

Annual Report and Accounts 2011/12



HUMAN FERTILISATION AND EMBRYOLOGY AUTHORITY

Annual Report and Accounts 2011/12

Presented to Parliament pursuant to Sections 6 and 7 of the Human Fertilisation and Embryology Act 1990
as amended by Paragraph 3 of Schedule 7 of the Human Fertilisation and Embryology Act 2008

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“2011/12 HAS BEEN A YEAR
WE CAN BE PROUD OF.
IT HAS GIVEN US A FIRM
FOOTING FOR WHATEVER
THE FUTURE MAY HOLD.”



Professor Lisa Jardine CBE
Chair



Mr Peter Thompson
Chief Executive

Chair and Chief Executive's Foreword

Our past 12 months, as described in this Annual Report, have been as eventful as any that we have had.

The Authority completed the Donation Review, an evidence-based and fundamental review of its policies on sperm, egg and embryo donation. The public consultation, 'Donation: have your say', comprised the most extensive attempt at listening to the many people and organisations with an interest in this area of assisted reproduction, attracting more responses than any consultation we have run before.

The new donation policies the Authority made, which came into force at the beginning of the new business year, are designed to protect the interests of patients and their donor-conceived children, and to simplify the process of donation for donors and clinics alike.

At the request of the Secretary of State for Health, we co-ordinated an expert group to review in vitro fertilisation (IVF) techniques to avoid mitochondrial disease. Subsequently, we have been commissioned by the Government to undertake a full public dialogue exercise on the ethical, social and regulatory issues involved in this emerging area of science. This work has already begun and will report in 2013.

This year we introduced a new approach to assessing the on-going performance of the clinics that we regulate. We have complemented our regular programme of inspections of all clinics by also presenting up-to-date information on things that matter to patients within our bespoke Risk Based Assessment Tool. We share this information with clinics online, so they see what we see, driving improvements in the quality of care.

In any other year, any of these three projects would have been the centrepiece of our work programme in itself. Completing them all to such a high standard in a year of financial constraint and organisational change is a tremendous tribute to the endeavour, professionalism and dedication of the Authority's staff.

In August the Authority moved to new premises to share office space with the Care Quality Commission, with whom we have developed a shared approach to back-office services such as human resources,

training and facilities. This re-location was part of a range of initiatives we took to reduce our costs by 30%. Furthermore, we were able to reduce the fee that licensed clinics pay for each treatment cycle and also to plan the introduction on 1 April 2012 of a discounted fee for treatments following an elective single embryo transfer. This will further embed the good progress the sector has made in reducing the incidence of multiple births, the single biggest avoidable risk in assisted reproduction.

One feature of our cost reduction has been to slim down our senior management layers. A significant departure has been that of our Chief Executive, Alan Doran, who decided to retire on 31 March 2012, after four years at the helm. It is a testimony to his leadership that the Authority has achieved so much in this last business year.

2011/12 has been a year we can be proud of. It has given us a firm footing for whatever the future may hold.



Professor Lisa Jardine CBE

Chair



Mr Peter Thompson

Chief Executive

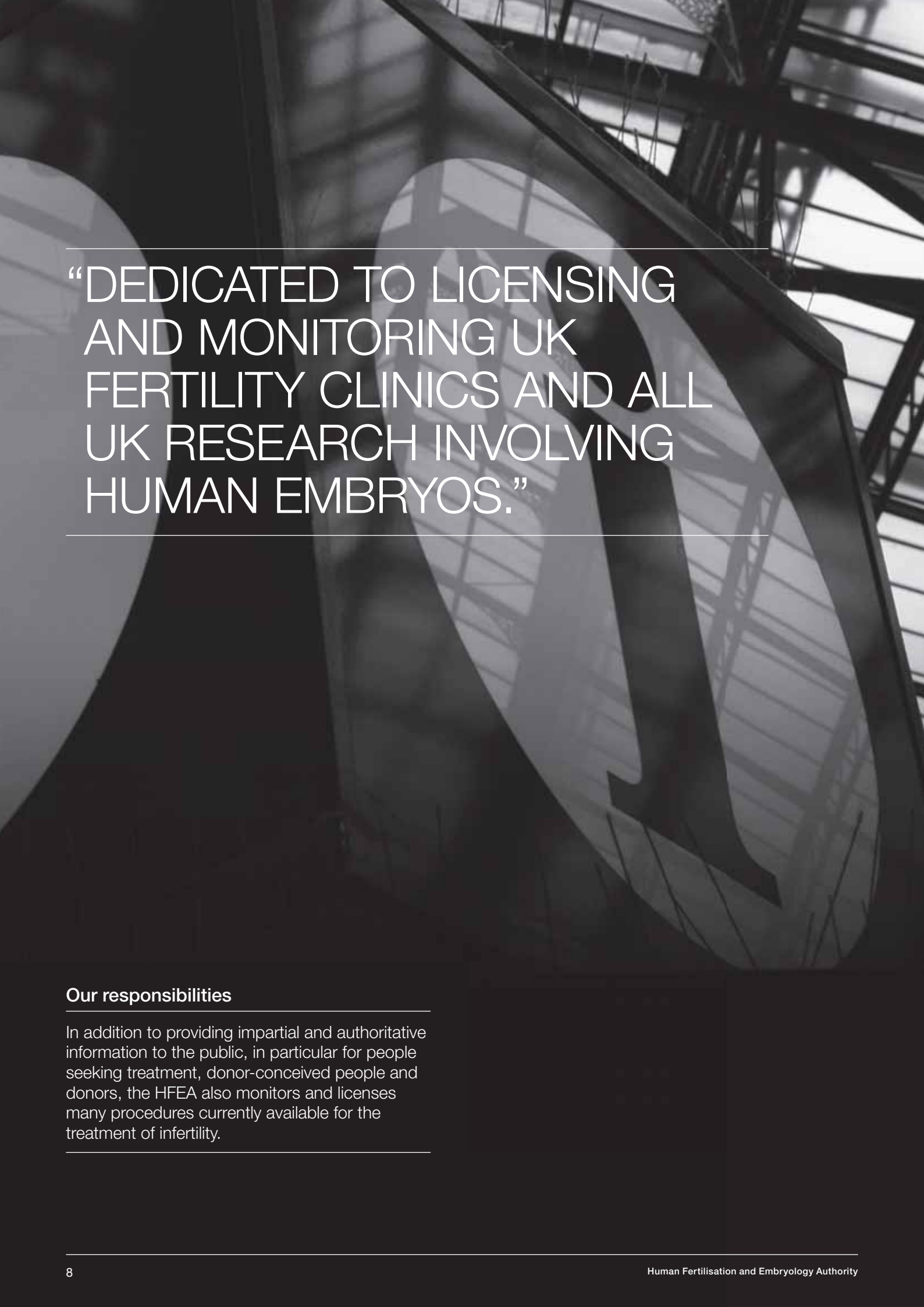
“...THE HFEA WILL CONTINUE
TO FOCUS ON THE EFFECTIVE
DELIVERY OF ITS CORE
REGULATORY FUNCTIONS.”



02

Management Commentary





“DEDICATED TO LICENSING
AND MONITORING UK
FERTILITY CLINICS AND ALL
UK RESEARCH INVOLVING
HUMAN EMBRYOS.”

