

Risk-based approach to licensing consultation

The Engineering Council consulted on the development and implementation of an improvement programme of the licensing function and the incorporation of a risk-based approach.

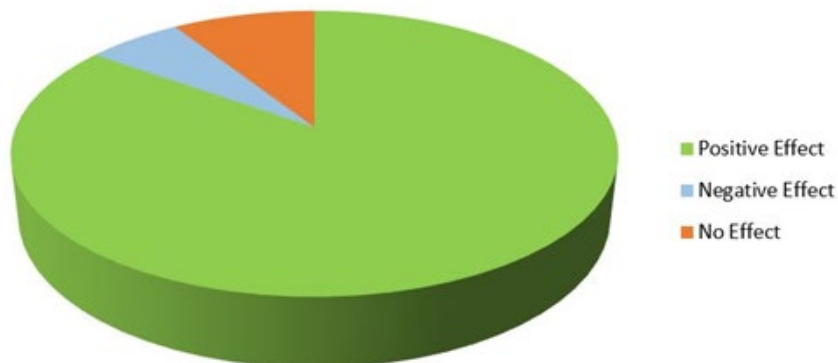
A Working Group was established and produced a proposed new system and accompanying action plan. Whilst the Quality Assurance Committee (QAC) approved the action plan, a valuable input into the process is the views of our stakeholders, most notably key staff members at licensed members and the pool of licensing volunteers who, through a process of consultation, were asked to consider the impact of the proposed changes.

As part of the consultation, stakeholders were invited to comment on the impact of the new process in the following areas:

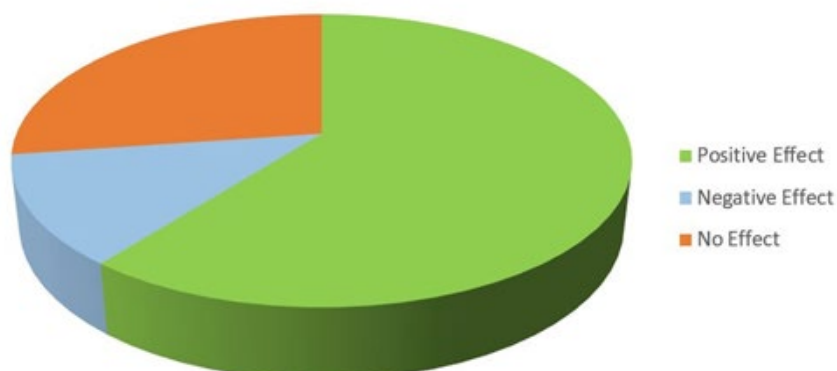
- Licensed Members
- Liaison Officers
- Licensing process and quality assurance
- Continuation of high standards across Licensed Members

By the end of the three-week consultation period, responses had been received from 25 Licensed Members. The below charts provide a general summary of the responses.

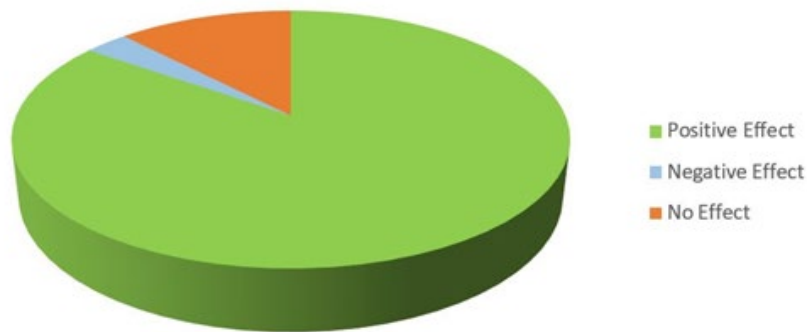
For Licensed Members, the proposed new system would have a ...



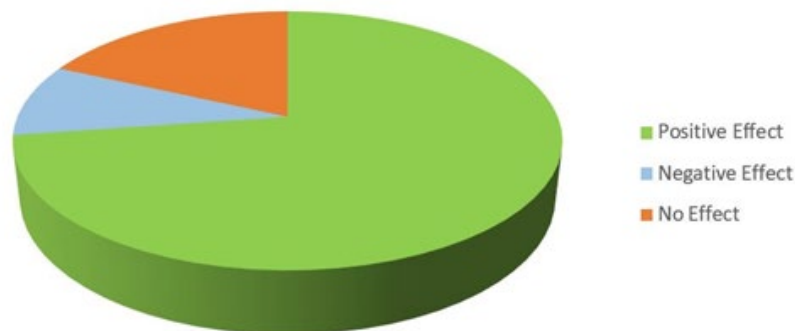
For the role of Liaison Officer, the proposed new system would have a...



