Audit and Risk Assurance Committee
16 September 2021

hcpc | health & care professions council

Strategic Risk Register

Executive Summary

The presented Strategic Risk register has been reviewed and updated at the beginning of September 2021.

As previously agreed there is no thematic review of the Strategic Risks due at the meeting, instead the focus of discussion will be on the Operational Risk Register and the Committee's future engagement.

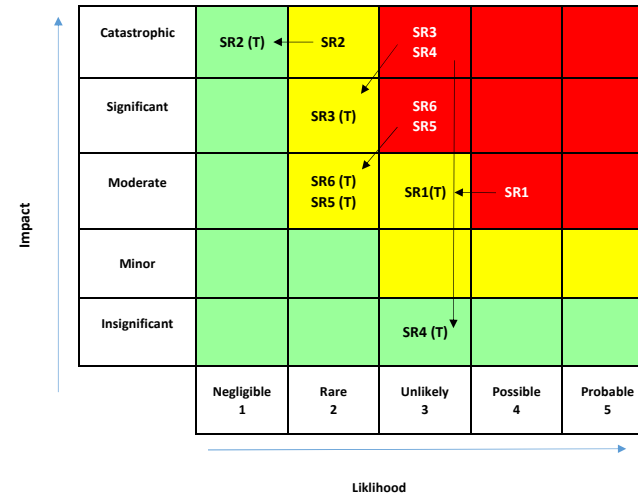|	
Previous consideration	The Committee reviews the Strategic Risk Register at each meeting. The Committee has previously provided feedback on the development of the new Strategic Risks.
Decision	The Committee is invited to question and provide any feedback on the content of the register The Committee is asked to agree the theme for discussion of the Strategic Risk Register in November 2021.
Next steps	The Strategic Risk Register will be included in the Chief Executive's report to Council in September 2021.
Strategic priority	The proposed strategic risks are relevant to all aspects of the Corporate Strategy 2021-26.
Financial and resource implications	None as a result of this update.
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HCPC Strategic Risks

Summary of strategic risks

Strategy	Strategic Risks - High Level	Risk Description	Sep-21	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 performance does not improve to a standard that enables us to achieve all the PSA standards of good regulation. In seeking to meet these standards we lose focus and lose standards in other areas	This includes our understanding of the PSA's expectations and the gap in our current performance we need to meet. This requires positive and ongoing engagement with the PSA and effective mechanisms for performance improvement and monitoring of our regulatory quality	12	9
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	10	5
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, and professionalism and upstream regulation 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.	15	8
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 stakeholder's needs and so are unable to be the regulator they (the wider system) need	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.	15	5
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. We are unable to demonstrate the value of regulation due to negative experiences of our regulation in practice	This risk includes ensuring a human and compassionate approach in our regulatory processes, our stakeholders experiences of our customer service. It also includes the promotion of the value of regulation and of the value of the professions we regulate. As outdated legislation contributes to bureaucratic processes this risk includes maximising the benefit to the HCPC of upcoming regulatory reform.	12	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)

Impact	Negligible 1	Rare 2	Unlikely 3	Possible 4	Probable 5
Catastrophic		SR2 (T) ← SR2	SR3 SR4		
Significant			SR3 (T)	SR6 SR5	
Moderate			SR6 (T) SR5 (T)	SR1(T) ← SR1	
Minor					
Insignificant			SR4 (T)		

Liklihood

ARAC 29/21
16 September 2021

Strategic risk 1 - Our performance does not improve to a standard that enables us to achieve all the PSA standards of good regulation. In seeking to meet these standards we lose focus and lose standards in other areas

Review date	Risk owner
Sep-21	SMT Lead - Executive Director of Regulation

Risk summary

This includes our understanding of the PSA's expectations and the gap in our current performance we need to meet. This requires positive and ongoing engagement with the PSA and effective mechanisms for performance improvement and monitoring of our regulatory quality