Our responsibilities

In addition to providing impartial and authoritative information to the public, in particular for people seeking treatment, donor-conceived people and donors, the HFEA also monitors and licenses many procedures currently available for the treatment of infertility.

Management Commentary

About the Human Fertilisation and Embryology Authority (HFEA)

PURPOSE

The HFEA is the UK's independent regulator of treatment using eggs and sperm, and of treatment and research involving human embryos. The Authority sets standards for, and issues licences to, centres in the sector¹. The organisation provides authoritative information for the public, in particular for people seeking treatment, donor-conceived people and donors, and determines the policy framework for fertility issues, which are sometimes ethically and clinically complex.

PRINCIPLES

The HFEA:

- treats people and their information with sensitivity, respect and confidentiality
- observes the highest standards of integrity and professionalism in putting into effect the law as it governs the sector
- consults widely - listening to and learning from those with an interest in what the organisation does
- keeps abreast of scientific and clinical advances
- exercises its functions consistently, proportionately, openly and fairly.

FUNCTIONS

The HFEA is required to have regard to two primary sets of legislation:

- The Human Fertilisation and Embryology Act 1990 (as amended) - "the 1990 Act (as amended)"; and
- The Human Fertilisation and Embryology Act 2008 - "the 2008 Act".

The 2008 Act is primarily amending legislation. It extensively amends the provisions of the 1990 Act, which continues to form the main framework governing the duties and responsibilities of the HFEA. However, the 2008 Act also contains new provisions that were not originally in, and have not been inserted into, the 1990 Act. In particular, these include provisions relating to legal parenthood.



The 1990 Act (as amended) gives the HFEA a number of statutory functions:

- To keep a formal register of information about donors, treatments and children born as a result of those treatments
- To license and inspect clinics carrying out in vitro fertilisation (IVF) and donor insemination treatment
- To license and inspect establishments undertaking human embryo research
- To license and inspect the storage of gametes (eggs and sperm) and embryos
- To ensure, where a licensed clinic makes use of an external service which does not hold an HFEA licence, that there is a third party agreement in place which is in accordance with any licence conditions imposed by the Authority
- To maintain a formal register of licences granted
- To produce and maintain a Code of Practice, providing guidance to clinics and research establishments about the proper conduct of licensed activities
- To maintain a register of certain serious adverse events or reactions (this relates to certain specific activities, which are set out in the amended Act)
- To investigate serious adverse events and serious adverse reactions and take appropriate control measures
- To respond to any request from a competent authority in another European Economic Area (EEA) state to carry out an inspection relating to a serious adverse event or reaction, and to take any appropriate control measures
- To collaborate with the competent authorities of other EEA states.

¹ The 'sector' refers to the assisted reproduction/fertility sector and all the treatment clinics, storage centres and research establishments within it.

In addition to these specific statutory functions, the legislation also gives the HFEA some more general functions, including:

- Publicising the HFEA's role and providing relevant advice and information to the donor-conceived, donors, clinics, research establishments and patients
- Promoting compliance with the requirements of the 1990 Act (as amended), the 2008 Act and the Code of Practice
- Maintaining a statement of the general principles that should be followed by the HFEA when conducting its functions, and by others when carrying out licensed activities
- Observing the principles of best regulatory practice, including transparency, accountability, consistency, and targeting regulatory action where it is needed
- Carrying out its functions effectively, efficiently and economically
- Reviewing information about:
 - Human embryos and developments in research involving human embryos
 - The provision of treatment services and activities governed by the 1990 Act (as amended)
- Advising the Secretary of State for Health on developments in the above fields, upon request.

The HFEA also functions as one of the two competent authorities for the European Union Tissue and Cells Directive (EUTCD), regulating the donation, procurement, testing, processing, preservation and distribution of human tissue and cells for human application.



The year ahead

The review of Arm's Length Bodies (ALBs) conducted by the Department of Health in 2010 proposed that the HFEA's functions will continue, but that the organisation itself will be abolished within the lifespan of the current Parliament.

At the time of writing, the details and timescales for abolition and transfer of functions are still unknown, though some clarity is expected in the 2012/13 business year. The HFEA will continue to work with the Department of Health over the coming year as these matters become clearer.

In the meantime, the HFEA will continue to focus on the effective delivery of its core regulatory functions. This means continuing to operate a cycle of compliance and licensing activities; maintaining the Register of treatments and responding to requests for information; and developing policy through evidence gathering and public engagement.

COMPLIANCE AND LICENSING

The HFEA will continue to build on the improvements to its compliance and licensing processes that have been implemented in recent years. Following significant development work over the last two years - on the Risk Based Assessment Tool (Risk Tool) and the HFEA's internal database of centres, Epicentre - the HFEA now has a set of tools which enable the Authority to operate the compliance and licensing cycle more effectively.

The HFEA also plans to continue to ensure it makes the best possible use of data, producing outputs that are useful to the HFEA, the sector and the public, and which help to encourage the highest possible quality of care.

POLICY DEVELOPMENT AND PUBLIC ENGAGEMENT

In 2011 the Authority developed a suite of new policies on egg and sperm donation designed to remove barriers to donation whilst protecting the interests of patients, donors and the donor-conceived. Building on these new policies, the Authority has launched a national strategy group which will bring together key people within the fertility sector and beyond to help raise awareness

MANAGEMENT COMMENTARY

of donation, to enhance the care of donors and to improve the information that patients and donor-conceived people receive.

The HFEA will continue to work with professional and patient stakeholders to help licensed clinics further reduce the incidence of multiple births experienced by women as a consequence of their IVF treatments, thereby increasing the quality and safety of care for women and their babies.

Other planned work includes a review of the genetic conditions for which preimplantation genetic diagnosis (PGD) has been authorised. Consideration will also be taken of whether, within the terms of the HFEA's statutory remit, better use can be made of information held by the HFEA.

A major area of work this year will be the public dialogue exercise on mitochondria replacement, which Ministers have asked the HFEA to carry out. This work, which will include public consultation, started in 2011/12 and will continue into 2012/13. Working with Sciencewise-Expert Resource Centre, a public dialogue programme will be launched, focusing on the ethical, legal and regulatory implications of moving this technique from the laboratory into clinics. This work will result in a report to the Secretary of State for Health at the end of the 2012/13 business year.

FINANCIAL MANAGEMENT, SHARED SERVICES AND CORPORATE GOVERNANCE

The recurring cost of the HFEA fell in 2011/12 and will continue to fall in 2012/13. The HFEA will receive Grant-in-Aid from the Department of Health at a reduced level of £1.4m, having already achieved the Government's desired reduction of 30%. The HFEA's total estimated costs for the current financial year will be £6.1m (compared to a budget of £6.6m in 2011/12), including the costs of the mitochondria public dialogue work.

The HFEA will seek further efficiencies in 2012/13. The office move, in August 2011 - into the Care Quality Commission's (CQC) premises - facilitated collaborative working arrangements. A strategic partnership agreement between the two organisations is in place to promote efficiencies and regulatory co-operation. The HFEA was one of the first ALBs

to join the Department of Health's shared internal audit service, and will participate in other Department-sponsored initiatives.

