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## Internal Audit report – Social Workers Transfer

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### Executive Summary

As part of the 2019-20 Internal Audit Plan as approved by the Committee, BDO LLP have undertaken a review to provide assurance that the project for the transfer of social worker regulation has been managed satisfactorily so far and that HCPC will be ready for a successful transfer in December 2019.

The focus of the review was on the management of the project for the transfer of registration, education and FtP data and not the wider planning for the organisation's workforce, finances or the structure of HCPC following the transfer. The review did not include a financial audit of the fee balances on transfer.

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Previous consideration	None.
Decision	The Committee is invited to discuss the report.
Next steps	Recommended actions agreed with the Executive will be tracked for progress in the Committee's standing recommendation tracker report.
Strategic priority	Strategic priority 3: Ensure the organisation is fit for the future and able to anticipate and adapt to changes in the external environment
Risk	SR 1 - Failure to deliver effective regulatory functions SR 3 - Failure to be a trusted regulator and meet stakeholder expectations SR 5- Failure of leadership, governance or culture
Financial and resource implications	The cost of the audit is included in the Internal Audit annual fee.
Author	BDO LLP

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# HEALTH AND CARE PROFESSIONS COUNCIL INTERNAL AUDIT REPORT - FINAL

TRANSFER OF SOCIAL WORKERS TO SOCIAL WORK ENGLAND  
OCTOBER 2019

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Document history			Distribution	
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Auditor: Ross LeCarpentier, Bobbi Birk  
Reviewed by: W Mitchell

# 1 Executive Summary

## Introduction

- 1.1 We undertook an advisory audit of the Transfer of Social Workers to Social Work England. The project for the transfer is called the Regulation of Social Workers. This review was completed as per the annual Internal Audit plan for 2019/20, as approved by the Audit and Risk Committee.

## Background

- 1.2 There are 96,618 social workers registered at the Health Care Professions Council ('HCPC') that will be transferred to Social Work England ('SWE'), with the go-live date of 2 December 2019. The project is well progressed, and management is confident that all of the arrangements will be ready in time for a smooth handover on the due date. The change also heralds a new regulatory framework as well as a change in organisation responsible for the regulation of social workers. This means that the regulation of social workers changes and has implications for social workers, including those who will be in Fitness to Practice ('FtP') during the transfer - as different rules may apply to them pre- and post-transfer.
- 1.3 The project is high profile and has inherently high risks attached. Thus, the project has also included the preparation of a communications plan - informing stakeholders of project progress but also to manage the risk if things go wrong. HCPC's responsibilities, however, have not required them to carry out any specific data cleansing or validation of data of the development of any business rules for the new regulator. These and other matters are laid down in the arrangements and agreements in place. A process for the transfer of any registration fees due to SWE is required as well.
- 1.4 HCPC has Social Work cases currently at various stages of the FtP process. It is anticipated that with a concentrated effort, the number of open cases will be kept to a minimum at the point of transfer. Current estimates that there will be about 85 cases with interim orders in the cut-over period and 1,550 cases altogether. The use of interim orders will help to minimise the risk to public protection at the point of transfer as they do under normal circumstances. The aim is to make the transfer as seamless as possible, with no perceptible delay in the handling of cases. Cases being opened in the last few weeks or so will be jointly managed by both institutions to ensure that there is no 'warm-up' period after SWE take legal responsibility for the cases from 2 December 2019. HCPC will, of course, be the regulator up to the point of the transfer date.

## Review objectives and approach

- 1.5 The objective of the review was to provide assurance that the project has been managed satisfactorily so far and that HCPC will be ready for a successful transfer in December 2019.
- 1.6 The key risks with this area of activity are whether:
- legal agreements are in place and cover the key risks to HCPC;
  - the project has been planned and delivered according to plan so far, and in accord with project management good practice, including governance, oversight, planning, reporting, and adequate management of risks and resolution of issues;
  - arrangements for registration, education and FtP data transfers are sound, well-rehearsed and secure;
  - the arrangements for live FtP case transfers during the transfer period are sound in principle and thus do not pose a risk to public protection or prolong the FtP process unnecessarily;
  - HCPC are fully ready for the transfer date, have adequate contingency arrangements and communication plans in place should the transfer date be deferred or the switchover fails in some way.

