

Minutes of the Audit and Governance Committee meeting on 14 October 2025 held virtually

Members present	Catharine Seddon, Chair Alex Kafetz, Deputy Chair Anne Marie Millar
External Advisers	Nick Doran, National Audit Office (NAO) – External Auditor Esther Hearn (KPMG) – Engagement Manager Andrew Angeli, Head of Internal Audit - GIAA
Observers	Amy Parsons, Department of Health and Social Care (DHSC) Sarah Sellers, HFEA Legal Adviser Danielle Skinner, HFEA Licensing Manager
Apologies	Tom Fowler Clare Ettinghausen, Director of Strategy and Corporate Affairs Shabbir Qureshi, Risk and Business Planning Manager Steve Pugh, DHSC Dean Gibbs (KPMG) – External Audit lead
Staff in attendance	Peter Thompson, Chief Executive Tom Skrinar, Director of Finance, Planning and Technology Rachel Cutting, Director of Compliance and Information Morounke Akingbola, Head of Finance Sophie Tuhey, Head of Planning and Governance Alison Margrave, Board Governance Manager Sharon Fensome-Rimmer, Chief Inspector Martin Cranefield, Head of IT Kevin Hudson, PRISM Programme Manager (item 10) Luke Reader, Phoenix Programme Manager (item 10)

1. Welcome, apologies, declaration of interest and Chair's activities

- 1.1.** The Chair welcomed everyone to the meeting.
- 1.2.** Apologies for absence were received from Tom Fowler, Clare Ettinghausen, Shabbir Qureshi, Steve Pugh and Dean Gibbs.
- 1.3.** The Chair asked for any declarations of interest, there were none declared.
- 1.4.** The Chair informed the committee that she had held the quarterly meeting with the Head of Internal Audit Government Internal Audit Agency (GIAA) and pre-planning meetings with the Director of Finance, Technology and Planning and the Board Governance Manager.
- 1.5.** The Chair informed the committee that she had participated in a workshop for AGC Chairs run by the Central Insights team within GIAA on ARAC Effectiveness. She had participated in a few other meetings regarding patients at the heart of regulatory healthcare and AI intelligence risks and opportunities.

2. Minutes of the previous meetings

- 2.1.** The Chair introduced the minutes from the previous meetings which had been circulated to the committee members.
- 2.2.** The committee agreed the minutes of the meeting held on 17 June 2025 as a true record and could be signed by the Chair.

3. Action Log

- 3.1.** The Head of Finance presented the paper and provided the committee with updates on the actions which were completed, as detailed in the paper, and therefore these actions can be closed and removed from the action log.

Decision

- 3.2.** The committee noted the action log.

4. Internal audit update report

- 4.1.** The Head of Internal Audit (GIAA) presented this item and informed the committee that GIAA had delivered 20% of the 2025/26 internal audit plan to final report with a further 40% at either terms of reference agreed or fieldwork stages. He stated that the reports on the public body review (PBR) and cash management were at QA stage and he anticipated that the draft reports would be ready in a couple of weeks. The terms of reference have now been agreed for the risk management audit.
- 4.2.** He reported that the one audit which has been completed to final report identified similar themes to those raised in the 2024/25 internal audit option around the issues of specific internal controls to manage security risks relating to suppliers and vulnerability management of the IT structure.
- 4.3.** The Head of Internal Audit informed the committee that there has been some slight slippage with the delivery of the Q2 Response to Public Bodies Review audit; this was due to the need to pause fieldwork for a period which coincided with annual leave of both GIAA and HFEA personnel. He informed the committee that this audit report is currently being prepared and will be presented to the next AGC meeting.
- 4.4.** The Head of Internal Audit commented that this slippage is the underlying cause for one of the HFEA/GIAA service standards currently being off track, but he anticipated that this would be rectified during the year. He spoke of the importance in completing the Customer Service Questionnaire (CSQ) which provides vital feedback to GIAA on their delivery of services.
- 4.5.** The Head of Internal Audit referred to the GIAA audit and risk assurance committee report supplement and the information contained within this for AGC members. The Chair reiterated the wealth of information and resources for members contained within this resource from GIAA.
- 4.6.** A member questioned the validity of the PBR audit, given that the PBR was conducted under a different government than currently in position and that several recommendations may already be superseded. The member also commented that currently ALBs are experiencing a constant flux of review. The Head of Internal Audit responded that this audit was less focused on the actual recommendations arising from the PBR but more on the process of how the HFEA is equipped to respond to these types of reviews. He stated that any recommendations arising from this audit will be framed to ensure that the HFEA is better placed to respond to such reviews in the future.