The HFEA will maintain a governance structure to ensure a high standard of records management and conduct corporate business and workforce planning efficiently in order to produce the Annual Report, with other necessary documentation, and managing organisational risks and performance.

The HFEA's internal Programme Board and Programme Management Office help the organisation to manage its projects more efficiently and effectively, and this will continue to be important in 2012/13. There will be a continued effort to drive out inefficiencies and to further develop collaborative relationships and shared services with other bodies to improve economies of scale.

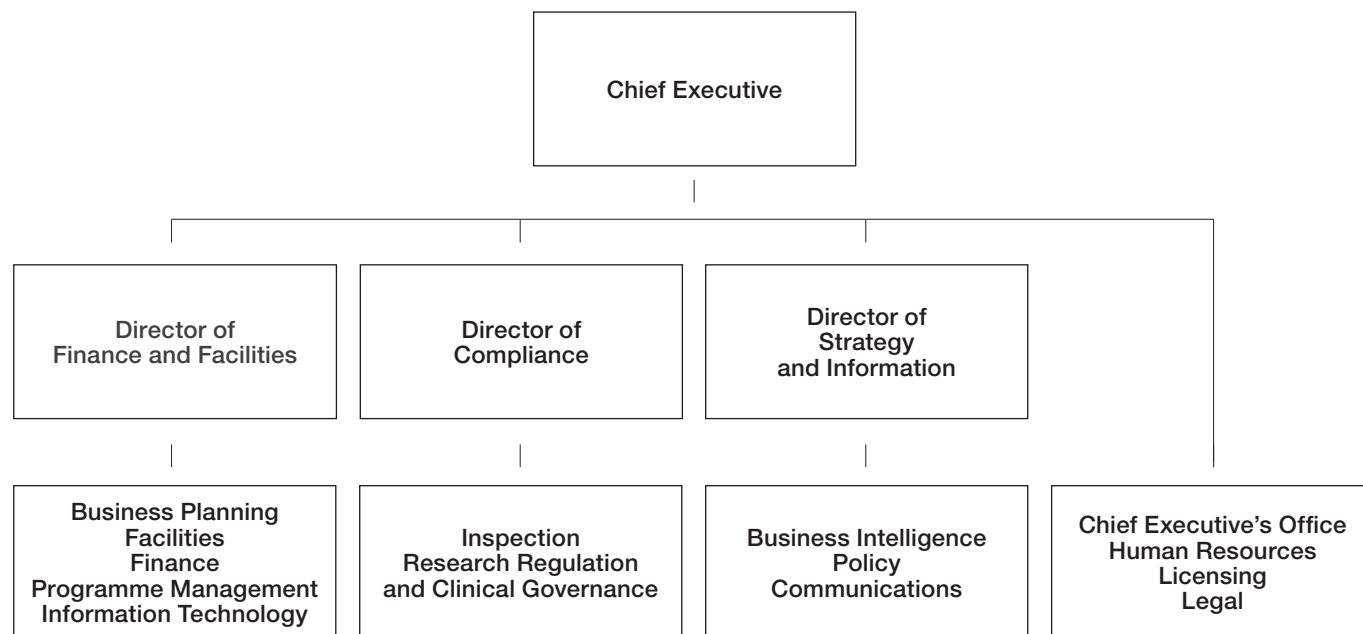
The HFEA's headcount will continue to decrease over the coming year, but more slowly than in the past two years. The HFEA will continue to instil best practice into its business processes and to develop its people, for example by collaboration with others in learning and development activities. This will be especially important in such a period of change, so that the knowledge and skills of the HFEA's staff can be retained, and morale can be maintained. The HFEA needs to be flexible and resilient when staff turnover or capacity issues are encountered.

Similarly, it is critical to the smooth functioning of the organisation that the HFEA:

- maintains its relationships with stakeholders
- ensures that its website is up-to-date and accessible
- meets its responsibilities under the Equalities Act 2010
- manages its internal communications systems and messages
- continues to respond to media and public enquiries; and
- undertakes necessary maintenance of the Register of treatments and other critical systems.

Many of these tasks are more important than ever in times of change.

The following diagram shows the HFEA's staffing structure as at 31 March 2012:



The HFEA's business objectives for 2012/13 are:

1. Core role and regulatory relationship with centres

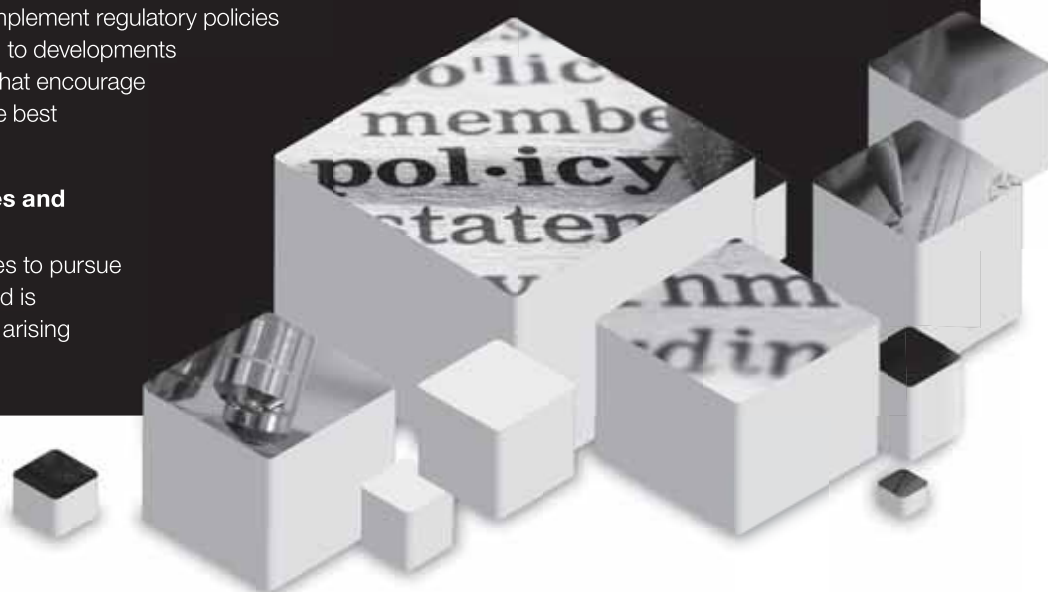
To continue to perform our statutory role with respect to regulation and information provision, while improving and refining the tools and information we use to ensure and assure centre compliance.

2. Quality and outcomes of care

To continue to develop and implement regulatory policies which anticipate and respond to developments in treatment techniques and that encourage high quality, safe care with the best possible outcomes.

3. Organisational efficiencies and managing change

To ensure the HFEA continues to pursue organisational efficiencies and is equipped to deliver changes arising from the ALB Review.



Key challenges and achievements in 2011/12

Delivery of core functions and regulatory improvements

REGULATION AND INFORMATION PROVISION

The HFEA continued to deliver a full programme of inspection and licensing activities, and to monitor and deal with incidents and complaints about centres under the framework of the new compliance cycle introduced in 2010. Work to incorporate the Risk Tool and Self-Assessment Questionnaire (SAQ) into the compliance cycle continued, and a new SAQ for centres conducting research projects was completed.

