

Risk Management Final Report

Strategic delivery: Setting standards Increasing and informing choice Demonstrating efficiency economy and value

Details:

Meeting Audit and Governance Committee

Agenda item 5

Paper number AGC (05/12/2017) 575 DH

Meeting date 05 December 2017

Author Jeremy Nolan

Output:

For information or decision? For information

Recommendation The Committee is asked to note:

- This report and its recommendations

Resource implications None

Implementation date During 2017–18

Communication(s)

Organisational risk Low Medium High

Annexes: None

Health Group Internal Audit

Reference number: DHX 217 008 003
FINAL REPORT
HUMAN FERTILISATION &
EMBRYOLOGY AUTHORITY
NOVEMBER 2017

Report Name:
Risk Management

Overall report
rating:
MODERATE

Health Group Internal Audit, part of the Government Internal Audit Agency (GIAA) provides an objective and independent assurance, analysis and consulting service to the Department of Health and its arms length bodies, bringing a disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes.

The focuses on business priorities and key risks, delivering its service through three core approaches across all corporate and programme activity:

- **Review and evaluation** of internal controls and processes;
- **Advice to support management** in making improvements in risk management, control and governance; and
- **Analysis of policies, procedures and operations** against good practice.

Our findings and recommendations:

- Form the basis of an independent opinion to the Accounting Officers and Audit Committees of the Department of Health and its arms length bodies on the degree to which risk management, control and governance support the achievement of objectives; and
- Add value to management by providing a basis and catalyst for improving operations.

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Our work has been conducted and our report prepared solely for the benefit of the Department of Health and its arms length bodies and in accordance with a defined and agreed terms of reference. In doing so, we have not taken into account the considerations of any third parties. Accordingly, as our report may not consider issues relevant to such third parties, any use they may choose to make of our report is entirely at their own risk and we accept no responsibility whatsoever in relation to such use. Any third parties, requiring access to the report may be required to sign 'hold harmless' letters. In addition, the information within the report originated from GIAA and customers must consult with GIAA pursuant to part IV of the Secretary of State' Code of Practice issued under section 45 of the FOI Act before disclosing information within the reports to third parties.

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Date fieldwork completed:	11th October 2017
1st draft report issued:	16th November 2017
Management responses received:	28 th November 2017
2nd draft report issued:	N/A
Management responses received:	N/A
Final report issued	29 th November 2017

Report Author: Tony Stanley
Version No: FINAL

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Distribution List – Final Report

As for draft report.

1. Introduction

- 1.1 The Human Fertilisation & Embryology Authority (HFEA) is the regulator of fertility treatment and human embryo research in the UK. The role of the organisation includes licensing of clinics, setting standards and checking compliance with them through inspections. HFEA also plays a public education role by providing information about treatments and services for the public, people seeking treatment, donor-conceived people and donors. HFEA's role is defined in law by the Human Fertilisation and Embryology Act 1990 and the Human Fertilisation and Embryology Act 2008.
- 1.2 Robust risk management is fundamental to an effective and well managed public sector body, supporting it to achieve its objectives. To help support the management of risk, HFEA have in place an Audit and Governance Committee which oversees corporate governance, risk, audit arrangements and financial matters.
- 1.3 The objective of this audit was to review the risk management arrangements within HFEA, focusing on one of the seven risks currently on the strategic risk register. It was agreed with management that a 'deep dive' review of the Capability risk would be the most appropriate area to review and would add the most value at this time. The review looked at the adequacy and effectiveness of the controls that HFEA currently have in place to manage this risk.
- 1.4 Our fieldwork involved interviews, including the Head of Planning and Governance, attendance at a HFEA Corporate Management Group Risk meeting and a review of all HFEA policies and guidance documents, which are linked to risk management and corporate governance.