- 4.7. The Chair questioned the disparity between GIAA's assessment of the Data Security and Protection Toolkit (DSPT) and that of NHS England. The Head of Internal Audit spoke of the different criteria and measurements used by both organisations. He commented that whilst there has been progress made in some of areas identified in previous recommendations, there is still further work required.
- 4.8. The Chair drew the committee's attention to the information provided on risk management improvement planning and the questions for ARACs.
- 4.9. The Chair reminded the committee that they will be meeting virtually with the Head of Internal Audit on 19 November to discuss their proposals for alternative audit provisions for small ALBs.

Decision

- 4.10. The committee noted the progress made in delivering the 2025/26 internal audit plan.

5. Adoption of the Global Internal Audit Standards

- 5.1. The Chair introduced this item and explained that the [Global Internal Audit Standards](#) (GIAS) were developed and published by The Institute of Internal Auditors (IIA) in January 2025. These standards, which were applicable in the UK from 1 April 2025 replace the International Standards for the Professional Practice of Internal Auditing. These standards are designed to modernise and standardise the expectations for internal audit functions and approaches worldwide. The Chair stated that these standards were referenced in the Internal Audit Charter that was signed in June 2025 but time prevented AGC from discussing them at the meeting. A Dear Accounting Officer (DAO) letter reinforcing the need for annual review and discussion was published in March 2025.
- 5.2. The Director of Finance, Planning and Technology explained that the standards are divided into 5 Domains with 15 Principles. The aim of these is to ensure that internal audit functions are ethical, independent, effective and focused on continuous improvement whilst aligning practice with expectations for governance, quality, stakeholder engagement and delivering meaningful audit outcomes.
- 5.3. The Director of Finance, Planning and Technology stated that the new GIAS have also led to a revision and simplification of the Government Functional Standard [GovS 009: Internal Audit](#). The new Standard essentially states that sponsorship and undertaking of internal audit services shall follow the Global Internal Audit Standards and the Application Note for the UK public sector.
- 5.4. The committee were reminded that to strengthen working practices and relationships between the HFEA and the Internal Audit teams a HFEA Internal Audit Relationship Policy had been developed and this had been shared with the AGC previously.
- 5.5. The Director of Finance, Planning and Technology referred to the Dear Accounting Officer (DAO) letter 01/25 which was published in March 2025 and specifically states "*Each Accounting Officer should ensure that consideration is given to whether the essential conditions for effective internal audit as set out in the new Global Internal Audit Standards are in place in their organisation. This should be discharged by discussion at ARACs about the internal audit charter with their Head of Internal Audit.*"
- 5.6. The Director of Finance, Planning and Technology stated that following a review of internal practices, arrangements and governance, including the signed Internal Audit Charter, the requirements included in the GIAS and the UK Public Sector Application note appear to be met.

- 5.7.** In response to a question the Director of Finance, Planning and Technology stated that GIAA fees had increased by 20% this year, he confirmed that this increase had created additional financial pressure for the HFEA so it was keen to explore GIAA's proposed new way of working for small ALBs.
- 5.8.** A member questioned whether the HFEA now had the resources in place to manage efficiently audit recommendations. The Director of Finance, Planning and Technology spoke of the change in relationship with GIAA and the HFEA's approach to agreeing recommendations. The Head of Internal Audit stated that the agreed ways of working agreement has improved the relationship, and he spoke of the process of how recommendations are agreed.
- 5.9.** A member asked whether the cost of GIAA is funded through Grant-in-Aid (GIA) or fees received from the sector. The member questioned whether the Department of Health and Social Care understood the nuance of increased GIAA fees being passed onto the sector, which could see increased cost of IVF treatment. The Chief Executive responded that the HFEA is funded 95% through fee income and 5% through GIA; with the decrease in GIA over recent years there is now disconnect between what GIA should cover and the actual costs of those activities.
- 5.10.** The Chair asked whether the Director of Finance, Planning and Technology and the Head of Finance could consider the wording around the need for HFEA colleagues to provide feedback to GIAA when the working relationship agreement is next reviewed.
- 5.11.** The Chair asked whether the committee could receive annually a report from auditees on feedback on the audit process. Whilst members saw benefit in such a report, concern was expressed about additional pressures being put on the HFEA workforce. The Head of Internal Audit stated that GIAA obtain the feedback via Microsoft Forms, and he was unsure whether this feedback could be shared wider. The Chief Executive commented that staff should not be asked to provide feedback twice.

