

Strategic Risk Register

Executive Summary

Strategic Risk 1 has been redefined and reflects service challenges and the response of surge support, progress with legislative change for remote hearings and FTP improvement progress.

Strategic Risk 3 now focuses on data only with Professional Liaison moved to SR2.

Strategic Risk 4, EDI collection continues to improve, but physiotherapist renewal issues and international application delays may have a negative impact on perception. Surge support is increasing throughput of applications and online services in place and being delivered shortly will help address fluctuations in workload.

Target Risk for Strategic Risk 5 has been adjusted to provide a more realistic target for the current climate. External factors make up part of the background reasoning for this decision.

This is the first iteration of Strategic Risk 6, but highlights the external factors, including timing and funding issues influencing planning and scaling up likely to be required for legislative reform. SR6 will be the subject of this meetings Deep Dive and will be addressed by the Chief Executive.

Previous consideration	The Committee reviews the Strategic Risk Register at each meeting.
Decision	<ul style="list-style-type: none">• The Committee is invited to question and provide feedback on the content of the register.• The committee is asked to agree the theme for discussion of the Strategic Risk Register in September 2022
Next steps	The committee will receive the next report at their meeting in September.
Strategic priority	The strategic risks are relevant to all aspects of the Corporate Strategy 2021-26

Financial and
resource
implications

None.

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HCPC Strategic Risks

Summary of strategic risks

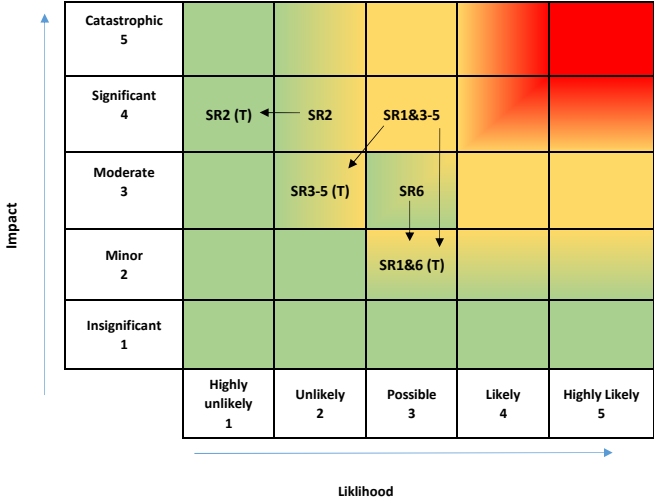
Strategy	Strategic Risks - High Level	Risk Description	Jun-22	Target Risk*
1 - Continuously improve and innovate - To improve our performance against PSA standards of good regulation and to innovate across all our regulatory functions to provide an enhanced user experience.	1. Our regulatory performance does not meet the expectations of our stakeholders and as a result stakeholders have negative experiences of our regulation	This includes the appropriateness of the timeliness and quality performance targets we set ourselves, being in line with the expectations of our stakeholders. This requires awareness of new developments within the regulatory sector and strong stakeholder engagement to ensure expectations are understood. This risk also relates to the experiences of those participating in our regulatory processes, for example registrants, witnesses, professional bodies and education providers.	12	6
2 - Promote high quality professional practice - Enable our professions to meet our standards so they are able to adapt to changes in health and care practice delivery, preventing harm to service users.	2. The HCPC's regulatory expectations are not appropriate or not understood by registrants and other stakeholders	This includes the quality and suitability of our standards and guidance in setting a threshold for safe practice which protects the public. It also includes how effectively we communicate our regulatory expectations, and the effectiveness of our professionalism and upstream regulation work.	8	4
3 - Develop insight and exert influence - Learning from data and research to inform our decision making and share insights to protect, promote and maintain the health, safety and well-being of the public.	3. We are unable to harness the benefits of the wealth of data we hold	This includes our effectiveness in collecting, maintaining, and utilising the data we need to be an intelligence driven regulator. It includes the effectiveness of our insight and intelligence work. It relies heavily on the work of the digital transformation and IT team and includes operational reporting in the Corporate Services team. It also relies on regulatory teams inputting information.	12	6
4 - Be visible, engaged and informed - We regulate, take and communicate decisions which are informed by a deep understanding of the environment within which our registrants, employers and education providers operate.	4. We do not understand our stakeholders needs and so are unable to be as effective a regulator as we can be	This includes how effectively we engage with our stakeholders and our credibility with them and how well we play our part in the wider system. It includes our EDI practice externally, the ability to respond and influence external drivers for change, like the impact of Brexit, devolution or a change in government as well as issues like workforce development.	12	6
5 - Build a resilient, healthy, capable and sustainable organisation - Employees feel valued and supported, and fully able to contribute. The organisation is resilient and able to quickly adapt to changes in the external environment.	5. The resources we require to achieve our strategy are not in place or are not sustainable.	This risk includes not securing the resources we need to be effective and / or not being efficient and effective in our use of our resources (resources include financial, knowledge, skills, culture, infrastructure). It includes the development of our culture, people and physical assets, our continued financial viability and the significant failure of key business processes.	12	6
6 - Promoting the value of regulation - The public, registrants, students and employers understand the value and importance of regulated health and care professionals.	6. HCPC is unable to realise the benefits of regulatory reform, or these benefits are significantly delayed	Regulatory reform is an essential component to helping HCPC realise its strategic ambition to provide a more human and compassionate regulation through the timely and proportionate disposal of fitness to practice cases.. Benefits also include greater flexibility to make process efficiencies, greater control over funding to enable financial sustainability in the long term and modernise governance structures. This risk includes the HCPC's capacity and capability to engage and influence regulatory reform effectively to ensure its benefits are realised, as well as the HCPC being viewed by government as a priority regulator for reform.	9	6

