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Health and Care Professions Council

Fitness to Practise (FtP) Improvement Plan – Internal Audit Review

Internal Audit Year: 2018/19

Final Report

Distribution list

For action:
John Barwick - Executive Director of Regulation
Brian James - Head of Fitness to Practise (FtP)
Tim Kitchener - Senior Project Manager
Kellie Green - FtP Improvement Project Lead

For information:
Audit Committee

Audit Team

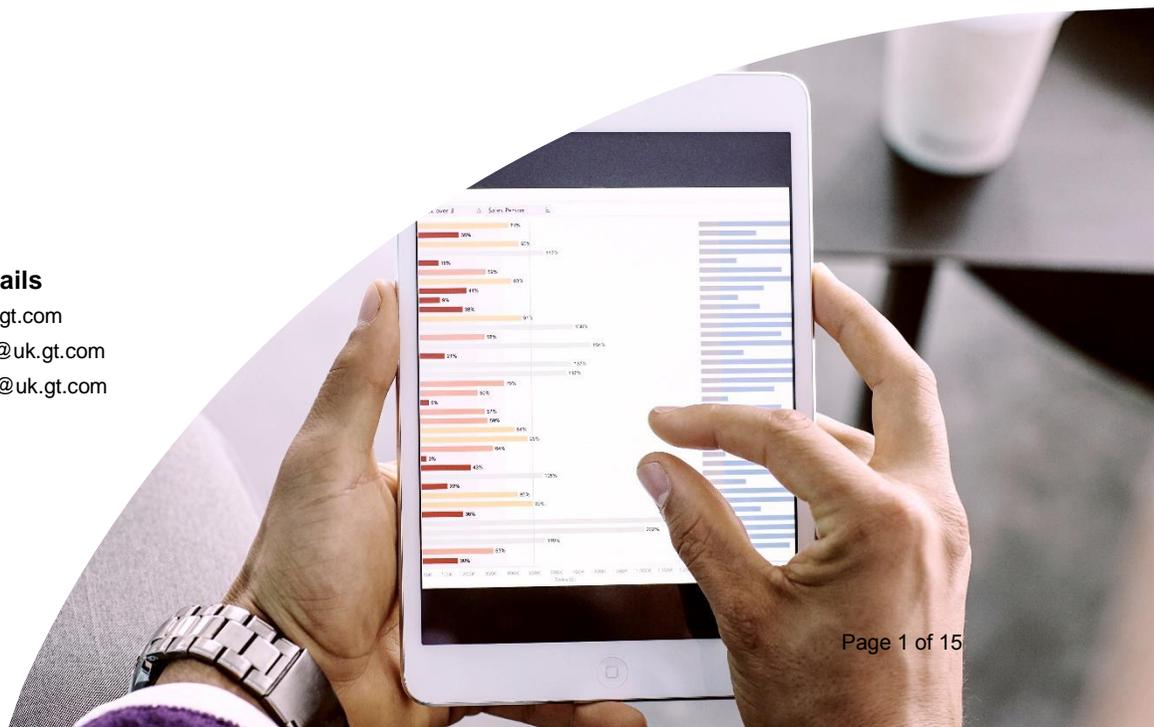| Name	Title	Contact details
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Glossary

EMT – Executive Management Team

FtP – Fitness to Practise

IA – Internal Audit

PID – Project Initiation Document

SMT – Senior Management Team (from June 2018)

1 Executive Summary

FtP Improvement Plan – Internal Audit Review		Imp.	Low	Med.	High
	Findings raised	-	1	2	-

The Professional Standards Authority (PSA) oversees the nine regulators for Health and Social Care professionals in the UK and is accountable to Parliament. The PSA is required by law to assess the performance of each of the regulators and to publish a report of its findings each year. The PSA concluded in its 2016/17 annual review of performance that HCPC did not meet six of the ten Fitness to Practise Standards of Good Regulation. In response to the PSA's findings, an action plan was drafted in September 2017 and in October 2017, the Executive Management Team (EMT) agreed that the delivery of the action plan was to be managed as a major project. In December 2017, a paper detailing the improvement work already undertaken, as well as the proposed future actions, was presented to Council for approval. In April 2018, a formal Project Initiation Document (PID) was prepared and presented to EMT where it was endorsed and the budget was approved. At the time of endorsement, the anticipated project completion date was March 2019.