For the licensing process and quality assurance, the proposed new system would have...



For the continuation of high standards across the Licensed Members, the proposed new system would have ...



Whilst the feedback shows considerable support for the proposal, it is important to note there were some areas of the process that were queried, which this summary would seek to address.

Training of Liaison Officers and Review Panel Chairs

A key aspect prior to implementation of the new process would be the training of both Liaison Officers and Review Panel Chairs. Both sets of stakeholders have been regularly informed of the project's progress via both the QAC Bulletin and the consultation. A pilot desktop review has also been undertaken by three Review Panels for their respective allocated institutions, an exercise which, similar to the consultation, resulted in generally positive feedback and useful learning points. Further information on the pilot is provided later in this summary.

Moving forward, the risk-based approach will be incorporated into the Volunteer Seminars to ensure that there is a wide understanding of the process prior to implementation. Additionally, all key licensing documentation, such as the Licensing Manual and Liaison Officer Handbook, will be updated to reflect the new process.

Risk Criteria and ensuring a fair / consistent approach

As mentioned, a pilot desktop review was undertaken of three Licensed Members from each of the below groups:

- Group A – institutions with normally over 5,000 registrants
- Group B – institutions with 1,000 – 5,000 registrants
- Group C – institutions with less than 1,000 registrants

The Working Group selected institutions of varying size, in terms of registrant numbers, to review whether the assessments resulted in a consistent and fair approach. In determining the outcomes of the assessments under the new process, it would be important to not automatically view an institution as high risk, and recommend a review visit, based on its size. For example, a large Group A institution where the impact of risks would be higher due to the number of registrants and, alternatively, a Group C institution where the probability of risks may be higher due to less resources (staff / volunteers etc.) when compared to larger institutions.

The new process, therefore, would not include a 'formula' whereby, for example, a review visit is recommended should an institution have x high risk categories or y medium risk categories. The risk ratings would act as an indicator for QAC who would then be responsible for approving the course of action to be taken, across all Licensed Members, for the following 12 months.

For the pilot, a draft assessment form, available below, was completed by each Review Panel. The form highlighted the categories that were assessed (existing Continual Performance Improvement categories plus Action Completion and Liaison Officer Support) and the criteria behind each rating provided. For reference, the criteria used in obtaining a risk rating (probability x impact + impact) is consistent with the Engineering Council's risk approach and one endorsed by the Charity Commission.

The assessment form is provided in its draft form and is expected to be revised following feedback from the Review Panels during the pilot. One particular area being the risk descriptors including more examples to assist the Review Panels. Following implementation, the assessment form would effectively become a live document which is regularly updated with information from Liaison Officer reports and staff meetings / correspondence etc.

Effective Communications With Licensed Members

It is understood and appreciated all Licensed Members would wish to know how they will be impacted by the risk-based approach. The Engineering Council has ensured institutions have been kept apprised of the project at the key stages of development and, moving forward, this would continue with notifications of, for example, when key documentation is updated, outlining the details of the new process.

Upon implementation, it is expected Licensed Members would be provided the summary section of the risk assessment, outlining the recommendation(s) of the Review Panel. As with the current licence review process, recommendations would continue to be subject to QAC approval.

Resourcing the new approach

Under the risk-based approach, risk assessments of all Licensed Members would take place following submission of the Annual Licence Report and in time for review at the April QAC meeting. This would likely result in most assessments taking place in March.

Within the proposals of the Working Group, the workload of both Engineering Council staff and volunteers was reviewed and key tasks would be arranged to ensure there is sufficient resource for the assessments to take place.

As noted earlier, as the assessment forms will effectively be a live document that is maintained during the course of the year and is expected to assist in ensuring a manageable workload for all stakeholders. Additionally, with the introduction of the possibility of desktop reviews, it is also expected to require less resource for lower risk institutions.

In terms of the assessment itself, it would be the responsibility of Engineering Council Licensing staff to be proactive in scheduling the meetings / conference calls of the Review Panel, allowing for all assessments to be carried out in a timely manner.

[Risk Assessment Template Form](#)

Consultation period:

This is now closed