

**HEALTH PROFESSIONS COUNCIL**

**RISK ASSESSMENT March 2006**

Guide - look for Risks rated as Medium or High PROBABILITY (of occurrence in next 12 mths). Then for those ones, look for SIGNIFICANCE (Impact) ratings of Medium or High. "Premises" in this document covers 184 Kennington Park Rd, 20 Stanmary St, and 22-26 Stanmary St premises.

Ref	Category	Description	Risk owner (primary person responsible for assessing and managing the ongoing risk)	Mitigation I	Mitigation II	Mitigation III	SIGNIFICANCE MARCH 2006	PROBABILITY MARCH 2006	SIGNIFICANCE OCTOBER 2005	PROBABILITY OCTOBER 2005
1	Strategic	1.1 HPC fails to deliver OIC	Council	Delivery of HPC Strategy	Publication of Privy Council annual report	-	High	Low	High	Low
		1.2 Unexpected change in UK legislation	Chief Executive	Relationship with Government departments	Lobbying	-	High	Medium	High	Medium
		1.3 Incompatible OIC and EU legislation	Chief Executive	Monitoring of EU	EU lobbying	-	Low	High	Low	High
		1.4 CHRE conflict	Chief Executive	President on CHRE Council	Communications	-	Low	Low	Low	Low
		1.5 Privy Council rejects fee increase	Chief Executive	Communications strategy	Initiatives to reduce discretionary and project spending	-	Low	Low	Low	Low
2	Operations	2.1 Premises unoccupiable	Office Services Mgr	Disaster recovery plan	-	-	High	Low	High	Low
		2.2 Inability to access premises or use interior equipment	Office Services Mgr and Dir Corp Services	Disaster recovery plan and rehearsal	Commercial Combined insurance cover (fire, contents, terrorism etc)	-	High	Low	High	Low
		2.3 Rapid increase in registrant numbers	Dir of Operations	Scaleable IT systems/registration	22-26 Stanmary St fit out.	-	Medium	High	Medium	High
		2.4 Unacceptable service standards	Dir of Operations	ISO 9001 Registration & BSI audits	Market Research surveys to prioritise service offerings	Process maps on the intranet	-	High	Medium	High
		2.5 Long term postal disruption	Dir of Comms	Website, newsletter & messages	Collection of >80% income fees by direct debit	-	High	Low	High	Low
		2.6 Long term public transport disruption	Office Services Mgr	Disaster recovery plan	-	-	Low	Low	Medium	Medium
		2.7 Inability to accommodate HPC employees	Office Services Mgr	22-26 Stanmary St fit out.	Mezzanine reit	-	High	Medium	High	Medium
		2.8 Long term disruption to telephones	Office Services Mgr and Dir Corp Services	Disaster recovery plan	Email contact with Registrants	-	High	Low	High	Low
3	Communications	3.1 Failure to inform public Article 3(13)	Dir of Comms	Delivery of communications strategy	AGM, Biennial awareness survey	-	Medium	Low	Medium	Low
		3.2 Loss of support from professions	Dir of Comms	Delivery of HPC Strategy	Delivery of communications strategy	Regular Listening Events held	-	Medium	Low	Medium
		3.3 Inability to inform stakeholders following crisis	Dir of Comms	PR crisis management plan	Email and mailing address details kept current in USA	-	High	Low	High	Low