2. Review Conclusion

- 2.1 The overall rating for the report is **MODERATE** – some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.
- 2.2 To support our overall opinion, we have identified positive evidence of good practice in managing the capability risk, and this is detailed in paras 3.2-3.9. However, we also found, at the time of our fieldwork, that there are areas for improvement in the HFEA risk management framework, the most significant issue (with a recommendation assessed at 'medium' level) being the inconsistency in the information captured within the strategic risk register

3. Summary of Findings

- 3.1 Our overarching finding is that HFEA has a robust risk framework in place which supports and promotes a good risk management culture. Senior management have put solid foundations in place, including the production of a risk management policy, which clearly sets out HFEA's approach to risk management, and outlines procedures, roles and responsibilities and the treatment of risk.
- 3.2 HFEA has a corporate risk register in place, which contains seven strategic risks, all of which have been agreed by HFEA senior management team as having either high or medium risk. Beneath this there are also operational risk registers across all teams within HFEA. These frameworks are what we would expect to be in place in a good risk management environment and are aligned with good practice guidance. We also found the following positive evidence on the key scope areas reviewed during our 'deep dive' of HFEAs Capability risk:
- 3.3 **Risk Ownership:** There is clear ownership of the capability risk, with the HFEA Chief Executive having overall responsibility. The risk is separated into several sub-categories, each assigned an individual owner from the senior management team. Each owner provides an update on their particular risk area at each meeting of the Corporate Management Group (CMG). The CMG is attended by the Chief Executive, directors and section heads, which provides a strong level of accountability. We consider this to be in line with good practice.
- 3.4 **Risk Assessment:** Risks are assessed using a five point rating system assessing likelihood and impact, with both an inherent risk rating and residual risk rating once controls have been taken into consideration. The rating is discussed and agreed at each CMG meeting, with ongoing commentary provided to justify the rating agreed and any changes made. Each of the capability sub risks include documented mitigations, with updates provided on any key issues likely to have any impact on the overall rating.
- 3.5 **Staff Turnover/Knowledge Retention:** This is discussed regularly at CMG, which ensures that these issues are high on the radar of the senior management team, and re-prioritisation of work is discussed to alleviate any short term staffing issues. Prior to staff leaving or going on planned long term absence, there are procedures in place to ensure knowledge is captured. This is done via structured handovers, manager engagement and ensuring all key documentation is filed appropriately.
- 3.6 **Decreased effectiveness/Performance failures:** Performance and prioritisation of work are standing agenda items at CMG meetings. HFEA carried out a wide staff consultation on an organisational change document in early 2017 to gauge staff views on various issues. This resulted in a refined version of the new organisational model. In addition to this a people strategy has also been drafted (and is now near-final) which sets out HFEA's core principles. This is supported by a set of commitments from senior management on leadership, culture, engagement, performance and development. We consider this to be a positive initiative, however at the time of the audit the strategy and commitment had not been published to all staff. HFEA also have a suite of detailed HR policies and procedures to support staff, and access to an employee assistance programme is available to all.
- 3.7 **Current and future resource issues:** HFEA have good systems in place to monitor both staff levels and absence levels, with reports routinely produced and presented at CMG for discussion. At the time of the review the register team were at full capacity, and the risk has reduced as staff increase their capability. Temporary staff recruitment is used to ensure continuity of activity and ensure there are no back logs of work.

EXECUTIVE SUMMARY

Regular surveys are used by HFEA to capture all views of staff and try to identify areas for improvement.

- 3.8 **Technical Issues:** A new Chief Information Officer (CIO) joined HFEA in September 17, and one of the main priorities is to improve long standing issues with SKYPE communication, which have been ongoing since 2016. External venues are also being used to help mitigate the issue, with a new switchboard system being implemented during the course of the audit fieldwork.
- 3.9 Whilst the audit work provides assurance that there is a good risk management framework, we consider that there are areas where improvements could be made:
- 3.10 **Strategic Risk Register:** The current strategic risk register used to inform senior management meetings should be updated to ensure it is more comprehensive, ensures that all stated mitigations include effective controls to reduce the level of risk, includes details of the contingency arrangements in place and also clearly details HFEA's risk tolerance.
- 3.11 **Staff Turnover:** At the time of the audit staff turnover was above the agreed key performance indicator for HFEA, which has the risk of impacting on business as usual activity. We acknowledge that HFEA have taken action to identify the root causes behind this turnover, including staff surveys and exit interviews, and that a pay comparison document had been produced and circulated to staff.
- 3.12 We have also raised some other points for management to consider, although these are 'observations' rather than recommendations and are intended to add value.
- Consideration should be given to running a series of workshops for all staff regarding risk management, to raise awareness, provide key information on current requirements and to help achieve buy in at all levels of the organisation;
 - The people strategy should be agreed and communicated as soon as possible. This could be supported by the formation of a people group to help drive forward the strategy and provide a focal point for all people related issues; and
 - All staff training actually completed should be recorded and monitored so that management are able to fully analyse what Learning & Development is being carried out, what kind of training is being undertaken and where there are issues with individuals not achieving enough Learning & Development.