	Impact		Liklihood	Risk Score
Inherent risk	5	x	5	25
Current risk	3	x	4	12
Target risk (planned mitigations in place)	3	x	3	9

No change

Current risk influencers

- ➕ HCPC not meeting a number of PSA standards, remediation is a longer term effort due to case length.
- ➖ 2020-21 PSA performance report published, acknowledges progress is being made towards meeting standards.
- ➕ Reduced productivity of registration team during home working due to some infrastructure limitations for call volumes.
- ➕ Brexit closure of EEA process 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.
- ➖ Temporary staff in place in registration to address the summer peak in volumes. Registration office based working has increased to mitigate infrastructure limitations.
- ➖ Online applications project has commenced, International applications est close of Q3 and UK close of Q4.
- ➖ Confidence in effectiveness of Comparable Qualifications List process checks and balances due to a live case and quick response, additional controls to be agreed by ETC September 21.
- ➕ Pandemic impact progression of cases due to pressures on health sector.
- ➖ Council approved significant funding for a renewed FtP improvement plan. The second tranche of projects to are in planning following the completion of the first tranche.
- ➖ Pilot for new Education QA model progressing aim for ETC decision for full implementation in September 21.
- ➕ Closing of 405 tribunal suite and project to adapt space in Park house to hold hearings has the potential for disruption and possible that temporary accommodation needed.
- ➖ Permanent legislative provision for remote hearings progressing and expected Q4. Legal advice that current legislation does not explicitly prohibit remote hearings.

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 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 1. The launch and successful embedding of the new Education QA model. 1. Registration applications being online, volumes reducing and the review of the international process. 3. Changes from FTP improvement programme embed and evidence that improvement is lasting in medium – long term.

Current risk level is outside of risk appetite

Mitigations in place

- 🔍 Enhanced QA plan for 2021-22 to review success of improvements in FtP (and registration & education)
- 📈 FtP improvement programme and governance in place, FtP improvement oversight board regularly meeting with attendance of PSA and DHSC
- 📊 Monitoring regulatory performance through performance report and KPIs (All, ongoing)
- 📊🔭 PSA improvement action plans for other PSA standards in place monitored by internal working group & regular self-assessment against PSA standards reported to Council
- 🚧 Regulatory functions refined to allow remote operation (COVID-19)
- 🚧 Regular training for Partners and employees
- 🔭 Learning through review of PSA performance reviews of other regulators and commissioned reviews within the sector
- 📎 Temporary resource in place to address increase in international application volumes, telephone infrastructure has been improved to enable higher call volumes.

Planned mitigations 2021-22   progress

Mitigation	Progress
✨ New Education Quality Assurance Model project (Q1-4).	➡️ On track for September 21 full implementation decision.
🔭 PSA standard improvement action plan (PSA Action Plan Working Group) (Q1-4).	➡️ Action plan for 2021 produced.
📎 FtP Improvement Plan (FtP Q1-4).	➡️ On track second tranche of projects in planning
✨ New FtP Case Management System (improved performance data visibility). (Q1)	➡️ Phase one complete system launched and in use. Phase two initiating.
🔭 Registration workplan includes review of international process. (Q3)	➡️ Will shortly initiate
✨ Online applications project	➡️ Initiated, international expected Nov 21 UK March 22.

Reporting period commentary

Risk influencers - reflect publishing of PSA 2020-21 report and increase in registration volumes. We have a new mitigation in place which is an incrase in temporary resources, and we will consider further resource to return us back to our standard levels if needed. For the PSA report, the tone is positive and recognises our progress but there is a need to ensure stakeholders understand the improvement trajectory set out to Council in May 2021.
Planned mitigations - Review of international process brought forward from Q4 to Q3. New planned mitigation, online applications project. Phase one of CMS project complete, phase 2 initiating.
Risk score - no change, would reduce due to confidence in the FTP improvement programme but the volume and service delays in Registration prevent this currently.

