and ethics) review

- Published revised standards and accompanying social media guidance following a wide-ranging review, which included a public consultation between March and July 2023. The updated standards and social media guidance will take effect from September 2024.

EDI

- Published a statistical analysis of the impacts of EDI factors on the FTP process and outcomes in our FTP Annual Report 2022-23.
- Published updated EDI factsheets across all professions, including information beyond protected characteristics.

Registration operating model

- Moved to a new operating model, enabling a greater focus on customer service for registrants and applicants, including faster processing of applications.

Service user engagement

- Worked with The Patients Association to integrate the patient perspective in key HCPC projects and initiatives, including our consultations on English language proficiency and the SCPEs.

Welsh language

- Incorporated the new Welsh language standards for health profession regulators across the organisation.

Delivery highlights 2023-24

FTP improvements

A key focus in 2023-24 has been on continuing our FTP improvement programme (phase two) transitioning to a new model of investigating cases called 'frontloading' meaning the focus is on investigation activity at the earlier stages of a case; the delivery of initiatives to develop and enrich the support we provide for those involved in the FTP process; and embedding the changes in phase one of the improvement programme and continuing to monitor impact.

A key support initiative has been the review of the tone of voice of the letter and email templates we use in the FTP process as well as the development of FTP fact sheets. This builds on initiatives introduced previously such as our Lay Advocacy and Registrant Support services and is part of wider work to deliver a more person-centred approach to how we engage with others and explain our processes.

We have employed a renewed focus on keeping parties updated on their cases through a revised Best Practice Standard on Customer Service and training for team members; we have seen a decrease in the number of complaints we receive about our communication which indicates these changes are starting to have an impact.

Throughout 2023-24 we have continued to meet with representatives from the PSA and the Department of Health and Social Care (DHSC) as part of our FTP improvement board, which receives regular and detailed performance data. This forum has also enabled us to seek learning from the PSA's experiences of improvement work by other health and care professions regulators.

Policy and standards

SCPEs review

We regularly review our standards to ensure that they are up to date and relevant to current practice across our professions.

In 2022 we commenced a review of our standards of conduct, performance and ethics. These standards set out the ethical framework in which our registrants must work. As part of this review, we also considered our accompanying guidance on registrants' use of social media.

We developed proposals for revised standards and guidance in collaboration with stakeholders and then consulted on these proposals between March and July 2023. After taking into account feedback from the consultation we published updated standards and social media guidance in October 2023. The updated standards and social media guidance will take effect from September 2024.

The key changes to the revised standards were grouped into five main themes: equality diversity and inclusion, communication, duty of candour, upskilling and training responsibilities and managing existing health conditions and disabilities in the workplace. As part of the review, we also explored whether standards around sustainability should be incorporated into our wider standards. Although we did not feel that it was appropriate to include a standard on sustainability at the current time, we agreed to produce further materials to support sustainability and consider it in future standards reviews. Information and resources on practising sustainably are now available on the [HCPC website](#).

EDI – publication of factsheets/FTP outcomes

Work has continued developing our EDI data, and subsequent analysis, of HCPC registrants. We now have EDI data for 99% of the Register and a piece of work has commenced to develop a policy for an organisation-wide approach to provide support and adjustments for people who need these.

Service user engagement

Making sure that we capture a range of voices is a vital part of regulatory policy development. With this in mind, we commissioned The Patients Association to support our work on the review of the standards of conduct, performance and ethics and our review of English language requirements for international applicants to our Register.

As part of our ongoing commitment in this area, we have agreed a new formal partnership relationship with The Patients Association (PA). This will allow us to better engage with service users directly and to utilise the wealth of experience from the PA. This new agreement will enable us to build on this and further integrate the public and service user voice in our work.

Welsh language

We have had a Welsh language scheme in place since 2011, ensuring that we effectively deliver services to Welsh speaking members of the public. In 2022 the Welsh Language Commissioner introduced new Welsh language standards for health profession regulators, which we worked to incorporate in 2023-24. The standards cover service delivery, policy-making, operational areas and record-keeping and supplementary matters.

Most of the standards applicable to the HCPC came into effect at the end of 2023, although some will take effect at a later date. We are committed to continuing to improve our Welsh language capabilities.

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Theme 2 - contributing to sector-wide workforce planning and resilience

Overview of delivery 2023-24

English language

- Consulted on proposed changes to our English language requirements for registration to ensure that international registrants meet expectations on communication.

Standards of education and training (SETs)

- Commenced a review of our standards of education and training to ensure that the registrants of the future continue to join the workforce with the skills and knowledge they need to succeed.

Preparedness for practice

- Undertook research into the experiences of new registrants entering the workforce, to inform work to support registrants to meet our standards and stay on the Register. We also published our principles for preceptorship to support registrants at key transition moments in their careers, and to help them in providing safe, compassionate and high-quality care.

Data insights

- Published a report investigating retention rates of first time HCPC international registrants between 2013 and 2018, including profession and modality specific information, enabling greater visibility of the makeup of our Register and allowing us to better forecast workforce supply through new graduates and international registration.

Delivery highlights 2023-24

English language

Communicating effectively in English is a key part of safe and effective practice for the professionals on our Register. As part of our international application process, we ask applicants to our Register to demonstrate their English language proficiency.

This year we conducted a review of our English language requirements for international applicants, which culminated in a consultation to discuss proposals to amend these requirements. These proposals focused on the types of evidence we accept, providing new options for applicants whilst ensuring that we strike the right balance between protecting the public and avoiding unnecessary barriers to international registration.

Findings from the consultation and recommendations for future action were presented to the Council in May 2024.

Preparedness for practice

In November 2023 we published supporting information to our preceptorship principles. This was aimed at helping registrants and those delivering preceptorship to use the principles in their workplaces and practice. Well-delivered preceptorship support has a key role to play in supporting both current and

future HCPC registrants, helping them to achieve their potential and to fully and confidently meet the needs of those they serve.

Working with the University of Plymouth, we also undertook some research into the experiences of new registrants entering the workforce. This will be used to inform work across the organisation, including our review of the standards of education and training.

Data insight

We continue to increase and improve the data we provide to improve understanding of the HCPC Register and processes and support providers with workforce planning.

In addition to the published analysis of retention rates for new international route registrants, we also published our first analysis of FTP outcomes and EDI within the FTP annual report.

We have commenced work on a standard approach to data sharing with professional bodies and we continue to improve and develop automated reporting of key FTP reports. We also published a renewal dashboard on our intranet to provide daily updates on renewal rates, current and historical renewal data and trends for our regulated professions during the two-year renewal cycles. The dashboard helps to enhance efficiency and ensures data accessibility across the organisation.

Diversity factsheets

Aligned to renewal windows to ensure maximum coverage, we published profession and modality-specific factsheets for eight professions in 2023-24. These have given stakeholders the first full assessment of those professions' diversity in terms of the nine protected characteristics. In mid-2024 all professions will have their diversity factsheets updated and expanded to include additional information for other EDI characteristics.

International route retention rates

To complement the UK route retention rates published last year we published international route retention rates this year for each of our professions and their modalities. This revealed some important patterns in terms of retention rates amongst different demographic groups, which has helped workforce planning stakeholders better understand the UK's international workforce. Both the UK and international route retention rates will be updated in 2024-25.

EDI and FTP

We produced a chapter in the FTP annual report including analysis of FTP concerns by age, sex and profession. It also included a first look at the limited data for other EDI characteristics and for FTP rates by registration route. Coverage of EDI data was over 95% by the end of 2023-24 and a much more comprehensive analysis will be possible for the next FTP annual report.

COVID-19 temporary Register

Following an announcement from the DHSC, the HCPC's COVID-19 temporary Register permanently closed on 31 March 2024. 22,000 former registrants and 6,000 final year students joined the temporary Register to support patients and registrants, which was set up to respond to the unprecedented need for health and care services during the pandemic. We communicated with the temporary registrants in advance of the temporary Register closing, providing them with guidance on how to apply to re-join the main Register if needed and to thank them for their service.

Theme 3 - driving forward efficiencies and innovation in how we work

Overview of delivery

Online registration services

- Developed new system enhancements, enhancing our online application and renewal functionality for registrants and applicants enabling greater self-service and reducing manual and paper-based inefficiency.

Partners

- Reviewed how we work with our partners to optimise and streamline our processes and quality assurance, including a cross departmental review of quality reviews and key performance indicators (KPIs).

People

- Delivered on the third year of our People strategy, including upgrading our recruitment portal and innovative mentoring schemes.

Financial management

- Strengthened our financial management capabilities by modernising our financial IT systems through the implementation of Business Central, which allows for better integration, increased efficiency and automation, as well as real-time reporting and analytics.

Sustainability

- Published our first environmental sustainability statement and established the HCPC's carbon baseline and agreed action plan and targets, as well as an Employee Forum-sponsored programme of employee engagement.

Engagement

- Established a Chair and Chief Executive Office to better support strategic engagement with stakeholders.

Delivery highlights 2023-24

Partners

We have been reviewing various aspects of partner processes, performance and quality assurance of partner decisions over the last year. This resulted into the implementation of a new record of assessment for registration assessors, which was introduced in January 2024 following a pilot and training of partners, to improve the quality and consistency of how partners record their recommendations and supporting evidence. The same improvement is currently being piloted for CPD (continuing professional development) assessments and will be implemented in July 2024. A cross-department workshop evaluated quality reviews and KPIs at regulatory function level and explored commonalities. Financial controls have been optimised by increasing the collaboration between Finance and FTP to eliminate payment related issues.

People

The third year of our People strategy has seen us successfully complete the launch of our recruitment portal which went live on 31 January 2024 and the development of a talent pool for future recruitment is ongoing. We have delivered innovative mentoring schemes throughout the year including the Beyond Barriers and Reverse Mentoring programmes and a further initiative has been developed as a result of these schemes: "Let's Talk with the Senior Leadership Group" as a way to continue these important conversations. Development of a succession plan framework progressed during the year with workshops held in the second quarter with the Senior Leadership Group to identify needs and key positions and this work will continue into 2024-25.

Financial management

This year we sought to strengthen our financial management and successfully implemented the Business Central finance system at the end of March. The Finance team will now focus on phase two improvements in reporting invoice processing and accounting for income and introducing more frequent direct debit functionality, which are enabled by the new system.

Sustainability

As part of our sustainability agenda, the HCPC has been on a carbon-neutral electricity tariff for a year. From April 2024 we transitioned to a new tariff that as well as being carbon-neutral is 100% generated from renewable sources.

In September 2023, we published a sustainability statement setting out our commitments to becoming an environmentally sustainable regulator and the subsequent actions to support these commitments.

Colleagues are engaged internally in contributing to how we can be a sustainable organisation.

Engagement

We have established our Chair and Chief Executive Office to provide a dedicated executive supportive function to our Chair and Chief Executive and leadership team and to coordinate stakeholder engagement at a senior level.

Financial sustainability

In November 2023, Parliament approved an increase of £19.62 to our annual renewal fee to meet a shortfall in income that had arisen over time as a result of inflationary cost pressures, and to ensure that we can continue to meet our regulatory responsibilities to protect public safety. The consultation document also discussed the need to introduce a fee rise on a regular basis.

In order to build a resilient, healthy, capable and sustainable organisation, we have set out our plans to introduce, following a consultation, a 6% fee rise for implementation in 2025 at the earliest. This is in line with our intention to transition to a new model of regular fee reviews to provide clarity about our future funding needs and ensure that the HCPC continues to be adequately funded and sustainable and able to effectively discharge our statutory duties to protect the public.

We aim to review our fees at least every two years, with the expectation that regular, incremental increases will be needed to maintain our financial sustainability.