The HFEA continued to respond to requests for information under various access and transparency statutory requirements. Requests for information on the Register continued to be met in a timely and sensitive manner. Information was also provided under the Freedom of Information (FOI) Act, Data Protection Act (DPA), Parliamentary Questions (PQ) and Information for Researchers.

EVIDENCE-BASED POLICIES

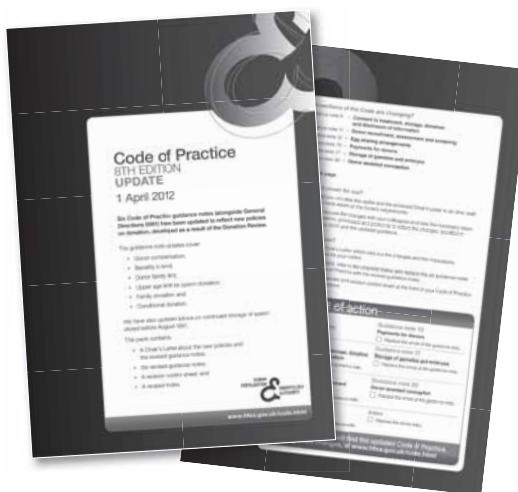
The HFEA continued to provide the sector with appropriate policy advice and guidance throughout the year.



A new policy on sperm and egg donation in the UK was developed and implemented, following widespread public consultation. The HFEA agreed to change the compensation that donors can receive, enabling clinics to offer compensation which better reflects donors' expenses. The HFEA also agreed to take a proactive approach to donor recruitment and retention. This will be achieved by working with the IVF sector, professional bodies and voluntary organisations to raise awareness, improve the care of donors and ensure that donation continues to take place within a safe and ethical environment.

The continuation of the HFEA's multiple births policy in 2011/12 delivered a further reduction in the incidence of multiple births resulting from IVF. The HFEA also set a new maximum multiple birth rate target of 10%, coming into force in October 2012. In response to calls from the sector and other stakeholders, the Code of Practice and centres' licences were updated in October 2011 to include a condition designed to strengthen compliance with the multiple births policy.

In order to implement these policy developments the Authority further updated the Code of Practice on 1 April 2012.



The HFEA continued to support and inform evidence-based decision making by facilitating scientific, social and ethical horizon scanning. These processes enabled emerging research and treatments, as well as the associated ethical and legal issues, to be considered and anticipated, informing future policy and licensing decisions.

IMPROVED SYSTEMS AND TOOLS

A review of the Compliance and Enforcement Policy was completed, incorporating an improved incident risk grading matrix. Refinements were made to the list of licence conditions, and Epicentre was completed. Further work was also carried out to improve the Risk Tool allowing centres to view the same information as HFEA staff. Work has been completed that enable centres to submit a wider range of applications online via the HFEA's Clinic Portal, and to improve the management reports that the HFEA can draw from the system.



The Compliance Quality Management System (QMS) was completed in April 2011.

The HFEA started a project to consider improvements to the accuracy of data in the Register of treatments. This work will result in recommendations and implementation in 2012/13.

JOINT WORKING AND RELATIONSHIPS WITH OTHER AGENCIES

The HFEA continued to participate in the European Union Standards and Training in the Inspection of Tissue Establishments (EUSTITE) project on Europe-wide inspection standards, and attended biannual meetings of the Competent Authorities in Brussels.

The HFEA continued to maintain good working relationships with regulators and other agencies to ensure that investigations and inspections were carried out jointly when possible. In particular, the HFEA initiated a programme of activities aimed at expanding existing collaborations with the CQC underpinned by a Strategic Partnership Agreement between the two organisations.

A partial human resources shared service will be put into operation from 1 April 2012. Under this arrangement, the CQC will provide both recruitment and core training and development services to the HFEA.

Discussions took place during 2011/12 between the HFEA and the new Health Research Authority (HRA), the organisation to which the HFEA's research functions may transfer in due course.

It has been agreed that it would be mutually beneficial, pending any future transfer of functions, for the two organisations to integrate the handling (but not the approval) of research applications relating to embryo research and access to patient identifying data.

The HFEA has therefore stated its interest in becoming a formal partner in the Integrated Research Application System (IRAS), with the

MANAGEMENT COMMENTARY

HRA committing to compare current HFEA and IRAS forms in order to establish whether there is any scope to reduce duplication in information requested.

Current applications to access HFEA data are initially handled and assessed by the National Information Governance Board (NIGB) for Health and Social Care. The NIGB is already an IRAS partner, and the HRA has also undertaken to explore, with the NIGB, how the HFEA application form has been integrated into their systems, to inform future developments.

COMMUNICATION AND DIALOGUE

The HFEA maintained joint working, dialogue and ongoing contact with key professional and patient stakeholders and groups throughout the year. These include the NIGB, the British Fertility Society, Infertility Network UK, the Donor Conception Network, the National Gamete Donation Trust, the Royal College of Nursing Fertility Nurses Group, the British Infertility Counselling Association, and the Project Group on Assisted Reproduction.

The HFEA's Licensed Centres Panel met three times during the year and the Authority had two meetings with the Association of Fertility Patient Organisations.

A professional organisations group was established during the year, providing a forum for discussion between the HFEA and organisations representing professionals in the sector.

The HFEA continued to consult and engage widely with the public during the development and implementation of new policies to increase public understanding of the HFEA's work and current issues in fertility treatment and research. This was evidenced in the 'Donating sperm and eggs: have your say' consultation.

Increasing the effectiveness of regulation for centres

IMPROVING COMPLIANCE AND REGULATORY EFFICIENCY

The HFEA worked to improve sector performance by identifying areas of non-compliance and making relevant recommendations for improvement. This was delivered through the ongoing inspection and monitoring process. Centres' progress in the implementation of recommendations made in relation to non-compliances was monitored to ensure improvements are being made.

Further enhancements were made to the Clinic Portal, and the HFEA continued to maintain the Electronic Data Interchange (EDI) system to facilitate reporting from centres. The HFEA's aim is to maximise the provision of electronic information to assist centres in managing their administrative workload and getting access to performance information more readily.

In October, the HFEA was able to implement a 28% reduction in its fees. This reflected not only HFEA responses to Government spending restrictions, but also continuous improvements and investments in regulatory processes and systems made over the past several years. Work was also done to implement a further fee discount (effective from April 2012) specifically for cycles following an elective single embryo transfer.

MAKING BEST USE OF HFEA DATA

During the course of the business year, the HFEA reflected on the data collected from clinics, the process involved, and how it is used. A review of the reason for the collection of all the data fields making up the Register concluded that the majority of fields are either required by statute, are needed to compile 'Choose a Fertility Clinic' (CaFC) data, or are to handle Opening the Register requests. It was therefore agreed that most benefit could be achieved by focusing on better use of the data, rather than by a review of individual data fields.

Following this, a process was developed for monitoring a range of statistical outputs in order to understand clinic performance on a range of issues (such as late reporting and errors in data submissions from centres).

A move to a new twice-yearly pattern of statistical publication improved the HFEA's publication of Register data. The year also saw the introduction of a new six monthly verification and publication schedule for updates to CaFC.

