



Health and Care Professions
Council

Education - New approach

Audit report - Final

August 2024

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REPORT STATUS

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Executive summary

Level of assurance: (see appendix I for definitions)		
Design	Moderate	Generally, a sound system of internal control designed to achieve system objectives with some exceptions.
Effectiveness	Moderate	Evidence of non-compliance with some controls, that may put some of the system objectives at risk.

Summary of findings (see appendix II)			# of agreed actions
H	-		-
M	-		-
L	1		1
Total number of findings: 1			

- Our testing covered the following risk areas:
- ✓ Policies, procedures and guidance
 - ✓ Education providers (universities etc.)
 - ✓ Partners (people who conduct the QA work on education providers, on behalf of HCPC)
 - ✓ PSA standards
 - ✓ Management information
 - ✓ Stakeholders (e.g. registrants, patients)

Background & Scope

As part of the Internal Audit Plan for 2024/25, as agreed by the Audit and Risk Assurance Committee (ARAC), we completed a review of Education - the new approach.

A key regulatory function of HCPC is to ensure that learners receive adequate training and education. Programme syllabus, structure, teaching standards, work placement and course delivery are critical to this. HCPC reviews, approves and quality assures training courses provided by any education provider that can demonstrate it meets their standards. HCPC's partners deliver the assessment of providers, as is the case with many other healthcare professions regulators.

In September 2021, a new quality assurance model was introduced for education. The model was developed through a major change programme and was piloted for one year. To date, there have been three provider review cycles, with cumulative improvements to the model as part of the pilot first cycle. The new model was evaluated and considered implemented in September 2021 and was approved via the Executive Leadership team and the Education and Training Committee.

The previous model focused on the programmes being delivered and not the providers 'in the round'. Not all data was used previously to assess the programmes and was thus considered as 'one size fits all'. The revised process is now more 'hands on', engaging with providers to assess their capabilities, and the standards now sit across all programmes.

At the time of the review, HCPC were nearing the end of the third year of the programme of reviewing all education providers against the requirements of the current QA model. The providers are now managed in geographical areas, instead of being driven by staff availability, allowing for relationships to be managed in each region.

HCPC's programme review and approvals are stored in Dynamics 365, detailing each part of the quality assurance model.

Education Performance reports are prepared and presented monthly to the Executive Leadership team and on a quarterly basis to the Education and Training Committee allowing for appropriate oversight.

Purpose

The purpose of this review was to provide assurance over the key controls - their design and operation - for the revised approach to managing education quality assurance, and whether changes are embedded.

We considered whether staff and partners were clear on their roles and responsibilities, whether there has been an improvement in the timeliness in providers undertaking actions, and how HCPC ensures compliance with PSA standards, namely Standard 9.

Standard 9 is the following: The regulator has a proportionate and transparent mechanism for assuring itself that the educational providers and programmes it oversees are delivering students and trainees that meet the regulator's requirements for registration and takes action where its assurance activities identify concerns either about training or wider patient safety concerns.

Conclusion

HCPC has several good controls in place. This includes regular reporting on the education QA model and aligning the model to education programmes. HCPC are on track to ensure that they are on top of timeliness by the year end.

However, we identified one finding-of LOW significance which relates to:

- ▶ KPIs are not used to assess and manage partner performance to help determine whether value for money is achieved and accurate information is provided.

As a result of our review, we can provide MODERATE assurance over the design and the operational effectiveness of controls.



Executive summary

Summary of good practice

Policies, Procedures and Guidance

- ▶ HCPC has robust guidance in place for its education quality assurance (QA) model (specifically held within the Education Department Handbook (pg. 18)) with clear and detailed process. This includes partner payments for undertaking QA work at universities, process flow charts for each stage of the approval process and spot checks. The guidance allows for the HCPC Education team, through its partners, to conduct consistent education programme assessments.