The proposed increase is underpinned by careful financial analysis and will enable us to fund the following commitments and priorities:

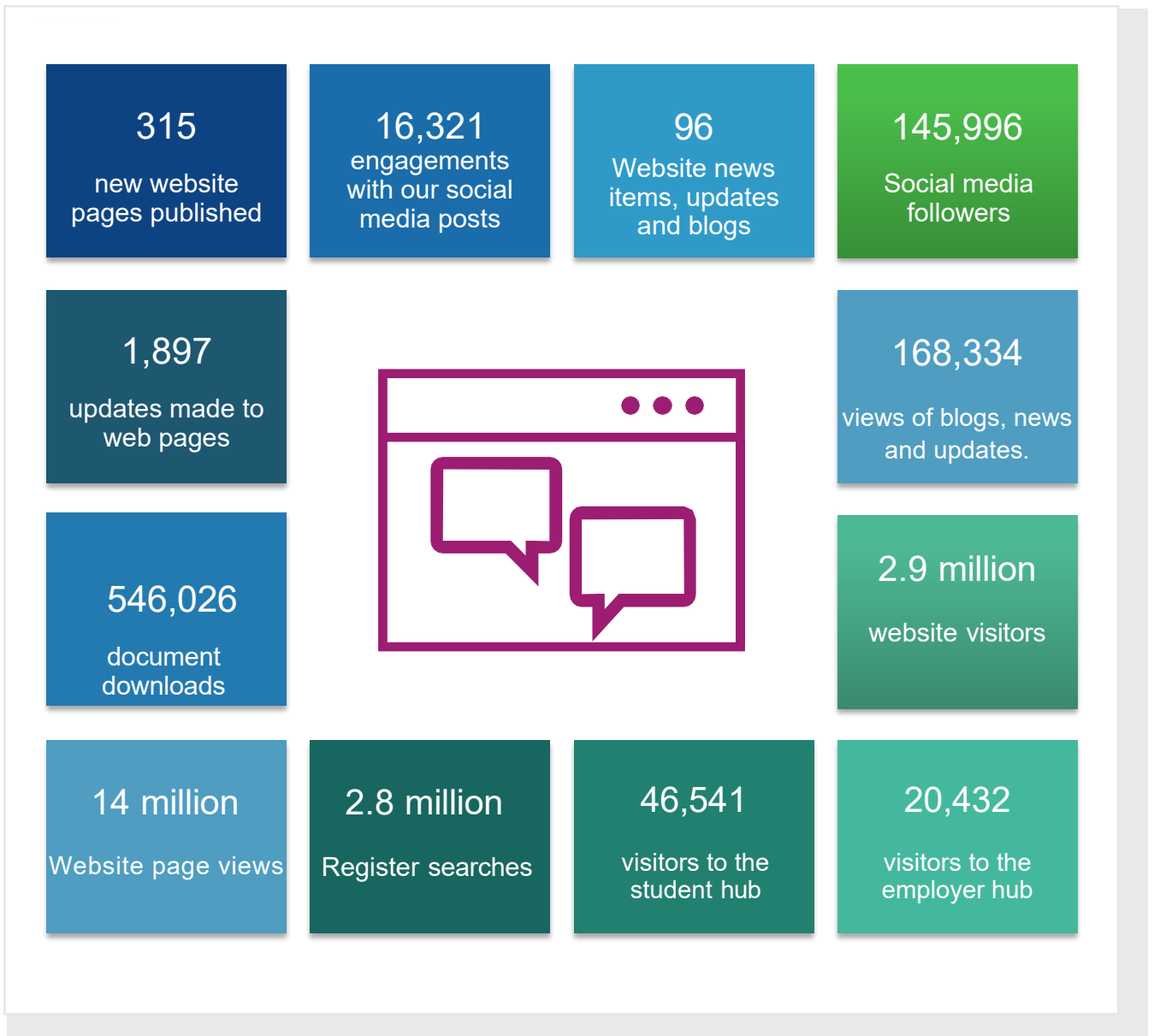
- Maintaining delivery of our statutory registration, FTP, education and other regulatory responsibilities within existing performance standards, taking account of unavoidable cost pressures, including a 114% increase in FTP volumes, in line with the experience of most other healthcare regulators.
- Making essential further improvements over the next three years, including to deliver a joined-up approach to the ways in which registrants can contact us; updating our registration and education system portals through the use of technology and automation to enable us to improve efficiency, safely and ethically; and improving the quality of our data to contribute to workforce planning.

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Online engagement

The HCPC regularly publishes online resources such as learning materials, case studies, fact sheets and reports on our data and regulatory performance. In 2023–24, we published 50 new resources on our website and made 1,897 updates across the site.

Our other online content has continued to see high engagement levels. Our check the Register function seeing a small increase to 2.8 million checks in 2023-24 from 2.7 million in 2022-23 and downloads of documents from our site has also increased on 2022-23 figures. Our blog posts from senior members of staff provide key updates on areas of our work and have achieved 62,467 views this year, which represents a significant increase in our engagement per blog post.



Health and safety

We are committed to complying with the Health and Safety at Work etc. Act 1974 and other related UK requirements. This ensures that everyone at the HCPC, whether employees or visitors, continues to enjoy the benefits of a safe working environment. One health and safety incident was reported during the year 2023–24, four accidents were reported (no accidents were reported in 2022–23, while one health and safety incident was reported in the same time period). The HCPC encourages and supports staff to take responsibility for safe working practices away from the office environment, including by reporting any health and safety incidents. Health and safety accidents can be categorised as either reportable or non-reportable to the Health and Safety Executive, in accordance with The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR). No incidents were reportable under RIDDOR, and as such all are considered minor.

The total number of employee sick leave days in 2023–24 was 1,459 (2022–23, 1,621). The average number of sick days per full-time equivalent employee in 2023–24 was five working days or 2% of working days (2022–23, seven working days, 1% of working days).

Environmental sustainability

Improving environmental sustainability continues to be a key strategic objective for the HCPC. In 2023–24, the HCPC's Executive Leadership Team and Council agreed on high-level plans and targets for achieving our environmental ambitions. Additionally, we published our Sustainability Statement, setting out our commitments toward becoming an environmentally sustainable regulator and the actions planned in support of these commitments. Our target to reach net zero for the emissions directly related to our operations (those over which we have direct control) continues to be the 2028–29 financial year. We have a longer-term interim target for emissions relating to our purchased goods and services, which contribute most significantly toward our overall emissions. This timeline will be revised where possible with greater understanding and with the aim of achieving this target earlier. At the end of the 2022–23 financial year (31 March 2023), the HCPC completed the second and final stage of the estate consolidation programme, reducing the overall estate by around 50% compared with pre-pandemic operations. Refurbishment works were required and predominantly conducted in the year prior, to accommodate the organisation's operations within the reduced estate footprint. The HCPC continues to operate a hybrid working model initially adopted as a temporary measure during the COVID-19 pandemic and then made permanent from January 2023.

Greenhouse gas emissions and carbon management

We have continued to examine our annual emissions supported by external auditors, reporting in line with the Greenhouse Gas (GHG) Emissions Reporting Protocol. Having adopted 2019–20 as our baseline year we are able to monitor ongoing progress toward our goals. There have been refinements within the latest emissions review, including to previous years, as reporting information has improved. Our audited emissions reporting covers the period from our baseline year (2019–20) up until 2022–23 financial year. We are continuing to work on developing our internal emissions reporting, from which we have also provided (unaudited and unverified) details in the table below of our anticipated emissions across Scope 1 and 2 emissions for 2023–24.

Financial year Greenhouse Gas Emissions (tCO₂e):

Scope	2019-20	2020-21	2021-22	2022-23	2023-24
Scope 1 (Gas)	41	27	33	32	TBC: 28
Scope 2 (Electricity)	146	105	101	80	TBC: 0
Scope 3 (all other)	4,275	3,100	4,013	2,152	[TO FOLLOW]
TOTAL	4,462	3,232	4,148	2,264	[TO FOLLOW]

The Greenhouse Gas Emissions Reporting Protocol counts the carbon in our gas usage as Scope 1 and the carbon in our purchased electricity in Scope 2. Most other activities are included in Scope 3, which includes several categories within it though predominantly relates to our purchased goods and services.

The table shows the HCPC's progress in reducing the carbon in the activities. Where we have direct control, the carbon equivalent in our Scope 1 and Scope 2 combined emissions has reduced each year. This was previously due in part to pandemic measures, but also relates to policies and activities to reduce our carbon such as reducing the buildings footprint, hybrid working and effective energy management.

Going forward for Scope 1 and Scope 2 carbon emissions, the HCPC has more control and influence. We continue to monitor and manage our energy purchasing and trading strategy delivered via a government framework agreement working with Crown Commercial Services. Over time we have transitioned our electrical energy supplies. At the end of the 2022–23, we moved from “brown supplies” with carbon embedded to being carbon neutral (net zero) in 2023-24. As outlined in the table above we anticipate our Scope 2 emissions are near zero. Further to this, from the start of April 2024 the HCPC has now migrated to renewable energy supplies. This energy is supplied from a mixture of wind, solar and hydroelectric power. We anticipate having made an 85% reduction on our direct emissions under Scope 1 and 2 in comparison to our baseline year.

Scope 1 emissions relate to gas consumption. The HCPC has conducted initial feasibility studies to provide options that focus on transitioning away from gas (boilers) to alternative electrical sources for heating, with longer-term potential consideration for onsite supply (potentially via solar). We will move toward the implementation of the heating system changes aligning with our organisational targets.

The Greenhouse Gas Emissions Reporting Protocol puts most of the other sources of carbon into Scope 3. The HCPC is similar to many organisations in that most of our carbon equivalent is found in Scope 3 - as much as 95%.

Scope 3 has 15 subcategories depending on the activity which produces the carbon. The HCPC's largest category inside Scope 3 is purchased goods and services. These purchases can be as much as 80-89% of our total carbon equivalent in the years for which we have data, making supply chain the single most critical area for achieving the HCPC's carbon targets. The HCPC recognises the importance of the supply chain as a key partner in our carbon reduction journey as well as social impact goals. We have begun the process of strengthening our procurement policies and our governance, and we are considering increasing our engagements with our suppliers as we partner toward our common goals.

Carbon related to travel is one category within Scope 3; in previous years we have reported our travel information and we have again reviewed and reported this information. As the table shows, there was a drastic reduction in carbon during fiscal years 2020–21 and 2021–22; this was largely due to actions taken in the COVID-19 pandemic. We see a notable increase in emissions in 2022-23 as activities have been recovering from the pandemic. In 2023-24 these still continue to be significantly lower than 2019–20, at about 6%. We are examining our policies and activities in order to maintain the reduced travel emissions levels since 2019–20 while still meeting our statutory obligations and keeping our high standards for service. There are fluctuations across the previous few years, though overall leading in a positive direction.

Business Travel estimated Greenhouse Gas Emissions (CO2e)

Kh CO2e*	2019-20	2020-21	2021-22	2022-23	2023-24
Flights	125,541	742	1,046	10,336	5,096
Hotels	95,396	142	1,383	3,668	1,631
Rail	68,407	217	982	2,403	770
TOTAL	289,344	1,101	3,411	16,407	7,497

*The calculations are produced based on DEFRA guidelines providing an approximation of carbon emissions using the data recorded by the organisation’s travel provider. A more precise calculation is planned which will bring the methodology and level of precision to match that for greenhouse gas emissions reported above for all scopes and years.

As we look ahead, we continue to anticipate a future that is more resource constrained, interconnected and transparent than ever before and we recognise that the key decisions we make need to be examined through the lens of a continuously changing climate.

As we look to opportunities in 2024-25 and beyond to address the challenges in areas of resource efficiencies, achieving net zero, sustainable business travel, water stewardship, biodiversity and other areas, we recognise that our organisation will be reliant on many interrelated factors and pathfinder projects critical to address these.

Our priority programmes will include:

- finding pathways to decarbonisation (net zero emissions for our operations by 2028-29) and defining concrete plans to achieve it;
- developing our adaptation and resiliency responses to the physical risks of climate change;
- leveraging our developing sustainability strategies to support employees, registrants, communities and other stakeholders;
- driving operational transformations, based on resource intensity, including changes to governance processes, supply chains and investment priorities; and
- managing regulatory changes and showing leadership in areas including risk management, finance and legal.

Monitoring and managing progress against the HCPC’s sustainability objectives is becoming increasingly embedded within corporate governance structures. In July 2023, the Council approved high-level plans, emissions targets and a statement on environmental sustainability setting out our commitments in this area. Our Corporate Plan 2021–26 incorporates a number of actions on sustainability, which are regularly reviewed by the Executive Leadership Team (ELT).

Sustainability considerations are included in the remit of our Change and Benefits Forum, which supports decision-making on new investments, to ensure that the sustainability aspects of new investment proposals are considered at an early stage as part of the decision-making process. The sustainability aspects of proposals will be set out as appropriate in papers to the ELT and the Council. This area will be further enhanced as required reporting improvements develop and better demonstrate these sustainability benefits.

Risks in relation to sustainability are captured as part of the HCPC's corporate assurance and risk management processes. High-level performance metrics on sustainability are incorporated in a performance report that is reviewed by the Executive Leadership Team on a monthly basis and is shared with the People and Resources Committee quarterly. Our performance metrics will be further developed as a strand of a new environmental management system, over the coming years. We will also continue to draw on expert external advice, where required, to ensure we have the necessary support to inform and deliver our objectives, in areas including feasibility studies, modelling, auditing and verification.

The HCPC's Employee Forum is also closely involved in the development of sustainability plans, including through sponsoring employee workshops and following the actions to improve the HCPC's sustainability.

Corporate, social and environmental responsibility

As part of being a compassionate regulator, the HCPC aims to be a good citizen in the communities to which we and our people belong. As part of this we are rejuvenating our approach to corporate social and environmental responsibility (CSR).

Although we are still at an early stage, a working group has been established and we are building a network of champions across the organisation to work on issues including volunteering in the local community, support for charities and improving our environmental sustainability (separately reported). We are also looking at how our corporate policies can support and encourage CSR activity and are cooperating with other regulators to share good practice and identify the scope for joint action.

Corporate plan commitments we did not deliver

When we set our 2023-24 Corporate Plan, we were aware that our commitments were ambitious. Delivery progress was tracked through 2023-24 at regular intervals and decisions were made on prioritisation in response to demand. We did not complete three workstreams as planned:

- The transition to FTP frontloading in house was pushed back due to recruitment timelines.
- Work to develop our regulatory approach to advanced practice has not started in full as it is subject to funding from NHS England, which has not yet been released. Engagement with stakeholders on this subject has continued throughout and we have collaborated with NHS England and stakeholders across the UK on related work on independent prescribing and have published a blog setting out our position around advanced practice and outlining the next steps of our work.
- Initiation for online reporting of FTP concerns was delayed whilst a review of the approach to automatic case creation is assessed; the technical solution for the form has now been agreed and the definition phase of the project has commenced.

We intend to complete these workstreams over the next year.