The focus of this Internal Audit review was to provide assurance as to whether the governance arrangements in place for the FtP Improvement Plan Project (hereafter referred to as the "Project") are robust, as well as a review over the governance arrangements in place for Management to ensure that the project is on track to be delivered by March 2019.

Overall, we observed that well-designed internal reporting processes are in place to communicate progress in respect of the Project to a range of stakeholders. This includes the tracking of, and reporting on, the progress against Project deliverables at the Project Team and Board meetings. Progress updates are also made at Council meetings as part of the Chief Executive's report. External stakeholders are updated on the progress as part of the HCPC FtP Partnership Forum attended by several representative bodies* and update bulletins are communicated quarterly via email. Microsoft Project is the primary tool used to manage the administration of the Project, including documenting key deliverables, timelines and resource allocation. The FtP Improvement Project Lead and FtP Project Manager is Kellie Green and Tim Kitchener respectively. Clear roles and responsibilities for the Project Team have been documented and communicated and the project team structure was approved by the EMT as part of the Project Initiation Document (PID) review. Similarly, the budget and resourcing requirements for the Project were included in the PID and are monitored and updated on an ongoing basis. There was clear evidence of a collaborative approach to understand and document the lessons learned from the PSA findings involving, amongst others, Heads of Department and FtP Managers. This culminated in the drafting of an initial action plan.

The Project indicates that there are 27 key deliverables to complete in order to realise the overall objective, which is to improve HCPC's performance in the areas of Fitness to Practise to achieve and maintain the PSA's standards of good regulation. At the time of reporting (October 2018), it was observed that several deliverable dates have been delayed. However, the overall completion date was not considered to be impacted by HCPC Management due to contingency planning and flexibility built into the Project Plan. At the time of concluding fieldwork (September 2018) it was noted that 6 deliverables have been approved by the Project Board, 4 have been completed but not yet approved, 8 are in progress and 9 have not yet commenced. Whilst this internal audit review does not provide assurance over whether the project will be delivered, with only 10 out of 27 actions having been completed, Management should ensure that there is continued and targeted focus on the delivery of the Plan.

We have raised two medium findings for HCPC's attention. These relate to:

- The internal communication plan** was not formally reviewed and approved by the Project Board and is not sufficiently detailed or regularly updated. Instances were noted where the responsibility for the completion of actions were not noted or not specific, and clear due dates were not always specified. A detailed external communications plan has not been documented, although a high-level communications strategy and stakeholder analysis was observed which includes external stakeholders. It was noted, similar to the internal communications plan, that clear due dates and responsible persons had not been articulated for all actions in the high-level communications strategy. Both aforementioned documents have not been updated since they were prepared to reflect the status of actions and further, the actions in respect of internal and external communications are not tracked in MS Project.
- The second medium risk finding relates to instances where resources have not been allocated to tasks on the Project plan as the deliverable had been delayed. The delay was a result of Management not identifying interdependencies with five other activities that needed to be completed before the work could commence. It was advised that the resource would be planned closer to the time, however this might result in possible capacity constraints not being identified suitably in advance.

In the main, the evidence reviewed during fieldwork and discussions with Management noted that there is good project management and governance controls in place. Examples of instances of good practice observed include, but are not limited to, the following:

- FtP Project Team and Boards have been established and regular meetings are held to discuss progress on the Project and to review and approve deliverables. An action log with deadlines and specified responsible persons is in place and advises that actions are being completed as required. The current log as at September 2018 indicates that 85 of 87 actions have been closed.
- Project risks are regularly discussed at the abovementioned meetings and a documented project risk register is in place. Residual risk exposure for the 11 risks identified are rated as green by Management i.e. after appropriate mitigating controls have been applied.
- The FtP Improvement Project Plan in Microsoft Project splits down the 27 key deliverables into individual sub-tasks to allow greater visibility over the current state of completion of each deliverable. This also allows for more detailed resource planning to be specified in the plan.
- A change control process is in place whereby significant changes to the project plan are submitted to the Project Board for endorsement. Discussion with Management and observation of supporting evidence noted that one significant change had been requested, and IA observed endorsement in Project Board meeting minutes.

Below we have included an assessment of each risk area assessed as part of this audit and a summary of the key actions emerging from the audit.