Quality assurance on education programmes

- ▶ During a walkthrough with the Head of Education, we confirmed that education programme assessments are maintained in Dynamics 365 by HCPC. This allows for easy and accessible tracking of each step of the model, and supports all assessments contained in one consistent location.
- ▶ From our review of three education providers that have been confirmed as 'approved' during our sampling period (May 2023 - April 2024), we found that all providers tested had received appropriate approval. All relevant supporting documentation was maintained within Dynamics 365. This demonstrates that partners are undertaking their roles in line with the agreed model principles and that education providers are meeting the minimum standards required and are approved accordingly.
- ▶ HCPC undertake performance reviews on a sample basis on education providers. In addition, focus reviews (where specialist knowledge is required and may also be undertaken by partners) are normally triggered by stakeholders. These reviews assess whether education providers are delivering programmes in line with the model. Results from the reviews are reported to HCPC's Executive Leadership team to enable improvements and lessons learnt for education providers to be visible at a senior level.
- ▶ Internal quality assurance activities are conducted on partners. The review activities include the approval process, detail of findings, recommendations and management responses. This helps to instill partner accountability and helps to ensure continuous improvement to the model.
- ▶ Provider (University) cases are assigned by HCPC based on regions. This allows for teams to maintain a relationship with education providers in their region as well as continued knowledge of context.

Partners

- ▶ Partners sometimes carry out high quality regulatory assessments or focused reviews where professional-level detail and a specific expertise are required, this helps to ensure that an appropriate assessment can be made where a particular skillset/knowledge is beneficial.
- ▶ The Education Quality Officer is in regular contact with the partners during their review of providers. Partners are paid after HCPC are content that the standards of the model principles are being met, helping to demonstrate partners achieve value for money. The approach also provides an incentive to partners to produce quality outputs for the first time.
- ▶ Partners undergo due diligence, conflict of interest (COI) checks and are required to complete mandatory training. Mandatory training includes a full overview of the QA model and standards prior to being accepted as a partner. These checks help to ensure that partners meet the standards of HCPC model requirements for education providers, courses and cultural alignment.
- ▶ HCPC meets with the PSA when required to address any compliance issues or in response to any requests the PSA has made, to ensure HCPC stays compliant with the PSA standards and any issues are addressed early.

Management Information

- ▶ Live dashboards are available to the Education team on all parts of the education provider QA programme process. This supports HCPC to identify which stages of the process need to be prioritised and actioned for assessments that are overdue or may become overdue of the agreed timelines as per the model.
- ▶ Education Performance Reports are prepared and presented to the Executive Leadership team monthly and to the Education and Training Committee on a quarterly basis, to provide senior management with clear oversight and progress tracking for providers under review.

Stakeholder engagement

- ▶ There is robust stakeholder management with partners, education providers and professional bodies, whereby they can provide feedback during and after the education process, to help address issues and rectify if needed.

(A separate stakeholder management review is being undertaken in August 2024 as part of the internal audit plan).

Summary of improvement areas


As part of this review, we identified one finding of LOW significance. HCPC currently do not have KPIs to measure and monitor partner performance, to support in assessing whether partners: provide value for money when assessing education providers, whether they meet standards and whether they are aligned to the model principles.

DETAILED FINDINGS



Detailed findings

Risk 3: Partners used do not provide value for money. Partners do meet standards or are up to date on HCPC requirements of education providers and courses.

Finding 1 - Partner KPIs			Type
<p>Key Performance Indicators (KPIs) help organisations to monitor and measure an organisation’s performance and help to instill accountability. KPIs support in identifying areas for improvement and offers transparency of performance by providing a clear measure on performance and the levels of performance expected.</p> <p>The Education team have several processes in place both before onboarding partners and during their work with HCPC to help ensure partners continue to meet the standards HCPC requires from its partners as detailed in the assurance framework. For example, these include competency-based recruitment and several templates to ensure consistency of outputs provided.</p> <p>HCPC’s Head of Assurance & Compliance confirmed that partners do not have assigned KPIs. HCPC currently has an ongoing project within the organisation for measuring partner performance. The aim is to review the overall operational model across the organisation for partners and evaluate if they provide value for money when assessing education providers.</p> <p>HCPC had their first Quality Assurance workshop at the end of February 2024 which was led by the Quality Assurance Programme Lead and the Partner Project Lead. Heads of regulatory departments, operational managers and their delegates were invited with the aim of identifying and providing better performance measures.</p> <p>A paper was shared with the Executive Leadership team on the 14 May 2024 and noted that the current systems are not capable of capturing the data required. For example, to introduce further 360-feedback to the partner pool using the current Kallidus system HCPC will need to purchase additional licenses. Part of this workshop was to consider what KPIs to introduce, for example partner turnover, what success looks like and recruitment rates for hiring partners.</p> <p>Management stated during our interviews that they struggled to identify a way to introduce partner KPIs as the programme approvals process is qualitative. It was confirmed by the Partner Project Lead that as long as partners can provide a rationale for how they are meeting agreed standards as prescribed by the model, (which management challenge) they are meeting HCPC’s needs.</p> <p>The KPIs being considered as part of the project do not directly tie to the Education team’s engagement with partners. However, the Head of Education noted they are working with the Partners team to consider the ‘art of the possible.’</p> <p>Currently, it is unclear whether this will result in KPIs to assess the value for money provided by partners for the Education team’s QA processes.</p>			<p>Design</p> 
Implication			SIGNIFICANCE
<p>Where KPIs are not in place to measure partner performance on their performance, for example on conclusion of assessments there is a risk that areas where partners work well are not further embedded and passed on to other partners and/or areas for improvement are not timely identified, comparable and addressed in a pragmatic and timely manner.</p>			Low
Recommendations	Action owner	Management response	Completion date