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

Review date	Risk owner
Sep-21	SMT Lead - Executive Director of Professional Practice and Insight

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

	Impact		Liklihood	Risk Score
Inherent risk	5	x	5	25
Current risk	5	x	2	10
Target risk (planned mitigations in place)	5	x	1	5

no cahnge

Current risk influencers

✚ Changing expectations of our professions' practice, including as a result of pandemic response, technology or other societal events.
▬ Professional liaison team in place.
▬ Council agreed regulatory approach to advanced practice Jul 21.
✚ Senior staff turnover, Head of Policy role vacant, recruitment underway.
▬ Public facing materials in place to support registrant understanding of standards requirements.
▬ Timetable / forward plan for regular review of standards and guidance.
▬ Reflective practice guidance published.
▬ Supervision toolkit resources approved by ETC and published.
▬ Professionalism supporting films are complete and will soon be published.

Risk Appetite

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

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

Planned mitigations 2021-22 — progress

Planned mitigation	progress
Development of learning materials for education providers and students and international registrants (Q3)	Not yet initiated
Increase partnership working & support for employers (Q3) & Develop employer hub & e-newsletter (Q4)	Not yet initiated
Professional liaison service developed and expanded (Q4)	Plans for expansion agreed
Programme of employer events delivered (Q4)	Not yet initiated
Review of the SOPs, ODP SET1, returners to practice (Q2-4)	ODP SET 1 review complete. SOPs timeline extended to enable more in depth review.
Review of our regulatory position on aesthetic/cosmetic practice (Q4)	Not yet initiated
Programme of #MyHCPCstandards events (Q4)	Events underway, positive feedback recieved.
Toolkits (professionalism, supervision, reflective practise) delivered Q4	In progress, supervision and reflective practice published.

Reporting period commentary

It is essential that the appropriateness of our standards is constantly reviewed in response to changes in the professions and external environment. SETs underpin Education function. SOPs underpin registration and FtP. SCPEs underpin all practice for our registrants. Without the appropriate policy framework, effective regulation would not be possible and would lead to failure of PSA targets across the organisation.
Risk influencers - reflect progression of a number of policy workstreams, notably advanced practice

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	Risk owner
Sep-21	SMT 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, and professionalism and upstream regulation 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.

	Impact		Liklihood	Risk Score
Inherent risk	5	x	4	20
Current risk	5	x	3	15
Target risk (planned mitigations in place)	4	x	2	8

no change

Current risk influencers

+ Low % of registrant and complainant EDI data held; registrant data currently manually collected.
- Project to capture registrant EDI data through the registration online system has launched.
+ Outstanding reports for new registration system being developed, need to upskill organisation on PowerBI.
- 1st in house statistical analysis report on EDI data presented to Council Jul 21, this will be published in Sep 21.
- I&A Framework in advanced draft, expectoration of Council presentation Sep 21.
+ Budgetary constraints limit our ability to establish systems/platform and the analytical function.
- Potential for HEE assistance to improve our data capabilities. In discussion.
+ Resource challenges, I&A manager resignation, one office in place, capacity limited.
- Recruitment of Head of Insights and Analysis (I&A) underway.
+ Data warehouse not in place - data not all accessible in a single platform, quality / accessibility issues remain.
- Review of IT and Infrastructure skills requirements underway.

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 outside of appetite, needs to reach an amber rating to be in line. Our ambition is to reduce this to an amber rating. We are at the start of our development in this area. Current risk level is outside of risk 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 outside of risk appetite

Mitigations in place

Publication of FtP, Education and Registration information and datasets through annual reports and FOI requests

Professionalism and prevention framework

Limited dedicated resource for Analysis and Intelligence and Professionalism and Upstream Regulation

Professionalism Liaison service in place influencing employers, using knowledge to effect change through engagement and advice
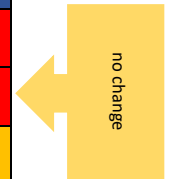
Planned mitigations 2021-22 | progress

Using our research portfolio to establish HCPC as a thought leader (externally commissioned and internal analysis) (ongoing) | Brief for research in the 2021-22 budget prepared, to be progressed when Policy Lead has capacity, reg reform priority.