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Operational performance

Our strategic delivery for 2023–24 should be seen in the context of our essential regulatory business as usual delivery and the external demands we are required to meet. While strategic development work builds the foundations for our future, our day-to-day operational work enables us to deliver our core purpose of public protection.

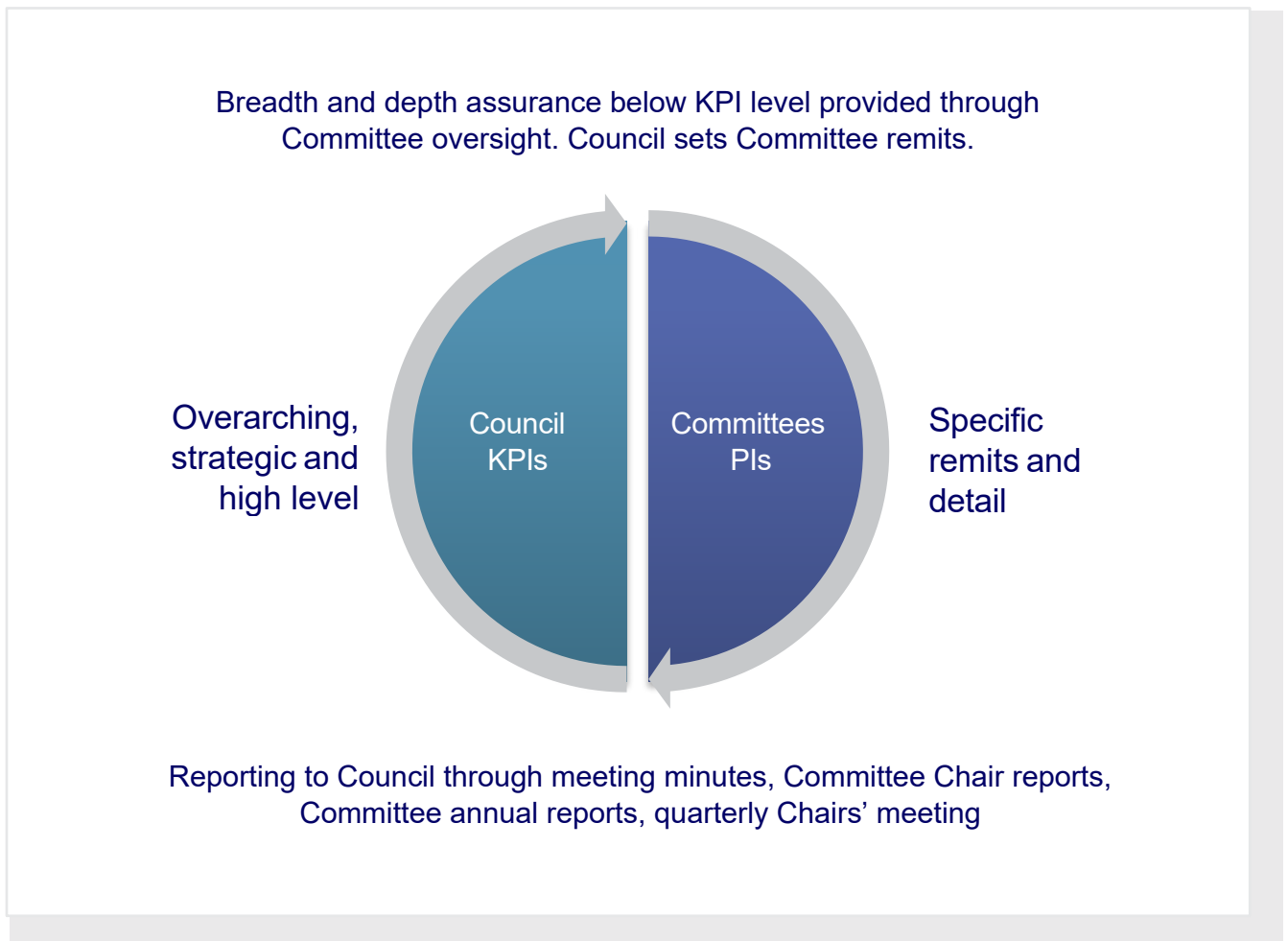
The figures below illustrate the volume of our day-to-day operations in 2023–24.



Key performance indicators

During 2023–24 our Council received regular performance reporting against agreed Key Performance Indicators (KPIs) spanning the HCPC’s operations. KPI data and narrative is included in the Chief Executive’s report on organisational performance on a quarterly basis and can be read on our website [here](#).

The HCPC has many more performance indicators (PIs) than KPIs. This section focuses on the measures that are key for our Council to consider, taking into account the assurance the committees seek on its behalf.



Our Council KPIs in 2023–24 were aligned to our core regulatory functions as follows:

	KPI Definition	2023-24 Analysis
Education		
Education - quality and timeliness	<p>Measure 1 - less than 20% of assessments resulting in conditions/formal requirements.</p> <p>Measure 2 - 30 days or less to provide process reports to the education provider from conclusion of quality activities.</p>	<p>For measure 1, the KPI target was met for 11 out of the 12 months.</p> <p>For measure 2, the target was met for four out of the 12 months as we continued to tackle a backlog of cases. However, performance improved over the year and the final quarter saw the target being met in two out of three months.</p>
Registration		
Registration responsiveness	<p>Responsiveness provides Council with a view of the customer service (timeliness) received by registrants. Our KPIs are as follows:</p> <p>UK applications - decision on 95% of all UK registration applications within 10 working days</p> <p>International applications - decision on 95% of all international registration applications within 60 working days</p> <p>Calls - answer 90% of telephone calls</p> <p>Emails - respond to emails within five working days</p>	<p>The target for the service we provide to UK graduates applying to join the HCPC Register was consistently met throughout 2023-24.</p> <p>For applications to join the HCPC Register from people who qualified outside of the UK, the KPI target was met from April to October 2023. From November 2023 to March 2024 the target was not met, with between 48% and 53% of decisions being made within 60 working days. This was due to the ongoing impact of a significant spike in applications in July and August 2023, with more applications received in quarter 2 than in the whole of 2020-21. In March 2024 a recruitment process commenced for additional Registration Assessors to meet the demand of applications awaiting a first assessment decision.</p> <p>Our contact centre performance was strong throughout 2023-24, with 98-99% of calls answered against the target of 90%. For those contacting us by email we have consistently met our KPI target throughout 2023-24 and respond to emails into our contact centre within 1-2 working days.</p>

	KPI Definition	2023-24 Analysis
Professional practice and insight		
Professional practice and insight	60% of registrants said their practice would change as a result of information gained through a professional liaison learning event. This measure focuses on outcomes which highlight the impact of our engagement.	This target was met or exceeded throughout 2023-24 except in August 2023. Only a small number of learning events took place in August as we focused on linking with and developing relationships with employers. Consequently, the score in August was skewed by a small number of registrants.
Fitness to practise		
FTP	<p>The proportion of cases concluded at each stage that are within KPI.</p> <p>This provides a view of the age profile of cases that have progressed through the FTP process and the timeliness of how cases are progressed to a final decision point.</p>	Closures at the pre-ICP stage of the process remained under 60% for most of 2023-24. However, towards the end of quarter 3 the KPI target was met and in January 2024 we closed more cases within KPI than we had ever done previously (82%). This reflects our focus on balancing the progression of both the older and newer cases in the system. At the final hearing stage, more older cases are being concluded at a final hearing and this therefore impacted the KPI result.
Section 29 appeals and learning points	This includes data and narrative on the number of final FTP decisions appealed to the High Court by the Professional Standards Authority (PSA) under its section 29 powers and the number of new PSA section 29 learning points received. This provides a view of the quality of our FTP decisions and assurance that those decisions are sufficient to protect the public.	There was one section 29 appeal in each quarter of 2023-24. The number of learning points issued by the PSA reduced throughout the year, with no learning points issued in the final quarter. Overall the PSA also issued fewer learning points this year (16 compared to 20 in 2022-23).
Customer service		
Customer service	Number of complaints and percentage upheld. This provides insight into customer service performance.	Over 2023-24 the monthly average of complaints received was 36. On average, 36% of complaints were determined to be due to, or partly due to, the fault of the HCPC. We aim for less than 50% and this target was met in all but one month in 2023-24 (May 2023, when 52% of complaints were upheld).

	KPI Definition	2023-24 Analysis
Finance		
Performance against budgeted operational expenditure	This measure indicates the financial grip and control in place and accuracy of forecasting. It is based on the full-year forecast variance against the full-year budget moving from year to date. Our target is for variance to be within the range of 91.4% to 101.6%.	This KPI target was consistently met throughout 2023-24.
Information technology		
Availability of core IT systems	The measure indicates the reliability of the IT infrastructure. Target: >99.5%	This KPI target was consistently met throughout 2023-24.
Security score	Security Score in Microsoft Defender for Cloud is a metric used to score the overall cyber security of the HCPC. Target: >80%	This target was met in 2023-24 except in December 2023, when the cyber security score decreased to 80% (the target threshold). This was due in part to a Christmas change freeze but mostly as a result of new requirements added by Microsoft.
Human resources		
Voluntary staff turnover	This provides an indicator that could point to cultural issues if it is higher than the target. Target: <21%.	This target was consistently met throughout 2023-24. There was a decline in voluntary turnover throughout the year (from 16% in quarter 1 to 12% in quarter 4), reflecting a positive trend in employee satisfaction. Ongoing analysis of regular employee pulse surveys aims to identify and address potential issues.
Recruitment and onboarding efficiency	This measures how effective HCPC is in attracting and making an offer to the right talent, which has been an area of challenge in a competitive job market. Target: 41 days or fewer from advert to offer date.	This target was consistently met throughout 2023-24. The introduction of a new HCPC careers website generated significant interest from prospective candidates. This contributed to a notable reduction in recruitment timelines, leading to enhanced efficiency in both recruitment and onboarding processes.

PSA performance review 2023-24

[CONTENT TO FOLLOW]

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Financial performance review

Delivering efficiency and value

The HCPC does an important job. Our primary role is to protect the public. We do this by setting standards to support and enable our registrants to deliver safe and high-quality care and service. We need to ensure we have sufficient finances and resources to do this to a high standard and on a sustainable basis. The HCPC is funded by the fees paid by our registrants.

The HCPC has been investing to improve performance and efficiency. These improvements have been recognised by the PSA. The HCPC has now met 16 of the PSA's 18 standards of good regulation, regaining two FTP standards and one standard linked to registration. We remain focused on retaining these standards and making further improvements. Investment in technology and improved processes have had a positive impact on our registrants, with our registration processes having been moved predominantly online, enabling faster processing and an improved user experience. This digitisation has enabled us to be more responsive and to improve data in support of workforce planning.

The fee rise that came into effect in 2023 stabilised our finances, but we need to sustain that position so that we can plan and continue to invest in critical improvements. In order to ensure that the HCPC continues to be adequately funded and sustainable and able to effectively discharge our statutory duties to protect the public, we need to transition to a new model of regular fee reviews. We are consulting on a fee increase reflecting this new approach, which would come into effect in April 2025.

Key operating and financial statistics and financial commentary

The tables below show the key operating and financial information for 2023–24 and 2022–23. These statistics are reported to the Council at each meeting. Council meeting papers are available on the HCPC website at www.hcpc-uk.org/aboutus/council/councilmeetings.

Income and expenditure summary	2023–24	2022–23
	£000	£000
Registrants' fee income	39,374	36,248
Payroll costs	(16,046)	(15,122)
Non-payroll costs	(20,895)	(19,995)
Depreciation and Amortisation	(1,077)	(1,294)
Business transformation costs	(5)	(69)
Total operating expenditure	(38,024)	(36,480)
Operating (deficit)	1,350	(232)
Other income, including grant income, net of tax	788	764
Impairment (loss)	-	-
Surplus	2,138	532
Revaluation gains/(losses)	(434)	(234)
Total recognised gains/(deficit)	1,705	298

In 2023–24, our fee income increased by £3.1 million or 9% on the previous year. This was mainly due to additional net income from the increase in international applications received and additional income from renewal fees from international applicants who had joined the Register in the previous year.

Operating expenditure increased by £1.5 million in 2023–24, predominantly as a result of an increase in FTP costs due to higher case referrals. In addition, there were also increased costs associated with the scrutiny of the increased levels of international applications received. This increase in activity generated higher international assessors' fees, additional temporary staff costs and professional fees.

The overall retained surplus was £2.1 million. This surplus was driven mainly by the contribution noted above received from additional international applications. In the interest of prudent financial planning and sustainability, taking account of the need for continued investment in improvements and other risks and liabilities, there is a need for an increase in the level of fees on a regular basis to factor in inflation and rise in our operating expenditure.

Statement of Financial Position (summary)	2023–24	2022–23
	£000	£000
Property, plant and equipment	5,571	6,200
Intangible assets	3,234	3,398
Cash and deposits	18,426	14,460
Deferred income	(43,511)	(20,117)
Other working capital, net shortfall	19,844	(2,085)
Liabilities greater than one year	(35)	(35)
Total reserves	3,529	1,821
	£	£
Total reserves per registrant	10.53	5.68

Freehold valuation

The value of our total fixed assets is £8.8 million (2022–23, £9.6 million), of which £5.6 million is our freehold offices in Kennington, London. We carry our land and buildings on our balance sheet at valuation, this being the fair value at the balance sheet date. This year the value of the buildings has decreased by £500,000 due to the reduction in the appetite for the commercial property market (offices in particular) and the reduction in our rental yield following our rent review.