Decision

- 5.12.** The committee agreed that, currently, the essential conditions for effective internal audit as set out in the new Global Internal Audit Standards are in place for the HFEA.

Action

- 5.13.** The Director of Finance, Planning and Technology to respond to DAO 01/25.
- 5.14.** The Director of Finance, Planning and Technology and the Head of Finance to consider the wording around the need for HFEA colleagues to provide feedback to GIAA when the relationship policy is next reviewed.
- 5.15.** The Director of Finance, Planning and Technology and the Head of Finance to consider how to capture auditees feedback for an annual report to AGC and when this should be presented to the committee.

6. Progress with current audit recommendations

- 6.1.** The Chair introduced this agenda item and informed the committee that as at the previous meeting the committee would first consider non-Data Security and Protection Toolkit (DSPT) audit recommendations and then the DSPT audit recommendations.

Non-DSPT audit recommendations

- 6.2.** The Head of Finance introduced the main paper and informed the committee that all audit recommendations had been completed.
- 6.3.** The Chair, on behalf of the committee, congratulated the Head of Finance for this achievement, and acknowledged the work of the HFEA staff and in particular the Head of Finance in achieving this.

DSPT audit recommendations

- 6.4.** The Director of Finance, Planning and Technology introduced the paper on DSPT recommendations and informed the committee that since its last meeting one recommendation from the 2023 DSPT audit has been closed and the HFEA had received the independent assessment of its 2025 DSPT submission.
- 6.5.** The Director of Finance, Planning and Technology commented that GIAA's recommendations from the 2025 submission align more closely with the NHS England DSPT Improvement Plan that was agreed following the HFEA's submission. He informed the committee that the HFEA will continue to aim to align and prioritise actions as well as it can in a risk-based way, to match the available resources as effectively as possible.
- 6.6.** The Director of Finance, Planning and Technology spoke to the recommendations to amend the delivery deadlines for the historic DSPT audit recommendations so that they align with the NHS England DSPT Improvement Plan and the 2025 audit recommendations.
- 6.7.** The Director of Finance, Planning and Technology informed the committee that the HFEA had recently reformed its Information Governance Steering Group to ensure that it is better able to oversee Information Governance and Cyber risk management and improvement. This Steering Group is now resourced through the Planning and Governance Team which strengthens its effectiveness.
- 6.8.** The Head of Internal Audit agreed the Steering Group provides an additional layer of rigour to complete the outstanding recommendations.
- 6.9.** A member commented that the DSPT had now been in place for three years and the HFEA's submission improves each year. He questioned whether there were any actions from the 2025 DSPT improvement plan that would allow more than one audit recommendation to be closed off. He gave as an example the recommendations regarding mobile data and informed the committee how he had been working with the HFEA team on this aspect.
- 6.10.** In response to a question regarding the HFEA's overall net risk the Director of Finance, Planning and Technology commented that the HFEA has taken a long-term improvement approach with a view to managing DSPT proportionately but consistently.

Decision

- 6.11.** The committee noted the position as detailed in the paper and agreed the following:
- DSPT 2023 (Rec 1.1): Amend the deadline for this recommendation to June 2026 to match the current deadline for delivery of the 2025 DSPT Improvement Plan.
 - DSPT 2023 (Rec 1.3): Amend the deadline for this recommendation to June 2026 to match the current DSPT Improvement Plan and DSPT 2025 audit recommendation 3.
 - DSPT 2023 (Rec 1.4): AGC agreed that this action should be completed by the revised deadline of 31 December 2025.