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4	Corporate Governance	4.1 Council inability to make decisions	Sec to Council	Regular meetings, agendas and decision processes in place	Well researched and drafted decision papers at meetings	Attendance by external professionals, as required	High	Low	High	Low
		4.2 Council members conflict of interest	President	Disclosure of members' interests to the Secretariat	Disclosure of conflict of interest in Annual Report & on HPC website	-	High	Low	High	Low
		4.3 Poor decision-making eg conflicting advice or conflicting advice & decisions	President	Well-researched & drafted decision papers	Council training, Away Days, Inductions	Attendance by external professionals, as required	High	Low	High	Low
		4.4 Failure to meet Council and Committee quorums	Sec to Council	Clear communication of expectations of Councilors duties upfront	Adequate processes notifying Council & Committee members of forthcoming meetings	Decisions can be ratified at the next meeting, or if urgent, but not controversial, by email	High	High	High	High
		4.5 Members' poor performance	President	President's annual appraisal of Council members	Training & support at Away Days and Inductions	Removal under Sch 1, Para 9(1)(f) of the HPO 2001	Medium	Low	Medium	Low
		4.6 Poor performance by the President	Council	Standing Orders	Power to remove President under Sch 1, Article 12(1) C of the HPO 2001	-	High	Low	High	Low
		4.7 Poor performance by Chief Executive	President	Performance reviews and regular "one to ones" with the President	Contract of Employment	-	High	Low	High	Low
		4.8 Improper financial incentives offered to Council members/employees	President and Chief Executive	HR Policies for employees concerning acceptance of hospitality, etc.	Council member code of conduct	-	High	Low	High	Low
		4.9 Safety of Council members	Sec to Council	Personal Injury and Travel insurance	-	-	Medium	Low	Medium	Low
5	IT	5.1 Software Virus damage	Dir of Corp Services	Firewalls, regular sanctioned security tests and probes	Adherence to IT policy and procedures and training	External reviews	High	High	High	High
		5.2 Technology obsolescence, hardware and software	Dir of Corp Services	Open system IT strategy	Net Book value approximating the value of the useful economic life of the asset created	Good design to "future-proof" user requirements	High	Low	High	Low
		5.3 IT fraud or error	Dir of Corp Services	Adequate access control procedures maintained. System audit trails.	Regular, automatic password changes. External reviews. Daily back-ups.	Computer insurance (hacking)	High	Medium	High	Medium
6	Partners	6.1 Inability to recruit and/or retain suitable Partners	Partner Manager	Sound recruitment strategy. Training	HR Strategy: Appropriate compensation package in place	-	High	Low	High	Low
		6.2 Incorrect interpretation of law and/or SIs resulting in CHRE reviews	Dir of FTP Dir of Ops (Visitors)	Training	Legal Assessors advice availability	-	High	Low	High	Low
		6.3 Safety of Partners	Partner Manager	Personal Injury and Travel insurance	-	-	High	Low	High	Low