Cash flow

As a result of the requirement for registrants to pay their fees in advance, we hold relatively large cash balances. The aggregate of cash at bank and short-term deposits was £18.4 million as at 31 March 2024 (31 March 2023, £14.5 million). These are not surpluses or profits; the element of fees received in advance is reflected in the deferred income balance of £43.5 million (2023, £20.1 million), and fee income is recognised evenly throughout the renewal cycle.

Reserves

Our total accumulated reserves are £3.5 million as at 31 March 2024 (31 March 2023, £1.8 million), which represents approximately £10.53 per registrant. The increase in total reserves is the consequence of our surplus for the year. This is in line with our reserves policy, which requires that we maintain at least positive realisable net assets, defined as total net assets less the value of intangible assets.

Reserves policy

As at 31 March 2024, the HCPC has positive realisable net assets at £0.2 million (total reserves (net assets) less intangible assets). This is an improvement to the 31 March 2023 position where a negative realisable net asset position was reported. Our ambition is to achieve positive realisable net assets which would be equivalent to three months of operating expenditure (in line with other regulators) and as part of our medium-term financial sustainability planning, including through an increase in fees. The HCPC is mitigating this variance from the policy by operating with a significant cash balance, which ensures that we have sufficient working capital.

Investment policy

Our investment policy was approved in October 2022. The policy provides the framework for the management of funds that are surplus to immediate requirements. The objectives of the policy, in order of priority, are to:

- ensure that our funds are held safely;
- ensure that we have sufficient liquidity to fund our operations; and
- achieve a return on surplus funds.

Surplus funds may be invested in sterling bank deposits with terms of up to 24 months in UK registered banks that have “investment grade” long-term credit ratings from both Standard and Poor’s and Moody’s.

Going concern

The HCPC is established in statute, and it would require an Act of Parliament to dissolve or abolish the organisation.

We continue to hold significant cash balances owing to the nature of the renewal cycle whereby registrants renew their registration with the HCPC, through up-front payment or a direct debit arrangement, on a two-yearly cycle organised by profession.

Over the year we have seen a high level of demand from international applicants for registration with the HCPC. This trend is continuing. After allowing for the direct costs of scrutinising and processing these applications, the increased fee income we receive makes a contribution to covering the associated indirect costs arising from this increased demand and flows through to increased income from registration fees in future years.

The HCPC continues to make investments that will deliver service improvements and enable cost reductions over time. The Council will continue to ensure that these investments and operational financial commitments are affordable within the HCPC’s income over the medium term. This duty of financial stewardship exercised by the Council includes reviewing and seeking adjustments to HCPC’s fees as appropriate.

Over 2022-23 the HCPC consulted on an increase of £19.62 in our annual renewal fee to meet a shortfall in income that had arisen over time which needs to be addressed to ensure that we can continue to meet our regulatory responsibilities to protect public safety. This revised fee amount came into effect from 9 November 2023. The Council will continue to monitor the financial position closely and take any mitigating action that may be necessary. We also signalled our intention to transition to a new model of regular fee reviews in the previous consultation to increase our fees, and launched a consultation in April 2024 reflecting this change in our approach and to provide clarity about our future

funding needs to ensure that the HCPC continues to be adequately funded and sustainable. Over the medium to longer term the HCPC will be seeking changes to its fee-setting powers that would enable more regular fee reviews and adjustments.

Taking all of these factors into consideration – the HCPC’s regulatory role being established in statute, a significant cash balance, effective management of financial operations, the ability to seek increases in fees, and medium-term planning to ensure financial sustainability – it is reasonable to assume that the HCPC will remain a going concern for the foreseeable future.

Other matters

As at 31 March 2024, the HCPC had a contingent liability arising from the NMC case in relation to holiday pay entitlements that is estimated to total £1.3 million. The details are provided in note 18 of the financial statements (2023–£1.3 million).

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External Factors

Regulatory reform

Regulatory reform is a far-reaching programme of work to modernise and improve the legislative framework across all professional healthcare regulators. It will have a significant, organisation-wide impact on the way the HCPC operates in the future.

The government has already modernised the General Medical Council's (GMC) legislation, with the introduction of a regulatory framework for physician associates and anaesthetic associates. The HCPC welcomed this as the start of a wider process of reform, alongside the announcement that the HCPC and the Nursing and Midwifery Council (NMC) will be next. Between them, the HCPC and the NMC regulate over a million health and care professionals, and a modern legislative regime will make a huge difference to our ability to regulate efficiently. We have continued to work closely with the DHSC, the other professional regulators and other stakeholders on the GMC's legislation which will form the blueprint for our reform.

From our preparatory work, we know that regulatory reform will be a multi-year programme of work that will impact all parts of the organisation. At this point in time, the HCPC doesn't have sufficient certainty on the timetable for regulatory reform from the government. While this remains the case, we need to continue to invest in the development of the HCPC so we do not lose the momentum of the past few years. Where applicable, we will ensure that the investments we make are cognisant of future changes that will come with regulatory reform.

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Look Ahead

We are entering the penultimate year of our five year Corporate Strategy. Having made good progress over the past three years, our key focus for 2024-25 is to consolidate and continue to improve our registrants' experience, pushing towards an increased number of automated and integrated systems to streamline user experience.

This is, as in previous years, set against a backdrop of significant challenges for the health and care sector, particularly around workforce planning and addressing the NHS waiting list backlog. We are also committed to continuing to support the wider health and care sector on the critical issue of workforce planning by sharing our data and insights, collaborating on international recruitment and furthering our programme of work on preceptorship.

We have structured our [Corporate Plan for 2024-25](#) around the six key themes set out in our Corporate Strategy:

1. Continuously improve and innovate

Including by applying changes to our FTP case management system to align with our new operating model and processes and implementing 'tone of voice' principles in communications from our Registration team.

2. Promote high quality professional practice

Including by promoting and supporting registrants to embed the revised guidance on the use of social media. Also by improving understanding and embedding of our standards among both UK and international registrants through our #myHCPCstandards and Joining the UK Workforce programmes.

3. Develop insight and exert influence

Including by commissioning research into the impact of the increasing ethical use of AI by healthcare professionals on professional regulation and establishing data sharing initiatives with key stakeholders.

4. Be visible, engaged and informed

Including by developing the Council Apprentice alumni network and beginning work required to maintain the revised PSA EDI standard, including collecting EDI data of FTP complainants and analysing EDI data for registration decisions.

5. Build a resilient, healthy, capable and sustainable organisation

Including by consulting on changes to fees recommended by the next regular review, for implementation in 2025, and updating our systems with new capabilities and features and strengthen cyber defences in line with evolving best practice.

6. Promoting the value of regulation

Including by collaborating with key stakeholders and employers who recruit and support international registrants and providing information and signposting for registrants on practising sustainably.

Equality, diversity and inclusion

These themes are underpinned by our commitment to equality, diversity and inclusion (EDI), whilst public protection remains at the heart of everything we do. In 2023, for the first time, we were able to include EDI data analysis in our FTP annual report. We look forward to building on this analysis, as we begin to create a more informed picture of the impacts of EDI factors on the FTP process and outcomes.

Health and care workforce

We are undertaking a number of workstreams related to preparing education providers and employers for implementation of the NHS Long Term Workforce Plan. In 2024–25 we plan to continue our analysis of this data, seeking to understand the impact of our regulatory activities on different groups in pursuit of our core value of fairness.

As the regulator of over 330,000 health and care professionals, we are in the unique position of holding significant quantities of data which can inform the health and care ecosystem with workforce planning. We have published analysis of our UK and international route retention rates and in 2024–25 we will publish the next iteration covering new registrations from 2018 to 2020 and tracked until 2024. Sharing our analysis on retention rates will help those responsible for workforce planning in the wider health and care sector, as well as inform our own work on preceptorship.

Following on from the publication of our Principles for preceptorship, in 2024–25 we will focus on promoting these principles to employers and also continue to support new international registrants to successfully transition to UK practice through our Joining the UK Workforce programme.

Christine Elliott
Chair

[] 2024

Bernie O'Reilly
Chief Executive and Registrar
Accounting Officer

[] 2024

Accountability report

The Accountability report sets out how we meet key accountability requirements to Parliament. It is formed of three sections:

1. The Corporate governance report sets out how the HCPC has been governed in 2023–24, including membership and organisation of our governance structures. The report includes the Council's report, the Governance statement and the Statement of the Accounting Officer's Responsibilities.
2. The Remuneration and staff report sets out the remuneration of our Council and Committee members, as well as members of our Executive Leadership Team (ELT) and includes fair pay disclosures.
3. The Parliamentary accountability and audit report brings together key information to support accountability to Parliament, including a summary of fees and charges, contingent liabilities and the Certificate and Report of the Comptroller and Auditor General.

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Corporate governance report

Council's report

The membership of our Council and its Committees during 2023-24 was as follows. Attendance at meetings is shown in the table on pages 62-63.

Council	
Christine Elliott (Chair) Maureen Drake (until 31 December 2023) Rebekah Eglinton Kathryn Foreman (until 31 December 2023) Sue Gallone Helen Gough	John McEvoy Lianne Patterson David Stirling Kathryn Thirlaway Steven Vaughan Valerie Webster
Education and Training Committee	Audit and Risk Assurance Committee
Helen Gough (Chair) Maureen Drake (until 31 December 2023) Rebekah Eglinton (from 5 March 2024) Kathryn Thirlaway Steven Vaughan Penny Joyce (independent member)	Lianne Patterson (Chair from 30 November 2023) Sue Gallone (Chair and member until 30 November 2023) Helen Gough (from 5 March 2024) David Stirling Graham Masters (independent member)
People and Resources Committee	Remuneration Committee
Sue Gallone (Chair and member from 30 November 2023) Rebekah Eglinton (until 4 March 2024) Kathryn Foreman (until 31 December 2023) John McEvoy Valerie Webster (Chair until 30 November 2023) Neville Hounsome (independent member)	Sue Gallone (Chair and member from 30 November 2023) Rebekah Eglinton (until 4 March 2024) Kathryn Foreman (until 31 December 2023) John McEvoy Valerie Webster (Chair until 30 November 2023) Neville Hounsome (independent member)

Following a review of the Executive Leadership Team structure and portfolios, the membership of the ELT as at 31 March 2024 was as follows:

Bernie O'Reilly	Chief Executive and Registrar
Claire Amor	Executive Director of Corporate Affairs
Alastair Bridges	Executive Director of Resources
Laura Coffey	Executive Director of Fitness to Practise and Tribunal Services
Andrew Smith	Executive Director of Education, Regulation and Registration and Deputy Chief Executive

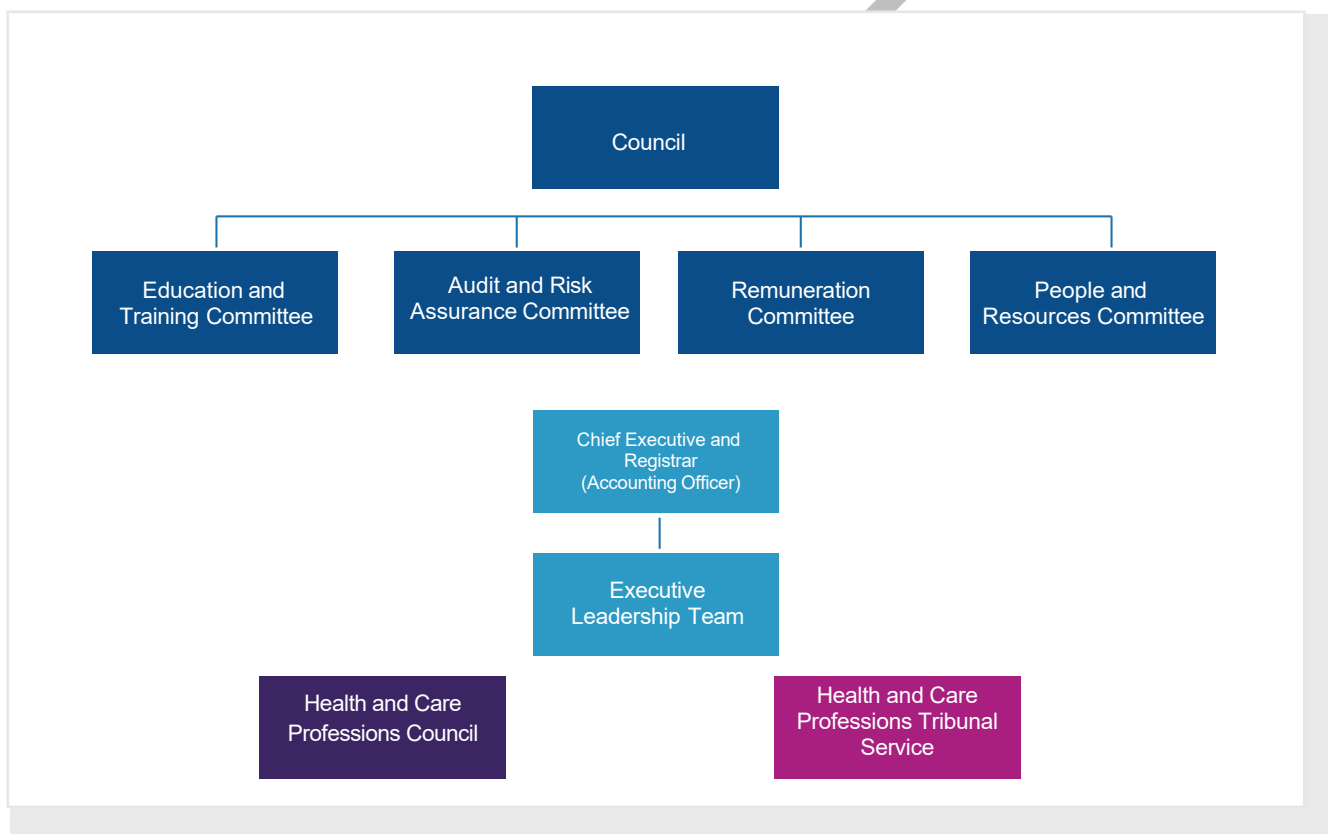
Governance statement

The governance statement describes the framework of controls at the HCPC, including the assurances around the operation of the control framework, and the processes for identifying and managing risk.

