Audit and Governance Committee

Paper Title:	**Implementation of Audit Recommendations – Progress Report**
Paper Number :	**[AGC (10/12/14) 437) SG]**
Agenda Item:	**6c**
Meeting Date:	01 October 2014
Author:	Wilhelmina Crown
For information or decision?	Decision
Resource Implications:	As noted in the enclosed summary of outstanding audit recommendations
Communication	CMG
Organisational Risk	As noted in the enclosed summary
Recommendation to the Committee:	AGC is requested to review the enclosed progress update and to comment as appropriate.

Annexes		Summary of Recommendations		
Recommendation Source	**Status / Actions**	**2011/12 & 2012/13**	**2013/14**	**Total**
Internal – *DH Internal Audit*	*To complete*	*2*	*4*	*6*
	Complete	*-*	*5*	*5*
External Auditor – *NAO*	*To complete*	*-*	*2*	*2*
	Complete	*-*	*-*	*-*
COUNT		*2*	*11*	*13*

1. Report

1.1. This report presents an update to the audit recommendations paper presented to this committee in October 2014.

1.2. No new recommendations have been added since the last meeting of this Committee.

1.3. Recent updates received from Action Managers are recorded under a November heading in this document.

1.4. Five recommendations are noted as completed and the remaining eight are in hand.

1.5. The remaining outstanding recommendations are classified as (M) or (L) as low. None is classified as high.

1.6. Progress with the implementation of the remaining outstanding audit recommendations will be provided to future meetings of this committee and to CMG on a quarterly basis.

2. Recommendation

AGC is requested to review the enclosed summary of recommendations and updated management responses and to advise whether they have any comments or queries in respect of them.

2011 - 12	Title	Section	Findings	Grade	Risk / Implication	Recommendation	Management Response	Action Manager	Date
2011-12	Review of Supplier Maintenance	1	**Guidance for Supplier Maintenance:** Documentary guidance exists which sets out the financial authorities and responsibilities over procurement, purchasing and payment for goods and services. However, some of the detailed guidance needs to be updated. The HFEA Ordering and Payment Procedures are based on the Barclays Business Master system, which has been replaced by the Barclays Internet Banking system. The HFEA Financial Reporting Procedures do not reflect the current suite of management accounting reports.	L		HFEA Ordering and Payment Procedures should be updated to reflect the use of the Barclays Internet Banking system. HFEA Financial Reporting Procedures should be updated to reflect the current suite of management accounting reports.	Agreed. The Financial Procedures will be updated to reflect this and other recommendations arising from this audit, and also updates to the Authority's Fraud and Anti-Theft Policy.

June 2012 update: The finance procedures have been revised in draft and presented to CMG. Recommendations from the meeting are due to be incorporated and finance training arranged for staff new to their financial responsibilities / who would like a refresher.

September 2012 update: The Financial Procedures – the main document setting out procedures and processes for all staff – have been updated and are on the intranet. Revisions include reference to the Fraud and Anti-Theft Policy; changes in staffing; and enhancement of T&S information in line with DH policy. The detailed procedures in use by only the finance team have been substantially updated. The banking procedures refer to Barclays Internet banking. Some detailed procedures remain to be updated, it is anticipated this will be completed by end October.

November 2012 update: The finance SOP on the HFEA's Ordering and Payment of goods and services has been updated to reflect the use of Barclays Internet Banking. The imminent delivery of the SAGE 200 project will radical transform the financial system and processes currently in place. It is therefore recommended that all other documents are reviewed after the new system is introduced.

March 2013 update: The Sage 200 project is underway. The financial procedures and finance team SOPs will be subject to material revisions to reflect the forthcoming (1 April 2013) introduction of WAP (to facilitate online processing of purchase orders to payment).

June 2013 update: Pending resolution of the technical problems with the new WAP system the revisions to the financial procedures were also delayed. The WAP system went live on 3rd June and revised summary financial procedures are to be presented to this meeting. Some of the individual detailed procedures will be completed subsequently.