- 3.13 The table below summaries the number of recommendations by rating and review area:

	Total Recs	High	Medium	Low
C1 Risk Register	1		1	
Staffing/Capability	1		1	
Overall	2		2	

4. Next Steps

- 4.1 To support the provision of a meaningful report to the Audit and Governance Committee you are now required to:

- consider the recommendations made in Section 2; and

EXECUTIVE SUMMARY

- complete section 5 (Recommendations Table: Agreed Action Plan) detailing what action you are intending to take to address the individual recommendations, the owner of the planned actions and the planned implementation date.
- 4.2 The agreed action plan will then form the basis of subsequent audit activity to verify that the recommendation have been implemented effectively.
- 4.3 Management should implement the agreed recommendations before or by the agreed due dates and:
- advise HGIAS that the actions have been completed; and
 - provide relevant evidence to demonstrate how the recommendations have been implemented effectively.
- 4.4 If HGIAS does not receive a response from management by or before the agreed due dates, HGIAS will then follow up all high and medium rated recommendations with the action owner on the relevant due date (as specified in the agreed action plan). This is to verify that the recommendation have been implemented effectively.
- 4.5 In the absence of a response to our follow up, the outstanding recommendations will be escalated to the relevant Director and routinely reported to the Audit and Governance Committee.
- 4.6 If management do not accept any of the recommendations made then a clear reason should be provided in the action plan.
- 4.7 Finally, we would like to thank management for their help and assistance during this review.

RECOMMENDATIONS TABLE

5. Recommendations Table

Customer to provide details of planned action; owner and implementation date. Action taken will later be assessed by Health Group Internal Audit, and therefore the level of detail provided needs to be sufficient to allow for the assessment of the adequacy of action taken to implement the recommendation to take place

No	RATING	RECOMMENDATIONS	MANAGEMENT RESPONSE	AGREED ACTION PLAN: OWNER & PLANNED IMPLEMENTATION DATE	*EXPECTED EVIDENCE TO DEMONSTRATE RECOMMENDATION IMPLEMENTATION
1.	M	<p>The current strategic risk register (for the C1 Capability risk) should be reviewed and updated to ensure it provides more comprehensive data to help inform management decisions on risk, including:</p> <ul style="list-style-type: none"> Review all current mitigating actions to ensure they include effective controls which address the root cause of the risk identified and are sufficient to reduce the severity; Contingency actions in instances where identified mitigating actions have not been effective should be detailed, or a clear rationale for these not being in place should be included; The register should include a risk appetite/tolerance which clearly reflects the amount of risk HFEA is 	<p>Agreed. We already do such a review at every risk CMG, but we could usefully focus more on ensuring the controls are really controls, and are controlling root causes</p> <p>This links to a useful point made at AGC in October – which was about considering the adequacy of controls for any over-tolerance risks. This is done, but we could be clearer in the risk commentary if we have chosen to tolerate the position for a period of time, or if no further controls are available.</p> <p>Agreed and implemented this week,</p>	<p>Next available CMG Risk meeting – February 2018</p> <p>Paula Robinson & Helen Crutcher</p> <p>Next available CMG Risk meeting – February 2018</p> <p>Paula Robinson & Helen Crutcher</p> <p>We have updated this section of the risk policy now, to clarify what we mean by risk appetite and risk tolerance, and to state</p>	<p>A revised strategic risk register which has addressed all of the recommendations and has been reviewed and signed off by management.</p> <p>CMG risk meeting minutes reflecting the discussion.</p>