Our Code of Corporate Governance incorporates a series of regulatory documents and policies which govern how we operate, take decisions and the procedures followed to ensure that our actions are fair, efficient, transparent and accountable to our stakeholders. Council and Committee members' interests are declared on our [website](#). The Executive Leadership Team has no significant interest that would conflict with directorship of the HCPC, which is in line with note 19 of the financial statements.

We adhere to the principles of the HM Treasury and Cabinet Office Corporate governance code of good practice published in 2017 and we adopt the supporting provisions of the code to the extent that it is practical and appropriate and compatible with our legislation.

Our governance structure



The Council

The Council provides leadership and oversight for the HCPC, including the Health and Care Professions Tribunal Service (HCPTS). The Council operates collectively, concentrating on strategic issues affecting the organisation, as well as scrutiny and oversight of policies and performance, with a view to the long-term health and success of the HCPC.

The Council comprises twelve members including the Chair (six registrant members and six lay members). From 1 January 2024, there were two vacant posts - one registrant member and one lay member. The Chair may be either a registrant or a lay member; the current Chair is a lay member. There must be at least one member (lay or registrant) from each country of the United Kingdom. Membership of the Council and Committees is shown on page 47.

Council meetings

Our Council met six times in 2023–24 in line with the Council’s standing orders. Attendance at meetings during the year is shown on pages 62-63. The Council can also take decisions outside meetings where necessary, with the consent of the Chair, and these decisions are reported at the next meeting of the Council.

The Council’s agendas are focused on strategic issues and delivery, as well as oversight and constructive challenge of regulatory and business performance.

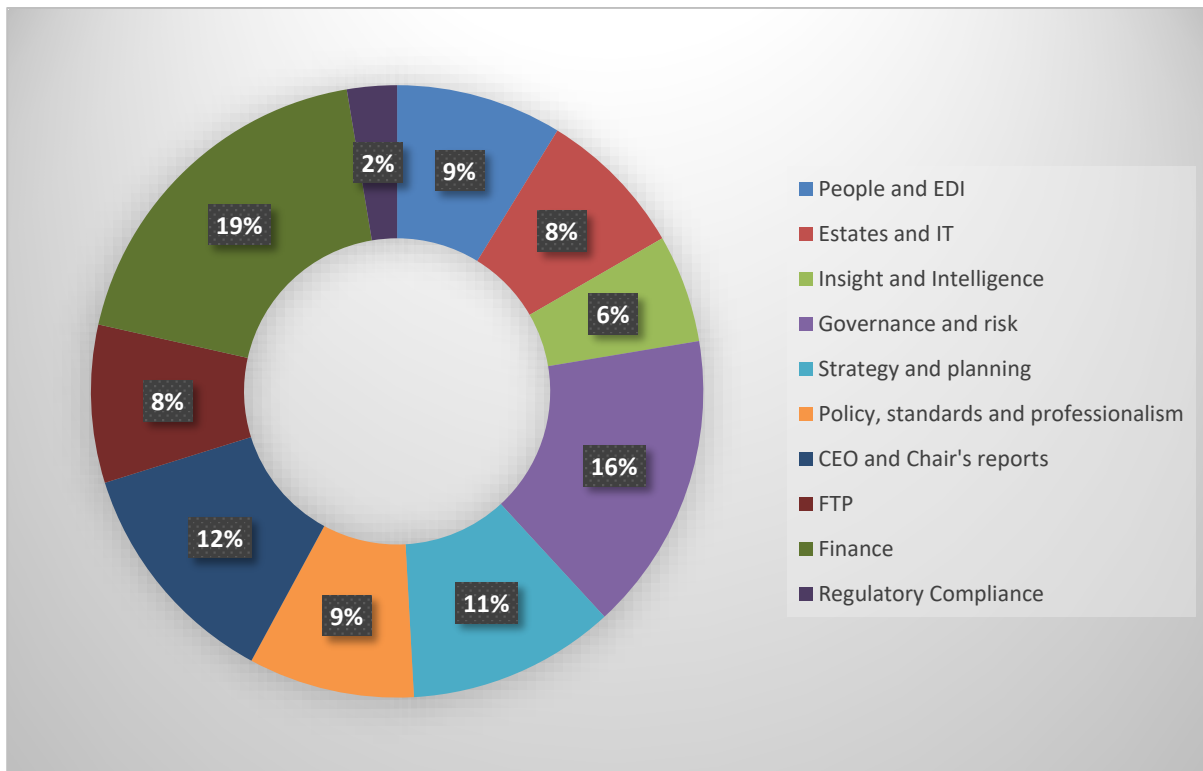
At each meeting, the Council considers a number of standing reports containing key oversight information as below:

Chair's report	Chief Executive's report	Finance report	Fitness to Practise report
<ul style="list-style-type: none"> Chair's update People update Key matters for the Council's attention Stakeholder engagement 	<ul style="list-style-type: none"> Stakeholder engagement Regulatory performance and developments Operational performance and developments Policy and standards Corporate Plan milestone updates Key performance indicators Strategic risk register 	<ul style="list-style-type: none"> Income and expenditure Cash flow Reserves Capital and investment Financial risks and opportunities Key contracts 	<ul style="list-style-type: none"> Improvement activity Quality of case investigation Timeliness of case investigation Key risks and mitigation

Other matters considered by the Council in 2023–24 included

Reserves policy	PSA Performance Review 2022-23	Budget 2024–25	Corporate Plan 2024–25
EDI Annual Report 2022-23	Regulatory IT systems review	Regulatory reform	Fees review and consultation
Standards of conduct, performance and ethics consultation	Environmental sustainability	Appointment of Registrar	English language proficiency consultation
Risk appetite review	Annual Report and Accounts 2022–23	External auditor's report 2022-23	External auditor appointment
Fitness to Practise Annual Report 2022-23	Appointment of the Senior Council Member	Council Apprentice 2024	Research on registrants' preparedness for practice
Retention of international registrants insight data	Pay policy and principles	Minutes of Committee meetings and Committee Chairs' reports	

The distribution of agenda time allocated to categories of business is shown in the below chart. The distribution is based on standalone agenda items; it should be noted that the regular Chief Executive’s report provides the Council with a holistic overview of organisational performance and developments, including a detailed narrative on EDI and culture.



Council seminars

As well as meeting formally to make decisions and provide guidance to the Executive, the Council holds a number of informal seminars each year focusing on areas of strategic interest. These seminars provide more time for exploration of subjects in depth than would be available during formal meetings.

In 2023–24 the following seminars were held:

June and November 2023	<ul style="list-style-type: none"> Equality, diversity and inclusion (EDI)
February 2024	<ul style="list-style-type: none"> The responsible use of artificial intelligence with a particular focus on healthcare. Review of existing regulatory IT systems and platforms

Council performance and effectiveness

An agreed performance review system for individual Council members has been in place for many years. There are a number of elements to this. The individual performance review system provides a mechanism for annual self-appraisal, a mechanism for appraisal of the Chair and an opportunity for members of the Council to discuss their perceptions and experiences of the HCPC with the Chair. The system is competency based, in common with many systems used for reviewing board members. Members complete a self-appraisal form, which is discussed with the Chair for feedback and identification of any learning and development needs.

Assessment of the Council's performance is carried out through reflection at the conclusion of each Council meeting and regular, more structured performance reviews. This gives Council members the opportunity to reflect on collective performance. A similar approach to assess collective performance and effectiveness is adopted by each of the Council's Committees.

The individual and collective performance reviews identify training needs and training is undertaken by the Council or Committees as a whole and also on an individual basis.

Council appointments

Appointments to the Council are made by the Privy Council, based upon recommendations made by the HCPC (which conducts the recruitment exercise). The PSA has oversight of the recruitment process and advises the Privy Council as to whether it is satisfied about the process that has been followed. Council members hold office for a term of up to four years and they may serve a maximum of eight years in any twenty-year period.

Whilst reappointments can be made, subject to a satisfactory performance appraisal and the needs of the HCPC, a degree of change is often sought and there is no expectation of automatic reappointment. During 2023–24 two members of the Council departed at the end of their term. No new members were appointed.

Council Apprentices

The HCPC currently operates a Council Apprenticeship programme. The apprenticeship gives talented candidates who require a first foot in the door to a non-executive role the opportunity to shadow the Council for a year. They are provided with mentoring and are encouraged to participate in all Council discussions as well as joining a Committee. We are currently in our fourth cycle of the programme and we have two talented Council Apprentices with us until January 2025.

Our Council Apprentices attend and participate in all Council meetings and seminar sessions as well as joining one Committee. The Council Apprentices who were appointed in 2024 chose to join the Audit and Risk Assurance and People and Resources Committees. The Council Apprentices are entitled and encouraged to contribute to any Council or Committee meeting or discussion, however, they are not a 'voting' member of the Council as the appointment is not made by the Privy Council or overseen by the PSA.

Following a comprehensive HCPC induction, the Council Apprentices are paired with a Council member to act as a mentor throughout their year with us. Additionally, the Chair of the Council regularly meets with the Council Apprentices, including a quarterly review of how the apprenticeship is going and an end of apprenticeship evaluation for both the Council Apprentice and the HCPC's running of the scheme.

Committees

Audit and Risk Assurance Committee annual report to the Council and the Accounting Officer

The Audit and Risk Assurance Committee is made up of three members appointed by and from the Council and one independent member. The Chair and the independent member of the Committee both have recent, significant and relevant financial experience. The Committee met four times in 2023-24 in line with the Committee's standing orders. Attendance at these meetings is detailed in the table on pages 62-63 of this report.

Members of the ELT, other employees, the internal auditors and the external auditors attend Audit and Risk Assurance Committee meetings by invitation.

The Audit and Risk Assurance Committee provides assurance on the HCPC's processes and procedures to the Council and the Accounting Officer by:

- advising the Council and the Accounting Officer on the appointment of the internal and external auditors and reviewing their work;
- reviewing the external auditors' management letters and any other relevant reports;
- reviewing the HCPC's Annual report and accounts and making recommendations to the Council as appropriate;
- monitoring the ELT's internal control and risk management processes and making recommendations to the Council as appropriate;
- making recommendations to the Council on the appropriateness of the HCPC's accounting policies, anti-fraud policies and whistleblowing processes; and
- reviewing the internal auditors' programme, receiving reports on their work and considering appropriate actions arising from those reports.

Internal audit

Internal audit emphasis is focused on providing assurance on the integrity of our internal control, governance and risk management processes while also providing forward-looking and value-adding advice to the ELT where possible. The internal auditors undertake an approved programme of audits, reporting to the Committee on the effectiveness of controls and making recommendations where appropriate. BDO LLP were appointed as the HCPC's internal auditors from the 2022-23 financial year for three financial years.

During 2023-24, the Committee considered the following Internal Audit reports:



Each year the internal auditor undertakes a review of the implementation of recommendations made. For 2023–24 there were 11 internal audit recommendations tested for implementation completion. The internal auditors found that of these, seven were fully implemented, with only four requiring further work to be considered fully implemented. Three of the recommendations that were either not yet implemented or partially implemented were impacted by the delayed implementation of our new finance system, Business Central, which was successfully launched in April 2024.

During 2023–24, other matters considered by the Committee included the following:



A workshop took place in February 2024 at which the Committee reviewed progress on the agreed actions from the Committee’s self-assessment in February 2023 using the NAO’s Audit and Risk Assurance Committee effectiveness tool. The Committee agreed that the actions identified through the self-assessment remained relevant and should be continued and further developed in 2024. The workshop also included a review of the development of the HCPC’s unified assurance framework and the actions to implement the recommendations from BDO LLP’s review in 2022-23, including plans to test the ‘pillars’ of the assurance framework using a departmental self-assessment, and to support a positive culture around risk management.

Education and Training Committee

The Education and Training Committee is a statutory committee that is responsible for, and advises the Council on, matters relating to education, training and registration. The Committee consists of four members appointed by and from the Council and one independent member. The independent member brings a quality assurance perspective.

The Committee met four times in 2023–24 in line with the Committee’s standing orders. Attendance at these meetings is detailed in the table on pages 62-63 of this report. The matters considered by the Committee included the following:

Standards of conduct, performance and ethics review	Use of data in education quality assurance assessment activity	Education and Training Panel operational decision-making	Standards of education and training review planning
Artificial intelligence in education	Education Annual Report 2021-23	Principles for preceptorship and preparedness for practice research	English language proficiency consultation

During 2023–24 the Committee also received regular performance reports on the performance of the Registration and Education functions to provide assurance on the decisions being taken on its behalf.