Aug 2013 update:

Delayed due to finance team restructuring. In addition, an annual review of the existing suppliers database will be written into the standard operating finance documentations which is planned to be completed by November 2013

Nov 2013 update
Now expected in Dec 2013
Feb 2014 update
A review of time and availability resources has necessitated moing this piece of work back in Q1 of 2014-15. This rrecommendations relates to the updating of SOP's which are internal to finance staff only.

May 2014 update
Awaitng completion by Director of Finance and Facilities
Internal audit planned in Q1 2014/15 to update this recommendation

September 2014 Update
Finance policies and SOPs to be updated.
November 2014 Update
As above. Financial controls audit is to look at existing policies to highlight "gaps" and any identifeid will be incorporated | *Head of Finance* | Apr-12

Jul-12

Oct-12

May-13

March / April 2013

Jul-13

Nov-13

Dec-13

Apr-14

Jun-14

Dec-14

Feb-15 |

2011 - 12	Title	Section	Findings	Grade	Risk / Implication	Recommendation	Management Response	Action Manager	Date
	D a t a C o n f i d e n t i a l i t y	4	**Information Asset Register** A number of policies are in place that relate to the management of information, including: · Information Classification and Retention; · Records Management; and · Information Access. These policies do not reference HFEA's Information Asset Register (IAR) which is used to apply a security classification to information assets. HFEA use different security classifications to define the controls which are to be applied to data sets.	L	Polices related to information management may be applied without consideration of the security classifications documented in the IAR.	Management should review the policies related to information management to consider whether those policies require linking to the IAR.	**1. This is a good suggestion which we will progress during 2012.** **November 2012 update** In progress, a meeting has been arranged to initiate changes. **March 2013 update**: The OGSIRO has recently issued documents relevant to risk appetite and security for information assets. This needs to be taken account of in the review, which has been delayed. **June 2013 update**: Work delayed **Nov 2013 update** Now expected in Dec 2013 **Feb 14 update -** due to workload pressures, this has been delayed again. It is now firmly scheduled to be completed end March 2014 **May 14 update** Policies to be updated after IfQ changes - discussion to take place by end June 2014 to see if interim update possible **September 2014 Update** These policies form part of the Information Governance toolkit and are currently being reviewed. It is anticipated that the reviews will be completed by November 2014. **November 2014 Update** Work in progress	*Director of Finance / SIRO* *Head of IT*	Nov-12 Dec-12 May-13 Sep-13 Dec-13 Apr-14 Dec-14 Nov-14 Jan-15

