

Audit and Governance Committee meeting

Date: 7 December 2023 – 10.00am to 1.00pm (main meeting) 1.15pm to 2.45pm training session for AGC members

Venue: HFEA Office, 2nd Floor 2 Redman Place, London E20 1JQ

Agenda item	Time
1. Welcome, apologies and declarations of interest	10.00am
2. Minutes of 3 October 2023 (CS) For decision	10.05am
3. Action log (MA) For information	10.10am
4. Internal Audit (JC) For information	10.20am
5. Progress with current audit recommendations (MA/TS) For information	10.30am
6. External audit report (audit planning) (ND/DG) For information/decision?	10.50am
7. Risk Update <ul style="list-style-type: none"> • Strategic Risk Register (SQ) • Risk Strategy Review (SQ) • Committee discussion on potential horizon scanning items/items to add to deep dive discussion list (CS) For discussion	11.00am
8. Digital projects/PRISM update (KH) For information	11.30am
9. Resilience, business continuity management & cyber security (MC/NMc) For information	11.50am
10. Human Resource bi-annual update 2023 (YA) For information	12.00pm
11. Review of AGC effectiveness (PR) For decision	12.10pm
12. Government functional standards (verbal report) (TS) For information	12.30pm



13. AGC forward plan (CS) 12.35pm
For decision

14. Items for noting (verbal update) (MA/TS) 12.40pm

- Whistle blowing
- Gifts and hospitality
- Contracts and Procurement

For information

15. Any other business 12.45pm

16. Session for members and auditors only

17. Close

Lunch

Next Meeting: Tuesday 5 March 2024

Minutes of Audit and Governance Committee meeting 3 October 2023

Details:

Area(s) of strategy this paper relates to:	<p>The best care – effective and ethical care for everyone</p> <p>The right information – to ensure that people can access the right information at the right time</p> <p>Shaping the future – to embrace and engage with changes in the law, science and society</p>
--	---

Agenda item	2
-------------	---

Meeting date	7 December 2023
--------------	-----------------

Author	Alison Margrave, Board Governance Manager
--------	---

Output:

For information or decision?	For decision
------------------------------	--------------

Recommendation	Members are asked to confirm the minutes of the Audit and Governance Committee meeting held on 3 October 2023 as a true record of the meeting
----------------	---

Resource implications	
-----------------------	--

Implementation date	
---------------------	--

Communication(s)	
------------------	--

Organisational risk	<input checked="" type="checkbox"/> Low	<input type="checkbox"/> Medium	<input type="checkbox"/> High
---------------------	---	---------------------------------	-------------------------------

Annexes	
---------	--

Minutes of the Audit and Governance Committee meeting on 3 October 2023 held in person at HFEA Office, 2nd Floor, 2 Redman Place, London E20 1JQ and via teleconference (Teams)

	In person	Online
Members present	Catharine Seddon, Chair Jason Kasraie Anne-Marie Millar	
External Advisers	Jo Charlton, Head of Internal Audit (Internal Auditor) – GIAA	Dean Gibbs, KPMG – External Audit lead Mohit Parmar, National Audit Office (NAO) – External Auditor Eric Sibisi, Audit Manager, KPMG
Observers		Steve Pugh, Department of Health and Social Care – (DHSC)
Staff in attendance	Peter Thompson, Chief Executive Tom Skrinar, Director of Finance and Resources Rachel Cutting, Director of Compliance and Information Nicola Fookes, Finance Business Partner Paula Robinson, Head of Planning and Governance Shabbir Qureshi, Risk and Business Planning Manager Alison Margrave, Board Governance Manager	Clare Ettinghausen, Director of Strategy and Corporate Affairs Neil McComb, Head of Information Kevin Hudson, PRISM Programme Manager

1. Welcome, apologies and declaration of interest

- 1.1. The Chair welcomed everyone present in person and online. A warm welcome was given to Tom Skrinar and Anne-Marie Millar as this was their first AGC meeting.
- 1.2. Apologies of absence were received from Alex Kafetz and Morounke Akingbola.
- 1.3. Anne-Marie Millar declared that since her appointment to the HFEA Audit and Governance Committee she had also been appointed as a member of the Audit Committee of LOCSU (Local Optical Committee Support Unit); there were no conflicts arising from this appointment.

2. Minutes of the meeting held on 27 June 2023

- 2.1.** The Chair reported that she had received a proposal to amend minute 3.2 to read: The Deputy Chair of AGC (Alex Kafetz) commented that NHS Digital has merged into NHS England and there is a new Director, who has digital and data within his portfolio, and he suggested that the HFEA Chief Executive and himself discuss the DSPT requirements pertaining to HFEA with the new Director.
- 2.2.** With this proposed amendment, the minutes of the meeting held on 27 June 2023 were agreed as a true record and could be signed by the Chair.

3. Action Log

- 3.1.** The Director of Finance and Resources presented this item.
- 3.2.** On action 15.4 regarding the goodwill letters the Director of Finance and Resources provided an update on the progress made by the company hired by the HFEA to complete this task. It was agreed to amend the due date to December 2023.
- 3.3.** On action 11.9 regarding assurance and assurance mapping it was noted that the results of the Committee's effectiveness review would be brought to the December meeting and an overall Governance Review would be presented to the Authority in March 2024. It was agreed to amend the due date to March 2024.
- 3.4.** Actions 11.13, 9.9 and 13.12 had been resolved and could be closed.

Decision

- 3.5.** Members agreed the proposed amendments to the action log.

4. Internal audit report and annual opinion

- 4.1.** The Head of Internal Audit – GIAA presented this item and stated that 20% of the audit work plan had been completed. Since the last AGC meeting the final report on the DSPT submission had been issued with a moderate assurance. This was an improvement on previous submissions and highlighted the high levels of confidence in the veracity of the HFEA's own self-assessment.
- 4.2.** The Head of Internal Audit informed the committee that the review of the Code of Practice process is currently in the field work stage and the reviews on payroll and expenses and the Register Research Panel are currently being scoped.
- 4.3.** The review on Business Continuity which was scheduled for Q2 has been pushed back to Q4 as the DSPT audit had highlighted some improvements required for business continuity arrangements and the HFEA had requested time to implement these before the audit.
- 4.4.** The Head of Internal Audit referred to the outstanding audit recommendations and reiterated the importance of timely implementation of these recommendations.
- 4.5.** The Chair, on behalf of the Committee, expressed appreciation and thanks for all the HFEA staff involved in the DSPT submission.
- 4.6.** The Chair drew attention to the supplementary pack provided by GIAA and the additional resource material available to members and events run by GIAA.

Decision

4.7. Members noted the internal audit report.

5. Progress with current audit recommendations

- 5.1.** The Director of Finance and Resources introduced this agenda item and spoke of the work undertaken by the team to progress these recommendations. He acknowledged that this work had been impacted by resource allocation and annual leave of both HFEA and GIAA staff.
- 5.2.** The Director of Finance and Resources drew attention to the key recommendation in the paper for AGC to agree that particular recommended actions were now complete and to support amending the target dates for outstanding recommendations.
- 5.3.** Referring to the recommendation that the HFEA should consider the introduction of an ED&I related objective for senior managers and HR: it is proposed to not complete this recommendation as worded and to manage the risk in a different way. All senior staff are assessed against the HFEA values and behaviours and several staff, across all levels, have been appointed as EDI Champions.
- 5.4.** In response to a question, the Chief Executive provided further information about the performance management system used by the HFEA. Members noted the importance of ensuring EDI remains embedded in the overall culture of the organisation.
- 5.5.** In response to a question, the Head of Internal Audit stated that other organisations have these types of objectives at senior management level.
- 5.6.** The Director of Finance and Resources referred to the recommendation that there should be increased join-up between the Board and HFEA colleagues to provide opportunity for collaborative working on determining a strategy for achieving ED&I goals. The committee was informed that a Member of the Authority has been appointed as an EDI Champion and had met with the Head of HR. The proposal is therefore to close this recommendation.
- 5.7.** In response to a question about the status of the EDI strategy, the Director of Strategy and Corporate Affairs stated that the strategy has not yet been developed as the team has no capacity to progress this. The Head of HR is due to present ideas and a possible timeframe to SMT shortly.
- 5.8.** The Director of Finance and Resources referred to the recommendation regarding the urgent review of goodwill letters and stated that the work which the HFEA had undertaken exceeds the “review of options” that was recommended, so it is proposed that this item be closed.
- 5.9.** The Head of Internal Audit asked for evidence that the entirety of the work has been completed so that this recommendation could be closed.
- 5.10.** In response to a question the Chief Executive reminded the committee that AGC had challenged the SMT to be more active in pushing back on recommendations at the audit review meeting rather than accepting them all, as happened in the past. Therefore, we have the legacy of these outstanding audit recommendations and a reduction in funding of corporate services which has resulted in a number of recommendations being outstanding for a longer period of time than planned.
- 5.11.** Noting the significant progress to date made on completing outstanding recommendations, AGC nonetheless recommended a full review of this aspect of work with Internal Audit, focusing on the

process of reviewing, accepting and closing recommendations. It was noted that measurable improvement should be evident at each AGC meeting with a target of having all outstanding recommendations, bar those relating to the most recent audit, closed within 12 months.

- 5.12.** The Head of Internal Audit commented that GIAA would still make the recommendations and whilst the HFEA may agree to carry these as a risk, AGC would still have full visibility of all of their recommendations.

Decision

- 5.13.** The committee agreed not to complete the recommendation that the HFEA should consider the introduction of an ED&I related objective for senior managers and HR and to manage the risk in other ways.
- 5.14.** The committee agreed to close the recommendation for increased join-up between the Board and HFEA colleagues to provide opportunity for collaborative working on determining a strategy for achieving ED&I goals.
- 5.15.** The committee agreed that the recommendation that an urgent review of goodwill letters be held can be removed, pending confirmation of evidence submitted.
- 5.16.** The committee agreed the proposed target dates for all remaining recommendations.