Insight & Intelligence framework development (Q2) | On track to be presented to Council July 21

Deliver IT systems and operating model that allow HCPC to become more predictive in its use of data (Q4) | Not yet started

Online applications project (Q4) | Project will enable more systematic data collection. Project initiated.

Reporting period commentary

This risk is led by the Executive Director of Professional Practice and Insight with significant levels of engagement needed from across the organisation, in particular on our IT capabilities.
Risk influencers - recognises resource challenges in I&A team and ongoing recruitment. New positive influence project to enable systematic registrant data collection through online applications has launched. I&A draft framework progressing. Regulatry reform poses both a positive influence and a negative influence. This is due to the opportunity of recieving more system data to improve insight, but also the risk that we are unable to respond to external requirements to share our data in a streamlined way.
Target risk has been re-assessed, from 3x1 to 4x2 as a target of 3 was considered to ambitious given the starting point our data capabilities risk score (15) and the funding available over the next few years.

Strategic risk 4 - We do not understand our stakeholder's needs and so are unable to be the regulator they (the wider system) need

	Review date
	Sep-21

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

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. It recognises that we have numerous and diverse stakeholders across 15+ professional groupings and health provision across the 4 nations.

	Impact		Liklihood	Risk Score
Inherent risk	5	x	5	25
Current risk	5	x	3	15
Target risk (planned mitigations in place)	5	x	1	5

no change

Current risk influencers

➕ Numerous and at times conflicting stakeholder wants and needs across 15+ professional groupings. Increasing divergence in political direction across 4 nations. Covid - reduced our stakeholder ability to engage.

➕ Lack of CRM system limits our ability to align and engagement across the organisation.

➕ Operational functions not resourced to respond as quickly as other regulators to urgent Government needs.

➖ Ongoing support from consultants Luther Pendragon on public affairs has improved our confidence in external horizon scanning and ability to respond through communications.

➖ Successful engagement on regulatory reform and other legislative change eg professional qual bill .

➖ Stakeholder mapping work with Luther completed, implementation of new stakeholder management processes has imitated taking a relationship management approach.

➖ Liaison function in place and expansion funding agreed in budget. review of first year of service's work presented to Council confidence in effectiveness increased. Agreement to recruit a second consultant with a focus on Scotland.

➕ Low % of registrant EDI data held, improved to 18% but HCPC did not meet PSA EDI standard due to registrant and complainant data limitations.

➖ First analysis of EDI data presented to Council Jul 21 to be published Sep 21, comms plan to accompany to demonstrate understanding of the EDI of each profession

➖ EDI action plan undergoing QA status review ahead of new EDI lead post holder joining

➕ Several senior roles vacant in Policy, EDI and I&A. Recruitment underway. EDI lead appointed and will join in Q3

➕ Service responsiveness delays within registration impacting negatively on stakeholder opinion.

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 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 effective stakeholder process interactions and the attainment of PSA EDI standard 3.

Current risk level is outside risk appetite

Mitigations in place

- SMT relationship building and liaison with key stakeholders particularly Government Departments, professional bodies, other regulators, unions.

- Operational level engagement with key stakeholders in place across HCPC, including re Education, FtP with stakeholders such as Chief AHPs, CODH.

- 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 as pandemic response changes within UK and globally.