* Expected risk score post planned actions

Mitigation key

	Preventative
	Monitoring
	Detective
	Remedial
	Horizon scanning
	Best practice development
	Communication

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



Strategic risk 1 - Our regulatory performance does not meet the expectations of our stakeholders and as a result stakeholders have negative experiences of our regulation

Review date
Jun-22

Risk owner
ELT Lead - Executive Director of Regulation

Risk summary
This includes the appropriateness of the timeliness and quality performance targets we set ourselves, being in line with the expectations of our stakeholders. This requires awareness of new developments within the regulatory sector and strong stakeholder engagement to ensure expectations are understood. This risk also relates to the experiences of those participating in our regulatory processes, for example registrants, witnesses, professional bodies and education providers.

Current risk influencers

- 2020-21 PSA performance report published, acknowledges progress is being made towards meeting standards
- HCPC not meeting a number of PSA standards, remediation is a longer-term effort due to case length
- Increasing international application volumes requiring more resource to process, this has intersected with the annual peak in UK applications and renewals causing some service delays, surge support partner in place to mitigate
- A process review underway to mitigate a repeat of international processing service issues. Surge-support partner contracted to process 4.5k international applications. Developed a specific international application team within Registration to ring fence needed resources
- Online applications project progressing well with international applications now online and plans to roll this out to UK and readmission applications in 2022-23
- Resourcing pressures within regulation directorate due to turnover and competitive employment market. Review of roles and remuneration planned
- The second tranche of FtP Improvement projects are in delivery, remaining focus on embedding of tranche 1 benefits
- Potential for ongoing covid disruption as BAU in new normal and need to mitigate for this in planning
- 2022-23 budget approved by Council provides the needed resources to deliver BAU work and planned improvement projects.
- Pre engagement from stakeholders on planned international recruitment in 2022-23 increases confidence in forward resource needs
- First successful in person hearings held post pandemic restrictions outside of the closed 405 tribunal centre. Permanent legislative provision for remote hearings progressing, consultation analysis underway for presentation to Council May 22
- Education QA model is new and in its first year of running, so stakeholders could experience disruption as the model beds in