Action

- 5.17.** The summary of audit recommendations to be updated to reflect the decisions made by the committee.
- 5.18.** To add to the AGC action log a wholesale review of the process for reviewing, agreeing and providing evidence for Internal Audit recommendations.

6. External audit work

- 6.1.** The External Audit lead, KPMG, informed the committee that since the last meeting the 2022/23 accounts had been signed and laid before Parliament.
- 6.2.** The planning activities for preparation of the 2023/24 accounts are being developed and will be presented to the next AGC meeting.

Decision

- 6.3.** Members noted the verbal report.

7. Strategic risk

Strategic risk register

- 7.1.** The Risk and Business Planning Manager introduced the paper and stated that there had been minor updates to the way that the strategic risk register is presented but that the majority of updates will happen in the next two months; especially with the projects such as OTR and the public body review nearing completion.
- 7.2.** In response to a question, the Chief Executive confirmed that the risks which are currently above tolerance do sit within the risk appetite policy which is reviewed and agreed by the Authority. This

is quite a broad policy and consideration may be given to whether future iterations will be tailored to specific areas of business.

- 7.3.** In response to a question, the Director of Compliance and Information provided further information on the OTR and CaFC projects which are the outstanding components of the PRISM project. Whilst PRISM has been the priority for the past few years, consideration has been given to the next IT project which is a replacement system for Epicentre and initial steps, including discussions with DHSC regarding funding, have commenced.
- 7.4.** In response to a question regarding resourcing and building resilience, the Chief Executive commented that since 2010 the Government has made cuts to support corporate services and it is extremely difficult to get additional resources for HR, IT and Finance functions and provided examples of how the SMT manage this risk to ensure business continuity.
- 7.5.** In response to a question regarding appetite for information and possible cost reductions by syndicating the HFEA's data rather than making the website an inbound hub, the Director of Strategy and Corporate Affairs stated that the Authority may need a strategic discussion on how our data is used, how much is made publicly available and how the HFEA resources this. This discussion could be part of wider conversations about the future HFEA strategy.
- 7.6.** The Director of Strategy and Corporate Affairs responded to a question regarding reputational risk by stating that the greatest limitation HFEA has now is the ability to employ additional staff to either support IT functions or communications. HFEA continues to manage its resources and ambitions accordingly.
- 7.7.** In response to a question regarding the public body review, the Chief Executive spoke of the process that the review must now undertake before being submitted to Ministers. There will be some recommendations within the report and the Authority will need to sequence these within the current strategic priorities. He spoke about the potential workload of a strategic review of fees and how the secondment of a health economic analyst could assist with this review.

Horizon scanning

- 7.8.** The Chair informed the committee that this agenda item is for members to raise topics which could affect the HFEA in the future but are not yet reflected in the strategic risk register.
- 7.9.** Members discussed political changes, the possibility of future scientific developments challenging the regulatory framework and the importance of culture and ethics in inspection criteria.

Decision

- 7.10.** Members noted the strategic risk register.

Action

- 7.11.** Chief Executive to bring a report to the next meeting with a priority and urgency rating against each recommendation arising from the public body review.

8. Deep dive discussion – legal risks

- 8.1.** The Chief Executive presented the paper and stated that all public bodies face the risk of legal challenge, and given the nature of some of the HFEA's responsibilities under the Act the risk of challenge is greater than many other public bodies.

- 8.2.** The committee discussed the range of legal challenges the HFEA could face and the mitigations in place to reduce the likelihood of challenge or defeat in the courts.
- 8.3.** In response to a question, the Chief Executive stated that regulatory challenges are the highest risk as licence decisions can impact individual businesses, whereas historically there have been fewer challenges on policy and the implementation of the Act.
- 8.4.** The committee discussed whether the current mitigations are sufficient, noting that it is difficult to mitigate against human error and if mistakes happen in clinic settings they could not be attributed to the Authority. The committee noted the Code of Practice guidance issued by the Authority and the inspection framework the HFEA operates in, especially regarding auditing the witness practice at clinics.
- 8.5.** The committee discussed the requirement of clinics to provide data to the HFEA and the spot checks and audits undertaken on this data. The committee noted the mitigations that the HFEA undertakes before it releases such data.
- 8.6.** The committee discussed the obligation under the Standing Orders for the Chair of the Authority to be informed of any litigation and noted that the Chief Executive keeps the Authority members informed of any such cases.
- 8.7.** The committee spoke about the legal resources which the HFEA uses, noting that it has a bespoke technical law, which require specialist legal advice. The committee also discussed the impact on SMT resources in dealing with legal issues and active litigation and the knock-on effect this has on other operational issues.
- 8.8.** The committee thanked the CEO for a comprehensive paper which gave a high degree of assurance as to the management of legal risks facing the HFEA.

Decision

- 8.9.** The committee noted the report.

9. Digital projects/PRISM update

- 9.1.** The PRISM Programme Manager presented this item.
- 9.2.** As requested at the last AGC meeting, he provided further details about the Choose a Fertility Clinic (CaFC) project and stated that it is anticipated that this project will be delivered by June 2024. It was noted that there continues to be some challenges obtaining the data from clinics.
- 9.3.** Members were informed of the RAG status of the three work-streams and that 1.4 million records had been matched for opening the register (OTR) and 10 Family Limit (10FL) reporting, with only approximately 3,000 records remaining for manual matching. Members discussed the value of the 10FL reports for clinics.
- 9.4.** Members were advised of the progress with the data for OTR and the complex reconciliation required. Members discussed the resources and required skill set to manage this type of data, noting the impact of staff sick leave on this workstream.
- 9.5.** The PRISM Programme Manager informed members that data and development had been kept as two separate workstreams, but these can now be brought together, and this would build resilience within the team.

- 9.6.** Members were informed that over half a million records have been submitted to PRISM with an error rate of 3.4%. The pace of error correction at clinics had plateaued and the team will now set individual clinic targets for errors.

Decision

- 9.7.** The committee noted the PRISM status update.
-

10. Resilience, cyber security & business continuity

- 10.1.** The Director of Compliance and Information presented this item.

Infrastructure improvements

- 10.2.** A report detailing the IT infrastructure improvements was presented to members.
- 10.3.** Members discussed the recent cyber-attacks and data-breaches experienced by other public bodies and noted the due-diligence undertaken by the Head of IT.
- 10.4.** In response to a question, the Director of Compliance and Information provided information about the data back-ups completed by the HFEA and improvements made.

Data Security and Protection Toolkit (DSPT)

- 10.5.** The Head of Information informed members that the new set of requirements for the DSPT had recently been received and a more detailed report will be brought to the next meeting.

Decision

- 10.6.** The committee noted the report.
-

11. Counter-fraud Strategy

- 11.1.** The Director of Finance and Resources presented this item.
- 11.2.** The Chair asked that the reference to the Chair of AGC in paragraph 14 be amended so that it mirrored the text in the whistle blowing policy.

Decision

- 11.3.** Members approved the strategy, subjected to the amendment at paragraph 14.

Action

- 11.4.** HFEA staff to amend paragraph 14 of the policy as agreed by the committee.
-

12. Fraud Risk Assessment

- 12.1.** The Director of Finance and Resources presented this item.
- 12.2.** A member suggested that a specific risk arising from fraudulent sites around the issue of OTR could be added and mitigations could be put in place, such as setting up google alerts and working with Action Fraud. The Director of Compliance and Information stated that some controls are already in place but undertook to investigate and bring back to the next meeting.

- 12.3.** The Director of Finance and Resources was asked to report back at the next meeting whether the additional proposed actions identified for risk numbers 6 and 8 will be implemented and what controls would be implemented for risk number 10.
- 12.4.** In response to a question, the Director of Compliance and Information stated that productivity had not been impacted by working from home and this is monitored through regular staff surveys. The Director of Strategy and Corporate Affairs stated that the working from home policy has allowed the HFEA to employ staff across from the UK and not be London-centric.
- 12.5.** The External Audit lead, KPMG, whilst recognising that the HFEA has a separate cyber fraud policy questioned why cyber fraud was not included in this assessment, especially regarding phishing attacks.
- 12.6.** The Head of Internal Audit commented that a previous audit had highlighted cyber security actions and it may be useful to refer to this audit for the purpose of this assessment.

Decision

- 12.7.** Members agreed the fraud risk assessment document, subject to clarification regarding actions identified for risk 6 and 8 and what controls would be implemented for risk number 10,

Action

- 12.8.** Executive to report back to the December meeting on points raised by the discussion.

13. Reserves Policy

- 13.1.** The Director of Finance and Resources presented this paper and explained the updates to the policy.
- 13.2.** Members discussed the required period of time for ensuring core operational activities and questioned whether a two-month period was consistent with other ALB organisations.

Decision

- 13.3.** Members agreed the Reserve Policy.

Action

- 13.4.** NAO Senior Audit Manager to provide information whether a two- or three-months reserve policy is standard across other ALB organisations.

14. Functional Standards

- 14.1.** The Director of Finance and Resources introduced this item and referred to the reviews which the HFEA teams have undertaken against the mandatory “shall” elements of the Functional Standards. He informed members that he had contacted a number of Functional Leads to discuss the assessment and the availability of tools, noting that some of these are still in development and will not be available for a number of months.
- 14.2.** The Director of Finance and Resources spoke to the proposed items to be added to the deep dive discussion topic list and the rationale for this.
- 14.3.** In response to a question regarding how GIAA use these standards, the Head of Internal Audit commented that they are considered in the relevant audit. She noted that several other Health

ALB organisations are progressing with the implementation of these standards. The Chief Executive voiced concern that standards designed for a large organisation, such as NHS, would not be appropriate for a small organisation such as the HFEA.

Decision

- 14.4.** The committee agreed the continuing proportionate approach in conducting the review of functional standards and embedding them in the HFEA continuous improvement.

Action

- 14.5.** The topic of two particular functional standards (commercial and debt) to be the focus for the deep dive at the March 2024 AGC.

