

Audit Committee, 11 November 2020

Matters Arising

Executive summary and recommendations

Attached is an actions list as agreed at the last public meeting of the Audit Committee.

	Action point (and location in the minutes)	For the attention of/ Comment on progress
17 September 2020		
1	<p>Item 6. Matters arising (report ref: AUD 40/20)</p> <p>The Executive confirmed to the Committee that matter arising 10 was planned as an internal debrief, reflection and discussion, on the Annual Report and Accounts. Feedback would be presented at a subsequent Audit Committee, with the opportunity for members to add their comments to influence the 2020/21 report. The Executive agreed to consider timing and add to the Committee forward planner. Action – Executive (6.2)</p>	<p>Executive -</p> <p>This has been completed.</p> <p>The Annual Report and Account plan will be presented in the November Audit Committee meeting.</p>
2	<p>Item 6. Matters arising (report ref: AUD 40/20)</p> <p>The Executive confirmed to the Committee that matter arising 15 was to consider a standalone meeting, for Audit Committee to consider next year’s Annual Report and Accounts. The Head of Governance and Chair of Audit Committee would discuss this outside the meeting. Action Point – Executive/Committee (6.3)</p>	<p>Executive -</p> <p>Discussion has been held, and concluded that a separate standalone meeting is not appropriate for next year.</p>
3	<p>Item 7. Draft annual report and accounts 2019-20(report ref: AUD 41/20)</p> <p>It was queried whether the Department of Education was a related party and therefore whether the grant received in relation to the transfer of Social Workers to Social Work England need be listed in the Related party transactions section. The Executive agreed to clarify the point to the Committee. Action – Executive (7.6)</p>	<p>Executive -</p> <p>Department of Education is not a related party of the HCPC, no change to the disclosure has been made in the AR&A.</p>

4	<p>Item 7. Draft annual report and accounts 2019-20(report ref: AUD 41/20)</p> <p>The Executive agreed to report back to Audit Committee as to what plans were in place in relation to a point on page 16 of the report where it states, “ We will closely monitor the value of our properties and update the value as circumstances change.” Action – Executive (7.7)</p>	<p>Executive -</p> <p>Our accounting policy states that valuation for land and buildings will be performed with a maximum interval of five years. Due to the current uncertainties, we will continue to revalue on an annual basis. During the year, we plan to review updates from the Royal Institutes of Chartered Surveyors (RICS) which will provide an outlook into the property market. The monthly CBRE indexation also provides an insight into the property capital value. Any indication of a material negative impact (5%) on property value will prompt us to revisit the valuation with the surveyor.</p>
5	<p>Item 7. Draft annual report and accounts 2019-20(report ref: AUD 41/20)</p> <p>The Executive agreed to report back to Audit Committee to clarify what plans were in place to ensure HCPC remains current with up to date information relating to equality and diversity, as referenced on page 45 of the report. The Committee agreed that a reflection session, following a year of EDI (Equality, Diversity and Inclusion) work should be considered for inclusion in the workplan for next year. Action – Executive/Committee (7.8)</p>	<p>Executive/Committee -</p> <p>This will be considered when as part of a Committee discussion on future workplan</p>
6	<p>Item 9 External Auditor’s report 2019-20 (report ref: AUD 43/20)</p> <p>The Executive agreed to incorporate the latest position of the external audit recommendations into the Internal audit recommendations tracker, to assist the Committee in tracking their progress. Action – Executive (9.4)</p>	<p>Executive -</p> <p>This has been completed and is included in the new-look recommendations tracker.</p>
7	<p>Item 11.iii. Internal Audit Plan 2020-21 progress update (report ref: AUD 47/20)</p> <p>11.iii.7 The Executive agreed that there would be value in completing a review of ‘where the organisation is now’ and ‘how the organisation has adapted’ from a business continuity and employee lens. The Executive and Committee</p>	<p>Executive/Committee -</p> <p>This will be added to the list of future internal audit areas for consideration.</p>

	will consider this for the new year as either part of this audit cycle or planned for the next. Action – Executive/Committee 11.iii.7	
8	Item 11.iii. Internal Audit Plan 2020-21 progress update (report ref: AUD 47/20) BDO agreed to produce an ‘insight’ piece of how other organisations are reacting to the pandemic to share with the Executive and Committee. Action – BDO (11.iii.8)	BDO - have provided a document titled, “Covid considerations for Audit Committees”
9	Item 12 Strategic Risk Register and development plan (report ref: AUD 48/20) The Executive agreed to reflect ‘Brexit’ in the list of current risk influencers. Action - Executive 12.11 The Executive agreed in relation to strategic risk 1, to make more explicit the fitness to practise backlog as highlighted in the Annual Report and Accounts. Action – Executive (12.10)	Executive - Both Complete
10	Item 12 Strategic Risk Register and development plan (report ref: AUD 48/20) The Committee agreed to focus attention on strategic risk 5 about governance and culture at its next meeting, recognising the importance of governance at the time of pandemics. The Committee will consider at future meetings risks that have longer timelines to becoming within risk appetite, and to also explore financial planning and analysis as a new and developing area. Action – Committee (12.12)	Executive/Committee – The Chief Executive will lead a discussion on strategic risk 5, failure of governance, leadership and culture at Audit Committee on 11 November 2020.
11	Item 16. Internal audit recommendations tracker (report ref: AUD 52/20) The Secretary to the Committee agreed to review the layout of the tracker and open recommendations with the Chair of Committee. Action – Executive (16.2)	Executive - This has been completed by the Secretary to the Committee and successfully tested with the Chair of Audit Committee. Further feedback from the Audit Committee will be welcomed.
12	Item 19. Date & time of next meeting: The Executive will provide 2021 dates to the Independent Committee Member once they have been agreed by Council. Action – Executive (19.2)	Executive - Audit Committee future dates have been agreed and communicated to the Independent Committee Member.

Decision

The Committee is requested to note the document. No decision is required.

Background information

Please refer to individual papers and minutes for the background to decisions.

Resource implications

None

Financial implications

None.

Appendices

None.

Date of paper

3 November 2020