- DSPT 2024 (Rec 1): Amend the deadline for this recommendation to July 2026 to match the timing of the Phoenix IT transformation programme.
- DSPT 2024 (Rec 2): Amend the deadline for this recommendation to June 2026 to match the current deadline for delivery of the 2025 DSPT Improvement Plan.

Action

- 6.12.** DSPT audit recommendation log to be updated.
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7. External audit completion report

- 7.1.** The External Audit Lead, NAO, explained that the planning report will be presented to the committee in December.
- 7.2.** The committee noted the verbal update.
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8. Strategic risk

Strategic risk register (SRR)

- 8.1.** The Head of Planning and Governance introduced the paper and reminded the committee that they received at their June 2025 meeting the new grass roots review of the SRR. A full, formal review of the SRR will take place in November 2025 for reporting to the December 2025 meeting.
- 8.2.** The Head of Planning and Governance spoke to the current strategic risks. The Director of Finance, Planning and Technology spoke of the current financial risk and the steps which are being taken to manage this, including discussions with DHSC. A member commented that the rating for this risk should be raised to above tolerance in December 2025.
- 8.3.** In response to a question the Director of Finance, Planning and Technology provided further information about projected income and the average number of IVF activities per year. The Chief Executive commented that IVF activity had been affected by cost-of-living pressures.
- 8.4.** In response to a question regarding information risks, the Chief Executive provided further information and stated that the risk is for historical data and there is no indication that there is a widespread problem within the register. He reminded the committee that clinics are responsible for providing accurate information to the HFEA's register, and cases where DNA evidence suggests that a clinic has not provided the HFEA with the correct information, the clinic would be expected to investigate any errors and report them to the HFEA.
- 8.5.** A member commented on the cyber security risks and stated that when the committee holds its deep-dive discussion on Business Continuity (BC) in February 2026, they expect to have sight of the BC Plan and associated policies such as Ransomware Policy.
- 8.6.** The committee discussed the restructure of DHSC incorporating NHS England and how the Department is focusing on policy and structure with less ability to support ALBs. The committee discussed the constant state of flux and review which ALBs are currently under and the increased level of corporate governance reporting which is now required.
- 8.7.** The committee discussed the danger of failing to keep up with AI initiatives and noted that a paper is coming to the November Authority meeting on AI, robotics and automation in fertility treatment.

- 8.8.** A member spoke of the increased workload of the Statutory Approvals Committee (SAC) in considering the increased applications for pre-implantation genetic testing for monogenic or single-gene disorders (PGT-M) and whether this should be captured in the SRR. The Chief Executive spoke of the complexity of some cases being considered and the current governance structure in place to review these.

Action

- 8.9.** The committee noted the strategic risk register.

9. Deep Dive – External Whistleblowing

- 9.1.** The committee held a closed discussion on this matter.

Decision

- 9.2.** The Chair to agree terms of reference for further deep dives with the relevant sponsor Director.

10. Digital projects

PRISM update

- 10.1.** The PRISM Programme Manager presented the paper and stated that since PRISM went live on 14 September 2021 over 970,000 units of activity have been submitted through PRISM.
- 10.2.** The PRISM Programme Manager reminded the committee that the verification of Register data through the CaFC process serves three purposes:
- To ensure traceability of all cycles to enable the OTR function to track patients, donors and donor conceived individuals
 - To provide patients with performance data on each licenced clinic
 - To quality control the accuracy of the data held in the Register for the purpose of statistical reporting and in national-level fertility research studies which inform patient care and are based on high quality data.
- 10.3.** The PRISM Programme Manager stated that in June 2025, 88 clinics were sent draft CaFC calculations for treatments 2023 and 2024. Clinics were asked to review and verify this information no later than the end of September 2025. The committee were informed that to date 38 clinics have signed off their data and a further number have been provided with further 'final calculations' awaiting final PR sign off after clinics have made their last adjustments in PRISM. The PRISM Programme Manager stated that no clinics have advised the PRISM team that they will be unable to sign off their data.
- 10.4.** The PRISM Programme Manager reminded the committee that following Authority discussions a focused consultation seeking views from clinic staff, professional and patient groups, patients and the public on the front-page statistics shown on each licenced clinic CaFC profile page was launched in mid-August 2025. This consultation closed on 30 September 2025 and the Authority will meet in November 2025 to agree the headline metrics for the full CaFC publication later this year.
- 10.5.** The committee discussed the four clinics who are unlikely to make the full CaFC publication at the end of the year and what data, if any, should be displayed for them. The committee discussed