The HFEA also worked to improve its networking with researchers and to establish a dialogue about the research undertaken using Register data. In the year, the HFEA's Register Research Panel approved the release of data for one project. In addition, the HFEA explored options for releasing an enhanced anonymised data set, including randomised patient identification, and will continue to maximise the potential use of anonymised data within the confines of the law.

Managing change and preparing for the future

WORKFORCE AND CAPACITY MANAGEMENT

Throughout the year the HFEA has focused on equipping its staff to deal with the current period of transition, and on managing capacity, against the backdrop of various central Government-imposed restrictions.

A high proportion (69%) of staff reported in a late 2011 staff survey that they were proud or very proud to work for the HFEA (up from 62% when last surveyed in 2008). Given the uncertainty about the HFEA's future this is most encouraging. Most staff have felt very informed by management about the changes facing the HFEA and how they may affect them. The majority felt that the office move in 2011, and accompanying new ways of working (i.e. more flexible/home-based working) were working well for them personally.

Careful planning and project management, together with considerable staff flexibility, has enabled the organisation to work within its resources, and the HFEA successfully retained the organisational capability to deliver both core work and a range of projects.

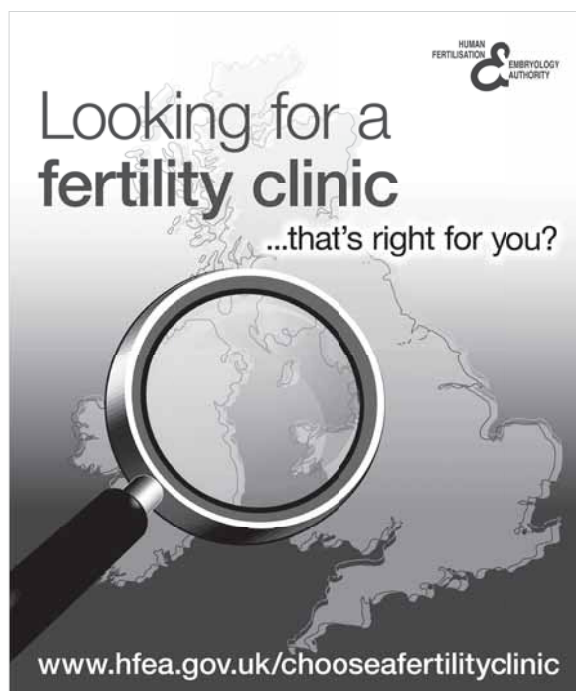
The HFEA continued to participate in the collaborative Talent Management Consortium of ALBs, and through this and other means provided development opportunities for staff, including the 'Hubbub' Leadership Development Programme.

Consideration was given to the management of business through the Authority and its subcommittees, following a reduction in the Authority's membership during 2011/12. The overall number of Authority and Committee meetings has been reduced, whilst retaining the capacity to make critical licensing and policy decisions through quorate meetings.

The HFEA has regularly reviewed business plan priorities and capacity, and made use of project and risk management processes in order to control and deliver work and to recognise risks to capacity or capability when they arise.

DATA RETURNS AND TRANSPARENCY

The HFEA continued to supply data to central Government in response to requests for returns relating to the ALB Review (e.g. monitoring, due diligence, and ad hoc requests for facts and figures). The publication of required transparency information continued on the HFEA website and on www.data.gov.uk. In doing this, the HFEA continued to balance the need for transparency and accountability against both Cabinet Office and HFE Act 1990 (as amended) data security considerations, ensuring that material was not disclosed inappropriately (for instance information that could identify an individual patient or member of the public).



Summary data for the year 2011/12

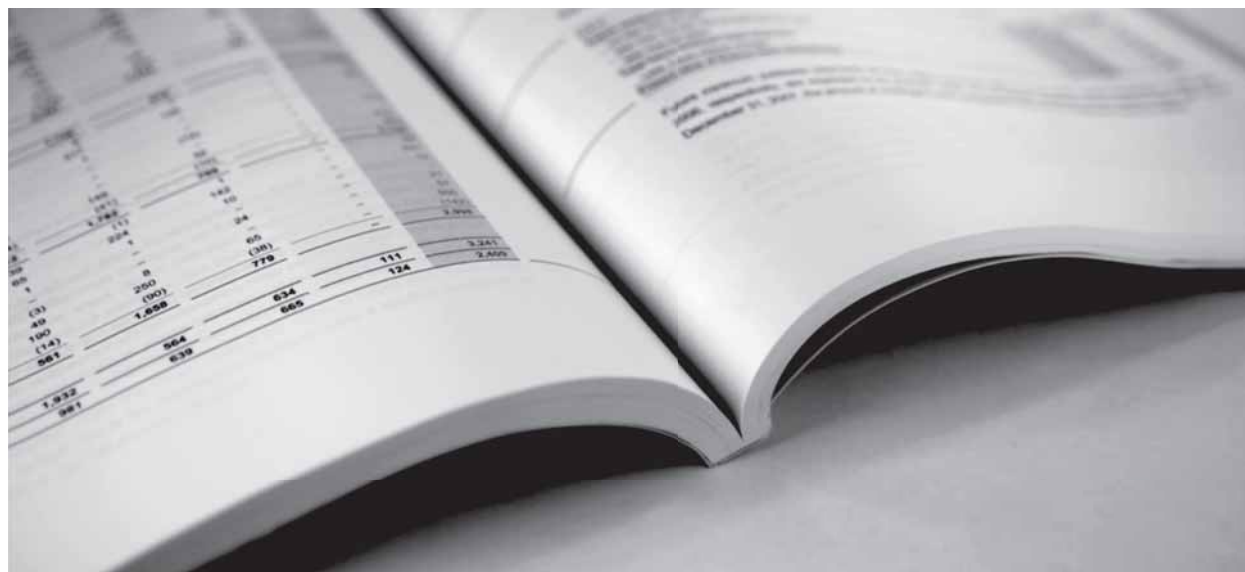
THE TYPE AND VOLUME OF BUSINESS HANDLED BY THE HFEA

Number of:	2010/11	2011/12
Active clinics and research establishments	134	135
Clinics and research establishments inspected	79	79
Licences inspected	85	85
New licence applications processed and presented to a Licence Committee	2	2
Licence renewals processed and presented to a Licence Committee/Executive Licensing Panel	32	33
Applications for Preimplantation Genetic Diagnosis (PGD) with Human Leukocyte Antigen (HLA) processed and presented to a Licence Committee/Executive Licensing Panel	3	17
New Preimplantation Genetic Diagnosis (PGD) applications processed and presented to a Licence Committee	46	35
Incident reports from centres processed	564	571
Alerts issued	1	1
Complaints about centres received	14	1²
Licensed Centres Panel meetings held	3	3
Meetings with patient organisations held	2	2
Public and stakeholder meetings	36	24
Freedom of Information (FOI) requests dealt with	119	104
Environmental Information Regulations (EIR) requests dealt with	0	0
Opening the Register requests closed within 20 working days	149	168
Information for Researchers requests received	2	1
Donor Sibling Link applications processed	3	14
Visits to the Anonymised Register download page	759	826
Enquiries responded to under the Data Protection Act (DPA)	1	2
Parliamentary Questions (PQ) responded to	163	80
Authority meetings held (including three open to the public)	7	7
Phone enquiries from patients and the general public	3,025	3,029
Email enquiries from patients and the general public	2,026	1,975
Visits to the HFEA website	662,147	634,542
Most popular/viewed page on the HFEA Website	Choose a Fertility Clinic	For Patients and their supporters

² There were 35 queries of which one was a formal centre complaint. This decrease is as a result of better resolution at centre level and the provision of informal advice and responses to queries by the HFEA.