2013 - 14	Title	Section	Findings	Grade	Risk / Implication	Recommendation	Management Response	Action Manager	Date
P C W	P A Y R O L L & E X P E N S E S	1	**Arrangements for verification of mileage claims** There are no formalised arrangements for verification of expense claims relating to mileage. Individuals will submit claims for miles travelled that have to be authorised by line-managers in the normal way, but there are no arrangements for ensuring that claims are sufficiently detailed to identify start and end locations of journeys and individual mileages and to verify that these distances are reasonable on a sample basis. We were informed by management that introducing this type of control is something that they are looking to do in the near future	M	Individuals could inflate the number of miles they are claiming to have travelled, thereby resulting in financial loss to the Authority	Management should devise a control process whereby all mileage claims are suitably detailed and then a sample of journeys checked for reasonableness. The existence of such a process has a deterrent effect, which may mean that testing can be on only a small sample of claims	**Agreed (since the introduction of WAP).** **Testing for an upgrade to the WAP system with google map features is imminent and will help when it is rolled out.** **February update** Due to workload pressure, testing is delayed to April 2014 and roll out will be May 2014 **May update** Due to workload pressure, testing is delayed to June 2014 and roll out will be July 2014 **September 2014 Update** WAP testing continues and new queries were recently raised with Sicon. It is anticipated that depending on Sicon's availability when testing is completed, that the upgraded system will be rolled out before the end of September **November 2014 Update** Subject to confirmation, the upgrade to WAP is planned for week beginning 24/11/14. In addition, mileage on expense claims submitted in hard copy using our T&S form are sample checked. **Recommendation completed**	Finance & Accounting Manager	December-13 May-14 July-14 end Sept / Oct 14 **Complete**
	R I S K M A N A G E M E N T	1	**The Authority does not have a formalised risk management strategy, policy or procedures**	M					
			The Authority has not documented a risk management strategy, policy or procedures. Information on areas such as risk appetite and the objectives of risk management are only set out within the Annual Governance Statement (AGS). Typically organisations will define a risk management strategy and framework and ISO 31000 "Risk Management – Principles and Guidelines" describes having a framework for implementing risk management. Related guidance from the Institute of Risk Management, The Public Risk Management Association and Association of Insurance and Risk Managers talks about an organisation describing its framework for supporting risk management by way of the risk architecture, strategy and protocols. This is seen as a way of communicating on risk issues and setting out the roles and responsibilities of the individuals and committees that support the process. The risk strategy should also set out the objectives that risk management activities in the organisation are seeking to achieve and the protocols and procedures by which the strategy will be implemented and risks managed. In practice, HFEA has a continuous process of monitoring and managing risk, and there is a structure of oversight and review in operation. However, the Head of Business Planning has a key role in driving these processes, including briefing new staff, determining tolerances for individual risks in the context of the overall statements in the AGS and monitoring top operational risks to identify any that need to be escalated to the HLRR. These conclusions are then subject to a degree of later		Reviewing the AGS may not effectively incorporate an appropriate review of the organisation's risk management appetite and strategy. In the absence of a formal strategy policies, procedures and risk management processes may not be clearly and consistently applied across the organisation, exposing the Authority to risks above its risk tolerance. In the event of a change in personnel, the process may be at greater risk of not continuing to operate satisfactorily.	The Authority should formalise a Risk Management Strategy, Policy and procedures that builds on the content of the AGS and provides guidance on the application of risk management across the Authority.	**Finding accepted. Draft Risk Management Policy to June 2014 AGC** **September 2014 Update** An advanced draft of the strategy went as planned to June AGC. Further work will follow over the next few months as we proceed to review our risk register in light of the new Strategy agreed at July Authority. **Plus any subsequent actions - to be completed by December 2014** **November 2014 Update** Risk policy is in place and will continue to be updated to reflect latest practice, as other work on the risk system is completed, as part of ongoing business as usual. It is therefore proposed that this item now be marked 'completed'. **Recommendation Completed**	HoBP	June 2014 Complete December-14 **Complete**