RECOMMENDATIONS TABLE

No	RATING	RECOMMENDATIONS	MANAGEMENT RESPONSE	AGREED ACTION PLAN: OWNER & PLANNED IMPLEMENTATION DATE	*EXPECTED EVIDENCE TO DEMONSTRATE RECOMMENDATION IMPLEMENTATION
		<p>willing to undertake to meet their strategic objectives;</p> <ul style="list-style-type: none"> An additional column should be added which details the latest actions carried out by management and confirms that the risk and mitigation has been reviewed and agreed. 	<p>Agree that we should find a way of making it clearer what the most recent actions/controls have been.</p> <p>Dates of recent risk reviews appear on the summary page at the start of the risk register.</p>	<p>that our risk appetite is low. We have also reflected this in the risk register.</p> <p>Paula Robinson & Helen Crutcher</p> <p>We will look at this and see if we can achieve the same thing without adding a column (since that would be hard to fit in elegantly).</p> <p>Paula Robinson & Helen Crutcher</p>	
2.	M	<p>HFEA should put in place mechanisms to ensure that information captured through exit interviews and staff surveys to identify the root causes behind staff turnover, is used effectively to implement practical changes to bring turnover levels in line with agreed tolerances. This should include, but not limited to:</p> <ul style="list-style-type: none"> Ensuring that all information gathered from staff during exit interviews and staff surveys is reviewed in detail, with an action plan produced to respond positively to the findings. Any actions agreed should have senior management 	<p>Agreed. We will look at this suggestion in the near future.</p>	<p>Discussion at next available SMT (before end of 2017).</p> <p>Juliet Tizzard Paula Robinson</p>	<p>A management action plan which provides details of planned actions for addressing the root cause of current staff turnover in HFEA, incorporating some or all of the elements detailed in the recommendation.</p>

RECOMMENDATIONS TABLE

No	RATING	RECOMMENDATIONS	MANAGEMENT RESPONSE	AGREED ACTION PLAN: OWNER & PLANNED IMPLEMENTATION DATE	*EXPECTED EVIDENCE TO DEMONSTRATE RECOMMENDATION IMPLEMENTATION
		<p>sponsorship to ensure there is the requisite accountability and a clear mandate for implementing the actions agreed;</p> <ul style="list-style-type: none"> Development of a clear workforce strategy which supports management in the recruitment and retention of staff 	<p>Agreed – this is in progress.</p>	<p>Finalisation discussion planned at leadership away day on 29 November 2017.</p> <p>Publication shortly thereafter.</p> <p>Peter Thompson Yvonne Akinmodun</p>	

FINDING/OBSERVATION

1. FINDING/OBSERVATION:

Updating of strategic risk register

RISK RATING: Medium

Boards should use risk management actively as a key driver in achieving value for money and be confident that risks are being managed appropriately. Risk registers are an important tool to support this and ensure that management take decisions based on good quality information without being overly optimistic.

It is therefore important that registers are kept up-to-date and are complete in terms of the information they capture.

We identified a number of issues with the current strategic risk register (for the C1 Capability risk):

- A number of the current mitigations listed are status updates, and do not explicitly detail the controls in place to effectively manage or reduce the associated risk. There is a potential therefore that HFEA are exposed to a greater level of risk, without these controls being identified and in place;
- There were no contingency actions identified to support the mitigations, which would leave HFEA exposed should the agreed mitigations fail or prove ineffective. Where contingencies are discussed and not deemed appropriate, this should be clearly recorded to show that this has been considered;
- There was no indication on the register regarding HFEA's overall risk tolerance/appetite level. This is an important part of the risk management process, as it allows clearer identification of appropriate mitigations and actions, which would help manage the risk within agreed tolerances; and
- There was no indication regarding the latest actions carried out by management against any of the risks, and it is unclear what action has been taken, by whom and what impact this had on the risk.

RISK/IMPLICATION:

That HFEA are not effectively managing the capability risk within agreed tolerances, and that any mitigations and contingencies are not effective in managing or reducing the risk.