Mitigations in place

- Enhanced second line QA plan for 2022-23 to review success of improvements in FtP (and registration & education) in addition to first line QA activity in place, such as the FtP DRG and panel member feedback following each hearing.
- FtP improvement programme and governance in place, FtP improvement oversight board regularly meeting with attendance of PSA and DHSC. Regular self-assessment against PSA standards reported to Council.
- Cross organisational working group focused on PSA standards attainment and learning from other regulators good practice. Participation in inter-regulatory working groups to share good practice and discuss common issues, this is also provided through the use of a panel of legal providers for FtP matters with experience of how other regulators have improved processes.
- Monitoring regulatory performance through performance reporting and KPIs
- Mature feedback and complaints service in place focused on extracting learning when things go wrong.
- Surge support partner in place to address increase in international application volumes and minimise any delay to stakeholders. Online application capability in place for international applications.
- Regular learning and development for Partners and employees
- Registrant health and wellbeing strategy in place.
- Wide range guidance on HCPC's regulatory processes available on our website
- Stakeholder perception survey baseline established

Reporting period commentary

Risk Influencers - represents service challenges in registration due to increased international applications, also represents positive impact of surge support partner in place. Positive influencers include progress of legislative provision for remote hearings, process reviews, horizon scanning and FtP improvement progress

Risk Score - First scoring as risk was redefined with Council approval. FtP, Registration and Education functions have differing risk profiles, this score represents the amalgamation

Planned Mitigations - good progress in initiating workstreams at start of year. Online UK applications due to go live June will be a significant step forward, international applications already online

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

First scoring

Risk Appetite
Our risk appetite for actions to achieve regulatory quality is open, our risk appetite for actions relating to compliance is measured.

This risk needs to be rated in the green/amber range to meet the risk appetite due to the measured appetite for compliance (PSA standards) we currently are not meeting a number of PSA standards and have a comprehensive improvement programme in place to address this.

Reaching the target risk score is dependent on

- The launch and successful embedding of the new Education QA model.
- Registration applications being online, volumes reducing and the review of the international process.
- Changes from FTP improvement programme embed and evidence that improvement is lasting in medium – long term.

Current risk level is one level outside of risk appetite

Planned mitigations 2021-22	progress
Transition to frontloading of FtP cases (Q1-4)	Appointed external legal providers and developing front loading criteria and process aim to go live in June.
Protection of title review (Q1-3)	Work not started due to operational demands and priorities
Consolidating the benefits from the new Education QA model (Q3-4)	Paper will be presented to ETC (Sept)
Delivery of future Registration Operating Model including international process review (Q1-4)	Pilot to ringfence international team commenced
Delivery of education provider self-service (Q1-2)	MUP of the Education portal completed and deployed at the end of March
Expand delivery of online Registration services to include UK and readmission applicants (Q1-3)	UK Online portal target for launch on the W/C 6th June 2022
Delivery of Phase 2 of FtP Case Management System	Preparing for Initiation in June. Discovery phase complete
Increased support available for registrants involved in FtP cases, including development of a registrant support line (Q3-4)	Work not started yet.
Lay Advocacy support provision for members of the public and witnesses (including registrants) (Q2)	Initial onboarding and set up with a supplier, training with team (May) launch the support programme from June.
Review of the HCPC's FtP tone of voice to be more compassionate and accessible. (Q1-3)	Review of templates progressing

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

Risk summary

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

Current risk influencers

- Professional liaison team - Scotland based resource in place and beginning engagement events. 22 PL events planned between March and May 22 demonstrating increase of reach possible.
- Recruitment for key roles in Policy and Communications teams successful bringing the team to full complement once post holders join.
- Materials supporting registrant understanding of Duty of Candour, Reflective practice guidance and supervision toolkit published.
- Revised SOPs approved by Council March 22. Implementation planning well developed and wide ranging.
- Review of SCPE commenced.
- ⊕ 2022-23 includes a review of SCPE, implementation of SOPs and launch of SETs review. These are our three cornerstone standards and delivering this volume of work could be challenged by regulatory reform resource demands depending on timing of HCPC reform.
- ⊕ Changes to SOPs may pose risk to registrant understanding of expectations if implementation plan not effective.
- Project to develop preceptorship guidance commenced this includes commissioning research.
- ⊕ Changing expectations of our professions' practice, including as a result of pandemic response, technology or other societal events.

Mitigations in place

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

Review date

Jun-22

Risk owner

ELT Lead - Executive Director of Professional Practice and Insight

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

No change

Risk Appetite

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

This makes the risk appetite target level within tolerance if below amber. We are confident that our standards and guidance are fit for purpose and so this risk is currently within risk appetite.

