

Minutes of the Audit and Governance Committee meeting on 3 December 2025 held at 2 Redman Place, London

Members present	Catharine Seddon, Chair Alex Kafetz, Deputy Chair Tom Fowler Anne Marie Millar
External Advisers	Nick Doran, National Audit Office (NAO) – External Auditor Dean Gibbs (KPMG) – External Audit lead 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	Rachel Cutting, Director of Compliance and Information
Staff in attendance	Peter Thompson, Chief Executive Tom Skrinar, Director of Finance, Planning and Technology Clare Ettinghausen, Director of Strategy and Corporate Affairs Morounke Akingbola, Head of Finance Sophie Tuhey, Head of Planning and Governance Shabbir Qureshi, Risk and Business Planning Manager Alison Margrave, Board Governance Manager Martin Cranefield, Head of IT (item 9) Yvonne Akinmodun, Head of HR (item 10) Kevin Hudson, PRISM Programme Manager (item 8) Luke Reader, Phoenix Programme Manager (item 8)

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 Rachel Cutting.
- 1.3.** The Chair asked for any declarations of interest:
 - Alex Kafetz declared a conflict of interest for item 9 of the agenda. The committee noted his conflict and were content with the actions taken.
 - Catharine Seddon informed the committee that she has been appointed as Chair of registration appeals for Health and Care Professions Council (HCPC). The committee agreed there were no conflicts with her role at the HFEA.
- 1.4.** The Chair informed the committee that she had attended an ACE/PCF technical forum meeting and 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.

2. Minutes of the previous meeting

- 2.1.** The Chair introduced the minutes from the previous meeting held 13 October 2025 which had been circulated to the committee members.
- 2.2.** The committee agreed to add:
- Item 6.11 - DSPT 2023 (Rec 1.4): AGC agreed that this action should be completed by the revised deadline of 31 December 2025.
 - An action as item 16.7 for the Chief Executive to report back to the December meeting regarding awareness of topical legal and regulatory issues for committee members.
- 2.3.** With these amendments the committee agreed the minutes of the meeting held on 13 October 2025 as a true record and could be signed by the Chair.
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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.
- 3.2.** The committee noted that item 12.13 from June 2025 and items 5.14, 5.15, 12.13 from October 2025 remain open and will stay on the action log.
- 3.3.** The Chief Executive referred to action 16.7 from the October 2025 meeting regarding awareness of topical legal and regulatory issues for committee members and informed the committee that membership of the Institute of Regulators would be purchased for the AGC Chair and Head of Planning and Governance.

Decision

- 3.4.** The committee noted the action log.
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4. Internal audit update report

- 4.1.** The Head of Internal Audit (GIAA) presented this item and informed the committee that GIAA had now delivered on 60% of the 2025-26 internal audit plan. He stated that if he had to give an indicative opinion, based on the work undertaken, it would be a moderate rating.
- 4.2.** He clarified that the overdue audit recommendation mentioned on page eight of his report is now classified as 'not yet due' due to the clarification of the October 2025 minutes.
- 4.3.** In response to a question, he confirmed that he was confident that 100% of the audit plan would be delivered on time.
- 4.4.** The Chair referred to the statement, on page eight of the report, regarding applying rigour to the evidence which is submitted to them and asked whether GIAA had seen an improvement in the quality of evidence being submitted to them. The Head of Internal Audit confirmed this to be the case.
- 4.5.** The Chair referred to the statement in the report on key emerging themes and questioned whether given the size of the HFEA and the resources it has available whether these themes are proportionate and relevant.

- 4.6.** The Chief Executive responded that it was important that such requests do not interfere with the HFEA's necessary important work. He referred to the Public Body Review (PBR) where the bulk of the work had been completed by the Senior Management Team (SMT) and reported to the Authority. The HFEA had been given a clean bill of health by this governmental review, therefore, he felt that any recommendations from the internal audit should be reflective of the overall PBR rating and be proportionate in the ask of the HFEA.
- 4.7.** The Head of Internal Audit commented that it is not unexpected that a small ALB does not have such a high level of formalised guidance which is expected for larger ALBs. For the PBR audit it was clear who had completed the work and he understood why some of this has not been documented but the audit recommendations were recommendations that would assist the HFEA in preparing for any future PBRs.
- 4.8.** The Chair asked whether the focus of these recommendations is highlighting best practice rather than a criticism of the organisation. The Head of Internal Audit responded that it is the role of GIAA to identify any perceived gaps and that recommendations made should assist future work.