Performance indicators 2011/12

	Target	Outcome
A. Compliance		
Average number of working days taken for the whole licensing process, from the day of inspection to the decision being communicated to the centre	60 working days or less	66 working days³
Preimplantation Genetic Diagnosis (PGD) applications processed within four months (88 working days)	90%	68%⁴
B. Communication and Information		
Opening the Register requests dealt with within 20 working days (excluding counselling time for the person making the request)	100%	100%
Responses made to requests for contribution to Parliamentary Questions within the deadlines set by the Department of Health (DH)	100%	98.8%⁵
C. Corporate		
Staff sickness absence rate (%) per month	Under 3.5%	1.5%
Cash and bank balance	To move towards DH recommended limit of £750k	Year-end balance of £3,110k⁶
Invoices paid within 30 days	95%	99%
Debts collected within 60 days	85%	89%



³ This was a new target for 2011/12. Every step in the licensing process is being examined to improve performance on this target in the 2012/13 year.

⁴ Delays were principally due to difficulties in obtaining peer reviewers. Further to a workshop held in March 2012 with centre PGD representatives, HFEA staff are exploring methods of improvement so that no avoidable delays are incurred.

⁵ There were 80 Parliamentary Questions, of which only one did not meet the Department of Health's target. This was unavoidable due to an all-staff away day; the Ministerial deadline was still met the following day.

⁶ A fee reduction of 28% was implemented on 1 October 2011, and this, combined with a voluntary suspension of Grant-in-Aid, has started to reduce the cash balance gradually. Work is underway to transfer most of the surplus funds to an account with the Government Banking Service.

Financial Review

The financial results of the HFEA are included in the accounts on pages 79 to 96 and show that the HFEA's net surplus of income over expenditure for the financial year after tax and exceptional items was £400,060 (2010/11: net expenditure of £2,127,417).

The Department of Health provided Grant-in-Aid towards resource expenditure of £375,653 (2010/11: £2,136,000) and £60,000 towards the purchase of fixed assets (2010/11: £115,000).

Capital expenditure was £55,792 (2010/11: £114,185). This was spent entirely on replacing or updating office and IT equipment together with the acquisition and development of software, with working lives being extended where feasible.

Income from fees charged to clinics was £5,660,908 (2010/11: £5,915,560). This fall in income reflects the 28% reduction in treatment fees that took effect from 1 October 2011. Invoiced IVF treatments rose in the year by 10% as demonstrated by increased activity in established centres with new centres opening during the year.

The HFEA has maintained a provision of £250,000 for potential legal costs in respect of judicial review proceedings against the Authority. Further information on legal activity in the year is provided in the financial accounts (primarily notes 11 and 14).

The accounts reflect the full application of International Financial Reporting Standards (IFRS). No capital charges have been provided for 2011/12 in accordance with Financial Reporting Manual (FReM) Chapter 11 (Income and Expenditure).

SUPPLIER PAYMENTS

The Authority aims to pay all undisputed invoices in accordance with suppliers' terms of payment, which are usually within 30 days. During the financial year 2011/12, the Authority settled 99% of all invoices received and invoices received by cash value within 30 days, whilst 78% of invoices received were paid within 10 days.

During the forthcoming financial year, the Authority will continue with its aim to adhere to the five-day target for

central government payments, and performance data will continue to be published on the Authority's website.

As at 31 March 2012, the proportion of closing creditors to purchases during the year was four days.

STAFF RESOURCES AND DEVELOPMENT

The HFEA began the 2012/13 business year with a new Chief Executive and a smaller Senior Management Team.

The Authority is also carrying a number of vacancies, which will continue into 2012/13. As in the previous year, the HFEA has reduced its staff complement. Significantly, this reduction was mainly weighted towards more expensive senior posts: besides the reduction in the size of the senior management team, a number of other middle managerial posts have been eliminated through natural wastage and a small number of voluntary redundancies.

The HFEA will continue to maintain sound human resources processes during the change period, meet the challenges imposed by recruitment and other restrictions and retain a high quality workforce within agreed budgets and Government rules. The HFEA's training activities will be continued (as far as possible given procurement restrictions) so as to equip its remaining staff with core - and new - skills. This is necessary in order to maintain the organisation's workload and to cope with coming changes, and will also provide the organisation with greater flexibility in the deployment of staff. Training and development will be procured in accordance with continuing Government requirements to ensure value for money, using Buying Solutions as appropriate. Core and mandatory training will be provided through the service level agreement with the CQC.

All staff pay is determined in line with HM Treasury annual guidance, which imposed a pay freeze for the past two years. In 2011/12 the Government announced an overall pay cap of 1% for the coming year. The HFEA has not yet received all the formal guidance on the pay remit for 2012/13, although it is aware of the Government's desire for the development of a three-year pay strategy.



HFEA principles

- We treat people and their information with sensitivity, respect and confidentiality
 - We observe the highest standards of integrity and professionalism in putting into effect the law as it governs our sector
 - We consult widely - listening to and learning from those with an interest in what we do
 - We keep abreast of scientific and clinical advances, and
 - We exercise our functions consistently, proportionately, openly and fairly.
-

EMPLOYEE CONSULTATION

The HFEA Staff Forum represents all employees and encourages their active participation in the affairs of the HFEA. The HFEA recognises the importance of employee input and feedback and the Staff Forum is used as a framework for discussion and consultation on matters affecting all employees.

All staff briefings take place fortnightly and employees are kept up to date through the HFEA intranet, to which all staff have access. Once a month the staff newsletter, the HFEA Insider, is published on the intranet and all members of staff are encouraged to contribute.

PENSIONS

Pension benefits are provided by the Principal Civil Service Pension Scheme (PCSPS). The HFEA recognises the contributions payable for the year. Full details of the pension scheme are included in the Remuneration Report on pages 49 to 58.

EQUALITY ACT 2010, EQUALITY AND DIVERSITY ON PAY

In response to the introduction of the Equality Act 2010, the HFEA ensured it was compliant with the legislation and undertook a range of activities to raise the profile of equality and diversity issues across the organisation, including the identification of one of its members as an Equality Champion.

All posts within the HFEA are systematically evaluated, aiming to ensure that the salary is fair and equitable.

DISABLED EMPLOYEES

In 2007/08, the HFEA published a progress report on the disability aspects of the equality scheme and

achieved $\sqrt{\sqrt{}}$ Positive about Disabled People disability symbol status. The HFEA has a specific policy of inviting to interview any candidate with a disability who meets essential criteria. Support is provided for all staff who have, or develop, a disability including making reasonable adjustments to the workplace or work processes, and having advice available through the Occupational Health Service.

SOCIAL, COMMUNITY, SUSTAINABILITY AND ENVIRONMENTAL ISSUES

Before leaving 21 Bloomsbury Street the HFEA contributed to the installation of voltage reduction equipment and secondary glazing.