- EDI strategy based on 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

Planned mitigations 2021-22 / progress

Planned mitigation	Progress
Stakeholder perceptions survey. (Q2)	Planning in progress.
Increase partnership working & support for employers. (Q3)	To initiate.
Analysis of data from second annual diversity data & publishing our 2021 Diversity report. (Q2)	Report presented to Council Jul 21 to be published Sep 21 with comprehensive communications plan.
Development and implementation of EDI action plan. (Q2-4)	QA team undertaking a status review of the existing action plan ready for the new EDI Lead to take forward.
Project to capture diversity data at initial point of registration and renewal. (Q4)	Project for online applications has imitated.
Quarterly meetings with professional bodies to ensure 2-way dialogue on areas of mutual interest. (Q2)	First meetings in September.
Communications team structure review (Q3)	recruitment underway for three Communication Business Partners.

Reporting period commentary

The risk score is high due to HCPC not meeting PSA standard 3 relating to EDI which is part of this risk.
Risk influencers reflect development of our communications approach but also resource challenges with a number of key posts vacant.
Planned mitigations - new mitigation online applications project will enable systematic registrant data collection. New mitigation - restructure of the Communications team to better meet our new engagement approach.

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

Review date	Risk owner
Sep-21	SMT - Chief Executive

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.

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

Score reviewed and confirmed as 12

Current risk influencers

- Full year budget for 2021-22 agreed by Council close to a net zero position. Medium term financial strategy principles agreed.
- Tight timeframe and associated costs to decant 405 KPR and adapt Park House to hold hearings. Costs not currently represented in budget as short time frame for planning before decision.
- Specialist consultancy engaged to max benefit from disposal of building asset. 405 lease break clause enacted, reducing ongoing rent costs from Dec 21 (costs of decanting and adapting existing estate will be incurred)
- Grant funding for Covid response secured. Fee rise complete and in effect.
- Majority of organisation remote working increases risk of silo working.
- People strategy well developed with a number of target audience workshops held, aim for Nov 21 Council approval.
- New normal ways of working all employee survey underway to inform how we work post pandemic.
- Some HR policies have not been reviewed for several years and are not supportive of new ways of working. Review underway with prioritisation by need.
- Increased visibility of key HR metrics for ELT and PRC
- IT and Projects undergoing structure review to ensure we have the skills needed for a digital focus.
- Project to enable online applications has commenced, International applications close of Q3 and UK close of Q4.
- System process interface issues between finance and registration systems, solution identified but not yet in place.
- Limitations to telephone system infrastructure leading to service issues, to mitigate higher number of Registration employees office based
- ED of Corporate Services, Head of IT and Finance posts vacant, recruitment underway. Head of finance appointed due to join in Q3. No financial specialism on ELT
- Interim leadership of Corporate Services departments in place.

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 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 outside risk appetite

Mitigations in place

- Adherence to budgeting and financial management and reporting processes which are subject to internal and external audit e.g. NAO.
- 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.
- Maintenance of business continuity infrastructure and processes.
- ELT monthly monitoring of productivity of all departments through detailed performance reporting.

Planned mitigations 2021-22 | progress

- Organisational Culture is defined and agreed. (Q1) — As part of the people strategy we will set out our culture.
- Organisational behaviours and values integrated into performance management system & all employee customer focus workshops delivered. (Q1-2) — Workshops underway with positive feedback received.
- All HR policies reviewed and modernised & succession planning and career development plans agreed. (Q2) — Review underway beginning with high priority policies.
- Medium-Term Financial Strategy incorporating an efficiency action plan. (Q2) — Complete agreed Council July 21
- Fee Income Strategy. (Q4) — ED Corporate Services post to take forward once in place.
- People strategy developed. — Focus of a council workshop in July 21. Further refinement underway with aim to present for Council approval November 21.
- Estates Strategy review to ensure we have the physical space to support our culture and new ways of working. — Specialist expertise secured to undertake longer term estates needs and current assets disposal assessment

Reporting period commentary

Risk Lead is CEO temporarily while ED of Corporate Service post is vacant.
Risk influencers represent a lot of activity and change ongoing which. The amount of change and activity presents a risk on capacity and sustainability. Exec is live to the need to pace the organisation to ensure performance is sustainable.
Risk score previously a holding score now has been confirmed as accurate and target risk agreed.