15. AGC forward plan

- 15.1.** The Chair introduced the paper and asked that an analysis of near misses be added to the potential deep dive discussions list.
- 15.2.** The Head of Internal Audit asked that the approval of the draft audit plan be moved from the June 2024 meeting to the March 2024 meeting.
- 15.3.** The date of the next meeting is Thursday 7 December 2023 and a training session will be held immediately after lunch.

16. Items for noting

- 16.1.** Whistle-blowing
- Members were advised that there were no whistle-blowing incidents.
- 16.2.** Gifts and Hospitality
- Members noted that there was one addition to the register of gifts and hospitality.
- 16.3.** Contracts and Procurement
- Members noted that there were no contracts or procurements signed off since the last AGC meeting.

17. Any other business

- 17.1.** The Chair informed members that the NAO Audit and risk assurance committee effectiveness tool would be distributed to all members for completion by 17 October. In addition, committee members would be asked to complete a skills audit document which will help guide future training events and recruitment.
- 17.2.** Members discussed the proposed date for the December 2024 meeting and agreed that this should be moved to Friday 6 December 2024 to avoid clashing with the HTA's Board meeting.
- 17.3.** There being no other items, the Chair thanked all for their participation and formally closed the meeting.

Chair's signature

I confirm this is a true and accurate record of the meeting.

Signature

Chair: Catharine Seddon

Date: 7 December 2023

AGC Action log

Details about this paper

Area(s) of strategy this paper relates to:	<p>The best care – effective and ethical care for everyone</p> <p>The right information – to ensure that people can access the right information at the right time</p> <p>Shaping the future – to embrace and engage with changes in the law, science, and society</p>		
Meeting	Audit and Governance Committee		
Agenda item	3		
Meeting date	07 December 2023		
Author	Morounke Akingbola (Head of Finance)		
Output:			
For information or decision?	For discussion		
Recommendation	To note and comment on the updates shown for each item.		
Resource implications	To be updated and reviewed at each AGC		
Implementation date	2023/24 business year		
Communication(s)			
Organisational risk	<input type="checkbox"/> Low	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> High

Action	Date added	Assigned to	Target date	Revised date	Progress to date
15.4 Update on goodwill letters to be discussed at SMT and brought back to AGC.	4 Oct 22	Director of Compliance and Information	Oct 23	Dec 23	Update: All goodwill letters have been processed on the HFEA side and have been transported to Iron Mountain where they will be securely processed. No further goodwill documents are stored on HFEA premises. IM will scan the documents they have received from us before providing us with The scanned images and securely destroying the hard copies.
11.9. Assurance and assurance mapping to be kept under continuous review and form part of training	8 Dec 22	Head of Planning and Governance	Oct 23	Mar 24	Update: An updated 'Risk Strategy' will be presented at December AGC. This will include references to risk assurance and mapping, taking into account the resource constraints the HFEA operates under. The proportionate response is to continue including risk assurance as part of deep dives and as an element of internal audits. Having conducted a training needs analysis, the strategy will include requirements for both mandatory and optional risk training for all staff. The plan is to initially use internal expertise to design and deliver relevant courses and supplement these with free training available via Civil Service Learning. A business case for formal, external training will be considered for the next financial year. An initial impact assessment following this will be presented to AGC in June 2024.
5.17 The summary of audit recommendations to be updated to reflect the decisions made by the committee.	3 Oct 23	Head of Finance	Dec 23		Update: Items the committee agreed to close have been. The Tracker is an agenda item for the December meeting.

Action	Date added	Assigned to	Target date	Revised date	Progress to date
5.18 To add to the AGC action log a review of agreeing, timetabling and providing evidence for Internal Audit recommendations within 12 months	3 Oct 23	Director of Finance and Resources	Oct 24		Update: This has been added to the action log and will be reviewed in October 2024.
7.11 Chief Executive to bring a report to the next meeting with a priority and urgency rating against each recommendation arising from the public body review.	3 Oct 23	Chief Executive	Dec 23	March 24	Update: Report not published until 23 November 2023; the Executive will report to the January 2024 Authority meeting and therefore this information will be presented to the March 2024 AGC.
11.4 HFEA Office to amend paragraph 14 of the Counter-Fraud Strategy as agreed by the committee.	3 Oct 23	Head of Finance	Dec 23		Update: Para 14 has been amended to reflect that the AGC Chair is an option as per our Whistleblowing Policy. This item can now be removed from the action log.
12.8 Executive to report back to the December meeting on points raised by the committee relating to fraud risk assessment.	3 Oct 23	Director of Finance and Resources	Dec 23	March 24	Update: An updated FRA will be presented to AGC in March 2024 overing points raised, including mitigating actions.
13.4 NAO Senior Audit Manager to provide information whether a two – or three-months reserve policy is standard across other ALB organisations	3 Oct 23	NAO Senior Audit Manger	Dec 23		Update: NAO response emailed to AGC members on 22 November 2023. This item can now be removed from the action log.
14.5 The topics of commercial and debt to be added to the deep dive discussion list of items	3 Oct 23	Board Governance Manager	Dec 23		Update: Completed see agenda item 14. This item can now be removed from the action log.

Digital Projects / PRISM Update November 2023

Details about this paper

Area(s) of strategy this paper relates to:	The right information – to ensure that people can access the right information at the right time.
Meeting:	AGC
Agenda item:	8
Meeting date:	07 December 2023
Author:	Kevin Hudson, PRISM programme manager
Annexes	

Output from this paper

For information or decision?	For information
Recommendation:	<p>To note the progress for delivery of OTR reports, 10 Family Limit, PRISM submissions and error rates, and developers working directly with clinics concerning PRISM.</p> <p>To approve a recommendation to change in the CaFC timetable (4 months extension) which will allow time to struggling clinics to ‘catch up’ and which will also allow inclusion of 2023 data, meaning CaFC is more up to date when it is published.</p>
Resource implications:	
Implementation date:	To deliver a first CaFC through PRISM by no later than October 2024 (previous proposed date was June 2024 – see paper for reasons for this recommended change).
Communication(s):	
Organisational risk:	Medium

1. Introduction and recap from last meeting

- 1.1.** PRISM went live on 14th September 2021 for 40 direct entry clinics and API deployment was completed by the end of June 2022 for the other 62 clinics. Since then, 532,727 units of activity have been submitted through PRISM.
- 1.2.** At the October meeting we reported that:
- Our developers had completed the OTR reports which were being tested by the OTR team.
 - However, our OTR data reconciliation was taking longer, and we were refocussing our developer support to support both data activity for CaFC and direct support for clinics.
 - We had backdated all CaFC errors, and some clinics had made good progress. However, we would need to initiate an 'error close out' programme for those remaining clinics.
 - As a result of refocussing our developer resource, we have issued a revised completion plan for completion of the first CaFC through PRISM.
 - We were still anticipating completing the CaFC (for treatments to December 2022) by the end of June 2024 which was the end of the anticipated publication window we had advised AGC in late 2022.
- 1.3.** In this paper we will update AGC on the latest progress on both PRISM support for OTR and delivering the first CaFC through PRISM.
- 1.4.** Whilst we are on track to issue clinics with the CaFC verification documentation, particular challenges for CAFC are emerging, namely:
- How we treat 2023 data and whether we should expand the CaFC scope to include it?
 - How we treat those few clinics where in recent weeks it has become clear that they will not achieve the CaFC deadlines.
- 1.5.** Section 5 in this update provides further detail on these challenges and our recommendations.
- 1.6.** AGC should note that because of these emerging CaFC issues, we are now recommending a 2024 timetable which anticipates CaFC publication four months later (October 2024 v's June 2024), but which includes 2023 data. This revised timetable should mean all clinics are included; if that is not possible within the deadlines then we will have to consider publishing regardless.

2. Summary of current position against the PRISM completion plan

- 2.1.** A detailed revised completion plan for PRISM, OTR and CafC is appended to this report.
- 2.2.** The current state of the programme, according to its three planning swim-lanes, is as follows:

- **Developers:** The RAG status remains GREEN. The OTR reports created by the development team remain in their implementation phase and the OTR team are continuing fine testing of these reports. Meanwhile developers have moved on to the work required to deliver the first CaFC through PRISM: directly supporting clinics on remaining bedding-in issues, the 'error close out' programme, CaFC verification reports and ongoing synchronisation with EPRS suppliers.
- **Data:** The RAG status remains AMBER. Our data analyst completed the initial OTR reconciliations in October and is now moving to further data quality work on legacy data that relates both to OTR and CaFC. By introducing developer support to reporting functions, our data expert is now working exclusively on legacy data linkage fixes which is the best organisational application of his expertise. Meanwhile the data team continues to be below full strength due to long term staff sickness.
- **Clinics:** The RAG status remains AMBER. Since September 2023, error correction by clinics has essentially reached steady state. 59 clinics have reached CaFC tolerances (less than 4%), but there are 32 clinics that have not, and 23 clinics still have error rates more than 5%. These are the subject of an 'error close out programme' by developers and PRISM support staff. We have developed new reports, and our developers are in ongoing direct communication to closely understand the issues at those clinics.

2.3. In the following sections of this report, we will outline in detail how this is affecting support for OTR and delivering the first CaFC through PRISM.

3. Progress on delivering OTR requirements

Progress on OTR reports

- 3.1.** We previously reported to AGC that our developers had completed new OTR reports which had been passed to the OTR team for testing and implementation.
- 3.2.** High level testing of the reports against past OTR cases was completed in early October, and the OTR team are now in the process of fine testing of these reports where they are looking in depth at the fine detail being reported.
- 3.3.** As a result of fine testing, developers have made a number of amendments to the data extract routines as embryo batch details were being reported accurately in most cases but not everyone. Developers have also added additional features to the report, including a synopsis page that allows the OTR team to see all the individual treatment transactions that makes up the reported donor usage.
- 3.4.** Whilst it will be to the OTR team to sign off the reports when they are fully happy with them, developers are currently not expecting any further issues and hope that the reports will be signed off by Christmas.