The move to the same premises as the CQC in August 2011 enabled the HFEA to reduce office space from 1,152 m² to 550 m². The space per full-time (equivalent) employee (FTE) has decreased from 16 m² to 7 m², along with a reduction in costs per square metre. The existing offices of the CQC are also used more efficiently which contributes to a net reduction in public sector occupancy of private sector London property.

The new premises permit the HFEA to recycle a wide range of office supplies and waste and to use fewer printers in a more sustainable way. Almost all staff are enabled to work from home either occasionally or full-time and are actively encouraged to do so allowing reduced travel impacts, where feasible.

The Cabinet Office and the Department of Health are mandating centrally managed consolidation of procurement expenditure across central Government and the HFEA is transferring contracts to pre-tendered suppliers wherever possible.

ACCOUNTS DIRECTION

The statement of accounts which follows is prepared in a form directed by the Secretary of State for Health dated 18 June 2007, in accordance with Section 6 of the 1990 Act (as amended).

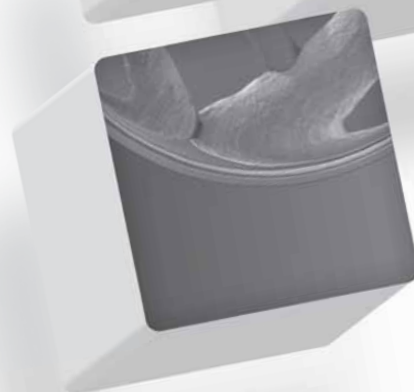
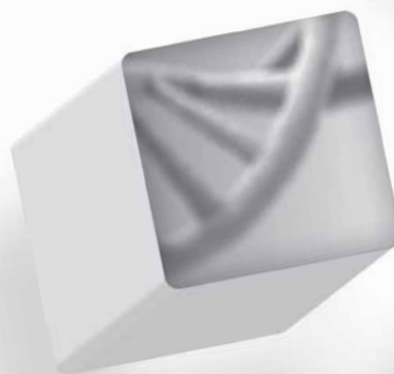
Disclosure of Information to HFEA Auditors

The Chief Executive of the HFEA has been designated as the Accounting Officer for the Authority. The Accounting Officer has taken all the steps that are necessary to make himself aware of any relevant audit information and to establish that the HFEA's auditors – the National Audit Office (NAO) – are aware of that information. So far as the Accounting Officer is aware, there is no relevant audit information of which the NAO is unaware.



Mr Peter Thompson
Chief Executive
26 June 2012

“...AUTHORITY AND
COMMITTEE MEETINGS
HAVE BEEN REDUCED,
WHILST RETAINING THE
CAPACITY TO MAKE
CRITICAL LICENSING AND
POLICY DECISIONS...”



03

Appendices



Appendices

Appendix I:

COMMITTEE MEMBERSHIP AS AT 31 MARCH 2012

	Scientific and Clinical Advances Advisory Committee (SCAAC)	Ethics and Law Advisory Committee (ELAC)	Compliance Committee	Audit and Governance Committee (AGC)	Research Licence Committee
MEETING NO	4	2	10	4	4
CHAIR	Prof Neva Haites OBE	Rev Mr Ermal Kirby ⁹ Ms Gemma K Hobcraft ¹⁰	Mrs Ruth Fasht OBE	Mrs Sally Cheshire	Prof Emily Jackson
	Dr Susan M Price (Deputy Chair)	Prof David Archard (Deputy Chair)	Ms Gemma K Hobcraft (Deputy Chair)	Mrs Ruth Fasht OBE (Deputy Chair)	Mrs Clare J Lewis-Jones MBE ¹⁶
	Ms Debbie Barber	Mr Hossam I Abdalla FRCOG	Mr Hossam I Abdalla FRCOG	Ms Rebekah Dundas	Mrs Sally Cheshire
	Ms Jane Dibblin ⁷	Dr Mair A Crouch	Ms Rebekah Dundas ¹³	Ms Lillian Neville	Dr Andy Greenfield
	Dr Andy Greenfield ⁸	Ms Jane Dibblin ¹¹	Prof William Ledger ¹⁴	Mr Jerry Page (External)	Prof Neva Haites OBE
	Dr Alan R Thornhill	Prof Neva Haites OBE	Ms Lillian Neville		Prof Lesley Regan
	Prof David Barlow (External)	Mrs Clare J Lewis- Jones MBE ¹²	Dr Alan R Thornhill ¹⁵		
	Prof Peter Braude (External)				
	Prof Daniel Brison (External)				
	Dr Melanie Davies (External)				
	Prof Sir Richard Gardner (External)				
	Dr Joyce Harper (External)				
	Dr Robin Lovell-Badge (External)				
	Prof Lorraine Young (External)				

	Licence Committee	Remuneration Committee	Executive Licensing Panel (ELP)	Appeals Committee
MEETING NO	9	5	25	0
CHAIR	Prof David Archard	Prof Lisa Jardine CBE	Mr Peter Thompson	Mr Jonathan Watt-Pringle QC
	Ms Anna Carragher (Deputy Chair)	Prof Emily Jackson (Deputy Chair)	Mr Mark Bennett (Deputy Chair)	Ms Hilary Newiss (Deputy Chair)
	Ms Debbie Barber	Mrs Sally Cheshire	Mr Nick Jones	Mr John Kevin Artley
	Mrs Sally Cheshire		Reserves	Ms Julia Drown
	Dr Mair A Crouch		Ms Hannah Darby	Mrs Jennifer Dunlop
	Ms Jane Dibblin		Ms Danielle Hamm	Mr Joseph Enda McVeigh
	Ms Rebekah Dundas		Mr Ian Peacock	Ms Catharine Seddon
	Dr Susan M Price		Ms Helen Richens ¹⁷	
			Ms Juliet Tizzard ¹⁸	
			Mr Brandon Welsh ¹⁹	

APPOINTMENT SUMMARY OF AUTHORITY MEMBERS AS AT 31 MARCH 2012

Name	Expertise	Appointment start date	Appointment end date	Category
Prof Lisa Jardine CBE (Chair)	Academic/Historian	17 January 2008	16 January 2014	Lay
Mr Hossam I Abdalla FRCOG	Clinical	1 October 2004	29 September 2012	Professional
Prof David Archard	Philosophy	1 November 2005	31 October 2012	Lay
Ms Debbie Barber	Clinical	1 September 2008	31 August 2012	Professional
Ms Anna Carragher	Media	7 November 2006	6 November 2012	Lay
Mrs Sally Cheshire	Business, Accountancy and Healthcare	7 November 2006	6 November 2012	Lay
Dr Mair A Crouch	Genetics and Law	1 September 2008	31 August 2012	Lay
Ms Jane Dibblin	Media	1 September 2008	31 August 2012	Lay
Ms Rebekah Dundas ²⁰	Patient	1 January 2007	31 December 2012	Lay
Mrs Ruth Fasht OBE	Children and Family Service, Group Analysis	1 November 2005	31 October 2012	Lay
Dr Andy Greenfield	Biological Science	9 November 2009	8 November 2012	Professional
Prof Neva Haites OBE	Clinical Genetics	2 December 2002	30 November 2012	Professional
Ms Gemma K Hobcraft	Law	1 September 2008	31 August 2012	Lay
Prof Emily Jackson ²¹ (Deputy Chair - appointed 1 January 2009)	Healthcare and Law	12 June 2003	30 December 2012	Lay
Rev Mr Ermal Kirby ²²	Moral Theologian	1 January 2010	31 December 2011	Lay
Prof William Ledger ²³	Clinical	7 November 2006	19 April 2011	Professional
Mrs Clare J Lewis-Jones MBE ²⁴	Patient	2 December 2002	31 May 2011	Lay
Ms Lillian Neville	Healthcare	1 September 2008	31 August 2012	Lay
Dr Susan M Price	Clinical Genetics	1 February 2006	31 January 2013	Professional
Prof Lesley Regan	Clinical	1 September 2008	31 August 2012	Professional