However, to maintain that control onward reviews are essential to ensure standards are constantly kept under review to maintain relevance to changing practice and the wider health sector.

Current risk level is within risk appetite

Planned mitigations 2021-22

progress

- | | |
|--|---|
| <ul style="list-style-type: none"> 🔊 Publication and implementation of revised Standards of Proficiency (SoPs)(Q1) 🔊 Review of Standards of Conduct, Performance and Ethics (SCPE) and launch consultation on any proposed revisions. (Q2-3) 🔊 Initiate review of Standards of Education and Training (Q4) 🔊 High quality programme of #myhpcstandards events to promote excellence in professional practice, eg duty of candour, sexual misconduct, reflective practice, supervision and professionalism, and some profession specific events based on evidence of risk (Q4) 🔊 Carry out preparedness for practice research (Q2-4) Engagement and consultation on the development of preceptorship guidance (Q3-4) 🔊 Review social media guidance and develop and consult on revised approach as required (Q3) 🔊 Expanded Professional Liaison Service, achieving presence in each UK nation. (Q3) Increased number of 'Joining the UK workforce' events (Q1-4) 🔊 Development of employer hub and increase in subscriptions to Insights for employers (e-newsletter) (Q3) Partner with identified employers and deliver a programme of employer events (Q4) | <ul style="list-style-type: none"> ➡ Council approved SOPs in March. Commenced implementation plan. ➡ paper will be brought to June ETC meeting to launch process ➡ No update for this quarter. ➡ Programme of #myhpcstandards webinars planned and will begin on 8 June with a webinar about reflective practice. Promotion of events has commenced. ➡ Policy Manager now in post (May) leading on the project. Preceptorship paper will be presented at ETC (Sept) with the aim of going to July Council. ➡ No update for this quarter. ➡ Professional Liaison Consultant (Scotland) joined the team in April 2022, recruitment for Consultant posts in Wales and Northern Ireland will commence in Q2. ➡ Employer e-newsletter published May 2022, dedicated engagement events with targeted employers commenced |
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Reporting period commentary

Risk influencers - reflect significant piece of work, review of SOPs approved and planning for implementation progressed. The recruitment of a PL consultant based Scotland is a positive influence as it is expanding our reach with the aim to build the team to be UK wide. Resources in policy team also at full complement following successful recruitment.

Mitigations progress - good progress made on planned mitigations implementation

Risk score - is not expected to reduce over 2022-23 but may increase should regulatory reform for HCPC commence as this would require reprioritisation of Policy resource and other standards related workstreams may not progress as planned in response

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

Review date
Jun-22

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

Risk summary

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

Current risk influencers

- Programme for data excellence, a Corporate Plan 22-23 commitment, has commenced with initial work on data dictionary. While no data platform in place yet, IT team delivered successful proof of concept for the first use of a limited data lake, improving the accessibility of some data sets
- HCPC still at beginning of data capability improvement with significant development still required
- Data Engineer recruited due to join HCPC in July. Insight and Analytics apprenticeship developed recruitment to commence in June
- Ongoing risk of single point of failure for operational performance data reporting. Capability and capacity challenging and underutilisation of Power BI functionality. Executive considering future approach
- Analysis of FTP outcomes linked to age and sex EDI characteristics produced. April 22
- 1st provisional house statistical analysis report on EDI data was published in September 21
- % of registrant EDI data held has improved with 57% of those renewing opting to provide data. System improvements will go live in September to increase prominence of data collection as part of online registration processes
- Partnership funding secured which includes funding to improve our data capabilities
- Insights and Intelligence Framework setting out priorities and approach for data analysis approved Sep21 in delivery

Mitigations in place

- 📢 Publication of FtP, Education and Registration information and datasets through annual reports and FOI requests
- 🔍 Insights and Intelligence Framework agreed, setting out priorities and approach for data analysis.
- 👤 Dedicated resource for Analysis and Intelligence and Professionalism and Upstream Regulation

Reporting period commentary

Risk Score - While good progress has been made in the reporting period we do not expect the risk score to reduce until the programme for data excellence is well progressed and delivering results. The additional of data engineer expertise will also improve the risk outlook once embedded. As agreed during the review of strategic risks in March 22, professional liaison work has been moved out of SR3 into SR2 to enable greater focus on data in SR3.