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7	<b>Approvals &amp; Monitoring &amp; CPD</b>	7.1 Non-detection of low HEI standards	Dir of Operations	Approval process	-	-	Medium	Low	Medium	Low	
		7.2 Institutions refusing visits or not submitting data	Dir of Operations	Legal powers (HPO 2001)	-	-	Medium	Low	Medium	Low	
		7.3 Inability to manage HEI visits	Dir of Operations	Approvals processes	Adequate manpower resourcing, training and visit scheduling	-	-	High	Medium	High	Medium
		7.4 Loss of support from HEIs	Chief Executive	Delivery of Education strategy	Partnerships with Visitors and professional groups	-	-	High	Low	High	Low
		7.5 CPD processes not operational by July 2008	Dir of Operations	Annual Business Plan	-	-	-	High	Low	High	Low
8	<b>Registration</b>	8.1 Customer service failures	Dir of Operations	Accurate Manning level forecasts	Adequate manpower resourcing & training	Supporting automation infrastructure eg call systems, LISA system enhancements	High	High	High	High	
		8.2 LISA Registration system failure	Dir of Operations	IT strategy	Adequate IT Maintenance & Development spending	Disaster recovery	High	Low	High	Low	
		8.3 Inability to detect fraudulent applications	Dir of Operations	Financial audits, System audit trails	Policy and procedures	Regular, automatic password changes.	High	High	High	High	
		8.4 Registrant boycott of fee increase	Chief Executive	Communications strategy	Comprehensive Five Year Plan modelling	-	-	High	Low	High	Low
		8.5 Backlogs of registration and grandparenting applications	Dir of Operations	Adequate staffing levels to clear backlogs, based on accurate demand-forecasting	Process streamlining	-	-	High	High	High	High
9	<b>HR</b>	9.1 Loss of key HPC employees (person cover risk)	EMT	Process documentation	Cross training (partial or full)	Succession planning	High	Medium	High	Medium	
		9.2 High turnover of employees	HR Manager	Remuneration and HR strategy	Regular performance reviews	Exit interview analysis	Medium	Low	Medium	Low	
		9.3 Inability to recruit suitable employees	HR Manager	HR Strategy and adequate resourcing of the HR dept	Careful interview panel selection	Careful specification of recruitment advertisements	High	Medium	High	Medium	
		9.4 Lack of technical and managerial skills to deliver the strategy	Chief Executive	HR strategy and goals and objectives ("buy in" the skills v staff upskilling on the job via training)	Training needs analysis	-	-	High	Medium	High	Medium
		9.5 Health & Safety of employees	HR Manager & Dir of Corp Services	Policy and procedures	Health & Safety Training	Personal Injury & Travel insurance	Regular progress reviews	High	Low	High	Low
		9.6 Lack of work/home balance	EMT	Adequate staff (volume and type)	Work prioritisation and Time management training	Regular progress reviews	Medium	Medium	Medium	Medium	Medium
		9.7 Ex-employee termination litigation	HR Manager	HR legislation & HR Disciplinary policy	Compromise agreements	-	-	Medium	Medium	Medium	Medium
		9.8 Bullying	HR Manager	Policy and procedures	Employee Assistance programme	-	-	High	Low	High	Low
		9.9 Employer/employee inappropriate behaviour	HR Manager	Policy and procedures	Employee Assistance programme	-	-	High	Low	High	Low
		9.10 Compliance with Race Relations Amendment Act	HR Manager	HR Strategy	Obtain legal advice	HR policies	-	High	Medium	High	Medium
		9.11 Pandemic (25% employees off on sick-leave)	HR Manager	-	-	-	-	High	Medium	High	Medium

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10	Legal	10.1 Judicial review of Rules, Standards and Guidance	Chief Executive	Consultation. Stds determined by PLG's. Agreement by Council	Appropriate legal advice sought	-	Medium	Medium	Medium	Medium	
11	Fitness to Practise	11.1 Legal cost over-runs	FTP Director	Processes and strict arrangements with lawyers	Professional Indemnity Insurance (Assessors)	-	Medium	Low	Medium	Low	
		11.2 Legal challenge to HPC operations	Chief Executive	Legal advice and ISO	Communicators	-	Low	Low	Low	Low	
		11.3 Tribunal exceptional costs, Fitness to Practise, Registration and CPD Appeals	FTP Director	Quality of legal advice	Quality of operational processes	Legal Insurance cover for cases costing between £125k and 250k	-	High	Medium	High	Medium
		11.4 Rapid increase in the number of tribunals and resultant legal costs	FTP Director	Accurate and realistic planning	-	-	-	High	High	High	High
		11.5 Witness non-attendance	FTP Director	Witness summons	Witness support programme	-	-	Medium	Medium	Medium	Medium
		11.6 Losing FTP cases	FTP Director	Robust procedures	Quality Legal advice sought and used	-	-	Medium	Medium	Medium	Medium
		11.7 Employee/Partner physical assault by Hearing attendees	FTP Director	Employee training	Improved building security	Selective use of Security Officers	-	High	High	High	High
		11.8 Registration Appeals	FTP Director	Training of Partners	Amend processes and criteria for arranging hearings and cases	-	-	Low	High	Low	High
12	Policy & Standards	12.1 Incorrect process followed to establish stds/guidance/policy e.g. no relevant Council decision	Policy Stds Director	Quality mgt system & processes	Legal advice sought on processes	-	High	Low	High	Medium	
		12.2 Inappropriate stds/guidance published e.g. stds are too confusing or are conflicting	Council/Committees	Use of PLG's, with expertise	Consultation & legal advice sought	Agreement by Council	-	High	Low	High	Low
		12.3 Changing/evolving legal advice rendering previous work inappropriate	Policy Stds Director	Use of well-qualified legal professions Regular reviews	Obtain legal advice in writing	-	-	High	High	High	High
		12.4 Setting standards too high	Education and Training Committee	Council review of Education and Training	Education and Training review of Approvals Committee	-	-	Medium	Low	Medium	Low