OTR data reconciliation

- 3.5.** The initial data reconciliations by our expert data analyst of donor sperm, donor eggs and donor embryos are complete. 558 missing linkages for donor eggs, sperm and embryos were identified of which 333 were applied to PRISM.
- 3.6.** The remaining fixes are not yet applied as they relate to API suppliers and there is a risk that these could be overwritten if the suppliers do not properly synchronise. Work is ongoing by our data analyst and developers with system suppliers to establish full synchronisation protocols for data that might be fixed by the HFEA. This is particularly important for CaFC.
- 3.7.** Addressing legacy data quality and linkage fixes is likely to fully occupy our data analyst on an ongoing basis. The fixes currently being made are not necessarily large in quantity but will be deemed important both by the OTR team and by clinics who are expecting high levels of accuracy in the data.
- 3.8.** Our data analyst has also integrated the 2005 HAP data (Historic Audit Project) into PRISM as this will also support the OTR process.
- 3.9.** As previously reported one of our data analysts continues to be on long term sick although we are hopeful of a phased return to work in the coming months.

Progress on 10 Family Limit and introducing clinic alerts

- 3.10.** Person ID is now complete for all donors in PRISM. This now allows us to undertake accurate outcome reporting that was not previously possible through EDI.
- 3.11.** We have completed a new 10 Family Limit enquiry report for the Register team, which they can use to respond to clinic enquiries about the number of families a donor may have contributed to.
- 3.12.** We have also started automatically calculating 'family counts' for all donors on the HFEA register. We have also developed a prototype to run this calculation every day so that we can see with 24 hours of a clinic reporting data to the HFEA whether a particular donor is approaching the 10-family limit (say by reaching 9 families) or where a donor has registered at a new clinic, but they have already contributed to a number of families through a previous clinic.
- 3.13.** In the November Clinic Focus we are inviting clinics to participate in a pilot for '10 Family Limit Alerts'. With these pilots we will work out the best way for communicating this daily data to clinics and ensure that our reporting matches the clinic's own information in relation to those donors.
- 3.14.** We are also advising clinics that after this pilot is complete, during 2024 we will issue to the sector a 'Clinic Focus Special' on 10 Family Limits in the same way that we did for OTR in September 2023.

4. Progress on clinic readiness for CaFC

Current PRISM activity

4.1. As of 20th November 2023, 532,727 units of activity has been submitted to PRISM. This is shown, split by clinics using PRISM direct entry and API supply, in table 1 below.

Table 1 – Cumulative PRISM activity as of 20th November 2023

Method of data submission		Current Activity		Previously Reported Activity											
		As of 13th November 2023		As of 4th September 2023		As of 5th June 2023		As of 20th February 2023		As of 21st November 2022		As of 19th September 2022		As of 6th June 2022	
	No of Clinics	PRISM Activity	PRISM error rate	PRISM Activity	PRISM error rate	PRISM Activity	PRISM error rate	PRISM Activity	PRISM error rate	PRISM Activity	PRISM error rate	PRISM Activity	PRISM error rate	PRISM Activity	PRISM error rate
Direct Entry	46	152,738	1.5%	137,572	1.5%	120,076	1.6%	104,017	1.7%	87,205	1.3%	72,126	1.0%	52,705	0.7%
API - IDEAS	36	231,163	3.3%	209,105	3.3%	180,307	3.2%	152,881	4.0%	127,902	2.9%	105,533	3.4%	60,792	6.6%
API - Meditex	9	56,301	5.1%	50,307	4.8%	42,171	5.9%	30,384	4.8%	28,575	5.2%	26,137	5.3%	15,177	22.3%
API - CARE	13	92,525	5.9%	86,049	5.4%	76,860	7.4%	64,971	9.1%	48,206	7.2%	42,537	6.6%	32,371	12.3%
Total	104	532,727	3.4%	483,033	3.3%	419,414	3.8%	352,253	4.3%	291,888	3.3%	246,333	3.4%	161,045	7.3%

4.2. PRISM submissions are continuing at a steady state of approximately 5,000 submissions per week.

4.3. Since September, error rates have remained static for direct entry and IDEAS clinics but have increased slightly for Meditex and CARE.

Clinic Submission Audits

4.4. In 2023/24, the HFEA are recommending direct and on-site clinic submission audits to ensure that all submissions are being sent to the HFEA.

4.5. As well as creating reports for OTR and 10 family limits, PRISM developers have also created new audit reports for Neil and his team.

4.6. Neil McComb, the HFEA Head of Information is leading this work and 10 clinics have been identified for audit during this financial year. 2 on-site clinic audits are taking place in November and the remainder in early 2024.

Update on ARGC deployment

4.7. Rachel Cutting visited the PR of ARGC in October. The clinic has confirmed they are keen to start, and although they originally indicated that they wished to commence using API submissions, the clinic has now indicated that they will start entering PRISM data manually.

4.8. The Programme team have outlined a 'catch-up' approach for the clinic and has been working with clinic staff to ensure they are technically ready to commence data submissions. New data security whitelisting has been set up for ARGC.

4.9. The programme team are currently waiting for final confirmation of commencement.

Progress by clinics on correcting backdated validation errors for CaFC and OTR

4.10. The HFEA have deployed all backdated (to January 2020) CaFC and OTR errors to the sector.

4.11. The clinic distribution of error rates is shown in Table 2 below:

Table 2 – PRISM error rate distribution of clinics as of 20th November 2023

	Clinic Count	%age or Total	Prism	Ideas	MediTex	Care
Clinics less than 1%	26	27%	19	6	1	0
1% to 2%	15	16%	7	6	2	0
2% to 3%	11	11%	1	8	1	1
3% to 4%	7	7%	2	5	0	0
4% to 5%	11	11%	2	2	2	5
over 5%	26	27%	2	12	5	7
Requiring 'Error close out' Action						
Clinics greater than 4% and more than 100	32	33%	2	12	6	12
Percentage of submission method			6%	31%	55%	92%

4.12. As shown in table 2, we have identified 32 clinics which required a dedicated programme of work to close out their errors. All but 2 of these are API clinics. Almost all of CARE clinics are in this group.

4.13. During October we undertook extensive analysis of the errors that these 32 clinics have outstanding. The 32 clinics concerned are incurring cycle errors across 39 different validation rules. However, there are very few patterns that exist, so this work will most likely need to be tackled on a clinic-by-clinic and rule-by-rule basis.

4.14. However, the analysis also shows that only 38% of remaining errors (1,867 errors in total) relate to issues relating to CaFC. The remainder of these errors are OTR related, which whilst need to be fixed are not time critical for CaFC.

4.15. In the AGC meeting in October, we verbally stated that it was our intention to attempt to close out these remaining validation errors by the end of December. However, the further analysis we have undertaken has meant we now think these remaining errors can be addressed in parallel with a clinic verification exercise.

Duplicate cycle submissions

4.16. In recent months it has also emerged that some clinics have submitted duplicate cycles to PRISM. Whereas PRISM has a validation rule for a duplicate registration, it is not possible to set up a validation rule to prevent cycles being erroneously sent to HFEA twice. These have instead been identified through retrospective analysis of submitted data.

4.17. These are all user generated issues at clinics, and they will need to be 'de-duplicated' (most likely by PRISM data staff working with the clinic and system supplier) during a verification period before CaFC can be published. Analysis of the PRISM database suggests there are 1,146 registrations which are affected by duplicate cycles, and these are concentrated mainly in five clinics with whom we have been in conversation.

4.18. One clinic in particular (one of the largest API submitters) has incurred 2000 duplicate cycles. Investigation has shown that this was through staff error at the clinic and during this time there was not communication from clinic staff either with the system supplier support or the HFEA. Staffing at that clinic has since changed, and no more duplicates are being incurred. However, to 'untangle' those previously submitted duplicates will be challenging and will require time of HFEA staff working with clinic staff. We will need to decide whether this will need to be resolved before CaFC is published for that clinic, or whether we publish regardless and display their 'old' data if the issue is not fixed in time.

Feedback from PRISM developers working directly with 'pilot clinics'

4.19. As previously reported to AGC, our developers are currently working with six pilot clinics and sperm banks to fully understand the remaining reasons for not being able to submit records which can be fixed firstly for the clinic concerned and then this learning spread to the wider sector. This includes the clinic described in 4.17 above.

4.20. The direct work with the pilot clinics is reinforcing the interpretation that can be made from reviewing PRISM submission data and error rates – namely that there are clinics using all methods of data submission that are using PRISM well, and conversely there are clinics that are not. Moreover, the main reason for the latter are user related issues at that particular clinic rather than any underlying systematic issue with PRISM.

4.21. An example of this comes from two of the pilot clinics:

- The largest submitter using PRISM manual entry has submitted 13,533 cycles since launch, their error rate is 0.5%, and has 80 records on hold for technical reasons and we have been able to verify those 80 records.
- Conversely the largest API submitter has submitted 12,217 cycles and their error rate is 5.1%. They have recently admitted they have had staffing issues and have replaced the staff responsible for submitting data to HFEA. They have erroneously submitted 2000 duplicate records (see 4.17 above) and claim they have 1737 records they cannot submit, although we have been unable to verify this figure and we suspect that most of these are not down to technical issues relating to PRISM although they may relate to technical issues with their API system (which in this case is IDEAS).
- We have already extended a large amount of support to this clinic and expect to need to continue to do so during 2024.

4.22. We will keep AGC informed of the operation intelligence that is emerging as a result of our developers working directly with clinics using PRISM.

4.23. We know that clinics will want to make sure that any records they currently have on hold for technical reasons can be submitted to be included in their CaFC calculations. Clinics will address duplicate and missing cycles during the verification period in CaFC which is currently scheduled to start no later than the end of January 2024 once all verification reports are written and the mechanism to share them with clinics is established.

4.24. In the meantime, our developers and PRISM support staff will continue to work with individual clinics on individual validation rules.

Progress on developing CaFC verification reports

4.25. Our developers have started working on completing the verification reports for PRISM. Historically HFEA issued 65 verification reports to clinics from EDI. In PRISM we anticipate reducing this to 23 reports.