RECOMMENDATION:

The current strategic risk register (for the C1 Capability risk) should be reviewed and updated to ensure it provides more comprehensive data to help inform management decisions on risk, including:

- Review all current mitigating actions to ensure they include effective controls which address the root cause of the risk identified and are sufficient to reduce the severity;
- Contingency actions in instances where identified mitigating actions have not been effective should be detailed, or a clear rationale for these not being in place;
- The register should include a risk appetite/tolerance which clearly reflects the amount of risk HFEA is willing to undertake to meet their strategic objectives; and
- An additional column should be added which details the latest actions carried out by management and confirms that the risk and mitigation has been reviewed and agreed.

FINDING/OBSERVATION

2. FINDING/OBSERVATION:

Staffing Levels

RISK RATING: Medium

We identified that at the time of the audit staff turnover within HFEA was increasing (the latest documented figure was 33% per annum) and that this percentage was above the 15% key performance indicator set by HFEA.

Performance indicators are in place and monitored, supported by detailed management information. There was also evidence of work by HFEA to identify the root causes behind the high turnover levels, such as exit interviews, staff surveys and task and finish groups. However, we could not see evidence of any clear processes in place to effectively use the information gathered, and implement actions to help manage and ultimately reduce this risk.

RISK/IMPLICATION:

There is the potential that HFEA are exposed to continued high staff turnover, loss of experience and expertise, which could lead to knowledge gaps and disruption to key areas of the business, affecting the service provided.

RECOMMENDATION:

HFEA should put in place mechanisms to ensure that information captured through exit interviews and staff surveys to identify the root causes behind staff turnover, is used effectively to implement practical changes to bring turnover levels in line with agreed tolerances. This should include, but not limited to:

- Ensuring that all information gathered from staff during exit interviews and staff surveys is reviewed in detail, with an action plan produced to respond positively to the findings. Any actions agreed should have senior management sponsorship to ensure there is the requisite accountability and a clear mandate for implementing the actions agreed; and
- Development of a clear workforce strategy which supports management in the recruitment and retention of staff.

Suggested Risk Ratings:

Priority	Description
HIGH	Fundamental weaknesses in control which expose the Accounting Officer / Director to high risk or significant loss or exposure in terms of failure to achieve key objectives, impropriety or fraud. Senior managers are expected to oversee the prompt implementation of agreed actions, or to confirm in writing that they accept the risks of not implementing a high priority internal audit recommendation.
MEDIUM	Significant weaknesses in control, which, although not fundamental, expose the Accounting Officer / Director to a risk of loss, exposure or poor value for money. Managers are expected to oversee the prompt implementation of agreed actions, or to confirm in writing that they accept the risks of not implementing a medium priority internal audit recommendation. Failure to implement recommendations to mitigate these risks could result in the risk moving to the High category.
LOW	Minor weakness in control which expose the Accounting Officer / Director to relatively low risk of loss or exposure. However, there is the opportunity to improve the control environment by complying with best practice. Suggestions made if adopted would mitigate the low level risks identified.

Report Rating – Definitions

Substantial	In Internal Audit's opinion, the framework of governance, risk management and control is adequate and effective.
Moderate	In Internal Audit's opinion, some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.
Limited	In Internal Audit's opinion, there are significant weaknesses in the framework of governance, risk management and control such that it could be or could become inadequate and ineffective.
Unsatisfactory	In Internal Audit's opinion, there are fundamental weaknesses in the framework of governance, risk management and control such that it is inadequate and ineffective or is likely to fail.

SUMMARY OF AUDIT RECOMMENDATIONS

Year of Rec.	Category	Audit	Section	Rec #	Recommendations	Action Manager	Proposed Completion Date	Complete this cycle?
2017/18	M	DH Internal Audit	Data Loss	1	Clinic governance oversight	Chris Hall, Senior Inspector (Information)	Post April 2018	No
	M			2	Policy Review	Dan Howard, CIO	May 2018	No
	M			3	Staff Training	TBC (Dan Howard, CIO & Head of HR)	December 2017	No
	M			4	Business Continuity Testing	Dan Howard, CIO	November 2017	Yes
	M		Risk Management	1	Risk Register	Paula Robinson, Head of Planning & Governance	February 2018	No
	M			2	Staffing / Capability	Paula Robinson, Head of Planning & Governance	TBC	No
TOTAL	6							