Decision

- 4.9.** The committee noted the progress made in delivering the 2025-26 internal audit plan.

5. Progress with current audit recommendations

- 5.1.** 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

- 5.2.** The Head of Finance introduced the main paper and informed the committee that two low rating actions have been added to the log following the response to the public bodies review audit and two medium and one low rating actions have been added following the cash management and non-current assets audit.
- 5.3.** The Head of Finance informed the committee that the cash management and non-current assets final report had been submitted to GIAA but given the deadline for production of papers for this meeting the report does not show in GIAA's progress report.
- 5.4.** In response to a question the Head of Finance confirmed that the implementation dates for these recommendations were achievable.

DSPT audit recommendations

- 5.5.** The Director of Finance, Planning and Technology introduced the paper on DSPT recommendations and informed the committee that the Information Governance and Cyber Steering Group had met the week beforehand.
- 5.6.** The Director of Finance, Planning and Technology informed the committee that whilst the work is mostly complete for the three recommendations due in December 2025, it is likely that that evidence will not be submitted to GIAA until January 2026.
- 5.7.** The committee were informed that work for the recommendations due in June and July 2026 was currently on track. The HFEA was in the process of engaging an external consultancy firm to help prioritise activities and to deliver on these first.

- 5.8.** In response to a question, the Director of Finance, Planning and Technology spoke of the procurement process and stated that due diligence had indicated an issue with the first choice, but the second choice had no issues. It is anticipated that this additional help will put the HFEA in a good position for achieving these recommendations and a progress report will be given in February 2026.
- 5.9.** A member referred to the recommendation regarding resilience preparation and questioned what the HFEA was doing outside the digital parameters. The Director of Finance, Planning and Technology responded that the Business Continuity Policy covers this, with the Head of Planning and Governance having responsibility for business operations and the Head of IT for IT operations. The committee were reminded that they are having a deep-dive discussion on this topic in February 2026.
- 5.10.** The Chair commented that the table showing the DSPT recommendations was clear and useful for the committee and asked that this be retained for future reporting.

Decision

- 5.11.** The committee noted the progress made in implementing audit recommendations.

6. External audit completion report

- 6.1.** The Engagement Manager (KPMG) introduced the paper and informed the committee that whilst they have not yet completed their planning for the 2025-26 audit the paper before the committee sets out their initial consideration of how the risks for the audit may develop compared to those reported in the 2024-25 audit.
- 6.2.** The Engagement Manager spoke to each of the risks identified and provided further information to the committee.
- 6.3.** A member questioned whether the full benefits of PRISM were being explained and demonstrated to audit colleagues. They referenced the proposed inspector's dashboard which had been shown to the Authority and spoke of the value of the information held by PRISM and how the HFEA is now using that information.
- 6.4.** The Director of Finance, Planning and Technology commented that the benefits contained in the original business case now don't apply and he explained to the committee the benefits of PRISM.
- 6.5.** The External Audit lead (KPMG) commented that the risks identified for PRISM are not just financial but are also driven by the slippage on the publication of Choose a Fertility Clinic (CaFC) and that a small number of clinics are not yet fully utilising the system for the submission of activity data.
- 6.6.** A member questioned whether the HFEA can get the intelligence on why income is down and how accurate the forecasting model used is. The Director of Finance, Planning and Technology responded that the forecasting for activity was very close to actuals, but that some of the value of the income, due to the timing of the activity, had to be invoiced at the previous year's rate. The budget for next year will reflect that not all income will be at the new rate and that some reported activity will be at previous rates.
- 6.7.** The Chief Executive reminded the committee that 95% of the HFEA's income comes from activity with just 5% coming from grant in aid (GIA). He said that historically activity grows 1-2% per year,

but now the mix of activity is changing with a growth in frozen cycles. He informed the committee that work is continuing on the fee review project including options which are less dependent of activity levels.

- 6.8.** The Chair referred to the lessons learnt table and questioned whether all the proposed solutions had been agreed with the HFEA management. She asked where responsibility for the error in the audit certificate sat.
- 6.9.** The External Audit lead (KPMG) responded that this had been discussed at the de-brief meeting and he could circulate further detail. The error in the audit certificate was the responsibility of KPMG.
- 6.10.** The Chair referred to the proposed solution that the draft annual report be provided as part of the pack of supporting evidence at the beginning of the audit and asked whether this would be feasible. The Head of Finance stated that this has not been discussed and that it may be possible.
- 6.11.** The Chair drew the discussion to an end stating that this was a very helpful report for the committee to receive and it would be added to the forward plan for each December committee meeting.