2013 - 14	Title	Section	Findings	Grade	Risk / Implication	Recommendation	Management Response	Action Manager	Date
		2	**Risks are significantly summarised within the HLRR and the supporting Assurance Framework has yet to be prepared**	M					
			We noted that the risks within the HLRR are summarised to a significant degree with a large number of contributory factors. For example: • The risk around decision making quality has a number of causes including decision-making apparatus, representation and appeals processes, workload pressures, governance transition programme and business/admin processes, practices and behaviours. Business/admin processes, practices and behaviours itself then refers to document management, risk and incident management, data security and finance processes. • The statutory and operational systems and delivery risk relates to operational delivery and business continuity being hampered by unreliability in, or excessive demand on, key statutory and infrastructure systems. Causes are reliability of a range of IT and non-IT systems, excessive demand on various processes, data integrity, records accuracy and behaviours. Whilst we can see how the underlying factors draw together into the overall risk, at this summarised level it becomes more difficult to evidence the alignment of controls and assurances against the overall risk. Each risk has a series of controls identified, but they are not directly aligned to each underlying cause of the overall risk and if every control in the organisation relevant to possible factors impacting the risk were listed the HLRR would be unmanageable. In some organisations, many of these causes and underlying controls would appear as risks within a risk management system in their own right, and of course in HFEA a number will be within the operational risk registers. However, we believe that what this highlights is the need for development of an Assurance Framework, as management have identified, that would sit behind the risk register and provide a more detailed level of information on individual controls, risk mitigations and sources of assurance within the business.		The HLRR may not provide sufficient detail to ensure that controls to address the broad nature of identified risks are adequate and that there is sufficient assurance over the continued, satisfactory operation of those controls	As intended, an Assurance Framework should be developed showing the alignment of controls, mitigating actions and sources of assurance relating to the risk of breakdown in areas underlying the high level risks.	**Accepted in part. We will need to approach this finding in a proportionate and manageable way. Our proposed actions are:** **1. To review our operational risk system to ensure it is being used fully and consistently across the organisation – the aim being to ensure operational risk is managed in a coherent and comparable way between all teams. This will help our overall risk assurance. The Head of Business Planning to start on this following Corporate Strategy work. For completion by the scheduled CMG review 11/ 14** **2. Revise the High Level Risk Register template to make more apparent the linkages and lines of sight between causes/sources of risks and the corresponding controls.** Head of Business Planning – part of AGC paper for 06/14 September 2014 Update Most of this work will form part of the post-Strategy review of the whole content and lay-out of the risk register, but efforts have already been made to make the lines of sight more obvious, as indicated above. **3. Explanation of whole current risk system (all levels) to June AGC, for clarity (particularly for the newer members / attendees who will not be aware of all aspects of our risk management system). Head of Business Planning to work with CMG and members to consider this between 07/14 & 01/15** **4. Regarding the composite nature of our strategic risks, we will consider whether to break these down into smaller components when we review the high level risk register following the setting of our new strategy. (However, for the time being we are satisfied that the composite approach is sufficient and effective at the strategic risk level.) Head of Business Planning to work with CMG to assess usefulness and possibilities of RAM, inc resource implications To agree our approach by 12/2014** November 2014 Update A revised version of the high level risk register will be brought to the December AGC meeting for comment. This has been redesigned to take in the audit recommendations, as well as the HFEA's strategy.	HoBP	February-15 June-14 Complete January-15 December-14 Complete

2013 - 14	Title	Sec tion	Findings	Grade	Risk / Implication	Recommendation	Management Response	Action Manager	Date