FINDING/RISK	Recommendation	Management Response and agreed actions / Progress update	Owner/Completion date
2017/18 – INTERNAL AUDIT CYCLE			
DATA LOSS			
1. Clinic governance oversight			
<p>The HFEA regularly inspects UK fertility clinics and research centres. This ensures that every licensed clinic or centre is adhering to standard safety. The purpose of an inspection is to assess a clinic's compliance with the Human Fertilisation and Embryology Act 1990 (as amended), licence conditions; General Directions and the provisions of the Code of Practice. The results of these audits from 2016/17 have not identified any significant weaknesses. The NAO accompany one visit per year.</p>	<p>The new Senior Inspector role should include responsibility over the Clinics' governance arrangements in managing data loss, including:</p> <ol style="list-style-type: none"> a. Clinics' information governance arrangements to mitigate the risk of data losses; b. Clinics' arrangements for staff training on information management; c. Clinics' BCP arrangements. 	<p>The Senior Inspector (Information) role has been reviewed and it includes responsibilities for reviewing Information Governance. This includes staff training and security arrangements which includes reviewing BCP planning.</p> <p><i>Inspection regime to be updated to reflect requirements within the new Senior Inspector (Information) post – April 2018</i></p> <p><u>Nov 17 update: no update</u></p>	<p>Chris Hall, Senior Inspector (Information)</p> <p>Post April 2018</p>
2. Policy Review			
<p>Key policies and some of the Standing Operating Procedures were not up to date and were not reviewed on a regular basis - there is a risk that the policy may be out of date and result in incorrect processes being followed.</p>	<p>Key data and information policies should be reviewed periodically to ensure that they are current and aligned.</p>	<p>Information Access Policy and SOPs to be reviewed, updated and ratified to reflect GDPR requirements. Staff Security Procedures (Acceptable Use Policy) to also be updated</p> <p><i>To align with GDPR legislation and to be updated as a component of the HFEA GDPR Action Plan - May 2018. Update and approve at CMG – January 2018</i></p> <p><u>Nov 17 update: We have established a joint project with the HTA and we are developing an overarching project plan and have started the assessment against the 'Nymity Data Privacy Accountability Scorecard'. The recruitment to the IG Project Officer is ongoing.</u></p>	<p>Owner: Dan Howard, CIO</p> <p>May 2018</p>

3. Staff Training			
<p>We identified that the HFEA Business Continuity Plan has not been tested on a regular basis. It was therefore not possible for HFEA to provide assurance that the BCP remains current, fit for purpose and reflects key personnel change to ensure roles and responsibilities are clear.</p>	<p>A process should be put in place to ensure that HFEA are able to capture and monitor all mandatory information management learning and development carried out.</p>	<p>We will refresh our approach to the completion of the following modules of mandatory training in IG. Our target is that all staff will have completed these in the previous 12 months by the end of the calendar year. The modules are:</p> <ul style="list-style-type: none"> • Responsible for information: general user; • Responsible for information: information asset owner (IAOs to complete); and • Responsible for information: senior information risk owner (SIRO to complete) <p><i>All staff – December 2017. The framework for mandatory training (in all areas including information training requires refresh). In any event whilst many staff have undertaken training within 12 months we will use Oct-Dec period to ensure all staff have completed, with sign off from Managers.</i></p> <p><i><u>Nov 17 update:</u> Information management training has been identified for all staff. Information Asset Owners, SIRO and all remaining staff will be expected to complete this before the end of December 2017.</i></p>	<p>Dan Howard, CIO (Yvonne Akinmodun)</p> <p>December 2017</p>
4. Business Continuity Testing.			
<p>There was no management assurance documented to demonstrate that all HFEA staff have complete the mandatory e-learning 'responsible for information' training. Therefore, there is a risk that this training has not been carried out by some or all staff resulting in staff handling data incorrectly potentially leading to loss of data.</p>	<p>The BCP should be updated on a regular basis to ensure that it reflects all key changes and is appropriately tested to ensure that it is fit for purpose.</p>	<p>BCP test and table top test to take place in September 2017. BCP to be updated to reflect lessons learnt from the above tests and to reflect new CIO role responsible.</p> <p><i>BCP summary test findings report submitted to AGC in October 17. BCP approved by CMG in November 17.</i></p> <p><i><u>Nov 17 update:</u> BCP summary findings presented to AGC in October - action complete. The revised BCP has been circulated and will be reviewed at CMG on 23 November 2017.</i></p> <p><i><u>Recommendation completed.</u></i></p>	<p>Dan Howard, CIO</p> <p>November 2017</p> <p>COMPLETE</p>