<p>1. We recommend that HCPC undertake the following:</p> <p>a) Consider developing (qualitative) KPIs that are S.M.A.R.T to ensure partner performance is tracked and measured. We can advise on KPIs that can be used</p> <p>b) Continue to run Quality Assurance workshops within the organisation and report to the Executive Leadership team with progress along with progress with the project with PwC.</p>	<ul style="list-style-type: none"> • <i>Jamie Hunt (Head of Education)</i> • <i>Anna Raftery (Head of Assurance and Compliance)</i> • <i>Uta Pollmann (Partner Project Lead)</i> 	<p><i>We accept this recommendation, and this will be covered by a central programme of work within HCPC. This work is currently in progress, with a project governance structure being set up at this time.</i></p> <p><i>The education part of this work will be to feed into organisation expectations for partner KPIs, and then develop a mechanism to record performance against KPIs within our D365 system.</i></p>	<p>Q3 2025-26</p>
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Observation

Risk 1: Policies, procedures and guidance are not in place to manage the new approach to Education for HCPC, resulting in the old ways of working continuing to be followed or a hybrid of approaches being followed, leading to inconsistency.

Review of Education QA model policies, procedures and guidance

Having up to date policies, procedures and guidance is crucial for organisations to ensure they manage processes in a consistent manner, which supports training and development, as well as enhancing clarity to processes.

The Education QA model guidance is currently stored in 'OneNote' that is available to all staff in the educational department.

HCPC do not review the QA guidance on a regular basis due to the continuous improvement process since the model was first adopted. HCPC are considering undertaking annual reviews going forward.

HCPC should consider the best approach to take to ensure the model is kept up to date this may be annually and then a cyclical approach may be preferred in the longer term.

APPENDICES



Appendix I: Programme Samples & Partner Payments

Education Programmes tested as part of our review	
Approved education programmes <ul style="list-style-type: none"> York St John University Birmingham Newman University Physiotherapy University of Brighton Physiotherapy 	
Performance review <ul style="list-style-type: none"> Anglia Ruskin University 	
Focus review <ul style="list-style-type: none"> Nottingham Trent University 	
Partner Payments	
Stage 1 Institution assessments	Lead visitors - £206 (once stage 1 is completed) Service User Expert Advisor - £82 (when they deliver their advice)
Stage 2 Programme assessments	Lead visitors - £206 (when they deliver final report) Advisor visitors - £82 (when they deliver their advice)



Appendix II: Definitions

Level of assurance	Design of internal control framework		Operational effectiveness of controls	
	Findings from review	Design opinion	Findings from review	Effectiveness opinion
Substantial	Appropriate procedures and controls in place to mitigate the key risks.	There is a sound system of internal control designed to achieve system objectives.	No, or only minor, exceptions found in testing of the procedures and controls.	The controls that are in place are being consistently applied.
Moderate	In the main there are appropriate procedures and controls in place to mitigate the key risks reviewed albeit with some that are not fully effective.	Generally a sound system of internal control designed to achieve system objectives with some exceptions.	A small number of exceptions found in testing of the procedures and controls.	Evidence of non compliance with some controls, that may put some of the system objectives at risk.
Limited	A number of significant gaps identified in the procedures and controls in key areas. Where practical, efforts should be made to address in-year.	System of internal controls is weakened with system objectives at risk of not being achieved.	A number of reoccurring exceptions found in testing of the procedures and controls. Where practical, efforts should be made to address in-year.	Non-compliance with key procedures and controls places the system objectives at risk.
No	For all risk areas there are significant gaps in the procedures and controls. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Poor system of internal control.	Due to absence of effective controls and procedures, no reliance can be placed on their operation. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Non compliance and/or compliance with inadequate controls.