Decision

- 6.12.** The committee noted the report.

Action

- 6.13.** The External Audit lead (KPMG) to circulate further detail to the committee regarding the de-brief meeting and proposed solutions.
- 6.14.** Head of Finance to update committee at the February 2026 meeting on whether it is possible that the draft annual report be provided as part of the pack of supporting evidence at the beginning of the audit.
- 6.15.** Board Governance Manager to update the committee forward planner.

7. Strategic risk

Strategic risk register (SRR)

- 7.1.** The Risk and Business Planning Manager introduced the paper and informed the committee that the SRR had been formally reviewed and no new risks have been escalated using the policy set out in the risk strategy.
- 7.2.** The Risk and Business Planning Manager spoke to the current strategic risks and provided the committee with updates on the engagement of an external consultant to assist with cyber security and the proposed transfer to data to SharePoint.
- 7.3.** A member referred to the financial risk and questioned whether the 2026-27 budget will be balanced. The Director of Finance, Planning and Technology responded that a budget paper had been taken to the November 2025 Authority Meeting, but it is dependant on the level of GIA and discussions are ongoing with both DHSC and HM Treasury.
- 7.4.** A member questioned whether a risk around the License Committee suspending large clinics and the impact it could have on income should be captured. The Chief Executive spoke about

necessary regulatory action and that there are no mitigation measures which could be taken; he assured the committee that there is no single clinic which is large enough to cause such a risk if necessary regulatory action was taken against them.

- 7.5.** Using the same rationale, the Chair referred to the Information risk and questioned whether it is right to capture a risk where no mitigations can be put in place. The Chief executive noted that the HFEA handles OTR requests well with recent investments in IT systems and additional resources. He also provided the committee with an update on the historical identified cases of incorrect data and the steps which the HFEA has taken to resolve these issues.
- 7.6.** The committee discussed the HFEA's role in managing this data and how the onus is on the clinics to provide the information to the HFEA. The committee noted the work that the HFEA has undertaken to rectify the incorrect data. The committee questioned whether the risk is more reputational damage than information and whether any more mitigating measures could be taken.
- 7.7.** The Chair raised the potential risk of failure to keep up with Artificial Intelligence (AI) (appetite of government/ developments within licensed clinics/initiatives introduced by fellow regulators) and therefore failure to ensure patient protection. The Chief Executive referred to the paper which had gone to the [Authority meeting on 19 November 2025](#) on the regulation of AI in fertility treatment. He believed that that this was a topic that needed to be kept abreast of, rather than a strategic risk but agreed to consider, along with the risk in relation to the accuracy of OTR data, how and where best to record such topics and actions.
- 7.8.** The Deputy Chair agreed with the Chief Executive's view and referred to the muddled regulatory field regarding AI as highlighted in the paper prepared for the Authority. The Chief Executive provided further insight into the Authority's discussions on this topic, noting that any future papers coming to them will not be generally about AI but about specific topics.
- 7.9.** The Director of Strategy and Corporate Affairs informed the committee that the Authority has been monitoring research and clinical developments in AI through its Scientific and Clinical Advances Advisory Committee (SCAAC) and its horizon scanning function since February 2019 and that this will continue.

Action

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

Horizon Scanning

- 7.11.** The Chair asked the committee if there were any items for discussion under Horizon Scanning.
- 7.12.** A member raised the potential impact on the HFEA of NHS England merging with DHSC. The Chief Executive responded that there could be a risk of DHSC not being able to focus on business-as-usual activities. The HFEA is also aware of the tight budgets which the Department is working with. Currently there are no risks in relation to this that warrant being added to the SRR.
- 7.13.** The committee discussed the general environment in which the HFEA is operating and the threats and opportunities this presents.

8. Digital projects

PRISM update

- 8.1.** The PRISM Programme Manager provided a verbal update to the committee.