The Committee has established an Education and Training Panel (the ETP), which has a defined remit to approve courses of education and training (based on reports from the HCPC’s appointed visitors), approve recommendations for a focused review arising from the monitoring of an approved programme and providing a continue to approve recommendation following a focused review. The decisions of the ETP are generally papers-based, with papers circulated and decisions agreed by email. However, meetings are held when there are decisions that the executive or ETP members believe require discussion.

The Committee held a workshop in August 2023 to inform the consultation on English language proficiency for international applicants and to discuss the consultation outcomes for the Standards of conduct, performance and ethics. All Council members were invited to attend the workshop.

People and Resources Committee

The People and Resources Committee is currently made up of three members appointed by and from the Council and one independent member. The Committee's purpose is to seek assurance on behalf of the Council on the HCPC's effective and efficient use of its resources, covering both finance and people, as well as other resources such as our estate, sustainability, projects and technology.

The Committee met five times in 2023–24 in line with the Committee standing orders. Attendance at these meetings is detailed in the table on pages 62-63 of this report. The matters considered by the Committee included the following:

Resources directorate report	HR performance quarterly report	Finance quarterly report	Partner quarterly report
Employee Forum update	Gender and Ethnicity Pay Gap Reports	International applications for registration	Reserves policy
Estates update	Employee pulse survey results	HCPC budget 2024-25	Digital transformation strategy update

The Committee held a workshop in July 2023 to discuss the HCPC's Partner operating model.

Remuneration Committee

The Remuneration Committee is currently made up of three members appointed by and from the Council and one independent member. The Committee determines the annual salary review for HCPC employees including the ELT and the Chief Executive and Registrar. The Committee also makes recommendations to the Council about pay and remuneration policies.

The Committee met three times in 2023–24 in line with the Committee's standing orders. Attendance at these meetings is detailed in the table on pages 62-63 of this report. The matters considered by the Committee included the following:

Pay review 2024-25 Pay policies and principles	Council and Committee member remuneration	Expenses policies	Executive Leadership Team structure and portfolios
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Each year the Remuneration Committee receives performance appraisals for the Chief Executive and Executive Leadership Team members individually.

FTP Improvement Board

While not a formal committee of the Council, the HCPC has operated the FTP Improvement Board since January 2021.

Chaired by the Chair of the Council and attended by the Chief Executive and Executive Director of Fitness to Practise and Tribunal Services, the Board is also attended by representatives from the PSA and Department of Health and Social Care. In 2023–24 the Board met twice.

The Board provides a forum for a regular focused review of the HCPC's progress against its FTP Improvement Programme objectives, scrutiny of FTP performance data and live risks and mitigations. The Board's agenda is focused on providing key assurance data to the members, as well as seeking feedback and constructive challenge on the HCPC's FTP improvement work.

Executive Leadership Team (ELT)

The four senior leadership roles are Executive Director of Education, Registration and Regulation, Executive Director of Fitness to Practise and Tribunal Services, Executive Director of Resources and Executive Director of Corporate Affairs. Together with the Chief Executive and Registrar, they form the Executive Leadership Team. The Executive Leadership team meets weekly to provide strategic and operational leadership and oversight, taking decisions and directing actions as required.

Chief Executive and Accounting Officer

The Accounting Officer has responsibility for maintaining a sound system of internal control that supports the achievement of the HCPC's policies, aims and objectives whilst safeguarding the HCPC's assets for which he is responsible. The Chief Executive, as the Accounting Officer, attends Council meetings and chairs ELT meetings. He is also the designated senior employee for employees to approach under the HCPC's whistleblowing policy.

Following the departure of John Barwick, the HCPC's former Chief Executive, Andrew Smith was appointed as acting Chief Executive and Accounting Officer from 1 January 2023 to 2 July 2023. Bernie O'Reilly was appointed as the permanent Chief Executive and Accounting Officer on 3 July 2023. The Chief Executive was also appointed as Registrar by the Council pursuant to article 4(1) of the Health Professions Order 2001.

Risks and internal control: Risk management

XXXCONTENT TO FOLLOWXXX

Risks and internal control: Risk appetite

XXXCONTENT TO FOLLOWXXX

Risks and internal control: Strategic risk

XXXCONTENT TO FOLLOWXXX

Risks and internal control: Operational risk

The ELT oversees an operational risk register alongside the strategic risk register, which records risk at a more granular level, managed by risk owners across the organization. All operational risks are mapped to one or more strategic risks. Our approach to recording and monitoring operational risk was reviewed in 2020–21 and this resulted in a redesign and definition of all operational risk across the HCPC, as well as a new policy and guidance to assist risk owners.

The operational risk register is reviewed by the ELT on a quarterly basis as a minimum, or sooner if a significant change occurs to a risk profile. Our Audit and Risk Assurance Committee considers the full operational risk register annually and considers relevant underlying operational and project risks as part of strategic risk deep dive discussions at each meeting. Cyber and Information Security operational risks are categorized by Confidentiality, Integrity and Availability as required by ISO27001 certification.

Information security and personal data-related incidents

The HCPC holds a range of information including sensitive personal data. We have in place an Information Security Management System and related procedures to safeguard the data rights of our registrants, stakeholders and the public and we first achieved certification under ISO27001:2013 in June 2015.

We were audited by the British Standards Institution (BSI) in May 2023 in a three-day monitoring audit which was successfully passed. In January 2024 BSI examined our preparedness for the transition to the new standard which was also successful. In April 2024 a recertification and transition audit of 6 ½ days was undertaken and our re-certification and transition to ISO27001:2022 has been recommended.

Internally we try to stay ahead of the increasingly complex data management environment. Our Information Security Management System Board seeks to address any information security risks identified as part of horizon scanning. Penetration testing by external organizations is undertaken on a regular basis, and high-risk findings are addressed as soon as feasible.

The HCPC has policies in place which require all information security incidents, including any loss of personal data, to be reported and we encourage an open reporting culture. All incidents are assigned a risk score and are reported to the ELT along with any learning points and possible future mitigations. Any new technology or data projects are assessed under an existing Data Protection Impact Analysis process, to locate potential areas of concern, and arrange suitable mitigations. The HCPC was also under increased attack from mid-August 2023 to the end of the financial year. No information was lost during this attack but mitigations for various scenarios have been strengthened as an ongoing hardening of our defences.

Despite our best efforts, given the volume of data processed by the HCPC, occasional errors are made. Human error is the leading cause of data incidents across all sectors. Annual information security training is mandatory for all HCPC employees, partners and Council members. We require 85% completion of the information security training, with a minimum pass mark of 80%.

In 2023–24 the HCPC recorded 41 personal information security incidents (2022–23, 37). There was an increase in incidents overall, but this is under conditions where most regulatory activities are occurring under hybrid working which has forced change on some operational processes. Much less paper documentation is created or distributed, with increased amounts of electronic delivery. Risks around increased off site working will continue to be monitored. No incidents were reported to the Information Commissioner's Office (ICO) (2022–23: one).

An appeal to the First-tier tribunal by a complainant in an FTP case relating to a Freedom of Information Act request concerning a registrant was denied in October 2023.

We continue to address information security in our discussions with potential suppliers and develop new methods of working via Data Privacy Impact Assessments. Where possible, we use suppliers certified to the ISO2700 standard or Cyber Essentials Plus if personally identifiable information is to be accessed.

Whistleblowing

The HCPC is committed to being open and accountable, and maintaining high ethical standards in everything we do. All employees and those who work for the HCPC have an important role to play in achieving this goal and part of this is raising concerns when things go wrong and being live to concerns that are brought to us as a regulator.

The HCPC annually reports on its discharge of its prescribed person duties. This data is compiled in a joint whistleblowing disclosures report issued by all Health Professions Regulators to highlight our coordinated efforts in working together to address the serious issues raised to us. From 1 April 2023 to 31 March 2024 the HCPC received seven disclosures of information.

We also operate an internal whistleblowing policy for our employees, contractors, Council members and Partners. In November 2020 we launched a revised internal policy aimed at demystifying the whistleblowing process and providing assurance to our people that they can come forward without fear. No internal whistleblowing reports were received in 2023–24.

Key relationships

We value our relationships with a wide range of stakeholder groups. These groups include the general public, employers, government, education providers, unions, voluntary sector organisations, professional bodies, other regulators and registrants. These key relationships are vital to our work.

Payment of suppliers

The HCPC paid 95.05% of purchase invoices within 30 days (2022–23, 96.6%) and no interest was paid during the year under the Late Payment of Commercial Debts (Interest) Act 1998 (2022–23, nil).

Assurance on the effectiveness of the system of internal control

[CONTENT TO FOLLOW]

Unified assurance

[CONTENT TO FOLLOW]

Internal Auditor's Annual Opinion 2023-24

[CONTENT TO FOLLOW]

Auditors and audit information

The Health Professions Order 2001 requires that the annual accounts are audited by “persons the Council appoints”, and then examined and certified by the Comptroller and Auditor General, who reports to Parliament.

As in 2022–23, for 2023–24, the Council has engaged Haysmacintyre LLP to audit the accounts. Work to support the Comptroller and Auditor General’s certification to Parliament has been undertaken by the National Audit Office. The auditors have audited the financial statements and sections of the Accountability report marked as subject to audit.

The cost of providing audit services was £82,980 (£70,980 including VAT charged by Haysmacintyre LLP and £12,000 charged by the National Audit Office) (2022–23, £102,000 charged by Haysmacintyre LLP and £22,000 by the National Audit Office).

Responsibility for the system of internal control

[CONTENT TO FOLLOW]

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Statement of accounting officer's responsibilities

Under the Health Professions Order 2001, the Privy Council has directed the Health and Care Professions Council to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Health and Care Professions Council and of its income and expenditure, Statement of Financial Position and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to take into consideration the accounting principles and disclosure requirements of the Government Financial Reporting Manual and in particular to

- observe the Accounts Direction issued by the Privy Council, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed and disclose and explain any material departures in the financial statements;
- prepare the financial statements on a going concern basis; and
- confirm that the Annual report and accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

The Privy Council has appointed the Chief Executive as Accounting Officer of the Health and Care Professions Council. The responsibilities of the Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Health and Care Professions Council's assets, are set out in Managing Public Money published by HM Treasury.

The Accounting Officer has taken all necessary to make himself aware of any relevant audit information and to establish that the auditors are aware of that information. So far as he is aware, there is no relevant audit information of which the auditors are unaware.

The Accounting Officer confirms that the Annual report and accounts as a whole is fair, balanced and understandable and takes personal responsibility for the Annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

Christine Elliott

Chair

[] 2024

Bernie O'Reilly

Chief Executive and Registrar
Accounting Officer

[] 2024

Remuneration and staff report

Council and Committee members' fees and expenses (subject to audit)

During the year, the Chair of the HCPC was remunerated on an annual basis at a rate of £65,000. Council members and Committee Chairs were paid a salary of £12,000 and £14,000 respectively for attendance at Council meetings or Committee meetings, and meetings attended on behalf of the HCPC. Independent Committee member and Council Apprentice remuneration remained as a daily rate of £341 (2022–23, £341). Expenses are payable for travelling and subsistence costs to reimburse the out-of-pocket expenses incurred, within the parameters set out in the Council and Committee members' expenses policy.

Council and Committee member fees including salary totaling £212,686 (2022–23, £219,449) were paid and accrued to 19 members (2022–23, 23 members), including the independent members, and Council Apprentices, who are not also members of the Council.

Benefits in kind with a total taxable value of £[X] (2022–23, £0) were paid to Council and Committee members. The gross taxable value of benefits in kind is disclosed (to the nearest £100) in the following table in the column headed 'Expenses'. This column does not include Council members' expenses for travel to other locations, which are paid by the HCPC in accordance with the Council and Committee members' expenses policy and are not a taxable benefit.

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The fees for the period 1 April 2023 to 31 March 2024 for Council and Committee members paid and accrued were as follows. This table has been subject to audit.