Recommendation significance	
High	A weakness where there is substantial risk of loss, fraud, impropriety, poor value for money, or failure to achieve organisational objectives. Such risk could lead to an adverse impact on the business. Remedial action must be taken urgently.
Medium	A weakness in control which, although not fundamental, relates to shortcomings which expose individual business systems to a less immediate level of threatening risk or poor value for money. Such a risk could impact on operational objectives and should be of concern to senior management and requires prompt specific action.
Low	Areas that individually have no significant impact, but where management would benefit from improved controls and/or have the opportunity to achieve greater effectiveness and/or efficiency.
Advisory	A weakness that does not have a risk impact or consequence but has been raised to highlight areas of inefficiencies or potential best practice improvements.



Appendix III: Terms of reference

Extract from terms of reference

Purpose

The purpose of this review was to provide assurance over the design and operational effectiveness of the key controls in the revised approach to managing education quality assurance overall, and whether changes are embedded. We will consider whether staff are clear on their roles and responsibilities, whether there has been an improvement in timeliness on undertaking actions, and how HCPC ensures compliance with the PSA standards, namely Standard 9.

Key risks

1. Policies, procedures and guidance are not in place to manage the new approach to Education for HCPC, resulting in the old ways of working continuing to be followed or a hybrid of approaches being followed, leading to inconsistency.
2. Quality assurance on education programmes does not align with the new approach to education and is being applied inconsistently.
3. Partners used do not provide value for money
4. Partners do not meet standards or are up to date on HCPC requirements of education providers and courses.
5. HCPC do not achieve PSA education standards 9
6. Management information is not used to improve the service nor support informed decision making
7. The new approach to quality assuring education programmes results in a loss of confidence by stakeholders (providers, students, partners, professional bodies, other professions).

Scope

The following areas were covered as part of this review:

- Policies, procedures and guidance, education provides, partners, PSA standards, management information and stakeholders

Approach

Our approach was to conduct interviews and walkthrough testing to establish the controls in operation for each of our areas of audit work. We will then seek documentary evidence that these controls are designed as described and operating effectively.

Exclusions

The scope of the review is limited to the areas documented under the scope and approach. All other areas are considered outside of the scope of this review. The scope of the review is limited to the areas documented under the scope and approach.



Appendix IV: Staff interviewed

BDO LLP appreciates the time provided by all the individuals involved in this review and would like to thank them for their assistance and cooperation.

Ann Faulkner	Education Administrator	
Anna Raftery	Head of Assurance and Compliance	
Jamie Hunt	Head of Education	Key sponsor/ Action owner
John Archibald	Education and Quality Officer	
Tracey Samuel-Smith	Education Manager	
Uta Pollmann	Partner Project Lead	



Appendix V: Limitations and responsibilities

Management responsibilities

The Board is responsible for determining the scope of internal audit work, and for deciding the action to be taken on the outcome of our findings from our work.

The Board is responsible for ensuring the internal audit function has:

- The support of the Company's management team.
- Direct access and freedom to report to senior management, including the Chair of the Audit Committee.
- The Board is responsible for the establishment and proper operation of a system of internal control, including proper accounting records and other management information suitable for running the Company.

Internal controls covers the whole system of controls, financial and otherwise, established by the Board in order to carry on the business of the Company in an orderly and efficient manner, ensure adherence to management policies, safeguard the assets and secure as far as possible the completeness and accuracy of the records. The individual components of an internal control system are known as 'controls' or 'internal controls'.

The Board is responsible for risk management in the organisation, and for deciding the action to be taken on the outcome of any findings from our work. The identification of risks and the strategies put in place to deal with identified risks remain the sole responsibility of the Board.

Limitations

The scope of the review is limited to the areas documented under Appendix II - Terms of reference. All other areas are considered outside of the scope of this review.

Our work is inherently limited by the honest representation of those interviewed as part of colleagues interviewed as part of the review. Our work and conclusion is subject to sampling risk, which means that our work may not be representative of the full population.

Internal control systems, no matter how well designed and operated, are affected by inherent limitations. These include the possibility of poor judgment in decision-making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.

Our assessment of controls is for the period specified only. Historic evaluation of effectiveness may not be relevant to future periods due to the risk that: the design of controls may become inadequate because of changes in operating environment, law, regulation or other; or the degree of compliance with policies and procedures may deteriorate.

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