what is in the best interest of patients noting as a national regulator it is necessary and appropriate for the HFEA to publish up-to-date data on the website as quickly as possible pursuant to its statutory duty under s.8(1)(c) of the Human Fertilisation and Embryology Act 2008. The committee felt it would not be in the best interest of patients to continue displaying 2018 data for those clinics as it would be misleading for patients.

Phoenix Programme

- 10.6.** The Phoenix Programme Manager introduced the paper and informed the committee that the delivery phase of the project is well underway and that the project final launch date of the new Dynamics and Client Portal system remains at July 2026.
- 10.7.** The Phoenix Programme Manager informed the committee that the most significant change to the plan is that the data migration from Content Manager to SharePoint will be in April 2026, leading to a planned cutover in July 2026.
- 10.8.** The committee were informed of the two new Change Requests and how these had affected the projected variance on the overall cost and the impact this will have on the project's budget.
- 10.9.** In response to a question, the Director of Finance, Planning and Technology commented that any decrease in spending for this project in the current financial year would have significant implications and increased overspends in future years, therefore we would do as much as possible to avoid this outcome.
- 10.10.** The committee discussed the positive report and the Chair asked that future programme risk reporting showed direction of travel from last time it was reported.

Decision

- 10.11.** The committee noted the reports on PRISM and the Phoenix Programme.
- 10.12.** The committee agreed to recommend to the Authority that for those clinics who are unlikely to make the full CaFC publication, no data should be displayed.

11. Resilience, cyber security and business continuity

- 11.1.** The Head of IT provided a verbal report to the committee on the all-staff business continuity exercise which had been conducted in July and informed the committee that the SMS text system alert for the staff had worked well.
- 11.2.** The Head of IT explained how this exercise and the revisions to the business continuity plan relate to a number of recommendations arising from the DSPT.
- 11.3.** In response to a question the Head of IT explained that the exercise concentrated on HFEA staff engagement rather than supplier engagement.
- 11.4.** The Head of IT informed the committee of the 'bring your own device' policy which will be implemented to address several vulnerabilities.
- 11.5.** The Chair informed the committee that the HFEA had applied for funding from the NHS Cyber Security Fund and thanks were given to the Deputy Chair for his work with the HFEA staff on this matter. The Chair informed the committee that the HFEA should hear within a few weeks if their application had been successful.

Decision

11.6. The committee noted the verbal report.

12. Fraud

Counter Fraud Strategy

- 12.1.** The Head of Finance introduced this item and reminded the committee that this strategy was first developed as part of the HFEA's commitment to tackling fraud, bribery and corruption and is a key aspect of the [Government Functional Standard GovS 013: Counter Fraud](#).
- 12.2.** The Head of Finance explained that the previous strategy, which had covered the period October 2023 to March 2025, had been integrated into the current strategy as the principles are still relevant.

Risk Assessment

- 12.3.** The Head of Finance introduced the Fraud Risk Assessment and informed the committee that this was reviewed by the Corporate Management Group (CMG) at its meeting in August 2025. Whilst there has been no new risks added, two of the fraud risk controls had been updated as detailed in the paper before the committee.
- 12.4.** A member questioned whether the HFEA was participating in the Cabinet Office cross departmental checks on payroll. The Head of Finance responded that the HFEA was a member of the National Fraud Initiative and as part of this initiative the HFEA submits payroll and supplier data as required.
- 12.5.** In response to a question, further information was provided on the contractors who are inside and outside IR35. The Head of Finance informed the committee that the HFEA is a member of the Tax Centre of Excellence who provided advice and guidance.
- 12.6.** The committee discussed the assessment of misuse of register data for financial or personal gain and questioned whether more information could be provided on the controls that could be implemented. The Head of Finance commented that she would pursue this with the incoming Head of Information.
- 12.7.** The committee discussed the risk of suppliers' fraud and questioned whether this should reflect suppliers being targeted and pressured by external sources.