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13	Financial	13.1 Cash shortfall 13.2 Unexpected reduction in income 13.3 Unexpected rise in operating expenses 13.4 Loss in value of investment portfolio 13.5 Inability to pay creditors 13.6 Inability to collect from debtors 13.7 Registrant Credit Card record fraud 13.8 Total receipt of correct fee income 13.9 Mismatch between Council goals and approved financial budgets	Finance Manager Finance Manager Chief Executive Finance Manager Finance Manager Finance Manager Finance Manager & Office Services Mgr Finance Manager Chief Executive	Maintain an appropriate level of cash reserves - refer Reserves policy Maintain an appropriate level of cash reserves - refer Reserves policy Monthly variance review and Reforecast Adherence to investments and Reserves policies. Long run view. Adequate payment procedures Collection via Direct Debit for ~80% of fee income Daily credit card payment reconciliations Streamline to LISA and Bank records IT controls in place Adequate quantification of the budgetary implications of new initiatives	Annual and Five Year Plan Budgetary control of expenditure Budgetary control clarity around permanent and timing differences Monthly monitoring and periodic fund performance benchmarking Adequate cash-flow forecasting Misc debt collection reporting & procedures Project to retrieve sensitive paper records in archive, rationalise records kept and retain sensitive current yr records in locked cupbds and compliance with cr card storage stds. Correct revenue recognition Close and regular communication between Executive and Council	Monitoring - Regular EMT reviews especially for Projects Professional fund management to diversify investment risk Monthly Aged Creditors review - Replacement of Sireamline system with Wordpay (online cr card auth and payments received) - Business case analysis, as required	Medium Medium Medium Medium Low Low Medium Medium Medium	Low Low Medium Low Low Low Medium Low Low	Medium Medium Medium Medium Low Low High Medium Medium	Low Low Medium Low Low Low Medium Low Low
14	Accounting	14.1 Unauthorised payments to organisations 14.2 Unauthorised payments to personnel 14.3 Unauthorised removal of assets (custody issue) 14.4 Mis-signing of cheques (forgery) 14.5 Tax law non compliance 14.6 UK GAAP/IFRS non compliance 14.7 Fund Manager insolvency 14.8 Money Market mgt insolvency	Finance Manager Finance Manager Dir of Corp Services & Office Services Mgr Finance Manager Finance Manager Finance Manager Finance Manager	External and Internal Audit Purchase Order Enforcement External and Internal Audit IT asset labelling & asset logging (insurance to employees) Regular reviews of cheque signatories against invoices paid by cheque Professional tax advice sought External and internal audits Regular reviews of financial strength (audited annual accounts) Regular reviews of financial strength (audited annual accounts)	Financial policy and processes Limited authorised suppliers Tendering processes in place Financial policy and processes Fixed Asset register itemising assets Job exit procedures (to recover HPC laptops etc) Monthly bank reconciliations Employee training (CPD hours) Employee training (CPD hours) Credit Rating (Standard and Poors)	Limited authorised suppliers Professional Indemnity & fraud insurance Computer insurance Minimal use of manual cheques - - - -	Medium Medium Low Medium High High High High	Low Low Low Low Low Low Low Low	Medium Medium Low Medium High High High High	Low Low Low Low Low Low Low Low
15	Pensions	15.1 Under-funded pension liabilities (CPSM Retirement Benefits Scheme)	Finance Manager	Benefits secured by insurance policies issued by Scottish Life Assurance (SLA). Fund wind up managed by Capita Hartshead (formerly FPS)	Review of SLA actuarial valuation of assets of the fund to cover pension liabilities	Now have a FlexPlan 1 Defined Contributions scheme for current employees	Medium	Low	Medium	Low