* Representative bodies included Association of Educational Psychologists, British Association of Occupational Therapists, British Association of Social Workers, British Dietetic Association, Chartered Society of Physiotherapy, Doughty St Chambers, Royal College of Speech and Language Therapists, Society of Chiropodists & Podiatrists, Society of Radiographers, UNISON and Unite.

** A detailed plan setting out the timing, responsibility and actions (also referred to as 'tactics') to be undertaken to communicate key messages in respect of the FtP Improvement Project to internal stakeholders.

Risk area	Finding ref.	Rating	Overview of required action	Action owner	Completion date
No reporting processes have been created to enable HCPC to communicate progress of the Project to key internal and external stakeholders, leading to lack of visibility of progress made in the completion of the Project.	1	Medium	Internal and external communication plans are to be updated, reviewed and approved by the Project Board. Actions in respect of communications should be tracked in Microsoft Project with clear due dates and responsibility assigned.	Kellie Green	November 2018
The Project does not have sufficient resources allocated to it and interdependencies between tasks have not been identified, leading to a lack of delivery on timely basis.	2	Medium	Review resourcing of tasks, including those that have been delayed due to re-planning, to ensure there is adequate resource available to complete the task. All remaining Project deliverables will be reviewed to ensure there are no interdependencies that Management are unaware of.	Kellie Green / Tim Kitchener	November 2018
Completion of deliverable matrices are inconsistent which might result in the Project Board not having clear guidance needed in order to make a decision.	3	Low	The Project Board rely on the outcome of the quality review of deliverables in order to make a decision whether of pass or fail. Therefore, all deliverables should be consistently assessed in the deliverable matrix by providing a clear overall recommendation to the Project Board and a conclusion on whether each aim has been met. The standard deliverable matrix template should be used.	Ellis Christie	November 2018

1.1   Background

The Internal Audit Plan for 2018/19 includes a review in relation to the Improvement Plan in place following the Professional Standards Authority's (PSA) annual performance review of the Health and Care Professions Council (HCPC). The PSA oversees the nine regulators for Health and Social Care professionals in the UK and is accountable to Parliament. The PSA is required by law to assess the performance of each of the regulators and to publish a report of its findings each year. The process seeks to check how effective the regulators have been in protecting the public and promoting confidence in health and care professionals. It also seeks to identify strengths and areas of concern in order to enable improvement.

The Professional Standards Authority (PSA) concluded in its 2016/17 annual review of performance that HCPC did not meet six out of the ten Fitness to Practise Standards of Good Regulation. The report also highlighted that in the two preceding performance reviews undertaken, areas of concern were identified in respect of HCPC's Fitness to Practise procedures. In response to the PSA's findings, an action plan was drafted in September 2017 and in October 2017 the Executive Management Team (EMT) agreed that the delivery of the action plan was to be managed as a major project. In December 2017, a paper detailing the improvement work already undertaken as well as the proposed future actions was presented to the Council for approval.

In April 2018, a formal Project Initiation Document (PID) was prepared and presented to Executive Management Team (EMT) where it was endorsed and the budget was approved. At the time of endorsement, the anticipated completion date was March 2019. There was however an expectation that some of the benefits of the improvement plan would be realised prior to completion and that HCPC will be able to evidence of improvement in the next PSA performance review, starting in December 2018.

1.2   Scope

The scope areas for this review were as follows:
- Understand whether HCPC have performed a lessons learned review post the failure to meet six of the PSA standards, and how

the lessons learned review has been used to formulate or contribute to the Improvement Plan
- Understand how HCPC have communicated the Improvement Plan to key internal and external stakeholders, including the Professional Standards Authority
- Understand how HCPC are monitoring and tracking the delivery of the Improvement Plan and reporting progress on the completion of the Plan to the SMT and Council
- Review the appropriateness of the roles and responsibilities established to deliver the Improvement Plan, and whether there is reasonable capacity allocated to deliver the Plan.

1.3   Objectives and risk areas

At the June 2018 Audit Committee meeting, it was discussed whether the Internal Audit review should be performed in two phases. However, through subsequent discussions with Management, it was agreed that a two-phased approach was not required and that this Internal Audit review would examine:
- the adequacy of the controls in place to manage the project, as well as the governance arrangements, over the FtP Improvement Plan; and
- the progress of the project to date and whether it remains on track to be delivered by March 2019.