4.26. Nevertheless 'CaFC verification' still represents a significant suite of reports and we still expect that clinics will want to check the CaFC data on a 'line-by-line' basis. As we have done historically, we are continuing to provide clinics with a 'raw data report' for this purpose.

4.27. To provide context, the raw data report which we have historically provided to clinics, and which provides the detailed background information to be included in CaFC is a spreadsheet of 98 columns and will include thousands of lines of treatment data. Reviewing this data is a large undertaking by clinics, but it is something they have always done and, certainly through the first CaFC through PRISM, something that a large majority of clinics will expect to do before signing off their data.

4.28. As previous stated in past AGC updates it remains a PRISM strategic objective to publish CaFC without a requirement for individual clinic verification exercises. However, for the first CaFC through PRISM the clear feedback we have received from clinics is that they will want to check their data, as they have historically undertaken, and there will be significant difficulties with many clinics if we try to bypass this step.

4.29. Nevertheless, the forthcoming verification exercise will also provide a valuable opportunity to engage directly with clinics concerning whether they feel that they should undergo such exercises in the future and present the arguments that they might not.

4.30. We are also working to develop a new mechanism by which clinics can run and download these reports in PRISM.

4.31. The other 22 verification reports are summary reports and show the clinic's prospective CaFC rates. Therefore, if they make changes to their CaFC data during the verification period, they can re-run these reports to see the impact of their changes.

4.32. We are planning to complete the raw data reports by Christmas and all verification reports by the end of January. This is in line with our previously stated plan.

5. Latest forecast of CaFC delivery dates

5.1. Certain challenges are arising for CaFC which may impact our previous communicated forecast of when CaFC will be completed during 2024.

5.2. These were discussed with senior directors in late November 2023 and our recommendations are set out below.

Issue: A minority of clinics will likely need extra verification time to get their data ready for CaFC

- 5.3. The Challenge:** As outlined in section 4 above, we are aware of a small number of clinics who may require particular dedicated support to get their records 'in order' for CaFC. Moreover, it would be prudent to assume that some more clinics may ask for this support during the CaFC verification period, which is currently scheduled to run from January until April.
- 5.4.** If we keep to a tight 2024 verification window for CaFC (as per the current plan) then it is now clear that there will be some clinics that will miss this window and we would either need to extend the verification window for those clinics or HFEA will need to publish CaFC without them. If we do the latter, we will receive a significant level of complaint from those clinics concerned. Equally, we already know that some clinics are complaining about the lateness of the CaFC update and further delay will generate more complaints.
- 5.5.** In previous CaFC verifications prior to PRISM we have always had requests from clinics for verification extensions. In the past we have always agreed to these requests, but we could decide to do different now. Regardless, it is highly likely that on the current plan we will receive similar clinic requests to extend the verification window during Spring 2024 or issues where they refuse to sign off the data ahead of publication.
- 5.6.** It is also unlikely that ARGC will catch up on PRISM in time for the current CaFC timetable.
- 5.7. Possible approach:** There is a case for extending our verification window for these clinics for a specific time period only.

Issue: Treatment of 2023 data

- 5.8. The challenge:** Our original plan was to complete CaFC for treatments up to December 2022 by June 2024. However, this raises a supplementary question: 'If we are verifying data during 2024, why are we not doing this for 2023 data'?
- 5.9.** If we want to include 2023 data in the first CaFC through PRISM, then the earliest verification could start for this data is March 2023 (although it could be running earlier for previous years). Also there has been less time elapsed for clinics to correct their 2023 validation errors through the normal course of operations.
- 5.10.** If we do not include the 2023 data in the first CaFC through PRISM, then we risk a negative reaction from the sector and users given we are publishing data that is already 18 months out of date. We will also need to explain to clinics, particularly those with good PRISM records, why we are only undertaking a partial verification of the data that is available to verify.
- 5.11.** If we do not include the 2023 data, it also means that the second CaFC through PRISM will need to cover a two-year period rather than the standard one year envisaged for all future CaFCs.
- 5.12. Possible approach:** When we publish CaFC we should aim to do so with the most up to date data possible. This means we will have to keep the verification window open to allow checking of

2023 data, possibly with a 'double-staged' verification process where we release 2020-2022 verification reports as soon as possible and 2023 verification reports later.

5.13. This approach also does mean that the first CaFC through PRISM will cover a four-year timescale, although only 3 years will be reported.

5.14. Latest forecast for delivery of first CaFC through PRISM

5.15. Recommendation: Ideally, we would like to publish CaFC as quickly as possible, however our judgment is that we should push the schedule back to October which would maximise clinic coverage and include 2023 data in the proposed CaFC update.

5.16. Based on this recommendation, a revised CaFC timetable would be as follows:

- Release the raw data verification report for years 2020-2022 to clinics at the start of January 2024 and all associated verification reports by the end of January.
- Issue a further suite of verification reports for 2023 data at the start of March 2024.
- Give clinics a full six months to verify four years of CaFC data (January – June 2024).
- Allow July and August to be flexible months for additional clinic verification activity if absolutely necessary.
- We will look to sign off CaFC with clinics by no later than September and publish the first CaFC through PRISM in October 2024.

5.17. The high level CaFC message to clinics is 'we will start verification in January 2024, it will include 2023 data, and verification will run until summer 2024 and we will aim to publish CaFC in the autumn'.

5.18. The worst-case scenario: That we attempt to stick to our original deadlines, but find we have to agree to extension requests and then publish CaFC in the Autumn in any event: but with data that is now close to being two years out of date and we would have missed the opportunity to verify and publish an extra year of more up to date data during 2024, creating a bigger challenge for us in 2025.

5.19. Whilst it is regrettable that we are suggesting a timetable change, AGC are asked to approve this recommendation. AGC should note that this specifically means that the CaFC publication deadline is delayed by four months (end June to end October), but that we are including an extra year of data and providing time for those clinics that we are now reasonably certain will miss the original deadlines we have set for CaFC.

5.20. Subject to any discussions with AGC, we plan to communicate to clinics the confirmed timetable for CaFC in the December 2023 edition of Clinic Focus.

6. Update on resources on PRISM

Contracted resource

- 6.1.** The full-time contract of the PRISM support officer completed at the end of September. Employed Register team, development and testing staff are now supporting clinics and running the day to day 'housekeeping' of PRISM.
- 6.2.** The two-day per week contract for the PRISM programme manager's contract has been extended to April 2024. He will continue to oversee the bedding in of PRISM and management of CaFC delivery.
- 6.3.** The three-day per week contract for our longstanding contracted data developer is also continuing. He remains important both for the PRISM database and also Epicentre replacement.

7. AGC recommendations

7.1. AGC are asked to:

1. Note that the OTR reports continue to undergo 'fine testing' by the OTR team.
2. Note that we are initiating a pilot with selected clinics for '10 Family Limit' alerts.
3. Note that PRISM submissions are continuing at steady state and a majority of clinics have addressed their errors although 32 clinics remain in the 'error close out' programme.
4. Note that our work by developers directly with key clinics are identifying some who are in control of their data, but others who have struggled and will need significant additional support, particularly for CaFC.
5. Approve a change to the CaFC timetable which will allow time for struggling clinics to 'catch up' and which will also allow us to include 2023 data when we publish.

Appendix 1: Revised PRISM Completion Plan

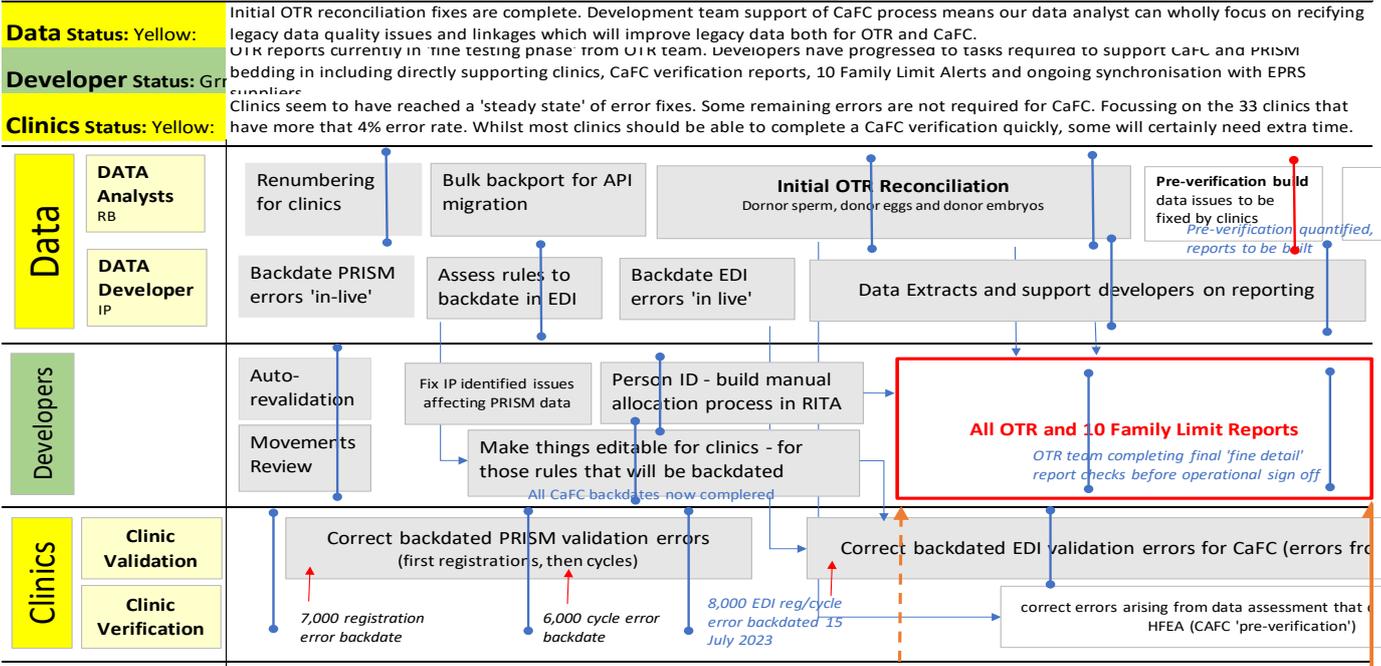
Blue text - updates and text that has changed from last plan update

red lines = current position of progress (as of 9th June 2023)