- 8.2.** The Authority had agreed the main profile page statistics for the full Choose a Fertility Clinic (CaFC) publication, and the Authority sub-group had agreed the methodology to be used. This information had been shared with clinics and 58 had confirmed and signed off their information and discussions are continuing with the remaining clinics.
- 8.3.** As agreed by the Authority for those clinics who do not meet the full CaFC publication deadline for this year, no information will be displayed. The committee was informed that as clinics provide the data, CaFC will be updated accordingly.
- 8.4.** The committee was informed that the team are now working towards the final steps for publication.
- 8.5.** A member questioned whether the HFEA would consider downloadable data. The Director of Strategy and Corporate Affairs informed the committee that previously the Authority has been against publishing in this form as some patients treat only sub-groups of patients while others have different groups and so it is not comparing like for like. There is a wider piece of work in the HFEA's strategy for 2025-28 to look at the publication of data and she believed this suggestion would sit in that future work. The Chair commented that this wider piece of work should take into consideration guidance from ICO and DHSC on the publication of data.
- 8.6.** In response to a question, the Director of Strategy and Corporate Affairs confirmed that the team is working towards a publication date of the end of the year, but that the Senior Management Team will keep this under review and it may be necessary to delay the publication to the first week of January.

Phoenix Programme

- 8.7.** The Phoenix Programme Manager introduced the paper and informed the committee that the risk relating to business analyst resource has reduced as it had been possible to engage the current business analyst resource until the end of March 2026.
- 8.8.** The committee discussed the needs of the Licensing and Inspection teams and the complexity of the Dynamics functionality that is required for these teams. The committee questioned whether it would be possible to hear from these teams that the system which is being built does meet their business needs.
- 8.9.** The Director of Strategy and Corporate Affairs spoke of how staff had been engaged with the project from the start, the regular engagement with weekly staff updates and presentations to the monthly Corporate Management Group (CMG) meetings. There is good staff oversight of the project and staff are encouraged to raise questions.
- 8.10.** The Chair commented that whilst this does provide a good degree of assurance for the committee, it would be good to hear from the Licensing and Inspection teams direct in future updates. The Chief Executive undertook to consider this request.

Decision

- 8.11.** The committee noted the reports on PRISM and the Phoenix Programme.

Action

- 8.12.** Chief Executive to consider whether the Licensing and Inspection teams could provide additional assurance to the committee regarding the Phoenix Programme.

9. Resilience, cyber security and business continuity

- 9.1.** The Head of IT provided a verbal report to the committee covering the NHSE funding for cyber security consultancy and the procurement process undertaken; the clinic breach reported in The Metro and confirmation was given to the committee that no patient data was compromised; lessons learnt from the Office for Budget Responsibility (OBR) early publication of budget news.

Decision

- 9.2.** The committee noted the verbal report.
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10. Bi-annual HR Report

- 10.1.** The Head of HR introduced the papers and informed the committee that the staff survey results were compared with around 200 public sector bodies. The HFEA had achieved a response rate of 87% compared with the sector average of 77%. This year marks the first year in which all of the HFEA's positive responses are above those of comparator organisations in the public sector.
- 10.2.** The Head of HR explained that the engagement score which measures the extent to which staff feel happy at work stands at 88%, which is above the average sector score of 76%, but one percent below the score that HFEA achieved the previous year.
- 10.3.** The committee were informed of two key items from this year's survey, the first that the HFEA had seen an 8% increase in positive responses to EDI based questions, which is above the average for the public sector responses. The second is that five teams achieved a response rate of over 90%.
- 10.4.** The Head of HR spoke to the top five high and low performing questions, noting that career development continues to be a challenge as a small organisation the chances for promotion and development is limited. She informed the committee that there is scope to have a refresh of the HFEA's values and this would be incorporated into HR's future workplan.
- 10.5.** The committee were informed that for the second year running the HFEA has achieved an outstanding workplace award.
- 10.6.** The committee congratulated the HR team for the excellent results received. In response to a question, the Head of HR spoke of the actions which will be taken following this survey, including a presentation at the all-staff day on 8 December 2025.
- 10.7.** A member suggested that Authority members may be available for mentoring and leadership coaching; the Head of HR welcomed this suggestion.
- 10.8.** The Chief Executive reminded the committee that the HFEA has to abide by the HM Treasury rules and guidance for pay remits and that public sector pay bands are not as competitive as the private sector.
- 10.9.** A member cautioned that it may be a challenge to maintain such a high response rate for future surveys, and it should be expected to decrease due to external factors outside the control of the HFEA.
- 10.10.** The committee discussed the key findings of the exit interviews for the year noting the top three reasons cited for leaving and the actions taken to mitigate turnover of staff.