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- 1.7 The focus of the review was on the management of the project for the transfer of registration, education and FtP data and not the wider planning for the organisation’s workforce, finances or the structure of HCPC following the transfer. The review did not include a financial audit of the fee balances on transfer. It was not a review of project management as a methodology, although any wider lessons that could be learned that could be applied to other future projects were part of the work undertaken. It did not include elements such as the design of business processes in the new organisation, nor provide a second legal opinion on the validity of the various legal documents and agreements.
- 1.8 The review was conducted through meetings with key staff and the review of project documentation, including risk registers and legal agreements. The policies and procedures used to test the data transfer were also examined as well as a review being conducted on security protocols. Planning documentation was considered.

## Key conclusions

 (Green-Amber)

Generally a good control framework is in place. However, some minor weaknesses have been identified in the control framework or areas of non-compliance which may put achievement of system or business objectives at risk.

- 1.9 We concluded that the Transfer to SWE project is being managed and governed in line with good practice for a project of this size. Overall, the project is being managed effectively and key project documents, in particular, the project plans are in place as expected to provide structure to the project through to go-live. We have consolidated the risks raised in the Terms of Reference into the three groupings and provided an executive summary of these below:

## KRA 1: Legal agreements are in place and cover the key risks to HCPC

- A signed and dated Data Sharing Agreement is in place between HCPC and SWE since 20<sup>th</sup> May 2019 and Transitional Agreements in place between HCPC and SWE. These documents outline how processes for education, registration and FtP will be managed for social workers during the period leading up to the date of transfer of regulatory functions to SWE.
- We believe the approach taken, and management challenge, in establishing such agreements to date was appropriate and although updates or additions to these legal agreements may always be required if project requirements change the core elements around data sharing and transitional arrangements are in place.

## KRA 2: The project has been planned and delivered according to the plan so far

## KRA 5: HCPC is ready for the transfer date and has adequate contingency arrangements

- The intended project go-live was pushed back to 2 December 2020, this was agreed and approved at Board level and the plans updated accordingly. Since this time we believe the project has been delivering broadly in line with the plan, with progress reporting on a regular basis, flagging issues as they arise.
- The project plans through to 2<sup>nd</sup> December 2020 include the key activities we would expect to see. However, there is limited contingency time available, so it remains important for project management to monitor progress against plan closely and flag issues or variances immediately they arise.
- Contingency plans for the data cutover period from Mid-November have been documented.

## KRA 3: Arrangements for registration, education and FtP data transfers

## KRA 4: The arrangements for live FtP case transfers during the transfer period are sound

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- The project has adopted a collaborative approach with both SWE and its application suppliers to date. The approach has been based on undertaking cycles of development and testing which has helped identify both migration and quality issues early in the process.
- The plans in place for the remainder of the project include the activities we would expect and, although tight, are achievable.
- The arrangements for live FtP case transfers during the transfer period appear appropriate and have been developed by working closely with the SWE team since the Transitional Agreement for the FtP has been in place.
- A cutover plan for ownership of live cases is agreed and handover principles established.
- We believe that at this stage of the project, HCPC has undertaken the steps we would expect to see, is monitoring progress effectively and is preparing itself for the data migration activities.

1.10 From our experience the following are a number of aspects to consider moving forward

- Plans and progress should continue to be monitored closely as the 2nd December gets closer it may be beneficial to have shorter, but more frequent, progress update reports and meetings to ensure issues are picked up quickly and communication is increased.
- Given the timescales remaining it would be appropriate to schedule additional Project Board meetings if any 'Red' issues are flagged as part of progress monitoring.
- The contingency plans should continue to be refined to ensure they are detailed and specific enough during cutover as more detail emerges.
- Ensure there are clear planned communications and contact points during the cutover period which will help resolve issues quickly.

1.11 In summary the project has established a range of good practice controls and procedures to manage and govern the project and the plans and approach being adopted through to go-live also appear appropriate. Given the importance of this project, and that issues can always arise during data migration projects, it remains important for the project management team to continue to focus on planning the cutover activities, keep communication levels high and to escalate issues accordingly as they arise.

1.12 No Priority 1 or Priority 2 recommendations were identified during this review. Only minor recommendations relating to documentation content and review have been identified.

### Recommendations summary table

1.13 The following table summarises the recommendations made across the key risks audited, grouped by priority ratings:

Key risk area	Rating	Recommendation Priority rating		
		1	2	3
1 Legal agreements are in place and cover the key risks to HCPC	Green	-	-	-
2 The project has been planned and delivered according to the plan so far	Green	-	-	2
5 HCPC is ready for the transfer date and has adequate contingency arrangements	Green	-	-	2
3 Arrangements for registration, education and FtP data transfers	Green	-	-	1
4 The arrangements for live FtP case transfers during the transfer period are sound	Green	-	-	1
Total recommendations made		-	-	3

1.14 The following tables in Section 2 Key Findings show the results of our analysis by each key risk area. Areas for improvement are highlighted with the key recommendations in the right-hand columns.