Blue lines - position as of 1st Dec 2022, 28th Feb, 9th June, 4th Sept

red boxes - key tasks that represent completion of PRISM objectives

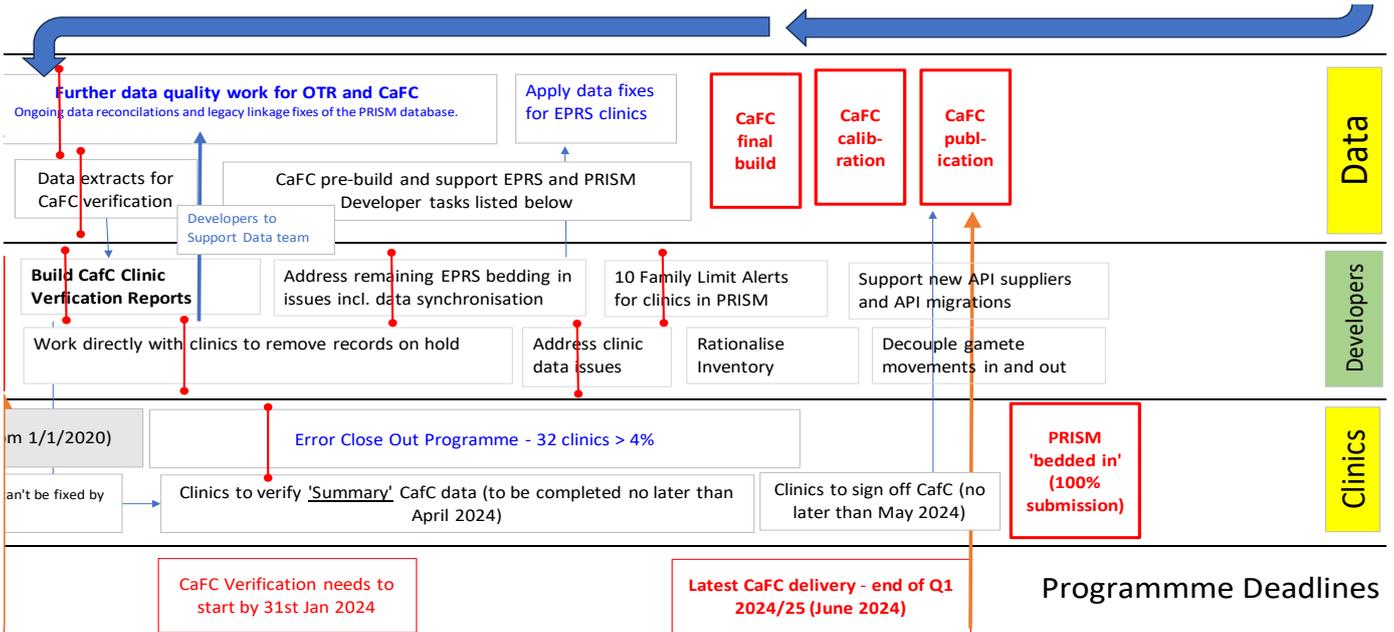
Greyed out boxes = tasks now **wholly** completed



Programme Deadlines

Start OTR reports by 15th May 2023

Complete OTR & 10 Family Limit reports task by 31st July 2023



Resilience, Business Continuity Management and Cyber Security

Area(s) of strategy this paper relates to:	The right information – to ensure that people can access the right information at the right time		
Meeting:	AGC		
Agenda item:	9		
Meeting date:	07 December 2023		
Author:	Martin Cranefield, Head of IT and Neil McComb, Head of Information		
For information or decision?	For information		
Recommendation	<p>The Committee is asked to note:</p> <ul style="list-style-type: none"> • IT updates <ul style="list-style-type: none"> • IT security changes • Fraudulent OTR websites • Business Continuity • Data backups • Application & web penetration testing • Current position on Data Security and Protection Toolkit 		
Implementation date	Ongoing		
Communication(s)	Regular, range of mechanisms		
Annexes	7a –HFEA Risk Strategy, 7b – Operational risk register and Top 3 risks screenshots, 7c – Risk appetite statement, 7d strategic risk register		
Organisational risk	<input type="checkbox"/> Low	<input checked="" type="checkbox"/> Medium	<input type="checkbox"/> High

1. Introduction and background

- 1.1. In recent months, AGC has received regular and detailed updates on Resilience, Business Continuity Management and Cyber Security, in line with the strategic risk register.
 - 1.2. This paper provides an update on IT infrastructure and cyber security in a number of areas.
 - 1.3. It also includes an update on our current approach to submitting evidence for next year's Data Security and Protection Toolkit
-

2. IT Updates

IT security changes

- 2.1. We have completed the version upgrade of all Windows server operating systems to a supported version, apart from the Epicentre servers which are still running on Windows Server 2008. These 2008 servers are not receiving security updates and can't be upgraded due to risk of failure. We are looking to replace Epicentre and discussions are being had with DHSC on how to approach procurement.

Fraudulent OTR websites

- 2.2. In collaboration with the Comms team, we have setup Google Alerts with several OTR and HFEA themed keywords, so we are notified if Google detects any websites offering unauthorised services e.g. fast track of OTR applications for payment etc.

Business Continuity

- 2.3. The Business Continuity Plan and Critical Incident Response Plan has been drafted and is currently in the review phase before sharing with wider CMG and SMT. We will plan a business continuity test in early Q4.

Data backups

- 2.4. We are continuing to work through some outstanding items highlighted in the external backup report to further strengthen our backup resilience. Martin will verbally share an update at AGC, not to be publicly minuted for security reasons.

Application & Web penetration testing

- 2.5. The pen testing was executed as scheduled and we have received the security reports which covers our key systems that were tested. Martin will verbally share an update at AGC, not to be publicly minuted for security reasons.

3. Data Security and Protection Toolkit (DSPT)

Background

- 3.1. The new toolkit set of requirements has been reviewed by the main team consisting of the Head of Information, Head of I.T and IG manager.
- 3.2. For the next year there are 108 mandatory requirements and 20 optional requirements. All of the mandatory requirements have been assigned to owners and further work is under way to prioritise workloads.
- 3.3. This number of requirements is similar to last year as is the split between IG and I.T ownership.
- 3.4. Evaluation of these requirements is ongoing but the initial feeling is that workloads will be similar to last year and our experienced gained over the last few years will put us in a good place for completion.
- 3.5. It is felt that our approach to DSPT is mature enough for an SOP to be written which is now underway.

Human Resources bi-annual update 2023

Area(s) of strategy this paper relates to:	<p>The best care – effective and ethical care for everyone</p> <p>The right information – to ensure that people can access the right information at the right time</p> <p>Shaping the future – to embrace and engage with changes in the law, science, and society</p>
--	--

Meeting:	Audit and Governance Committee meeting
----------	--

Agenda item:	10
--------------	----

Meeting date:	07 December 2023
---------------	------------------

Author:	Yvonne Akinmodun, Head of Human Resources
---------	---

Annexes

For information or decision?	For information
------------------------------	-----------------

Recommendation:	<p>The Committee is asked to note and comment on the:</p> <ul style="list-style-type: none"> a. Main findings for the report b. Overview of the results from the recent staff survey
-----------------	--

Resource implications:

Implementation date:

Communication(s):

Organisational risk:	Medium
----------------------	--------

1. Introduction

- 1.1.** HR papers come to the Audit & Governance Committee twice a year. At the last AGC, we presented key Equality, Diversity and Inclusion (EDI) data. This paper, which represents our second HR report of the year, sets out half-year information on key HR metrics within the HFEA.

2. Staff survey

- 2.1.** The annual all staff survey took place in the autumn of 2023. We had an 83% response rate which is higher than last year's response of 74%. Our overall engagement score was 84%, up by 1% on last year. Pleasingly, the HFEA engagement score is significantly above the average for comparable public sector bodies (76%).
- 2.2.** In terms of next steps, we will share the headline results with our Corporate Management Group (CMG) and then all staff. Following that we will set out an action plan to address emerging themes and concerns. We will update AGC at a future meeting.

3. Recruitment and Onboarding

- 3.1.** Recruitment activities across the organisation continues to either build capacity or to replace roles where staff have left. Over the last six months we have managed to recruit first time to almost all advertised roles. Recruitment activities are shown in Table 1 below.

Table 1 – Recruitment Activities

Number of job roles recruited to – April – Sept 2023	Number appointed first time	Advertised more than once
13	12	1

4. Turnover

- 4.1.** The table below sets out our current turnover rates compared with those of 12 months ago.

Table 2 – Turnover Rates

Turnover Rates	Sept 2022	Sept 2023
Total Labour Turnover Rate	16%	18%
Voluntary Resignation Rate	10%	16%

Analysis of our data

- 4.2.** We have seen a slightly higher number of leavers compared with the figures from last year. The figure of 18% is higher than our target rate of 15%. HR continues to conduct exit interviews to

ensure that we understand what more can be done to minimise the number of voluntary resignations.

4.3. Based on data received, the reasons for leaving are set out in the table below:

Table 3 – Percentage of Workforce and reasons for Leaving

Reason for leaving	Strategy & Communication	Compliance & Information	Support services (HR, Fin, legal)	Total	% of total workforce
Personal	3	2		5	
Career progression (Including pay)	3	2	2	7	
Total	6	4	2	12	16

4.4. The table below shows leavers based on length of service. As a small organisation, one of the most common reasons given for resignations is the lack of career development opportunities. Whilst we encourage progression through internal promotions wherever possible, opportunities within the organisation remain limited. We have also sought ways to work in partnership with other ALBs, however, progress in this area remains slow due to divergent priorities. As a small organisation, we are often seeking opportunities for roles below and up to head of service level. However, most of our fellow ALBs, are keen to find opportunities for employees who are interested in director level positions therefore, roles below this level are seen as less of a priority.