Counter Fraud Action Plan

- 12.8.** The Head of Finance introduced the Counter Fraud Action Plan which details activities that are planned to be undertaken. The committee were informed that this plan would be updated each quarter and will be tabled at the March 2026 meeting to provide assurance to the committee that activities have been completed.
- 12.9.** In response to a question the Head of Finance provided further information about the required staff training and when it was anticipated that this would be completed. The Head of Finance commented that the action plan would be brought back to the committee in March 2026 when it is anticipated that the training would be completed

Decision

- 12.10.** The committee approved the counter fraud strategy.
- 12.11.** The committee noted the Fraud Risk Assessment and made several suggestions for review.

- 12.12.** The committee noted the counter-fraud action plan and that this will be brought to the committee in March 2026.

Action

- 12.13.** Counter-Fraud action plan to be brought to the committee in March 2026.
- 12.14.** Head of Finance to consider the committees suggestions for the Fraud Risk Assessment.

13. Reserves Policy

- 13.1.** The Head of Finance introduced the reserves policy and reminded the committee that they review this annually.
- 13.2.** The Head of Finance stated that whilst there are no fundamental changes to the policy a review of the HFEA's annual costs had resulted in increased to the level of contingency required. This would see the reserves increase from £1.42 million to £1.52 million.

Decision

- 13.3.** The committee approved the reserves policy with a revised reserve level of £1.52 million, which is made up of working capital of £500,000, contingency level of £936,000 and other commitments of £82,000.

14. AGC Forward Plan

- 14.1.** The Head of Finance introduced the forward plan.
- 14.2.** The Chair reminded the committee that there is a training session on external audit planned for December 2025. The Chair proposed that the training session for December 2026 be on Cyber Security.
- 14.3.** The Chair referred to the proposed schedule of deep dives. The committee agreed to defer to CaFC deep dive to February 2027.
- 14.4.** A member commented that there should be scope for a lessons learnt report on the Phoenix Programme once implemented.

Action

- 14.5.** The Board Governance Manager to update the forward plan.

15. Items for noting

- 15.1.** Whistleblowing
- Members were advised that there were no whistle-blowing incidents.
- 15.2.** Fraud
- Members were advised that there were no fraud incidents.
- 15.3.** Gifts and Hospitality
- Members noted the update to the gifts and hospitality register.
- 15.4.** Contracts and Procurement

Members were advised that a contract had been signed for a 12-month extension of IT provision in the sum of £115,000.

16. Any other business

- 16.1.** The Chair informed the committee that the NAO audit committee effectiveness review questionnaire will be issued to members after the meeting. Members were encouraged to complete and return to the Board Governance Manager so that the results can be discussed at the December meeting.
- 16.2.** The Chair informed the committee that the only recommendation arising from last year's committee effectiveness review not implemented is regarding awareness of topical legal and regulatory issues for committee members. The Chief Executive responded that he is considering how this could be implemented without introducing a new regime which would put pressure on staff and that he would have an update for the December meeting.
- 16.3.** The Chair asked whether any members or observers had comments as a review of the meeting. Members felt that the meeting had gone well and all items had been considered. Staff observers thanked the committee for the opportunity to observe the meeting which helped to draw together the induction materials they had been provided with.
- 16.4.** The committee were reminded that the next meeting will be a virtual meeting on 19 November to consider GIAA's new audit proposal with the full in-person meeting taking place on 3 December with a training session taking place after lunch.
- 16.5.** There being no further business the Chair closed the meeting and thanked all for their contributions.

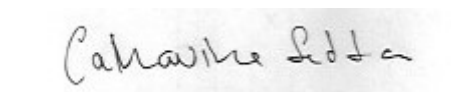
Action

- 16.6.** Board governance manager to invite all Authority members to the December 2025 training.
 - 16.7.** Chief Executive to provide update to December 2025 meeting regarding topical legal and regulatory issues for committee members.
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Chair's signature

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

Signature



Chair: Catharine Seddon

Date: 3 December 2025