## 2 Key Findings

KRA1: Legal agreements are in place and cover the key risks to HCPC

Assessment:

Green

### Background

Legal Agreements were drawn up after consultation with HCPC’s legal correspondents. These legal agreements assign responsibilities and obligations to individuals and organisations such as data sharing, transfer and destruction. We reviewed these legal agreements and enquired with management as to the details of the preparation process. Note: We have not completed a review to determine the legality of these agreements.

The Health and Care Professions Council (Property, Rights and Liabilities) Transfer Scheme 2019 is signed by the Secretary of State and came into effect on 15<sup>th</sup> May 2019.

### Findings & implication

### Recommendation

#### Positive findings

- A signed and dated Data Sharing Agreement is in place between HCPC and SWE since 20<sup>th</sup> May 2019.
- There are Transitional Agreements in place between HCPC and SWE. These documents outline how processes for education, registration and FtP will be managed for social workers during the period leading up to the date of transfer of regulatory functions to SWE.
- Our review of the documents and discussions with management indicated that all the agreements between HCPC and SWE had gone through a challenge process before agreeing to the transitional arrangements and obligations.
- Although updates or additions to the agreements may always be required, if the project’s data sharing requirements change, we believe the approach taken in establishing such agreements is appropriate.



#### Areas for improvement and implication

- No specific improvement areas identified.

### Management response

N/A

KRA 2: The project has been planned and delivered according to the plan so far  
 KRA 5: HCPC is ready for the transfer date and has adequate contingency arrangements

Assessment: Green Amber

## Background

There is a formal and detailed project plan which has been reviewed and approved by the Project Board. Progress against this plan is checked and monitored regularly by the Senior Project Manager. The intended project go-live was pushed back to 2 December 2020, this was agreed and approved at Board level and the plans updated accordingly. Since this time we believe the project has been delivering broadly in line with the plan, with progress reporting on a regular basis, flagging issues as they arise. The Senior Project Manager also maintains an issue and risk log and provides regular progress reports to the Project Sponsor. We checked the project plan and the key project management reports to give confidence that these had been produced and performed, enquiring with management where further explanation was required.

## Findings & implication

### Positive findings

- A detailed project plan is in place. At the time of the fieldwork, the plan was being updated to reflect changing timelines, this revised plan was expected to be in place by 11th October 2019 (this updated plan was subsequently provided to us). The Senior Project Manager informed us that the plan is shared with the SWE project manager and senior management team. The plan is monitored daily and activities are updated on a daily basis.
- Since the Data Sharing Agreement was agreed, the HCPC Senior Project Manager and the staff from SWE (Head of Data & IT, Project Manager) and the Lead Tester from CDS (SWE supplier) have access to the Live Issue Log and two calls per week take place to review this log. The relevant HCPC business user/tester and the SWE counterpart will attend this call as and when required.
- The following project governance elements are in place:
  - internal HCPC board meetings every 2 to 4 weeks;
  - HCPC Heads of Department (Registration, Education, FtP) have informal weekly catch-ups with the Project Manager;
  - informal weekly meetings the SWE counterpart and SWE project manager;
  - discussion papers are provided to the Council at each meeting with an update on the progress of the project. The paper highlight the key achievements and focus of activity since the last Council meeting. We also noted that updates on risks, financial and resource implications are also provided;
  - HCPC senior management receive a fortnightly status on the project;
  - monthly status reports are sent to the Department of Education (DfE).

## Recommendation

1. The Project Initiation Document should be a 'living' document which is updated during the course of a project to reflect major changes. Management confirmed changes (such as moving the go-live date to 2 December) are openly discussed at Project Board meetings and are subsequently captured in the project plan. Although not required for this project we would normally expect to see the PID updated or an equivalent document maintained to reflect changes.

Priority 3



2. For future projects, the success criteria should be formally documented in the PID and proactively monitored during the project as this will enable the project to demonstrate how it has achieved against the original expectations.

Priority 3



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- There are detailed data migration plans in place for Registration, Education and FtP. These plans are frequently reviewed by the Senior Project Manager and are updated as necessary. These plans also include contingencies in the event that issues arise during the migration period.
- The project plans through to 2nd December 2020 include the key activities we would expect to see. However, there is limited contingency time available, so it remains important for project management to monitor progress against plan closely and flag issues or variances immediately they arise.