Strategic risk 6 - We are unable to demonstrate the value of regulation due to negative experiences of our regulation in practice

Review date	Risk owner
Sep-21	SMT lead - Chief Executive

Risk summary

This risk includes ensuring a human and compassionate approach in our regulatory processes, our stakeholders experiences of our customer service. It also includes the promotion of the value of regulation and of the value of the professions we regulate. As outdated legislation contributes to bureaucratic processes this risk includes maximising the benefit to the HCPC of upcoming regulatory reform.

	Impact		Likihood	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

Current risk influencers

- ✚ Review of regulators being undertaken by KPMG, effecive engagement essential to communicate the benefits of the HCPC's model of reguation.
- ✚ Performance against PSA standards could increase organisational vulnerability during a time of regulatory reform.
- ▬ 2020-21 PSA report published, acknowledges progress is being made towards meeting standards.
- ▬ Registration responsiveness contributing to negative registrant experience - remedial mitigations in place
- ✚ Potential for HEE assistance to improve our data capabilities. In discussion.
- ▬ Positive and wide reaching engagement on regulatory reform undertaken in the reporting period.
- ▬ Proven model of multi profession model of regulation. Reform agenda open to benefits of model.
- ▬ Positive engagement with Scottish Government on the value of the temporary register.
- ▬ Project to impliment online registration capability has lauched, first delivery expected November 21 will represent a significant improvement in service experience.

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 outside of appetite and needs to be within the amber range to come 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

Mitigations in place

- ☼ Registrant health and wellbeing strategy in place .Resourcing of action plan being prioritised.

- ✎ Research conducted into experiences of FtP and action plan in place.

- 📢 FtP representatives forum - regular mechanism for formal engagement with unions and others involved in representing our registrants in FtP.

- 📢 Organisational values 'Fair, Compassionate, Inclusive, Enterprising' promoted through performance system.

- 🧭✎ Feedback and Complaints system with SLAs reporting to SMT & ARAC learning from complaints fed into system, you said we did examples published on website.

- 📢 Communications and strategic engagement, including parliamentarians, on regulatory reform supported by Luther Pendragon.

Planned mitigations 2021-22 | progress

🚧 Online registration functionality project (improved registrant experience) (Q3-4)	Project initiated
✎ FTP improvement project	Tranche one projects complete planning for tranche 2 underway
📢 Engage key stakeholders to understand key misconceptions about our regulation and action plan (Q3)	planning underway
✎ Tone of voice review project (Q2)	delayed but interim work is taking place in customer service training
🧭☼ Incorporate our research on registrants' experiences into employee learning and development and inductions (Q2-4)	Yet to commence
📢☼ Engaging stakeholders on the provision of mental health support for registrants (Q1-4)	underway
📢 Messaging and dedicated engagement for the Future of Health and Care White Paper & Bill (Q1-4)	Underway
📢 Influence the policy on how consolidation of regulators should align with regulatory reform (Q2 -4)	Underway

Reporting period commentary

New influencers - launch of online registration project, online application capability will greatly imrpove registrant experience of our regulation in this area. The platform also enables incrimental improvements, for example webchats to ease the registration experience. Regulatory reform is progressing and the HCPC has been engaging effecitvely with a number of stakeholders. KPMG comissioned to undertake a review of the number of regulators, benefits of multiprofession regulation key messaging.

Risk Likelihood scoring

	Strategic	Programme/Project	Operational
Probable 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.
Possible 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.
Unlikely 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.
Rare 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.
Negligible 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

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Regulatory Quality - Open How will we deliver effective regulatory functions?	• 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.
Compliance – Measured How will we comply with our statutory, regulatory and policy requirements?	• 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.
Communication and Profile – Seeks How will we be viewed by our stakeholders?	• 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.
People – Seeks How will we lead our workforce?	• 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.
Financial and Value for Money – Measured How will we use our resources?	• 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.