							5. Risk Assurance Mapping – we will consider what other small organisations do, and review whether it would be worthwhile and feasible for the Authority to adopt a similar approach. Meanwhile, some of our other planned actions, listed in this report, will increase the amount of risk assurance built into our existing risk management processes. **September 2014 Update** Via a useful DH Risk Assurance Network meeting in July (the first one of an ongoing series), we have made a useful contact at the CCQ, who are also considering how to introduce risk assurance in a manageable and proportionate way. It is likely that we will be able to adopt some of their methodology, which they are kindly sharing with us as they continue to develop it. This work will be considered following the more urgent work to align all of our planning, performance measurement and risk documentation to the new strategy, and will form part of the future review of our operational risk management system (since the same managers will be central to assurance mapping). **November 2014 Update** Risk assurance mapping will be explored alongside the redevelopment of our operational risk system. The recent development of DH's risk and assurance network has already proved useful in this regard, and the CQC (also new to risk assurance as an activity) have kindly shared their process with us. It is likely that we will be able to adopt a very similar approach. Resource implications will remain an important factor in agreeing the detail of this, and this will be discussed in more detail at CMG (most likely in the new year).		**March-15**
		3	Setting of tolerance for risk generally and for individual risks	M					
			The Authority has stated that its tolerance for risk is medium. However, there is no direct linkage between this and individual risk tolerances. Tolerances for individual risks are determined by the Head of Business Planning as high, medium or low based on her general perspective and understanding of the business, and against the overall policy of the Authority that HFEA has an attitude to risk that is "proportionate and balanced" and an appetite that is "medium". These individual risk tolerances are then part of the information reviewed by CMG, AGC and the Authority. We also noted that the tolerance for the risk "Achieving organisational change alongside effective resource management" is stated in the HLRR as "high" notwithstanding the overall medium risk appetite.		There may be difficulty interpreting the Authority's risk tolerance into practical levels that determine whether to tolerate or take action on individual risks. Whilst practically there is a high level of review of actions against risks, it is still more difficult to articulate the link between the stated Authority tolerance and its application in practice. As a result, risks in excess of the Authority's tolerance may be accepted.	The Authority should consider whether it can refine its statement of risk tolerance by setting tolerance levels for key types of risk in terms of risk scores, for example licensing, regulation, provision of information etc.	**Accepted to some extent. The general point can be addressed in a proportionate way through the planned written policy (see response to rec. 1 above). This will include an explanation of our overall attitude to risk, our approach to setting individual risk tolerance levels (as opposed to overall organisational risk appetite), and an explanation of the roles of the Head of Business Planning, other Heads and Directors, and CMG, in relation to the setting of risk appetite and risk tolerances. It will also describe the practical limitations that exist in relation to setting meaningful numerical tolerance limits in relation to the areas suggested. We believe that this will usually not be applicable owing to the nature of the risks we encounter. NB: For information, since the ALB review period of uncertainty ended, we have lowered our overall risk appetite, as an organisation, from 'medium' to 'low'.** **September 2014 Update** This was addressed in the paper to June AGC describing the current risk system, and will be wrapped into further work on the policy. **November 2014 Update** See above update under risk item 1. It is also anticipated that taking a less composite approach, in the newly redesigned HLR register, will make tolerances easier and more meaningful to set in practice. This aspect will be kept under review, and the concepts of appetite and tolerance (which are not quite the same thing) will also continue to be a subject of discussion at meetings of CMG and at the DH risk and assurance network, which the ALBs intend to use for developing best practice in areas like tolerance, assurance, and so on. Given the long term nature of these developments, and the fact that the point is largely met, this point could now be marked as **'completed'** and incorporated into our business as usual quarterly reviews. **Recommendation Completed**	HoBP	The approach **June 2014** AGC paper (see rec. 1 response). December-14 **Complete**