Decision

10.11. The committee noted the report.

11. AGC Committee effectiveness

- 11.1.** The Head of Planning and Governance introduced the paper and reminded the committee that all AGC attendees were invited to contribute to the review using the NAO form for Audit and Risk Assurance Committees.
- 11.2.** The Head of Planning and Governance stated that it was reassuring that the average scores for all questions are 'standard met'. Comparison had been made against the previous year's rating with two questions seeing a decrease, four being maintained and the rest seeing an improvement in rating.
- 11.3.** The committee discussed question 30, regarding attendance of appropriate officials at the meeting, noting that several members had marked this question down given that DHSC representatives are not always in attendance. The DHSC representative clarified that under the Framework Agreement the Department can observe, but not contribute, to AGC meetings. The committee discussed the proposals to extend meeting invitations to the DHSC Finance team in addition to the DHSC Sponsor team.
- 11.4.** A member commented that the committee had worked in an agile way this year to accommodate the additional required meetings.
- 11.5.** In response to a question, the External Auditor (NAO) confirmed that the HFEA could adapt the template to suit its needs and could delete and add questions as required.
- 11.6.** The committee discussed the frequency and cycle of deep-dive discussions and agreed that this was adequate and did not need amending.
- 11.7.** The committee discussed the process for committee chairs reporting back to the Authority on the work of the committees. The committee discussed whether the Authority is fully aware of the remit of this committee and suggested that all new Authority members could be encouraged to observe meetings of all HFEA committees.
- 11.8.** The committee discussed the proposed actions.

Decision

- 11.9.** The committee agreed the following actions:
- To propose visits to licensed fertility clinics for AGC members, as required, to provide an enhanced understanding of the operating environment.
 - HFEA to ask in quarterly accountability meeting whether DHSC Finance reps could be invited to AGC meetings.
 - A private (AGC members and SMT) 15 minutes meeting per year to discuss the performance of the auditors.
 - Template for papers to be shared with AGC members for feedback on format and content of papers.
 - Annual review of committee performance by an independent AGC person (Chair or member) attending the October 2026 meeting.

- To suggest that the Authority members induction process includes the option to observe any HFEA committee meeting.

Action

11.10. Planning and Governance team to implement the agreed actions.

12. AGC Forward Plan

12.1. The Head of Finance introduced the forward plan.

12.2. The Head of Internal Audit commented that if the HFEA accepts the traditional audit proposal then terms of reference for audits would need be included in the forward plan.

12.3. The committee agreed that the training session for December 2026 should be on cyber security and that a suitable expert from DHSC should be sought.

12.4. The committee discussed the schedule for proposed deep-dive topics and agreed to remove the proposed deep-dive on reviewing implementation of external auditor's recommendations. The committee discussed whether it would be possible to add patient's complaints about licensed clinics to October 2026.

Action

12.5. The Board Governance Manager to update the forward plan.

12.6. Senior Management Team to update February 2026 meeting regarding proposal for deep dive on patient's complaints for October 2026.

13. Items for noting

13.1. Whistleblowing

- Members were advised that there were no whistle-blowing incidents.

13.2. Fraud

- Members were advised that there were no fraud incidents.

13.3. Gifts and Hospitality

- The Head of Finance introduced the paper and provided verbal updates. The Chief Executive informed the committee that he had received an Amazon voucher for participating in a university activity and this would be forwarded to the Head of Finance. The Director of Finance, Planning and Technology highlighted an error and stated that he would buy his own lunch at the IT team/Ceox Christmas lunch. Members noted the update to the gifts and hospitality register.

13.4. Contracts and Procurement

- Members were advised that the procurement process is ongoing for the provision of cyber security consultancy services.

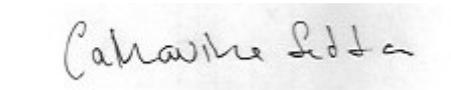
14. Any other business

- 14.1.** The Chair informed the committee that Anne Marie Millar had agreed to a second term as an external member of this committee commencing next year. The committee sent their congratulations to Anne Marie.
- 14.2.** The Chair informed the committee that a short committee induction document had been prepared, with thanks to those staff and members who had contributed. This would now be circulated to all committee members for their review and comment.
- 14.3.** The Chair reminded the committee that the next meeting was a virtual one being held 24 February 2026.
- 14.4.** There being no further business the Chair closed the meeting and thanked all for their contributions.

Chair's signature

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

Signature

A rectangular box containing a handwritten signature in cursive script that reads "Catharine Seddon".

Chair: Catharine Seddon

Date: 24 February 2026