1.4   Other observations

Throughout the course of our audit, we have identified or discussed points that form important observations. While these have not resulted in reported exceptions for management to action, we believe management should be aware of them. In particular, we noted the following:
- A formal succession plan is not in place in the event of a key member of the FtP Improvement Project Team leaving the organisation. Management advised that knowledge of the plan is sufficiently spread across the members of the Project Team and that the plan is documented in sufficient detail to mitigate the risk of a single point of failure. It was however advised that the loss of a Project Team member might impact the final deliverable date.
- Work on the FtP Improvement Plan commenced before the Project Initiation Document was presented to, and endorsed by, the EMT.

This does not typically align with established good practice. However, it was advised that the time critical nature and importance of the change required, necessitated this approach (i.e. work commencing as soon as possible).

- Instances were noted (e.g. Discontinuance and Consent Project deliverables) where the work on deliverables was undertaken prior to the quality assurance (QA) criteria being agreed. This caused issues and resulted in HCPC going through the QA process a second time. It was advised that the Plan was subsequently amended to include a step requiring that QA criteria be agreed in advance.

- No documentation was available to evidence formal communication with the PSA regarding the Project to obtain feedback or guidance. Management advised that the PSA are reluctant to issue any formal communications outside of the official assessments due to the nature of their role. Management however confirmed that there are ongoing discussions with the PSA on specific Project deliverables where guidance is required.

1.5 Acknowledgement

We would like to take this opportunity to thank the staff involved for their co-operation during this internal audit.

2 Detailed findings

INTERNAL AND EXTERNAL STAKEHOLDER COMMUNICATIONS

	RISK: NO REPORTING PROCESSES HAVE BEEN CREATED TO ENABLE HCPC TO COMMUNICATE PROGRESS TO KEY INTERNAL AND EXTRNAL STAKEHOLDERS		
Ref	**Audit finding and potential risk**	**Issue rating**	**Proposed management actions**
1.	**Good practice** A formalised and approved communication plan is in place which clearly defines the approach to communications with internal and external stakeholders. The plan clearly articulates the actions to be undertaken, the responsible person and the expected date of completion. The plan is regularly reviewed and updated to monitor the completion status of tasks and to ensure the plan remains appropriate to support the achievement of the overall objective. **Finding** **Internal stakeholder communication** An internal communications plan was drafted setting out, amongst other things, responsibilities, strategy, objectives, key messages, risks, and tactics. The tactics refer to the specific actions to be performed to deliver the key messages. It was however noted that the Internal Communications Plan had not been formally reviewed and approved by the Project Board. Review of the internal communications plan further noted that it is not sufficiently detailed and is not regularly updated. Our detailed observations are as follows: • Three of the 20 tactics did not have a specific responsible person assigned. • Some tactics do not have clear due dates / timelines assigned e.g. "Summer 2018" and "tbc?" • The plan has not been updated since its inception in April 2018 and progress in respect of some of the tactics has not been completed. • Three instances were noted where the tactics had not been completed in line with the planned timescales. It was not always clear, based on the internal communications plan, what the root cause was and what the updated target action date is. Supporting meeting minutes and discussions with Management advised that progress in respect of the internal communications was, and continues to be, discussed at the Project Team and Board meetings, although not specifically tracked and updated in the communication plan.	**Medium**	a) The internal communication plan will be updated to clearly reflect responsible persons and specific action due dates. Additionally, the internal communication plan will be updated to reflect the current status of all actions on an ongoing basis (i.e. in the weekly Project Team meetings). New anticipated due dates for overdue actions will be completed and monitored. b) The external communication strategy document will be updated to reflect the relevant responsible persons, target action dates and the status of actions. The document will be updated as part of the Project Team meetings. c) Both internal and external communication plans will be reviewed and approved by the Project Board to confirm that they remain fit for purpose. Progress against the plan will be monitored as part of the Project Team meetings to ensure tactics are undertaken on a timely basis. d) The internal and external stakeholder communication tactics will be added to Microsoft Project. **Date Effective**: November 2018 **Owner:** Kellie Green, FtP Improvement Project Lead

INTERNAL AND EXTERNAL STAKEHOLDER COMMUNICATIONS

External stakeholder communication
In respect of external communications, it was noted that a Communications Strategy and stakeholder analysis had been performed as part of the FtP Improvement Project Initiation Document (PID). The document however does not include the details of communications with external parties in the same level of detail as the internal communications plan. It was further noted, and similar to the internal communications plan, that clear articulation of the responsible persons and due dates have not been documented for all actions identified. The document has also not been updated to reflect whether actions have been completed.