2013 - 14	Title	Sec tion	Findings	Grade	Risk / Implication	Recommendation	Management Response	Action Manager	Date
		4	**High Level Risk Register does not explicitly assign timescales to future actions or predict the likely residual risk once they are completed**	L					
			The High Level Risk Register contains a good level of detail on individual risks, including the causes and effects, current controls, tolerability and further controls required. We see this as good practice and beyond the level of detail that many organisations include. The same applies to having assigned individual risk tolerances. However, we also noted that there is no timescale explicitly attached to completing the identified actions by which risks will be reduced, nor any clear prediction of the expected residual risk once the actions have been taken or at a point in the future (e.g. by financial year end). Some organisations have incorporated such details into their risk registers in order to provide a clearer view of future expectations and to allow closer monitoring of the delivery of required actions.		Lack of clarity over timescales and the impact of identified actions may make it more difficult to monitor timely completion and to identify at an early stage whether the actions being taken are adequate.	Consider the benefits of including target completion dates for planned actions and an estimate of future residual risk once the actions are completed within the HLRR.	**Part accepted. We think there is value in adding target completion dates for planned actions. But estimating the impact on residual risk of each control seems disproportionate.** **Head of Business Planning to add target completion dates for each planned control when the risk register is next reviewed by CMG following the publication of our new strategy.** **September 2014 Update** The work to review the High Level Risk Register in line with the new Strategy is beginning now, and we will incorporate completion dates where relevant from that point on (and, where we already know such dates, some can be added immediately, ready for the next full CMG review on 10 September). **November 2014 Update** A revised version of the high level risk register will be brought to the December AGC meeting for comment. This has been redesigned to take in the audit recommendations, as well as the HFEA's strategy. A completion date for mitigating actions (where relevant) has been incorporated into the new structure, and so this recommendation can now be viewed as **'completed'.** **Recommendation Completed**	**HoBP**	**Target date: August 2014.** October-14 **Complete**
	C O R P O R A T E G O V E R N A N C E	1	**The Authority receives only a verbal update from committee chairs on the business undertaken by committees**	L					
			The Authority receives feedback on the activities of committees through verbal updates by the relevant chairs at the next Authority meeting. However, minutes of the meetings of committees are not circulated and whilst the verbal update is helpful in providing context and understanding of the work of committees it does mean that members of the Authority have no opportunity to consider matters discussed in advance of meetings to identify any questions. We also noted that on occasion committees can be dealing with sensitive matters that may subsequently appear in the press, and there is no formal mechanism for communicating such matters prior to the next meeting of the Authority, which could be after external reporting.		Authority members may not have a full understanding of the activities of committees, or may not have time to identify questions. Members may not be aware of key decisions taken in committees before they are reported in the press.	Consider circulating minutes from committee meetings for information as part of Authority papers to members, in addition to the verbal updates. Consider whether there would be any merit in having an additional communication channel for any key decisions likely to have significant external coverage.	**Head of Governance and Licensing (HoGL) to feed into annual review of committees, and take members' views on whether they would appreciate this approach, or have ideas for additional communication channels.** **November 2014 Update** Annual committee review has begun, including discussions on communications. On target to feed into review of SOs in new year.	**HoGL**	**Autumn 2014, with implementation in new year if agreed by members.** **January-15**
		2	**Some governance information on the website needs updating**	M					
			We noted that there are a number of governance items on the HFEA website that appear to require updating: • In the "About HFEA" section the link to provisions of the 1990 Act as amended by the 2008 Act (www.dh.gov.uk/en/Publicationsandstatistics/Legislation/Actsandbills/DH080211) does not work, that legislation page seemingly having been archived, and the About HFEA section also still refers to having 22 members; • The section on Equality and Diversity refers to new guidance to public bodies due to be issued in 2010 and goes on to say that the Authority intends to overhaul and update its approach to equality issues as part of its preparation for the commencement of the new public sector duty, and makes mention of having considered an initial preliminary assessment at the open public meeting in Cardiff on 8th December 2010; and • On the website the "Our Public Events" sub sections are for the 2008 and 2009 Annual Conferences.		Users of the website may be confused by out of date information. Reputation may be impaired as a result of the perception of lack of attention to the quality of information on the web. There may be a perception that the Authority has not paid sufficient attention to its equality and diversity objectives.	Review the website and update any information that is out of date. In particular, update the equality and diversity section. Implement a mechanism for regular testing for broken links to third party information.	**Equality policy being refreshed in summer 2014, with updated documentation to go on website. Other website changes being factored into IfQ programme.** **November 2014 Update** Delayed due to member of staff allocated to project being re-deployed on IFQ01 project. Policy refresh to be conducted Q4. **Website** **September 2014 Update** All sections apart from the Equality and Diversity section of the website have now been fixed. The Equality and Diversity section has been delayed due to IFQ **November 2014 Update** No change	**Equalities – HoGL** IfQ Programme Manager transferred to Director of Strategy and Corporate Affairs	**Equalities – by October 2014.** **Now expected March 2015** **On implementation of IfQ programme** March-15 March-15