RISK MANAGEMENT

5.

C1 Risk Register

Updating of strategic risk register

That HFEA are not effectively managing the capability risk within agreed tolerances, and that any mitigations and contingencies are not effective in managing or reducing the risk.

The current strategic risk register (for the C1 Capability risk) should be reviewed and updated to ensure it provides more comprehensive data to help inform management decisions on risk, including:

- Review all current mitigating actions to ensure they include effective controls which address the root cause of the risk identified and are sufficient to reduce the severity;
- Contingency actions in instances where identified mitigating actions have not been effective should be detailed, or a clear rationale for these not being in place should be included;
- The register should include a risk appetite/tolerance which clearly reflects the amount of risk HFEA is willing to undertake to meet their strategic objectives; and
- An additional column should be added which details the latest actions carried out by management and confirms that the risk and mitigation has been reviewed and agreed.

A revised strategic risk register which has addressed all of the recommendations and has been reviewed and signed off by management.

Agreed. We already do such a review at every risk CMG but we could usefully focus more on ensuring the controls are really controls and are controlling root causes. Next available CMG Risk meeting

This links to a useful point made at AGC in October – which was about considering the adequacy of controls for any over-tolerance risks. This is done but we could be clearer in the risk commentary if we have chosen to tolerate the position for a period of time, or if no further controls are available. Next available CMG Risk meeting

Agreed and implemented. We have updated this section of the risk policy now, to clarify what we mean by risk appetite and risk tolerance, and to state that our risk appetite is low. We have also reflected this in the risk register.

Agree that we should find a way of making it clearer what the most recent actions/controls have been. Dates of recent risk reviews appear on the summary page at the start of the risk register. We will look at this and see if we can achieve the same thing without adding a column (since that would be hard to fit in elegantly).

*Owner: Paula Robinson, Head of Planning and Governance
Helen Crutcher*

February 2018

February 2018

Completed

TBC

6.	Staffing / Capability		
<p>There is the potential that HFEA are exposed to continued high staff turnover, loss of experience and expertise, which could lead to knowledge gaps and disruption to key areas of the business, affecting the service provided.</p>	<p>HFEA should put in place mechanisms to ensure that information captured through exit interviews and staff surveys to identify the root causes behind staff turnover, is used effectively to implement practical changes to bring turnover levels in line with agreed tolerances. This should include, but not limited to:</p> <ul style="list-style-type: none"> Ensuring that all information gathered from staff during exit interviews and staff surveys is reviewed in detail, with an action plan produced to respond positively to the findings. Any actions agreed should have senior management sponsorship to ensure there is the requisite accountability and a clear mandate for implementing the actions agreed; and Development of a clear workforce strategy which supports management in the recruitment and retention of staff. 	<p><i>A management action plan which provides details of planned actions for addressing the root cause of current staff turnover in HFEA, incorporating some or all of the elements detailed in the recommendation.</i></p> <p><i>Agreed. We will look at this suggestion in the near future. Discussion at the next available SMT.</i></p> <p><i>Agreed – this is in progress. Finalisation discussion planned at leadership and away day on 29 November 2017. Publication shortly thereafter.</i></p>	<p><i>Juliet Tizzard,</i> <i>Director of Strategy & Corporate Affairs</i> <i>Paula Robinson</i></p> <p><i>Before end of 2017</i></p> <p><i>Peter Thompson,</i> <i>CEO</i> <i>Yvonne Akinmodun</i></p> <p><i>TBC</i></p>