Planned mitigations - Many are interlinked and interdependent

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

No change

Risk Appetite

Our risk appetite for actions to achieve regulatory quality is open, the appetite for actions related to communication and profile is seeks. These categories are not a direct link however and consideration is needed of the future expectations for data use in regulation and that we are at the start of our development in this area. . Therefore, our appetite for this risk is to be within the green-amber scale rather than a higher appetite.

To reach our target we need to have the data platform in place to enable an analytics environment. We will require a more substantial I&A team, as well as more systematic data collection through online applications to increase the % of registrant characteristics data held.

Current risk level is one level outside of risk appetite

Planned mitigations 2021-22	progress
🏗️ Agreed and assured official data set(s) incorporating all aspects of HCPC business. (Q3)	➡️ On track
🌟 Agreed definitions, standards, processes and procedures for data. (Q3)	➡️ Work commenced as part of Programme for Data Excellence
📊 Production of public facing dashboards and reports using assured data and agreed standards (Q4)	➡️ Dependent on actions above
👥 Expand Insight & Analytics team through the establishment of a new data scientist degree apprenticeship (Q2)	➡️ On track
🔍 Analysis of FtP outcomes by diversity characteristics, focusing on age and sex, where data is available (Q1-2)	➡️ Council seminar held in April and work progressing
🔍 Use fitness to practise and other data to explore risks and establish characteristics of 'high-risk' registrants (Q1-4)	➡️ Will build on action above

Strategic risk 4 - We do not understand our stakeholders needs and so are unable to be as effective a regulator as we can be

Risk summary

This includes how effectively we engage with our stakeholders and our credibility with them and how well we play our part in the wider system. It includes our EDI practice externally, the ability to respond and influence external drivers for change, like the impact of Brexit, devolution or a change in government as well as issues like workforce development.

Current risk influencers

- An interim stakeholder CRM has been implemented to improve stakeholder engagement management and insights. Relationship managers system embedding well and being implemented with agreed prioritisation. Strategic Relationships Lead recruited and will join HCPC in May. Recruitment of Communication Business Partners successful.
- Two quarterly professional body forum meeting have been held since introduction
- Service responsiveness within registration impacting negatively, forms a risk to HCPC reputation. Surge support has been put in place
- Social media activity relating to physio renewals causing unnecessary concern to stakeholders and registrants.
- Positive engagement in public affairs on regulatory reform, the value of regulation and development of the Health and Social Care Bill
- Ops functions not resourced to respond as quickly as other regulators to urgent Government needs
- Positive engagement across the 4 nations in the reporting period. Scotland based Professional Liaison resource in place and has commenced engagements
- EDI action plan approved by Council March 22. EDI Strategic Lead delivering speaking engagements with professional bodies. % of registrant EDI data held has improved with 56% of those renewing opting to provide data, focus on increasing complainant EDI data collection included in 2022-23 priorities

Mitigations in place

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

Reporting period commentary

Risk influencers - Negative impact on perception due to responsiveness issues in registration (due to surge in applications) in reporting period physio renewals resulted in negative sentiment from professional body. Positive elements include the approval of the EDI action plan and establishment of internal steering group to monitor progress. % data held increased to 56% was 45% at time of March report.

Risk score - We do not anticipate the risk score reducing and expect a negative impact on stakeholder sentiment should the HCPC seek to increase its fees in 2022-23 to fund essential development work to meet stakeholder expectations.

Planned mitigations - first planned mitigation complete will move into mitigations in place next iteration.

Review date
Jun-22

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

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

Risk Score

25

12

6

No change

Risk Appetite

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

To meet our target risk our new engagement approach needs to embed which involved organisation wide relationship managers, an central CRM system is required for this to be truly effective. The target also requires the scaling up of the Liaison service to have UK wide engagement. This risk is also dependent on being able to deliver stakeholder expectations such as more automated processes.