#### Areas for improvement & implication

- We reviewed the Project Initiation Document (PID) and found that this was a static document at the time of initiation. We would ideally expect the project initiation document (or an equivalent document) to be updated to reflect changes in project scope. Although these changes are not formally captured in a change log, the Senior Project Manager explained that the Project Board meetings, where meeting minutes are taken, formally discuss and capture any changes. Capturing changes in a change log allows the project management team and stakeholders to track the progress of the project – this is important when tracking whether the project has delivered what it set out to achieve and how it has changed during the course of the project.
- We observed that the success criteria were not captured in the Project Initiation Document (PID). Although, during our discussions, we found that informally everyone had an understanding of the target date and the importance of this project, there were no formally (SMART) defined success criteria that would give the opportunity to clearly demonstrate success at the end of the project and ultimately the delivery of the expected benefits / improvements. For future projects, the success criteria should be formally documented in the PID and proactively monitored.

#### Management response

Accept

Action: Normally this would be recorded in an exception report, which is standard process. At the start of the project, the actual transfer date was not fully defined by the DfE (other than being not before April 2019). Although the project decided to target the unofficial data offered by the DfE of September. When this date was refined to December 2019 it should have been recorded in an Exception report. In this case, this step was not completed. The follow-up action will be to re-enforce the directive on Exception reporting and to add a check in the monthly performance report.

Action Owner: Paul Cooper

Completion date: 01/11/2019

Accept

Action: The project methodology has been updated since this project initiated to include SMART benefit tracking for all newly initiated projects.

Action Owner: Paul Cooper

Completed

KRA 3: Arrangements for registration, education and FtP data transfers  
 KRA 4: The arrangements for live FtP case transfers during the transfer period are sound

Assessment:

Green	Amber
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Background

The transfer of data has been planned and monitored in detail since the start of the project and accelerated following the data-sharing agreement. For each of the 3 areas (Registration, Education and FTP) the project teams have worked closely with SWE to complete iterative cycles of testing. This has allowed extracts of data to be tested and refined over time which increases confidence in the accuracy of the tests being undertaken. There is a documented plan for the transfer of data regarding registration, FtP and education. There are documented reviews of this plan by both HCPC’s legal counsel and compliance team to ensure it is in accordance with regulations (such as GDPR), policies and procedures. The data transfer plan and all documented reviews of it are signed off by the Project Lead. We inspected the plan for data transfers in these three areas as well as any documented reviews of the plans. There is a documented plan for the transfer of live FtP cases during the period which has been reviewed and signed off by the Project Sponsor. We enquired with management as to the details of the data transfer plan to ascertain the bases for any assumptions and estimates.

Findings & implication Recommendation

**Positive findings**

- Data requirements have been jointly agreed between SWE and HCPC.
- Cycles of User Acceptance Testing (UAT) are being undertaken from a test environment and are going to be done in a production environment before go-live. Through discussion, we found that data quality issues are also being picked up through these cycles of testing.
- The system application suppliers have written the extract scripts and are part of the cycles of UAT.
- The Extract / Transform / Load (ETL) data migration is being tested through the iterative cycles.
- At this point, the project appears to be undertaking the activities we would expect and are identifying and managing issues as they arise. This approach should continue through to the go-live date.
- The plan for the transfer of live FtP cases during the period has been reviewed and signed off by the Project Sponsor. This plan has per with a view to protecting the public interest and preventing the extension of the FtP unnecessarily. We inspected this plan to ensure it has been reasonably prepared and that it has been reviewed and signed off by the Project Lead. We inspected the plan to ensure it does not pose a risk to public protection or prolonging the FtP process.

3. Following the completion of our fieldwork for this review the plans have been updated to plan for the cutover activities in November and early December. It remains important for these to be fully communicated and remain live plans that are monitored and tracked.

Priority 3

✔

Management response

Accept

Action: This forms part of the already agreed plan for the project where this is refined on an ongoing basis through to transfer.

Action Owner: Paul Cooper

Completed

## Findings &amp; implication

## Recommendation

- HCPC and SWE FTP teams are collaboratively working together since the Transitional Agreement for FTP has been in place. Discussions with the Head of FtP explained how both teams have been working together:
  - FTP cases that have been referred to a final hearing by the HCPC's Investigating Committee are being reviewed jointly by HCPC and SWE using a public protection / risk-based approach. In these cases, HCPC staff have been liaising with SWE staff to identify SWE panel availability, legal assessor availability and witness requirements.
  - Since mid-September 2019, no further cases could be listed and completed under HCPC. However, HCPC and SWE have been discussing cases, and sharing case information, so SWE can start to list. HCPC has shared its draft allegations where available.
  - The collaborative way of working and the transitional steps to manage the transfer of live FtP cases appear appropriate to achieve handover.
- The plans in place for the remainder of the project include the activities we would expect to see at this stage and, although tight, are achievable.