External communications is also discussed and progress reported in Project Team and Board meetings, although not tracked against a formal and detailed external communication plan.

Finally, it was also noted that that internal and external communications, in respect of the plan, are not tracked in Microsoft Project.

Implication
Where actions do not have clear responsibility assigned to them there may be ambiguity on who is responsible for ensuring completion. This may lead to actions not being completed in line with the communication plan. If clear timelines or completion dates are not specified it increases the risk that actions will not be completed on a timely basis.

Further, if the communications plan is not reviewed and regularly updated, this increases the risk that incomplete or delayed actions will not be highlighted, appropriately escalated and prioritised. There may also be a lack of visibility of the progress and implementation.

The above implications may ultimately result in ineffective and / or inadequate communication with internal and external stakeholders.

RESOURCE PLANNING

RISK: THE PROJECT DOES NOT HAVE SUFFICIENT RESOURCES ALLOCATED TO IT AND INTERDEPENCIES ARE NOT IDENTIFIED			
Ref	**Audit finding and potential risk**	**Issue rating**	**Proposed management actions**
2.	**Good practice** All tasks / deliverables in respect of the Project have the required resources assigned. The timing (start and end dates) of Project deliverables takes into account any interdependencies that might exist. **Finding** Instances were noted where the Project plan did not have resources allocated to the tasks underpinning the overall deliverable, which was to draft revised job descriptions. Discussion with management advised that resources were not allocated as interdependencies had not been identified and 5 preceding activities needed to be completed first. It was decided that resources would be assigned nearer to the time of completion (due to be completed November 2018). **Implication** In instances where resource has not been assigned suitably far in advance, there is a risk that the resource might not have capacity to complete the required deliverables. This may have an impact on the timely completion of deliverables prior to the PSA's visit in December 2018 or in view of the March 2019 deadline. There is a risk that interdependencies have not been identified for other Project deliverables, which might result in unforeseen delays.	Medium	Management will review the resourcing of tasks, including those that have been delayed due to re-planning, to ensure there is adequate resource available to complete the task. All current deliverables on the Project plan will be reviewed to ensure there are no task / deliverable interdependencies that the Project Team are unaware of. **Date Effective**: November 2018 **Owner:** Tim Kitchener – Senior Project Manager

QUALITY ASSURANCE

	RISK: COMPLETION OF DELIVERABLE MATRICES ARE INCONSISTENT WHICH MIGHT RESULT IN THE PROJECT BOARD NOT HAVING CLEAR GUIDANCE NEEDED TO MAKE A DECISION		
Ref	**Audit finding and potential risk**	**Issue rating**	**Proposed management actions**
3.	**Good practice** Key deliverables in respect of the Project are subject to a formal and consistent quality assurance process, with a clear conclusion and recommendation to be considered by the Project Board. **Finding** Four examples of the deliverable matrices completed by the Quality Compliance team were provided to IA. The following was observed: • Two instances where the deliverable matrix did not provide an overall recommendation to the Project Board; and • Inconsistency in the conclusions made, as some matrices only included an overall conclusion whereas others concluded as to whether each 'aim' had been met. It was advised by management that the document has evolved and that there is now a standard template in place for in-progress and future deliverables. **Implication** If an inconsistent approach is followed, then the deliverable matrices received by the Project Board may not include all the required information upon which to base their decision i.e. whether to 'approve' or 'fail' a deliverable. This may lead to the Project Board making decisions on the basis of incomplete information.	**Low**	Going forward, all deliverables will be assessed according to the standard template. **Date Effective**: November 2018 **Owner:** Ellis Christie – FtP Quality Compliance Manager

A   Approach and responsibilities

Approach

Our outline approach to the audit was as follows:

- Meeting with HCPC's management team to understand what lessons learned activity had been performed and how this has been used to create the Improvement Plan. Note, this review did not provide assurance over whether the appropriate lessons have been identified and incorporated into the Plan, but considered the process and approach taken by HCPC to understand any lessons, and how they have been reported internally.
- Review of documentation, including project plans and roles and responsibility allocations to deliver the Improvement Plan.
- Review how management are tracking progress of the Improvement Plan and understand the communication mechanisms in place for reporting on the progress made to date in completing the Plan.

