

**HEARING AID COUNCIL (HAC)  
AUDIT COMMITTEE MEETING 13<sup>th</sup> MARCH 2008 AT 10.30AM  
70 ST MARY'S AXE, LONDON, EC3A 8BD (TELEPHONE 0203 102 4030)**

**The Hearing Aid Council Risk Register**

**Issue**

The HAC updated risk register is attached.

**Timing**

HAC Audit Committee meeting 13<sup>th</sup> March 2008.

**Action**

For consideration, discussion and agreement by the Committee.

**Background**

The system of internal control is under continuous development and will be based on a process designed to:

- identify and prioritise the risks to the achievement of the Council's policies, aims and objectives; and
- evaluate the likelihood of those risks being realised, the impact should they be realised and to manage them effectively, efficiently and economically.

**Recommendation**

To agree the risk register.

Ref No.	Description of risk	Impact	Probability	Potential risk	Possible courses of action	Chosen action	Target date	Current risk rating
1	Staff turnover increases	RED	AMBER	RED	a) Review role and responsibilities of Executive Team b) Ensure learning and systems in place so facilitate integration of new starters	a) Review role and responsibilities of Executive Team b) Ensure learning and systems in place so facilitate integration of new starters	Ongoing	RED
2	Complaints continue to rise in 08-9 absorbing resources earmarked for transfer and other workstreams.	RED	AMBER	RED	a) Reduce complaint investigation b) Seek funding from BERR c) Seek funding from alternative source d) Review complaints handling process to minimise costs without compromising outcomes	d) Review complaints handling process to minimise costs without compromising outcomes	Ongoing	RED
3	Transfer date moved beyond March 2009 and Council must manage finances accordingly.	RED	AMBER	AMBER			March Audit and SEC	RED
4	Exam candidate numbers lower than expected reduces income from exam or register growth lower than expected leading income deficit	RED	AMBER	AMBER	a) Raise exam fee b) Promote exam c) Reduce exam costs where possible d) Promote alternative routes on to register	a) Raise exam fee b) Promote exam c) Reduce exam costs where possible d) Promote alternative routes on to register	a) and b) done c) and d) ongoing	RED
5	Insufficient resources to deliver duties, meet responsibilities and realise strategic objectives	RED	AMBER	AMBER	a) Minimise costs where possible b) Funding options appraisal to Jan Council c) Liaising with BERR in view of like fee rise d) Scale back work to modernise and transfer regulatory framework e) Apply to BERR for financial support. f) Forecast potential costs from complaints handling and agree BERR support if extreme	a) Minimise costs where possible b) Funding options appraisal to Council c) Liaising with BERR in view of like fee rise d) Scale back work to modernise and transfer regulatory framework e) Apply to BERR for financial support. f) Forecast potential costs from complaints handling and agree BERR support if extreme	a), b), c) d) and e) done. f) ongoing.	RED
6	Consumer protection inadequate after abolition	RED	AMBER	AMBER	a) s3 criminal offence options appraisal b) Work with OFT/BERR to define professional diligence in UNCP's as registration with HPC c) Mentor industry to develop OFT approved code d) Work with Trading Standards, consumer groups, industry and HPC to ensure proper signposting in place for complainants post-abolition	a) s3 criminal offence options appraisal b) Work with OFT/BERR to define professional diligence in UNCP's as registration with HPC c) Mentor industry to develop OFT approved code d) Work with Trading Standards, consumer groups, industry and HPC to ensure proper signposting in place for complainants post-abolition	Transfer date minus 3 months	AMBER

7	Core contractors request end of contract or contract not renewed April 2008, damaging one of core functions (Legal, Finance or Exams)	RED	AMBER	AMBER	<ul style="list-style-type: none"> <li>a) contingency planning</li> <li>b) ongoing formal and informal reviews</li> <li>c) review options for future arrangements</li> </ul>	<ul style="list-style-type: none"> <li>a) contingency planning</li> <li>b) ongoing formal and informal reviews</li> <li>c) review options for future arrangements</li> </ul>	Ongoing	AMBER
8	Appropriate new training and education systems not in place	RED	AMBER	AMBER	<ul style="list-style-type: none"> <li>a) Implement approval of new foundation degrees</li> <li>b) Consult on implementation of new education standards</li> <li>c) Seek legal advice on moving from old to new standard</li> <li>d) Liaise with stakeholders to explain change</li> </ul>	<ul style="list-style-type: none"> <li>a) Implement approval of new foundation degrees</li> <li>b) Consult on implementation of new education standards</li> <li>c) Seek legal advice on moving from old to new standard</li> <li>d) Liaise with stakeholders to explain change</li> </ul>	2008 (2)	AMBER

# Risk register and internal control

The system of internal control is under continuous development and will be based on a process designed to:

- identify and prioritise the risks to the achievement of the Council's policies, aims and objectives; and
- evaluate the likelihood of those risks being realised, the impact should they be realised and to manage them effectively, efficiently and economically.

## The risk register at February 2008

The risk register at February 2008 shows five current red risks:

1. Staff turnover increases.
2. Complaints continue to rise in 08-9 absorbing resources earmarked for transfer and other workstreams.
3. Transfer date moved beyond March 2009 and Council must manage finances accordingly.
4. Exam candidate numbers lower than expected reduces income from exam or register growth lower than expected leading income deficit.
5. Insufficient resources to deliver duties, meet responsibilities and realise strategic objectives.

Resources will continue to be an issue in the coming year. The immediate risks related to resources have to been mitigated to some extent by the receipt of funding from BERR and the Minister's approval of a £695 retention fee. However, longer term risks remain if staff are not retained or if the projections in the budget about complaint figures, growth in registrant numbers or exam candidates.