## Areas for improvement &amp; implication

- At the time of review, the detailed go-live cutover and contingency plans were being updated. These are key documents to understand the sequence of activities in the run-up to 2 December 2020. Following the completion of the fieldwork, the project plans were updated with additional detailed activities associated with the cutover and we found these to be of an appropriate level of detail to map out the cutover plans 6-8 weeks prior to the transfer. Additional detail may be required as the project nears go-live.

## A Additional information

None

## B Audit objectives, Risks & Scope

Terms of reference	
Objectives	The objective of the review is to provide assurance that the project has been managed satisfactorily so far and that HCPC will be ready for a successful transfer in December 2019.
Key risk areas	<ul style="list-style-type: none"> <li>• legal agreements are in place and cover the key risks to HCPC;</li> <li>• the project has been planned and delivered according to plan so far, and in accord with project management good practice, including governance, oversight, planning, reporting, and adequate management of risks and resolution of issues;</li> <li>• arrangements for registration, education and FtP data transfers are sound, well-rehearsed and secure;</li> <li>• the arrangements for live FtP case transfers during the transfer period are sound in principle and thus do not pose a risk to public protection or prolong the FtP process unnecessarily;</li> <li>• HCPC are fully ready for the transfer date, have adequate contingency arrangements and communication plans in place should the transfer date be deferred or the switchover fail in some way.</li> </ul>
Scope	<p>The focus of the review is on the management of the project for the transfer of registration, education and FtP data and not the wider planning for the organisation's workforce, finances or the structure of HCPC following the transfer. The review will not include a financial audit of the fee balances on transfer. It is not a review of project management as a methodology, although any wider lessons that could be learnt that could be applied to other future projects will be made. It will not include elements such as the design of business processes in the new organisation, nor a second legal opinion on the validity of the various legal documents and agreements.</p> <p>The work on the future plans and the throughput of FtP cases will consider the reasonableness of the plans, including the basis on which assumptions are being made. This is not a review of the FtP process nor the current management of that process.</p>
Approach	The review will be conducted through meetings with key staff, review of project documentation, including risk registers, the legal agreements. Policies and procedures used to test the data transfer, review of security protocols will also be examined. Planning documentation will be considered.

## C Audit definitions

Opinion/conclusion	
 (Green)	Overall, there is a sound control framework in place to achieve system objectives and the controls to manage the risks audited are being consistently applied. There may be some weaknesses but these are relatively small or relate to attaining higher or best practice standards.
 (Green-Amber)	Generally a good control framework is in place. However, some minor weaknesses have been identified in the control framework or areas of non-compliance which may put achievement of system or business objectives at risk.
 (Amber)	Weaknesses have been identified in the control framework or non-compliance which put achievement of system objectives at risk. Some remedial action will be required.
 (Amber-Red)	Significant weaknesses have been identified in the control framework or non-compliance with controls which put achievement of system objectives at risk. Remedial action should be taken promptly.
 (Red)	Fundamental weaknesses have been identified in the control framework or non-compliance with controls leaving the systems open to error or abuse. Remedial action is required as a priority.

Any areas for improvement are highlighted with the key recommendations in the right-hand columns. The symbols summarise our conclusions and are shown in the far right column of the table:

Good or reasonable practice



An issue needing improvement



A key issue needing improvement



Recommendation rating	
Priority ranking 1:	There is potential for financial loss, damage to the organisation's reputation or loss of information. This may have implications for the achievement of business objectives and the recommendation should be actioned immediately.
Priority ranking 2:	There is a need to strengthen internal control or enhance business efficiency.
Priority ranking 3:	Internal control should be strengthened, but there is little risk of material loss or recommendation is of a housekeeping nature.

## D Staff consulted during review

Name	Job title
John Barwick	Executive Director of Regulation
Richard Houghton	Head of Registration
Brian James	Head of Fitness to Practise
Paul Cooper	Interim Head of Projects (Regulation of Social Workers project)
Loretta Okoh	Senior Project Manager (Regulation of Social Workers project)

We would like to thank these staff for the assistance provided during the completion of this review.

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