Current risk level is one level outside of risk appetite

Planned mitigations 2021-22	progress
EDI action plan launched with suitable internal EDI oversight group (Q1)	✓ Action plan launched, steering group established, implementation of action plan has commenced
Internal audit of our organisation-wide approach to EDI, with actions to address any recommendations (Q4)	→ Work not started yet
Introduce analysis of our Staff Survey results by protected characteristics (Q3)	→ Hybrid working staff survey responses will be analysed by protected characteristics.
Introduce formal consideration of impact on our EDI objectives for all relevant ELT and Council decision (Q2)	→ All papers are asked to include a brief commentary on EDI issues, future plans to develop more detailed scrutiny
Complete evaluation of initial year of devolved relationship management model (Q4)	→ Work not started yet
Planning/scoping for service user engagement project (Q3)	→ Work not started yet

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

Risk summary

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

Current risk influencers

- Longer term approach to business planning is a focus, mapping of the delivery of the 5 year strategy and clear timetable in place for CP and Budget approved. Income strategy development commenced
- NMC Partner worker status legal test case result not found in favour of NMC - impact on HCPC to be determined when Appeal situation more clear May be required to adjust investment expectations if Right to Appeal decision is not favourable
- System process interface issues between finance and registration systems, selected supplier did not sign the contract so required to retender over the next month or so. Head of IT & Digital Trans leading project. Aiming to be completed in time to ease Audit and Annual Report process
- Working group established to support external audit 2021-22, learn from challenges of 2020-21 and mitigate issues
- Paper to PRC June 2022 to discuss advice from Specialist consultancy on Estates plans and options. Increased Hybrid working at office
- Majority of organisation remote working increases risk of silo working
- Ongoing requirement to fund development and maintain financial stability, dependant on external factors and internal factors
- Grant funding for Covid response secured. Funding for data development from partnership at contract stage. Additional grant funding options being sought from DHSC etc. Temporary Register financial support from DHSC likely to finish within next 6 months
- People strategy approved and launched. First two tranches of HR policies reviewed based on prioritisation of impact
- New normal ways of working all employee survey results positive and formalising hybrid working as normal is underway, though delay due to another period of restrictions over winter 21-22
- Finance team roles being filled with the right skills and capability to support the wider business. Few further roles to support systems and cross department functions in place or being developed. Some employees on loan from Registration to assist. Improved cross dept working
- Change management framework in place with a focus on benefits realisation and change control governance

Mitigations in place

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

Reporting period commentary

Planned mitigations

Workforce planning & recruitment - Comms with SLG on workforce planning, identify skill gap analysis. Learning development discussions with L&D manager. Apprenticeship offerings, policy and insights team. Agency staff usage has reduced from last quarter.

Modernisation of IT infrastructure - work underway to modernise security policies, laptops and server usage to ensure work in cloud-based way – business continuity and disaster recovery also included.

Financial system upgrade - Implementation of financial system delayed due to submitting a retender. However, the recent appointment of Financial Controller and with year end plans in place will facilitate progress

Establish a framework for change and benefits management - approach for Benefits and Change framework identified through a group workshop and overview of approach presented to SLG. Project initiation framework being updated to mandate benefit identification at point of Initiation and trackers being developed. Guidance being developed and will be presented for approval to ELT to mandate benefit plan prior to investment start.

Environmental Sustainability Strategy - on track – collating historical details across areas of business to measure our position with advice where required to develop strategy and roadmap and objectives within that strategy.

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

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

No change

Risk Appetite

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

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

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

Current risk level is one level outside of risk appetite

Planned mitigations 2021-22	progress
Develop a comprehensive, strategic workforce plan (Q3)	On track
Review and relaunch our recruitment processes and induction programme to streamline onboarding (Q2)	Review of requirement processes and induction programme underway
Introduce Aspiring Leaders programme to develop our future leaders to ready them for management roles. (Q3)	Reviewing providers to deliver training
Undertake Hybrid Working pilot, establish future ways of working and the facilities and technologies needed, introduce a Hybrid working policy and supporting guidance (Q2)	Pilot underway, workshops held guidance documents produced. Office space being reconfigured and roll out of HCPC laptops to all staff
Review and update the Digital Transformation Strategy (Q3)	No update for this quarter
Modernisation of our IT infrastructure (Q3-4)	Work underway
Implement an upgrade to our financial system (Q4)	Delayed
Develop a Financial Sustainability Strategy (Q2)	Paper to Council in May for approval.
Establish a framework for change and benefits management (Q2)	Work underway
Develop an Environmental Sustainability Strategy and implement baseline analysis (Q3)	Work underway