2013 - 14	Title	Section	Findings	Grade	Risk / Implication	Recommendation	Management Response	Action Manager	Date
		3	There is no up to date register of policies and policies on counter-fraud and whistleblowing are overdue for review.	M					
			We noted that per Standing Orders the Authority should maintain a register of policies for the purpose of monitoring the need for review and updating. However, we were unable to obtain such a register. We obtained copies of the policies for Counter-fraud and Whistleblowing and noted that these were respectively dated July 2010 and May 2012 despite containing references to being subject to annual review.		Policies may no longer be appropriate to current operations and/or reflect latest best practice.	A register of policies indicating the owner and scheduled date for review should be maintained and monitored to ensure timely review of all policies. The Counter-Fraud and Whistleblowing policies should be reviewed and updated if necessary.	**HoGL to create and maintain register of policies.** **September 2014 Update** Register created and policies that need to be udpated will be prioritised and scheduled. in discussion with policy owners. **November 2014 Update** Closed - register is created and now work ongoing with IA on Internal Policy review to ensure all policies up to date. **Head of Finance to update Counter-fraud policy.** **September 2014 Update** Finance policies and SOPs to be updated. **November 2014 Update** Have not commenced review of the Fraud Policy. This will be done by the end of Jannuary 2015 **Head of HR to update Whistleblowing policy. Whistleblowing policy updated already by Head of HR and communicated to all staff, awaiting sign-off expected.** **September 2014 Update** SMT agreed have agreed an updated policy. A paper of the updated policy was presented to the Staff Forum and CMG in September and to AGC in December. **November 2014 Update** The whistleblowing policy was agreed by SMT and CMG and will be presented to AGC in December.	HoGL HoF HoHR	May-14 December-14 **Complete** July-14 December-14 **January-15** May-14 December-14 **Complete**
		4	There are no formalised succession planning or induction arrangements and there is likely to be more change in members in the future than in recent years	L					
			We understand that there are no formalised arrangements for succession planning and induction of new members. It is likely that there will be more change in membership in the future which raises the question of whether there should be succession planning to ensure that there is some continuity within all committees. In addition, consideration could be given to whether members should be able to serve their full terms on one committee, or if some rotation to introduce fresh perspective may be appropriate in certain circumstances. We are aware that induction has been undertaken, for example members observing a clinic inspection, but in light of possibly more significant change going forwards more formalised planning for induction may be appropriate. There is currently no induction pack of information nor any plans for the activities that should be undertaken as part of induction. This could also extend to thinking about induction to committees where new members may be asked to input to decisions on matters that are quite complex.		Key knowledge or experience may be lost through changes to membership. Whilst an element of change may be beneficial, normal timescales and flow of business may be interrupted in the event of significant change whilst new members find their feet. The experience of new members joining the Authority may not be wholly positive.	Formally consider the implications of forthcoming changes in membership and develop succession, handover or induction arrangements as appropriate. An information pack for new members with specific additions if necessary for those joining particular committees plus a plan/timetable for meetings with key staff and the opportunity to attend clinic events may help both expedite induction and create a positive experience for new members.	**Chief Executive (CEx) has begun liaising with DH reps regarding recruitment of two new members, following appointment of new Chair. HoGL to run recruitment process and any revision of committee membership, steered by Chair. New members and any changes to committee structure to be in place by September 2014.** **HoGL and Head of HR to create induction pack and programme for new members. Induction pack/programme to be ready on appointment.** **September 2014 Update** Interviews for new members occuring in August 2014. Appointments expected by end September 2014. Induction pack/programme to be ready on appointment. **November 2014 Update** New members now appointed. Induction documentation drafted and to be sent w/c 17 Nov. Training being planned for early 2015. Discussion regarding committee membership/succession planning in w/c 17 Nov. **Recommendation Completed**	HoGL	September 2014. December-14 **Complete**

2013 - 14	Title	Section	Findings	Grade	Risk / Implication	Recommendation	Management Response	Action Manager	Date
N A O	A n n u a l R e p o r t &	A A c c o u n t s R e p o r t	5 **Remuneration Report**	L					
			As with the Annual Report, whilst the requirements of the Companies Act 2006 as interpreted by the FReM had broadly been addressed, there were a minor number of disclosures missing or that required amendment. Total employer pension contributions for HFEA as a whole were also inaccurate			HFEA should obtain up-to- date declarations of interest for the Senior Management Team (who are disclosed in the Remuneration Report) as they do for Non-Executives	**September 2014 update** Update planned for November 2014, with requirement to notify changes as they occur. **November 2014 Update** Declarations of interest for SMT will be obtained in January, alongside those for Authority Members	**HoF**	**November-14** **January-15**
			6 **Intra-Government balances**	L					
			Significant discrepancies were identified in the categorisation of intra-government balances. The disclosures in the latest draft Accounts have now been corrected			Finance should review categorisation of suppliers and customers to ensure that this corresponds with the information reported in the DH Consolidation return	**September 2014 update** Comparison will take place when DH request future consolidations **November 2014 updated** This will take effect when Decembers' hard close commences in Jan-15	**HoF**	**January-15**