Council/ Committee member	Council and Committee attendance: number of meetings attended out of total in 2023-24	2023-24			2022-23			
		Allowance or fees* £'000	Expenses* £	Total £'000	Allowance or fees* £'000	Expenses* £	Total £'000	
Damien Baker ¹	Council Audit and Risk Assurance	4/4 3/3	0-5	[x]	[x]	0-5	-	0-5
Oliver Davies ¹	Council Education and Training	4/4	0-5	[x]	[x]	0-5	-	0-5
Maureen Drake ²	Council Education and Training	4/4 3/3	5-10	[x]	[x]	10-15	-	10-15
Rebekah Eglington ³	Council Education and Training People and Resources Remuneration	6/6 0/1 5/5 3/3	10-15	[x]	[x]	10-15	100	10-15
Christine Elliott	Council	6/6	65-70	[x]	[x]	65-70	300	65-70
Kathryn Foreman ⁴	Council People and Resources Remuneration	3/4 4/4 2/2	5-10	[x]	[x]	10-15	-	10-15
Sue Gallone ⁵	Council Audit and Risk Assurance People and Resources Remuneration	6/6 3/3 1/1 1/1	10-15	[x]	[x]	10-15	-	10-15
Helen Gough ⁶	Council Audit and Risk Assurance Education and Training	6/6 0/1 4/4	10-15	[x]	[x]	10-15	-	10-15
Neville Hounsome	People and Resources Remuneration	4/5 3/3	0-5	[x]	[x]	0-5	-	0-5

Council/ Committee member	Council and Committee attendance: number of meetings attended out of total in 2023-24		2023-24			2022-23		
			Allowance or fees* £'000	Expenses* £	Total £'000	Allowance or fees* £'000	Expenses* £	Total £'000
Penny Joyce	Education and Training	4/4	0-5	[x]	[x]	0-5	-	0-5
Geraldine Kinkead-Richards ¹	Council People and Resources	2/2 1/1	0-5	[x]	[x]	-	-	-
Graham Masters	Audit and Risk Assurance	4/4	0-5	[x]	[x]	0-5	-	0-5
John McEvoy	Council People and Resources Remuneration	6/6 4/5 2/3	10-15	[x]	[x]	0-5	-	0-5
Jordan McKenna ¹	Council Audit and Risk Assurance	2/2 1/1	0-5	[x]	[x]	-	-	-
Lianne Patterson ⁷	Council Audit and Risk Assurance	6/6 3/4	10-15	[x]	[x]	0-5	-	0-5
David Stirling	Council Audit and Risk Assurance	5/6 4/4	10-15	[x]	[x]	10-15	200	10-15
Kathryn Thirlaway	Council Education and Training	5/6 3/4	10-15	[x]	[x]	10-15	-	10-15
Steven Vaughan	Council Education and Training	5/6 3/4	10-15	[x]	[x]	10-15	-	10-15
Valerie Webster ⁸	Council People and Resources Remuneration	5/6 5/5 3/3	10-15	[x]	[x]	10-15	-	10-15

1. Damien Baker and Oliver Davies were appointed as Council Apprentices on 31 January 2023 and their appointment ended on 31 January 2024. Geraldine Kinkead-Richards and Jordan McKenna were appointed as Council Apprentices on 31 January 2024 and their appointment runs until 30 January 2025. These are not public appointments and the postholders are not voting members of the Council.
2. Maureen Drake completed her eight-year term of office and left the Council on 31 December 2023.
3. Rebekah Eglinton stepped down from the People and Resources Committee and the Remuneration Committee on 4 March 2024 and joined the Education and Training Committee on 5 March 2024.
4. Kathryn Foreman completed her six-year term of office and left the Council on 31 December 2023.
5. Sue Gallone stepped down from the Audit and Risk Assurance Committee on 30 November 2023 and became the Chair of the People and Resources Committee and the Remuneration Committee on 1 December 2023.
6. Helen Gough joined the Audit and Risk Assurance Committee on 5 March 2024.
7. Lianne Patterson became Chair of the Audit and Risk Assurance Committee on 1 December 2023.
8. Valerie Webster stepped down as Chair of the People and Resources Committee and the Remuneration Committee on 30 November 2023. She remains a member of both Committees.

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Remuneration of the Chief Executive and Executive Leadership Team (ELT)

The salary levels for the Chief Executive and the ELT are reviewed annually in March by the Remuneration Committee, after due consideration of annual performance and changes in market rates.

In the HCPC's remuneration package, the most significant item is salary. No performance bonuses are payable to any employee. The Chief Executive and the ELT are members of the Aviva pension scheme, which is a stakeholder, defined contribution scheme to which the HCPC contributes. The employer contribution levels are 16.5% of pensionable salary for employee contracts pre-dating May 2007 and 7% of salary for employee contracts dated May 2007 onwards, subject to an employee contribution of at least 3% of salary.

The Chief Executive and Registrar's contract of employment requires a termination notice period of six months by both the employee and the employer. All Executive Directors require a termination notice period of six months.

In 2023–24 the Chief Executive did not receive a pay award. Two Executive Directors received pay awards of 2%, one Executive Director received a non-consolidated pay award of 4.86%, and one Executive Director did not receive a pay award.

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Executive Leadership Team remuneration (subject to audit)

The salaries and remuneration paid to members of the Executive Leadership Team (ELT) including the Chief Executive and standing co-opted members of the ELT were as follows.

Name	Position	2023–24				2022–23			
		Salary/ Remuneration	Pension benefits	Taxable benefits (to nearest £100)	Total	Salary/ Remuneration	Pension benefits	Taxable benefits (to nearest £100)	Total
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Executive Leadership Team									
Alastair Bridges ¹	1) Executive Director of Resources (from 1 November 2023) 2) Executive Director of Resources and Business Performance (until 31 October 2023)	130 - 135	9	–	140 - 145	125 – 130	9	–	135 – 140
Andrew Smith ²	1) Deputy CEO & Executive Director of Education, Registration & Regulatory Standards (from 1 November 2023) 2) Interim Deputy Chief Executive (from 1 December 2022 to 31 October 2023) 3) Executive Director of Regulation (until 30 November 2022)	135 - 140	11	–	145 - 150	120 – 125	9	–	130 – 135
Bernie O'Reilly ³	Chief Executive and Registrar (from 3 July 2023)	130 - 135	8	–	135 - 140	–	–	–	–

Name	Position	2023–24				2022–23			
		Salary/ Remuneration	Pension benefits	Taxable benefits (to nearest £100)	Total	Salary/ Remuneration	Pension benefits	Taxable benefits (to nearest £100)	Total
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Claire Amor ⁴	1) Executive Director of Corporate Affairs (from 1 November 2023)	110 - 115	8	–	120 - 125	85 – 90	6	–	90 – 95
	2) Executive Director of Governance, Assurance and Planning (from 1 November 2022 to 31 October 2023)								
	3) Head of Governance (until 31 October 2022)								
Laura Coffey ⁵	1) Executive Director of Fitness to Practise and Tribunal Services (from 1 November 2023)	110 - 115	9	–	115 - 120	30 – 35	3	–	30 – 35
	2) Interim Executive Director of Regulation (from 05 December 2022 to 31 October 2023)								

1. Alastair Bridges's job title has changed to Executive Director of Resources on 1 November 2023. His FYE salary for this role in 2023-24 was in the band of (£130,000 - £135,000).
2. Andrew Smith became Deputy CEO & Executive Director of Education, Registration & Regulatory Standards on 1 November 2023. His FYE salary for this role in 2023–24 was in the band of (£135,00-£140,000). His FYE salary for his former role of Interim Deputy Chief Executive in 2023–24 was in the band of (£135,00-£140,000).
3. Bernie O'Reilly joined ELT on 3 July 2023 as Chief Executive and Registrar. His FYE salary for this role in 2023–24 was in the band of (£175,00-£180,000).
4. Claire Amor's job title changed to Executive Director of Corporate Affairs on 1 November 2023. Her FYE salary for this role in 2023–24 was in the band of £110,000-£115,000, which included amount of £4,000 - £5,000 for non-consolidated pay award for the role in May 2023. Her FYE salary for former role of Executive Director of Governance, Assurance and Planning in 2023–24 was in the band of (£100,00-£105,000).
5. Laura Coffey's job title changed to Executive Director of Fitness to Practise and Tribunal Services on 1 November 2023. Her FYE salary for this role in 2023–24 was in the band of (£115,00-£120,000). Her FYE salary for her former role of Interim Executive Director of Regulation in 2023–24 was in the band of (£100,00-£105,000).

Executive Leadership Team remuneration (continued)

No benefits-in-kind were paid to executive directors during the year.

Fair Pay Disclosures (subject to audit)

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the 25th percentile, median (50th percentile) and 75th percentile remuneration of the organisation's workforce. When calculating fair pay disclosures, the HCPC has not included agency and temporary staff remuneration within the HCPC's total employees' remuneration. This is due to the difficulties in calculating agency and temporary staff remuneration, given their services are provided through an intermediary who adds a variable mark up to the remuneration of the agency or temporary staff personnel.

The banded remuneration of the highest-paid director of the HCPC in the financial year 2023–24 was £175,000-£180,000 (2022–23, £135,000-£140,000). This represents a 30% increment in 2023–24 from the prior financial year. The fair pay disclosure accurately reports the highest-paid director at the year-end. However, it's important to note that this may differ from the highest-paid director mentioned in the remuneration table due to the departure of the individual during the year. This difference is a result of personnel changes within the organisation.

The average total remuneration for all employees on an annualised basis, excluding the highest-paid director for the financial year 2023–24 was £39,705 (2022–23, £38,797). This represents a 2.34% increase in 2023–24 from the prior financial year. This increase in average remuneration is largely due to the pay band restructure with salary uplifted and annual pay award in 2023–24.

The range of staff remuneration for 2023–24 from the lowest paid employees to the highest-paid director was £22,000 - £175,000 (2022–23, £20,000 - £135,000).

The 25th percentile remuneration of employees was £28,424 (2022–23, £27,271), which represents a 4.23% increase in 2023–24. The mid-point of the banded remuneration of the highest-paid director of the HCP C was 6.24 times (2022–23, 5.04) the 25th percentile remuneration of all employees.

The increase in the 25th percentile remuneration is due to pay band restructure with salary uplifted within the lower level pay bands and the impact from 2023-24 annual pay award.

The median (50th percentile) remuneration of employees was £36,575 (2022–23, £35,000), which represents a 4.50% increase in 2023–24. The mid-point of the banded remuneration of the highest-paid director of the HCPC was 4.85 times (2022–23, 3.93) the median remuneration of all employees.

The increase in median remuneration can be linked to 2023-24 annual pay award.

The 75th percentile remuneration of the workforce was £45,856 (2022–23, £44,270), which represents a 3.58% increase in 2023–24. The mid-point of the banded remuneration of the highest-paid director of the HCPC was 3.87 times (2022–23, 3.11) the 75th percentile remuneration of all employees.

The increase in the 75th percentile remuneration is due to several new roles within higher level pay bands, individual staff promotions and the impact from 2023-24 annual pay award during 2023–24.

Total remuneration includes salary, allowances (at a minimum of 6 months), non-consolidated performance-related pay and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

Consultancy and off-payroll engagements

Off payroll arrangements are in place for extraordinary work that is limited in time and not part of normal operations of the HCPC. Examples of this work included IT system projects and the development and implementation of transformation and improvement plans. Overall, the HCPC has incurred consultancy costs of £5,000 during 2023–24 financial year (2021–22 £68,000).

Exit packages (subject to audit)

One employee was paid a redundancy payment and three employees were paid other departures payment during the year. The number of exits per cost bands were as follows.

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	2023-24 Total number of exit packages by cost band	2022-23 Total number of exit packages by cost band
£0–£25,000	1	3	4	7
£25,001–£50,000	0	0	0	0
£50,001–£100,000	0	0	0	1
£100,001–£150,000	0	0	0	1
£150,001+	0	0	0	0
Total number of exit packages	1	3	4	9
Total cost	£8,626	£9,933	£18,559	£231,176

Employee numbers and costs (subject to audit)

Employee numbers and costs are shown in note 4 to the financial statements, together with the cost of agency and contract workers.

Employee sickness absence and turnover

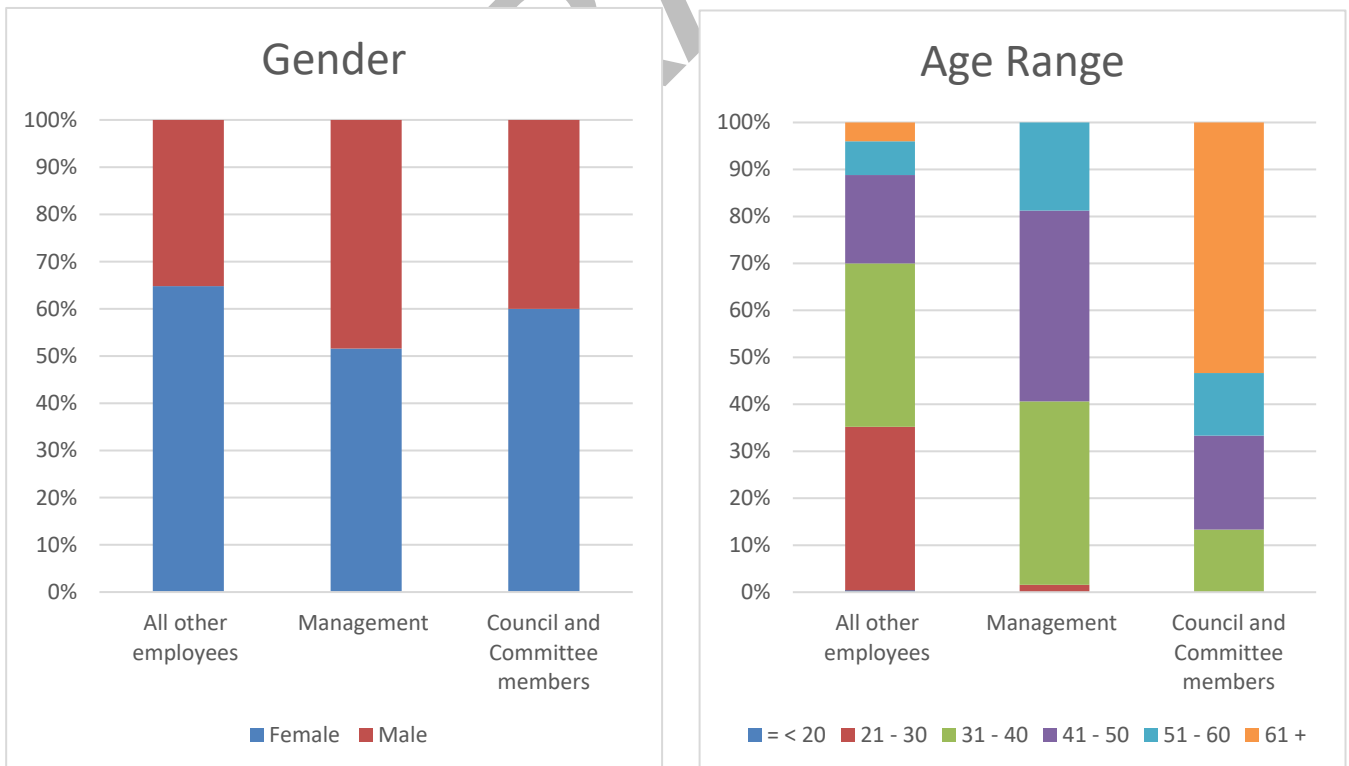
Both employee turnover and sickness absence form key performance indicators monitored by our Council at each meeting. Additionally, our People and Resources Committee was created in January 2021 in order to increase the Council’s oversight on our performance as an employer. Overall employee turnover for 2023–24 was 17%, however the average voluntary turnover for the financial year was 12%. 2% of available workdays were lost to sickness absence with an employee average of five sick days taken.