Client staff

The following staff were consulted as part of this review:

- Marc Seale, Chief Executive and Registrar
- John Barwick, Executive Director of Regulation
- Brian James, Head of Fitness to Practise (FtP)
- Tim Kitchener, Senior Project Manager
- Kellie Green, FtP Improvement Project Lead
- Ellis Christie, FtP Quality Compliance Manager
- Claire Amor, Head of Governance
- Giba Rahman, Governance and Appointments Officer
- Laura Coffey, Senior Development Manager – FtP Improvement
- Alex Urquhart, Stakeholder Communications Officer
- Paul Cooper, Interim Head of Projects

Documents received

The following documents were received and reviewed during the course of this audit:

- April 18 – briefing note for managers
- All employee November 17 – PSA performance review
- Feb & March directorate briefings
- Feb 2018 directorate briefings
- Targets questions and responses to PSA
- Sept 2017 directorate briefings
- September FtP directorate briefings
- HCPC FtP Partnership forum agenda November 17
- FtP Improvement project – drop in update
- HCPC Forum Agenda May 18
- HCPC Quarterly bulletin February 18
- Partners newsletter February 18
- HCPC Quarterly bulletin – August 2018
- How we work – FtP Improvement project work stream information
- Intranet story – feedback log
- Addition to weekly bulletin request email
- Weekly Case management bulletin – 06/03/17
- FtP Management team away day 2017 – programme outline
- FtP Mangers meeting document – September 2017
- Council paper December 17
- Appendix A – Council Meeting Paper - Dec 17
- Appendix B – Council Meeting Paper- Dec 17
- Appendix C– Council Meeting Paper- Dec 17
- Appendix D– Council Meeting Paper- Dec 17
- August 2018 – stakeholder update
- August 2018 – TAC update
- PID and budget for FtP Improvement plan
- Improvement plan
- Request for FtP operational guidance, FtP data & Job description emails
- HCPC Forum Action point – May 18
- Chief executives report July 18 & Feb 18
- Meet HCPC presentation September 18
- EMT notes October 17

- FtP Management Away Day 2017 Agenda
- FtP Management Away Day PowerPoint
- Internal communications & Engagement plan 18/19
- Minutes of Council Meeting December 17
- Minutes of council meeting May 18
- Council Meeting May 18 Agenda
- HCPC April all employee briefing intranet posting
- All employee briefing April 18 PowerPoint
- Project Board Meeting Notes (Dates 01/05/2018; 07/08/2018; 21/08/2108; 07/08/2018; 24/07/2018)
- Project Board Meeting PowerPoint (Date 21/08/2018)
- Project Team Meeting Notes (13/08/2018; 20/08/2018)
- Project Team Meeting PowerPoints (13/08/2018; 20/08/2018; 03/09/2018)
- Quality Assurance Framework 18 & appendix 1
- FtP Quality Team 2109 year overview
- Deliverable Matrix ICP Training
- Deliverable Matrix QAF
- FtP Improvement Project – Disco Deliverable – Quality review
- FtP Improvement Project Committed spend report
- PID vs current plan comparison
- FtP Improvement Plan update (Kelly to Tim)
- QA activity dates
- FtP Quality Review Template
- ICP Decision Audit report
- ICP Decision Audit report – Emails
- ICP Decision Audit – Recommendation to follow up email
- HCPC Project Management guide
- FtP Improvement Project resource Plan – Oct 17
- PID with Appendix
- FtP Improvement Project Update August 18

Locations
The following location was visited during the course of this review:

Park House, 184-186 Kennington Park Road, London SE11 4BU

B   Audit Issue Rating

Audit issue rating

Within each report, every audit issue is given a rating. This is summarised in the table below.

Rating	Description	Features
High	Findings that are fundamental to the management of risk in the business area, representing a weakness in control that requires the immediate attention of management	• Key control not designed or operating effectively • Potential for fraud identified • Non-compliance with key procedures / standards • Non-compliance with regulation
Medium	Important findings that are to be resolved by line management.	• Impact is contained within the department and compensating controls would detect errors • Possibility for fraud exists • Control failures identified but not in key controls • Non-compliance with procedures / standards (but not resulting in key control failure)
Low	Findings that identify non-compliance with established procedures.	• Minor control weakness • Minor non-compliance with procedures / standards
Improvement	Items requiring no action but which may be of interest to management or best practice advice	• Information for department management • Control operating but not necessarily in accordance with best practice

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