Strategic risk 6 - HCPC is unable to realise the benefits of regulatory reform, or these benefits are significantly delayed

Risk summary

Regulatory reform is an essential component to helping HCPC realise its strategic ambition to provide a more human and compassionate regulation through the timely and proportionate disposal of fitness to practice cases. Benefits also include greater flexibility to make process efficiencies, greater control over funding to enable financial sustainability in the long term and modernise governance structures. This risk includes the HCPC's capacity and capability to engage and influence regulatory reform effectively to ensure its benefits are realised, as well as the HCPC being viewed by government as a priority regulator for reform.

Current risk influencers

- HCPC engaging with DHSC on how the recommendations of KPMG on the future regulatory landscape will be taken forward.
- HCPC engagement on Health and Social Care Bill led to positive change.
- Performance against PSA standards could increase organisational vulnerability during a time of regulatory reform.
- Continued uncertainty on timing of GMC s.60. Absence of an overall roadmap for reform after the GMC's s.60
- Working group meeting weekly to oversee HCPC activity and engagement on reg reform this includes a dedicated policy resource to enable HCPC to feed into legislative drafting.
- Funding unable to scale up to meet needs of regulatory reform due to parliamentary approval of fees and associated long process to achieve this
- Draft GMC s.60 shared with regulators for comment, HCPC has participated in cross regulatory, and DHSC, round table discussions. HCPC working collaboratively with NMC to ensure HCPC is a priority for reform
- Focus on bringing forward the regulation of Physicians Associates through GMC s60 at the detriment of other regulators requirements
Personnel change within DHSC, longstanding main contact will change. Complexity and progress of regulatory reform.
- Positive and wide-reaching engagement with HCPC stakeholders on regulatory reform. Includes meeting with the four health ministers.
- Collaboration with stakeholders such as HEE and NHSEI provides organisational experience for greater cross organisational collaboration on workforce as aimed for in regulatory reform
- Proven model of multi profession model of regulation. Reform agenda open to benefits of model

Mitigations in place

- ☀ Communications and strategic engagement, including parliamentarians, on regulatory reform supported by Luther Pendragon.
- 🏗 Some dedicated policy resource in place
- 🕒 Weekly internal steering group
- 🔍 Participation in cross regulator analysis of draft legislation and other regulatory themes and exploring joint working with NMC
- 📊 Funding and resource required for progression of regulatory reform quantified within budget as a financial risk. Assessment of de-prioritisation of other development work undertaken to create capacity for regulatory reform.
- 🏗 HCPC medium term financial plan in place to seek to make provision for regulatory reform.

Reporting period commentary

Influencers and risk score - first scoring as risk is new agreed by Council. HCPC is not in control of many of the influencers of regulatory reform and its progression. A key driver of the risk is the uncertainty of timescales presenting a challenge to resource planning and scale up. Additional resource will be required, HCPC is unable to fund this until it is required which is unknown, and the job market is competitive as experiences with recent recruitment. Benefits of regulatory reform well understood from draft legislation presents a rare opportunity to transform stakeholders experiences of regulation.

Review date
Jun-22

Risk owner
ELT lead - Chief Executive

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

First scoring

Risk Appetite

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

Current risk is within appetite.

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

Current risk level is within risk appetite

Planned mitigations 2021-22

- | | progress |
|--|--|
| ☀ Engagement with DHSC on regulatory reform as they develop GMC's legislation as a blueprint for our own. (Q2) | ➡ Responded to DHSC consultation, maintaining engagement with stakeholders. Awaiting timetable details to inform resourcing. |
| 🏗 Develop a Financial Sustainability Strategy (Q2) | ➡ Paper to Council in May for approval. |

Risk Likelihood scoring

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

Risk impact scoring

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

HCPC Risk Appetite - agreed February 2021

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