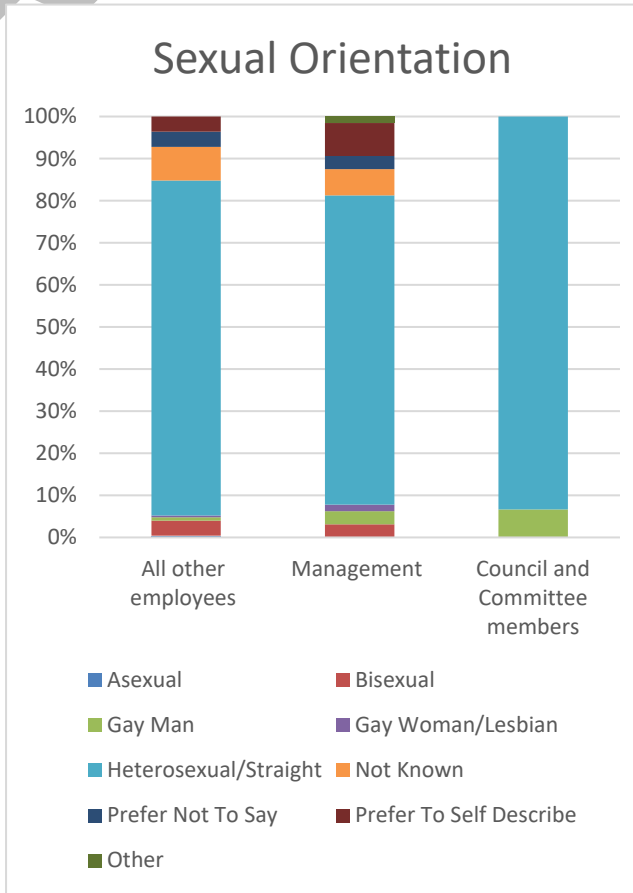
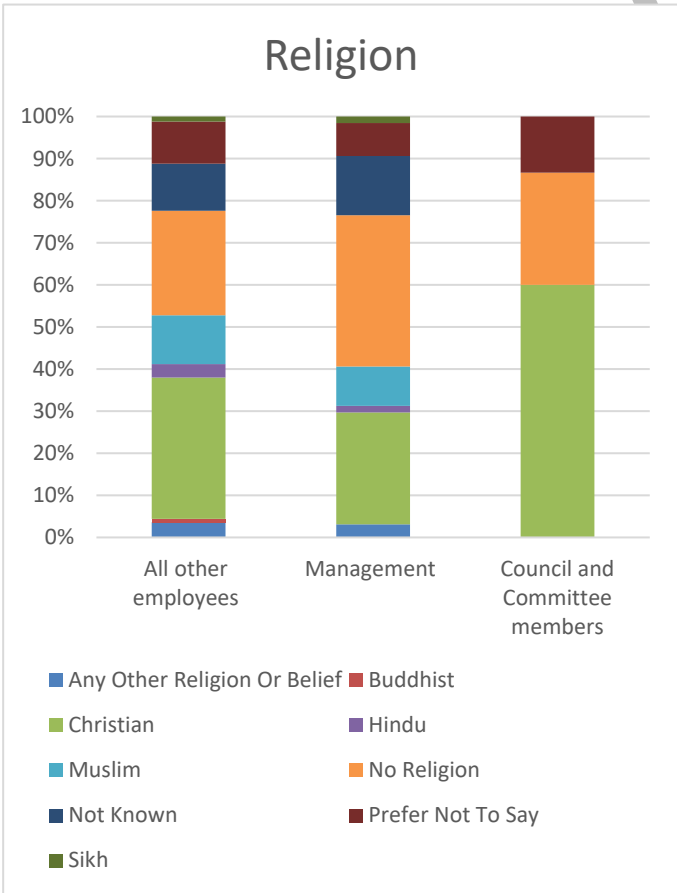
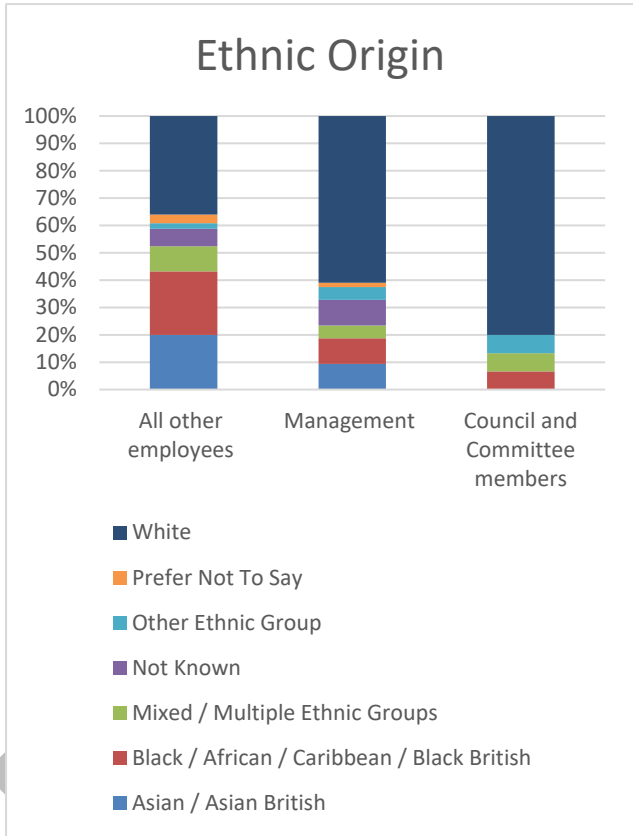
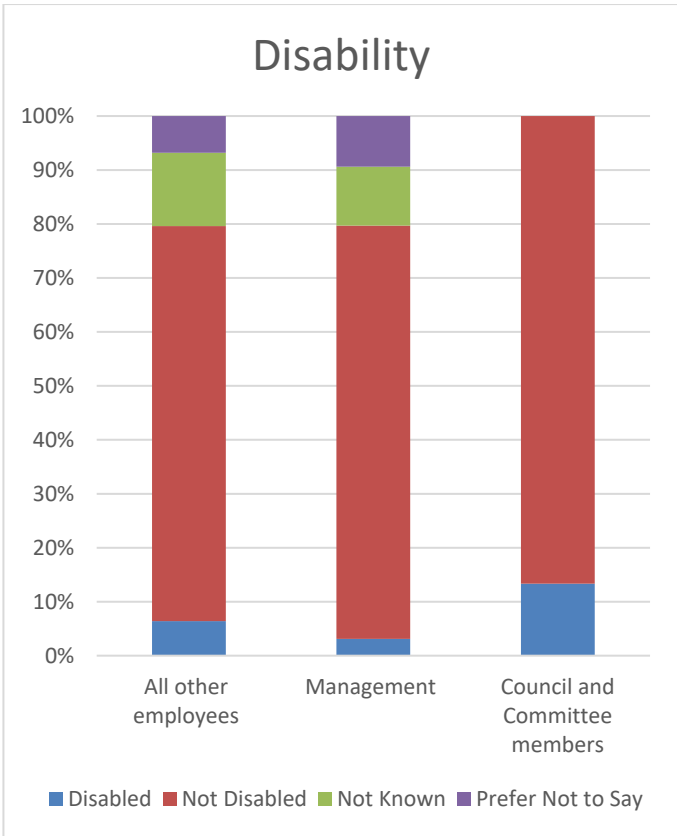
Equality and diversity

We are committed to meeting our obligations under the Equality Act 2010 and continuing to ensure that we are an organisation that values diversity and promotes equality. This includes ensuring Council and Committee members, Partners, and employees receive regular training in equality and diversity matters and ensuring that the organisation values participation and respectful working relationships.

We are an equal opportunities employer and provide opportunities and advancement for all suitably qualified persons regardless of age, disability, gender (including gender reassignment), race, marriage or civil partnership status, pregnancy and maternity, religion, belief (or non-belief) or sexual orientation. We are recognised as a positive place to work for disabled people and are a Disability Confident Employer under the government Disability Confident Scheme.

Our diversity as at 31 March 2024 was as follows.





Gender pay gap

The HCPC is committed to doing everything that it can to reduce the gender pay gap. As at 5 April 2023, our mean gender pay gap for employees was -11.32% (2021–22, -10.58%) and our median gender pay gap was 0%. This can be explained by where female and male employees can be found within the pay quartiles. Though the HCPC's workforce and partners is 63% female, the average hourly pay, including for these purposes, remuneration for partners, is slightly higher than that of males, which would suggest that females are generally more likely to have higher pay.

It is important to note that the data includes partners, which as part of guidelines for the purposes of this report, are required to be included. Female partners are higher in number (72%) compared to male partners (26%). This has reduced the pay gap when compared to employees only, as a higher proportion of female partners are receiving a higher hourly rate compared to male partners, which happened in the upper quartile.

In April 2023 the HCPC conducted a comprehensive review of its pay structure. The revised pay structure, which is better aligned with market comparators and is characterised by increased simplicity and fairness to all employees, has contributed towards the anticipated reduction in the pay gap.

Ethnicity pay gap

As at 5 April 2023, our mean ethnicity pay gap for employees was 26.12% (2021–22, 23.62%) and our median ethnicity pay gap was 18.60%. The HCPC is committed to doing everything that it can to reduce the ethnicity pay gap. The gap can be explained by where ethnic minority employees can be found in our pay band structure. More white employees can be found within the higher pay bands compared to ethnic minority employees, which remains from the past years. The HCPC is committed in supporting underrepresented employees in gaining experience and knowledge to progress to higher pay band roles, for example Implementing positive action into our new management and leadership programmes from 2024.

Parliamentary accountability and audit report

Accountability

Fees charging (subject to audit)

Article 45 of the Health Professions Order 2001 provides that “the Council may charge such fees in connection with the exercise of its functions as it may, with the approval of the Privy Council, determine [and], subject to this article, the expenses of the Council are to be met out of fees received by the Council and other sums paid to it in connection with the exercise of its functions”.

Article 45 also provides that the government may make grants or loans to the Council, but we do not rely on government funding to cover our ordinary operating costs. In accordance with the Order and our reserves policy we set our fees at the levels required to recover our full costs and maintain our finances on a sustainable basis. We have complied with the charging requirements as set out in HM Treasury’s guidance. The detailed breakdown of our fees is set out in note 2 to the financial statements.

Losses and special payments (subject to audit)

There were no Losses & Special Payments for the HCPC over the reporting requirements as set out in HM Treasury’s Managing Public Money Guidance (2022–23 nil).

Remote contingent liabilities (subject to audit)

As at 31 March 2024 the HCPC has £17.5k worth remote contingent liabilities relating to legal claims from registrants (31 March 2023: nil).

Losses and gifts (subject to audit)

The HCPC has received no gifts in year (2022–23: nil).

Regularity of expenditure (subject to audit)

The Accounting Officer is able to identify any material irregular or improper use of funds by the agency, or material non-compliance use of funds. To the date of this statement, there have been no instances of material irregularity, impropriety or funding non-compliance discovered during the financial year.

Christine Elliott
Chair

Bernie O’Reilly
Chief Executive and Registrar
Accounting Officer

[] 2024

[] 2024

Independent auditor's report to the members of the HCPC

[CONTENT TO FOLLOW]

DRAFT

[Signature]

Haysmacintyre LLP

Statutory Auditors

Date:

Certificate and report of the Comptroller and Auditor General to the Houses of Parliament and the Scottish Parliament

[CONTENT TO FOLLOW]

DRAFT

[Name]

Date:

Comptroller and Auditor General

Financial statements

[CONTENT TO FOLLOW]

DRAFT

Statement of comprehensive net income

[CONTENT TO FOLLOW]

DRAFT

Statement of financial position

[CONTENT TO FOLLOW]

DRAFT

Christine Elliott
Chair

Bernie O'Reilly
Chief Executive and Registrar
Accounting Officer

[] 2024	[] 2024
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Cash flow statement

[CONTENT TO FOLLOW]

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Statement of changes in equity

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Notes to the financial statements

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