Table 4 – Leaver's length of service

Length of Service	Total Number
Less than 6 months	1
6 months - 2 years	2
2 – 5 years	5
5 – 10 years	3
over 10 years	1
Total	12

5. Absence

- 5.1.** The table below shows the average number of days lost through sickness absence per employee for the public sector and the HFEA.

Table 5 – Absence rates

Absence rates	44
Public sector average absence rate per employee (Total days lost per worker)	4.6
Average days per employee (from 01/04/23 – 30/09/23) HFEA	1.4

- 5.2.** The HFEA's average absence is significantly below the average for the public sector and the absence rates per employee cited by ONS.

Absence Overview.

- 5.3.** At the start of the year, we had 4 cases of long-term sickness absence. In recent months, we have been able to half this number. We continue to have the appropriate occupational health referrals and welfare meetings with the remaining two on long term sick

General Absences.

- 5.4.** The reasons for absences were: Anxiety/depression/stress, cold/flu, virus symptoms.

COVID 19 Related Absences.

- 5.5.** We also have one case of long covid.

6. Recommendations

- 6.1.** The Committee is asked to note and comments on the actions taken to date.

Annual Review of Committee Effectiveness

Details about this paper

Area(s) of strategy this paper relates to:	The right information – to ensure that people can access the right information at the right time
Meeting:	AGC
Agenda item:	11
Meeting date:	7 December 2023
Author:	Paula Robinson, Head of Planning and Governance
Annexes	The template for the review was circulated separately, between meetings.

Output from this paper

For information or decision?	For discussion as part of the annual committee review process.
Recommendation:	AGC is asked to discuss the areas outlined in the NAO's risk review template for Audit Committees.
Resource implications:	In budget
Implementation date:	Ongoing
Communication(s):	Feedback from AGC will be incorporated into the Annual Governance Review, which is presented to the Authority in March every year.
Organisational risk:	Low

1. Introduction

- 1.1.** It is good practice for all of our committees to review their effectiveness annually, and this exercise informs an annual governance paper and an annual review of Standing Orders.
- 1.2.** For AGC, a different and more specialist form is used, provided by the NAO, and intended specifically for Audit and Risk Assurance Committees. Members and other attendees were asked to complete a copy of the form in advance. This paper summarises the input received in advance of the meeting.
- 1.3.** A table is included in section 4, proposing a range of actions AGC could consider.

2. Contributors

- 2.1.** All AGC attendees (members, our regular observers and staff) were invited to complete a copy of the form in advance. Further comments are invited at the meeting.
- 2.2.** Ten responses were received before the meeting, and the summary in the next section indicates some areas of focus and areas where we appear to be meeting or exceeding standards.

3. Summary of written response

- 3.1.** The following table summarises the total ratings given for each section. Not all submissions gave a score for every measure, presumably because some people felt unable to give a rating on some of the factors. Some measures were marked 'room for improvement' with no comments provided. Where comments were made, these are provided in the next section, below the table.

Area	Room for improvement	Meeting standards	Excelling
1.1 Membership, independence and objectivity	1	57	26
1.2 Making the most of your time	1	100	27
2.1 Range of skills	3	56	11
2.2 Training and development	0	37	6
2.3 Other skills	9	44	8
3.1 Assurance	7	44	17
3.2 Governance	1	60	12
3.3 Risk management	3	82	41
3.4 Internal control	1	70	13
3.5 Financial reporting	3	118	32
4.1 Terms of reference	2	68	25
4.2 Internal audit	0	56	21

Area	Room for improvement	Meeting standards	Excelling
4.3 External audit	2	92	21
5.1 Communication and reporting	1	59	21
6.1 Continual improvement	1	45	12

3.2. This table highlights the main areas that were flagged as ‘room for improvement’ by at least one contributor. AGC is asked to discuss these points. Paragraph 3.3 below sets out any specific comments that were made in relation to these areas, for context.

Area	Potential areas for improvement or other comments	Frequency (No. of people)
1.1 Membership, independence and objectivity	1.1.2 - Membership of the ARAC is sufficient to discharge its responsibilities.	1
	1.1.3 The ARAC explores the option of bringing in additional independent, non-executive members from sources other than the Board to ensure an appropriate level of skills and experience.	1
	1.1.10 - Conflicts of interest declarations (this was an observation only; the category was marked as ‘meeting standards’).	1
1.2 Making the most of your time	1.2.14 – 12 month forward plans	1
	1.2.6 AGC agendas.	1
2.1 Range of skills	2.1.4 The required skill sets for the ARAC are reviewed at regular intervals	1
	2.1.5 - The ARAC draws on a sufficiently diverse membership, containing a variety of demographic attributes and characteristics.	2
	2.1.6 Skills mapping.	1
2.2 Training and development	-	
2.3 Other skills	2.3.2 Level of digital/technical expertise currently on ARAC?	1
	2.3. Not covering climate change and ESG.	3
	2.3.8 & 2.3.9. Risks, skills and expertise relating to procurement.	1
3.1 Assurance	3.1.4 Three lines of defence model	1

Area	Potential areas for improvement or other comments	Frequency (No. of people)
	3.1.6 Whistleblowing 3.1.7 Assurance Mapping 3.1.8 Monitoring of internal and external audit and other recommendations.	1 3 2
3.2 Governance	3.2.6 The nature of relationships with arm's-length bodies, if applicable	1
3.3 Risk management	3.3.14 Near misses 3.3.16 Resilience – review is focused around the risk register.	2 1
3.4 Internal control	3.4.5 – Assessing whether the system of internal control would provide timely indicators of weaknesses and failings.	1
3.5 Financial reporting	3.5.4 – Assurances about financial systems which provide the figures for the accounts. 3.5.5 – The quality of the control arrangements for preparing the accounts. 3.5.16 Key matters: The ARAC considers key matters on its own initiative rather than relying solely on the work of the external auditor.	1 1 1
4.1 Terms of reference	4.1.2 The terms of reference are reviewed regularly and at appropriate intervals. 4.1.6 The terms of reference allow for the ARAC to sit privately without any non-members present for all or part of a meeting if they wish.	1 1
4.2 Internal audit	-	
4.3 External audit	4.3.7 Level of fees for audit services 4.3.15 - Oversight of external audit recommendations.	1 1
5.1 Communication and reporting	5.1.1 The ARAC produces a report after each meeting for the Board and accounting officer (with a copy to the head of internal audit and the external auditor) covering: <ul style="list-style-type: none"> • the key business taken by the ARAC, and • the ARAC's views and advice on any issues they believe the Board or accounting officer should take action on 	1

Area	Potential areas for improvement or other comments	Frequency (No. of people)
6.1 Continual improvement	6.1.2 ARAC members' performance - The chair assesses the performance of the individual members of the ARAC, discusses their training and development needs and agrees a training and development plan.	1

3.3. Some examples of comments received on the areas for improvement, or other suggestions, are given below:

1.1 Membership, independence and objectivity:

Conflicts of interest are rarely declared.

In terms of quoracy, we may have some upcoming challenges owing to turnover in Authority membership, and there is still some uncertainty about recruitment/extension/second terms etc. This constitutes a risk.

Currently short of one external member, which could cause quorum issues going forward.

1.2 Making the most of your time:

Forward plans should ideally cover the following 12 months. Currently the forward plan only considers the next 6 months.

AGC agendas cover all the necessary business, but I wonder whether on occasion too much time is taken with predictable routine audit matters at the expense of more strategic conversation.

Would say the meetings are on the long side compared to other bodies. Could they be more focused?

2.1 Range of skills:

No comments.

2.2 Training and development:

No comments.

2.3 Other skills:

Unclear as to the level of digital/technical expertise currently on ARAC.

Climate change and ESG:

Limited discussions have taken place to date with regards ESG so cannot comment on these questions.

I can't remember having seen this on the agenda.

Not sure this is relevant to HFEA.

Procurement:

Hasn't been an issue during my tenure.

3.1 Assurance:

Three lines of defence:

I'm not clear on the three lines of defence model.

Whistleblowing:

Can't recall whether the AGC receives regular updates about whistleblowing other than regular approval of the policy.

Assurance mapping:

Assurance Mapping - Requested by AGC but Executives are resistant.

Recommendations:

Keen focus on Internal Audit recommendations - no similar review of wider recommendations (i.e. from 3rd party reviews) or from External Audit.

Internal audit recommendation tracking struggles to obtain responses and there have been a large number of outstanding recommendations.

3.2 Governance:

No comments.

3.3 Risk management:

There has not been consideration of risk contagion and risk review is focused on the strategic risk register, I have not seen thematic assessment of other risks presented before.

Don't recall seeing near misses.

List of topics for future deep dives seems large and should be reviewed to see whether they are still relevant.

Should not get tied up into minute details of the SRR, but instead focus on the main 3-4 risks and how these are actively managed.

3.4 Internal control:

No comments.

3.5 Financial reporting:

Not provided with a copy of the financial statements that were discussed in the meeting therefore difficult to reconcile the discussion to what was provided.

4.1 Terms of reference:

Don't know if the Authority has recently reviewed the terms of reference.

AGC terms of Reference have not been reviewed by [us] so cannot comment on this section of questions.

4.2 Internal audit:

There are challenges in the agreement of internal audit recommendations and correspondingly monitoring the implementation of them where agreement has not been able to be reached.

4.3 External audit:

Cannot recall seeing any explicit oversight of external audit recommendations.

I haven't been privy to the level of fees nor seen them reviewed.

5.1 Communications and reporting:

No comments.

6.1 Continual development:

No succession planning in place. Having the two external members appointed in different years would build some resilience.

3.4. The following areas attracted the most 'excelling' scores:

Area	No. of 'Excelling' scores
3.3 Risk Management	41
3.5 Financial reporting	32
1.2 Making the most of your time	27
1.1 Membership, independence and objectivity	26
4.1 Terms of reference	23
4.2 Internal audit	21
4.3 External audit	21
5.1 Communication and reporting	21

3.5. The positive comments received are listed below:

AGC appears to have good relations with internal audit.

