

Audit Committee, 4 September 2018

Regulation of Social Workers project

Grant spend governance (expenditure assurance)

Introduction

The Regulation of Social Workers project is funded by a Department for Education (DfE) issued Grant (GR1000414). The total value of the grant is £2.4million, split across two financial years (2018/19 and 2019/20).

The Regulation of Social Workers project is managing the activities required by the HCPC to transfer Social Worker registrants (and related data) to Social Work England (SWE), the new regulator being established by the DfE.

This paper describes the agreements in place regarding Grant spend governance, and a summary of the Grant spend to date.

Decision

The Audit Committee is asked to discuss the paper.

Resource implications

None

Financial implications

Governance process to manage £2.4million Grant

Appendices

Appendix 1 – Grant claim governance Swim-lane Diagram

Date of paper

24 August 2018

Grant Summary update

Management products established for the Grant governance

The Grant details, as approved by the DfE, have been loaded into the project Committed Spend Report (CSR). The CSR is a project management tool used at the HCPC to record project finances.

A project has been created in the core HCPC financial systems (Sage / WAP), using the standard HCPC nominal codes. The same codes have been applied to the Grant detail.

A Grant claim pro-forma, provided by the DfE, is used by the HCPC to call-off funds from the Grant. Each claim submission includes an encrypted Excel workbook containing all necessary evidence in support of the claim.

The claim governance, and process workflow has been documented in a swim lane diagram. This diagram is on record with the DfE and the Project Board.

The HCPC Project Manager and the DfE Commercial lead meet prior to each claim submission to review the claim prior to the formal submission.

Summary description of Governance process as described in the Appendix

The primary principles of the HCPC and the DfE engagement is to protect the public purse, and to ensure that costs incurred by the HCPC as a direct result of the SWE project are recovered from the Grant.

Grant claims are submitted each quarter to the DfE following a review and approval by the Project Board. The Grant claim is signed by the Project Lead (John Barwick), and the financial evidence is provided by the Director of Finance (Tian Tian).

The Grant is capped at £2.4 million with costs split across two financial years – the maximum call off for year one is currently set at £1.5million. The DfE has agreed that costs can be reforecast into year two based on the outcome of the planning and initiation work.

Costs called-off from the Grant must honour the purposes set out in the original approval, however the detailed line by line accountability is not essential as long as the cap is honoured and the costs justifiable.

Any spend which is expected to be covered by the Grant must be pre-approved by the Project Manager prior to commitment (Purchase orders, etc.).

New costs (or costs which may require clarification), not already categorised in the Grant require Project Board, followed by SMT approval before being accepted as a project cost. If the SMT wish to decide to allocate the new cost to the Grant, then the DfE Commercial lead is engaged and a proposal submitted for a decision.

All costs are tracked in the CSR as a record for the Project, and in Sage / WAP as a record for Finance.

History of claims to date

The first Grant claim was submitted by the HCPC on the 30 June 2018. It included costs for Project Management, Finance support by Andy Gillies and EMT Restructure costs. The costs for Finance and the EMT restructure costs were initially queried by the DfE Commercial lead.

Following discussions between the HCPC Head of Projects and the DfE Commercial Lead, the Finance costs were accepted and 70% of EMT Restructure costs were accepted against the proposed Redundancy allocation in the Grant

A replacement Claim was submitted on the 17 August 2018, this included the original costs, the new EMT costs and updated costs for July. This claim, valued at £236,464.94 was approved by the DfE Commercial lead on the 21 August 2018.

Key stakeholders

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Appendix 1: Grant Claim Governance Swim lane Diagram