Audit actions monitored satisfactorily.

We receive regular PRISM reports.

The oversight of PRISM was exemplary.

The committee excels at both challenge and support, both holding us to account and asking the right questions, and being supportive where merited. This relationship works well and is very much valued by staff; there is real openness and, I think, mutual trust.

We added the ability to co-opt for particular expertise to our TOR last year, so we have this flexibility if and when needed.

AGC also engaged fully with the recent complete review of the risk strategy and risk appetite statements, and will continue to consider future changes as we continue to update the system in response to the latest raft of changes to the Orange Book.

The outputs from this review are also fed into the annual Governance paper to March Authority each year, which also incorporates any required updates to Standing Orders. There is regular reporting into Authority meetings on the latest discussions at AGC.

AGC understands the need to be proportionate (but still effective) in our risk management approach, given that the staffing of the risk function is one post, and that this postholder also covers performance measurement, the running of the corporate management group, project management and business planning.

I think we have the right mix of skills for a small organisation with a relatively modest budget.

I feel that the AGC questioning of the executive is focused and well judged to the risks involved.

Good representation of staff who attend the AGC meetings.

All members and staff have the opportunity to speak on items.

The AGC has a sensible and balanced approach to risk, given the size of the HFEA and the available resources. As CEO I feel greatly assisted by this approach.

The AGC is particularly helpful in framing the annual governance statement, assisting us to articulate what we do well as well as being honest about the scale of the risks we are managing.

The AGC has a solid and subtle understanding of risk in the context of the size of the HFEA and the usefulness of the various ways of tracking and explaining risk in the SRR.

AGC has a very clear understanding of the roles of internal and external audit and shows good judgment in how it seeks assurance (or not) from those processes.

My sense is that we (the executive) and the AGC enjoy an open and honest relationship, where risks are frankly discussed and there is a culture of trying to fix the problem.

Forward plan has been extended to 12 months to give better overview of work ahead.

Yearly training is arranged.

Regular reports to AGC on [cyber and digital risks].

AGC has a regular review of appropriate policies.

Yearly review of its governance through the effectiveness review, and opportunity to propose changes to its terms of reference.

Clear reporting process to the Authority.

4. Potential actions

4.1. Based on the areas for possible improvement, the following table summarises some potential actions AGC could consider. This is not an exhaustive list.

Quick wins	Actions that can be incorporated into already-planned work	Other possible future actions
1.1 Invite conflict of interest declarations at the start of each meeting.	1.1 AGC Chair to discuss membership resilience and diversity with the Authority Chair, as and when Authority membership changes.	1.1 Consider whether/when to recruit a second external member.
1.2 Making the forward plan 12 months (done).		1.2 Consider the agenda balance between routine and strategic – could we be more focused?
	2.1 Consider diversity and skills mix at each recruitment point;	2.1 Skills mapping (done) – consider how to use this to enrich our recruitment and training.
2.3. Although climate change and ESG feature in the NAO questionnaire, these will rarely apply to the HFEA – no action proposed.	2.3 Consider digital/technical expertise as part of the skills mix, as with diversity above.	2.3 Procurement skills and expertise – rarely needed, but are there actions we should consider for the future?
3.1 Continue to build assurance mapping into our ‘deep dive’ papers on risk topics.	3.1 Work with our internal auditors to agree manageable actions following each audit (also applies to 4.2), and to prioritise and report on agreed actions, particularly those that are overdue; and ensure	3.1 Consider including three lines of defence model in future training for members. 3.1 Consider whether more information about

Quick wins	Actions that can be incorporated into already-planned work	Other possible future actions
	<p>unavoidable reasons for delays (e.g. recruitment gaps) are recorded.</p> <p>3.1 “Assurance” to be proposed as the training topic for December 2024.</p>	<p>whistleblowing should be provided to AGC.</p> <p>3.1 Consider incorporating recommendations from external audit and third party reviews (when applicable) into our progress reporting to AGC.</p>
		<p>3.2. The nature of relationships with arm’s-length bodies was raised as a potential issue – are there any actions we need to consider?</p>
	<p>3.3 “Near misses” to be the deep dive topic for October 2024.</p> <p>3.3 Review and prioritise the list of topics for future deep dives (seems large).</p>	<p>3.3 Consider presenting an annual thematic assessment of operational and project risks, including consideration of “risk contagion”.</p> <p>3.3 Once the current review of our risk strategy has been completed, consider how to approach the regular AGC reviews of the risk register so that we focus on the main risks and controls.</p>
		<p>3.4 Assess whether the system of internal controls can provide timely indicators or weaknesses and failings.</p>
		<p>3.5 Consider how we could provide assurances about our financial systems and control arrangements for preparing the accounts,</p>
<p>4.1 Continue to include any proposed changes to the committee’s terms of reference in Authority papers on governance and standing orders. (Any new issues can also be reported under the Committee Chairs’ Report at</p>		

Quick wins	Actions that can be incorporated into already-planned work	Other possible future actions
every Authority meeting – this also covers 5.1.)		
		4.3 Consider whether any additional reporting and oversight in relation to external audit recommendations or auditors' fees is needed.
	6.1 When considering recruitment and Authority membership of the committee (see also 1.1, 2.1 and 2.3) discuss succession planning and resilience with regard to the timing of terms of office.	

5. Recommendation

- 5.1.** Members are asked to discuss the committee review, with a particular focus on the tables relating to areas for improvement and potential actions, at paragraphs 3.2 and 4.1.

Audit and Governance Committee Forward Plan

Strategic delivery:

- The best care – effective and ethical care for everyone
- The right information – to ensure that people can access the right information at the right time
- Shaping the future – to embrace and engage with changes in the law, science, and society

Details:

Meeting	Audit & Governance Committee Forward Plan
Agenda item	13
Meeting date	7 December 2023
Author	Morounke Akingbola, Head of Finance

Output:

For information or decision?	Decision
Recommendation	The Committee is asked to review and make any further suggestions and comments and agree the Forward Plan.
Resource implications	None
Implementation date	N/A
Organisational risk	<input checked="" type="checkbox"/> Low <input type="checkbox"/> Medium <input type="checkbox"/> High
	Not to have a plan risks incomplete assurance, inadequate coverage or unavailability key officers or information
Annexes	N/A

Audit & Governance Committee Forward Plan

AGC items Date:	7 Dec 2023	5 Mar 2024	26 June 2024	1 Oct 2024	6 Dec 2024
Following Authority Date:	24 Jan 2024	20 Mar 2024	3 July 2024	20 Nov 2024	Jan 2025
Internal Audit	Update	Approve draft plan	Results, annual opinion	Update	Update
Internal Audit Recommendations Follow-up	Yes	Yes	Yes	Yes	Yes
External audit (NAO) strategy & work	Audit Planning Report	Interim Feedback	Audit Completion Report		Audit Planning Report
Session for Members and auditors	Yes	Yes	Yes	Yes	Yes
Annual Report & Accounts (including Annual Governance Statement)			Yes, for approval		
Strategic Risk Register	Yes	Yes	Yes	Yes	Yes
Risk Management Policy ¹	Risk management strategy		Updated Risk Strategy/ Appetite statement		Risk management strategy
Horizon scanning committee discussion	Yes	Yes	Yes	Yes	Yes
Deep dives		Functional Standard (Commercial and Debt)		Impact of onerous corporate governance standards on ability to deliver plans	
Digital Programme Update	Yes	Yes	Yes	Yes	Yes

¹ Policy will have been reviewed by the Executive, including updated appetite statement for Authority approval.

AGC items Date:	7 Dec 2023	5 Mar 2024	26 June 2024	1 Oct 2024	6 Dec 2024
Resilience & Business Continuity Management	Yes	Yes	Yes	Yes	Yes
Information Assurance & Security			Yes, plus SIRO Report		
HR, People Planning & Processes	Bi-annual HR report		Bi-annual HR report		Bi-annual HR report
Contracts & Procurement including SLA management	Update as necessary	Update as necessary	Update as necessary	Update as necessary	Update as necessary
Whistle Blowing, fraud (report of any incidents)	Update as necessary	Update as necessary	Update as necessary	Update as necessary	Update as necessary
Estates			Yes		
Review of AGC effectiveness and terms of reference	Yes			Yes	Yes
Functional standards	Yes	Yes	Yes	Yes	Yes
AGC Forward Plan	Yes	Yes	Yes	Yes	Yes
Accounting policies		Yes (annually)			
Public Interest Disclosure (Whistleblowing) policy		Yes			
Anti-Fraud, Bribery and Corruption policy		Yes			
Counter-fraud Strategy (CFS), Fraud Risk Assessments (FRA) and progress of Action Plan				Yes	
Reserves policy				Yes	

AGC items Date:	7 Dec 2023	5 Mar 2024	26 June 2024	1 Oct 2024	6 Dec 2024
Meeting specific items	Priority and urgency rating against public body review recommendations	Fraud Risk Assessments		Wholesale review of agreeing, timetabling and providing evidence for internal audit	

Training topics

This list below are suggested topics which could be considered for AGC members -note a training session on good governance has been arranged for December 2023.

- Risk Management
- Counter fraud
- External Audit – Knowledge of the role/functions of the external auditor/key reports and assurances.

Suggested deep dive topics

Suggested topic	Date added	Potential meeting to be discussed
The effectiveness of performance management and risk (as this would be a year after the new system has been embedded).	4 Oct 2022	
Staff retention	4 Oct 2022	
Impact of communication	4 Oct 2022	
HFEA's regulatory effectiveness if some or all of our ambition for legislative change fails	4 Oct 2022	
OTR – what it means for the organisation	8 Dec 2022	
Retention recruitment- resource risk	8 Dec 2022	
Public body review – lessons learned?	8 Dec 2022	
CaFC	27 June 2023	
Functional Standard (Commercial and Debt)	3 Oct 2023	March 2024
Near misses	3 Oct 2023	