7 Ms Jane Dibblin stepped down as a member of SCAAC in September 2011.

8 Dr Andy Greenfield was appointed as a member of SCAAC in September 2011.

9 Rev Mr Ermal Kirby stepped down as the Chair of ELAC in December 2011.

10 Ms Gemma K Hobcraft was appointed as the Chair of ELAC in January 2012.

11 Ms Jane Dibblin was appointed as a member of ELAC in October 2011.

12 Mrs Clare J Lewis-Jones MBE stepped down as a member of ELAC in May 2011.

13 Ms Rebekah Dundas was appointed as a member of the Compliance Committee in November 2011.

14 Prof William Ledger stepped down as a member of Compliance Committee in April 2011.

15 Dr Alan R Thornhill was appointed as a member of the Compliance Committee in May 2011.

16 Mrs Clare J Lewis-Jones MBE stepped down as a member of Research Licence Committee in May 2011.

17 Ms Helen Richens stepped down as a member of ELP in May 2011.

18 Ms Juliet Tizzard was appointed as the Chair of the Executive Licensing Panel on 1 June 2012.

19 Mr Brandon Welsh stepped down as a member of ELP in October 2011.

20 Annual Report and Accounts 2010/11 correction: Ms Rebekah Dundas' appointment should have stated an end date of 31 December 2012 and not 31 November 2013.

21 Prof Emily Jackson has indicated her intention to retire as a member of the Authority in September 2012.

22 Rev Mr Ermal Kirby appointment end date as a member of the Authority was until 31 December 2012; however he resigned on 31 December 2011.

23 Prof William Ledger appointment end date as a member of the Authority was until 6 November 2012; however he resigned on 19 April 2011.

24 Mrs Clare J Lewis-Jones MBE appointment end date as a member of the Authority was until 30 November 2011; however she resigned on 31 May 2011.

“...THE HFEA WORKED TO IMPROVE SECTOR PERFORMANCE BY IDENTIFYING AREAS OF NON-COMPLIANCE AND MAKING RELEVANT RECOMMENDATIONS FOR IMPROVEMENTS.”

HFEA HORIZON SCANNING EXPERT PANEL MEMBERSHIP AS AT 31 MARCH 2012

Name	Institution
Prof William ‘Twink’ Allen	Paul Mellon Laboratory of Equine Reproduction, UK
Prof Peter Andrews	University of Sheffield, UK
Prof David Barlow	University of Glasgow, UK
Prof Christopher Barratt	University of Dundee, UK
Prof Keith Campbell	University of Nottingham, UK
Prof John Carroll	University College London, UK
Dr Jacques Cohen	Institute for Reproductive Medicine and Science of Saint Barnabas, USA
Prof John Collins	Assisted Human Reproduction Canada
Prof Alan Decherney	National Institutes of Health, USA
Prof Chris De Jonge	University of Minnesota, USA
Prof Paul Devroey	Free University of Brussels, Belgium
Prof David Edgar	University of Liverpool, UK
Prof Sir Martin Evans	Cardiff University, UK
Prof Hans Evers	Maastricht. University Medical Centre, The Netherlands
Prof Bart Fauser	University Medical Center Utrecht, The Netherlands
Dr Joyce Harper	University College London, UK
Prof Stephen Hillier	University of Edinburgh, UK
Prof Outi Hovatta	Karolinska Institute, Sweden
Prof Mark Hughes	Genesis Genetics Institute, USA
Prof Martin Johnson	University of Cambridge, UK
Prof Gab Kovacs	Monash IVF, Australia
Prof Henry Leese	Hull York Medical School, UK
Prof Norio Nakatsuji	Kyoto University, Japan
Prof Alan Trounson	California Institute for Regenerative Medicine, USA
Dr Maureen Wood	University of Aberdeen, UK
Prof (Emeritus) André Van Steirteghem	Free University of Brussels - VUB, Belgium
Prof Stéphane Viville	Université de Strasbourg, France

Appendix II:

CENTRES LICENSED BY THE HFEA AS AT 31 MARCH 2012



Centres licensed by the HFEA as at 31 March 2012

Centre name	Location	Centre no	Centre type	Region
Aberdeen Fertility Centre	Aberdeen	0019	TS	Scotland
The Agora Gynaecology and Fertility Centre	Brighton	0254	TS	South East
Andrology Solutions ²⁵	London	0293	TS	London
Andrology Unit - Hammersmith Hospital	London	0080	S	London
Arrowe Park Fertility Clinic	Merseyside	0272	T	North West
Assisted Conception Unit – King's College Hospital	London	0109	TS	London
Assisted Conception Unit Leigh Infirmary	Leigh	0278	T	North West
Assisted Conception Unit Queen Mary's Hospital	London	0270	T	London
Assisted Reproduction and Gynaecology Centre	London	0157	TS	London
Ayrshire Fertility Unit, Crosshouse Hospital	Kilmarnock	0287	T	Scotland
Barts and The London Centre for Reproductive Medicine	London	0094	TS	London
Bath Fertility Centre	Bath	0139	TS	South West
Benenden Fertility Centre (BFC)	Kent	0310	TS	South East
Birmingham Women's Hospital	Birmingham	0119	TSR	West Midlands
BMI Chelsfield Park ACU	Kent	0086	TS	London
BMI Priory Hospital	Birmingham	0026	TS	West Midlands
BMI The Chaucer Hospital	Kent	0161	TS	South East
BMI The Hampshire Clinic	Hampshire	0285	T	South East
Bourn Hall Clinic	Cambridge	0100	TS	East England
Bourn Hall Clinic (Colchester)	Essex	0188	TS	East England
Brentwood Fertility Centre	Essex	0165	TS	East England
The Bridge Centre	London	0070	TS	London
Brighton Fertility Associates	Brighton	0322	TS	South East
Bristol Centre for Reproductive Medicine	Bristol	0295	TS	South West
Burton Hospitals NHS Trust	Burton upon Trent	0184	TS	West Midlands
Cambridge IVF	Cambridge	0051	TS	East England
CARE Manchester	Manchester	0185	TS	North West
CARE Northampton	Northampton	0016	TS	East Midlands
CARE Nottingham	Nottingham	0101	TS	East Midlands
CARE Sheffield	Sheffield	0061	TS	Yorkshire & Humberside
Centre for Human Development, Stem Cells and Regeneration/ Division of Human Genetics	Southampton	0251	R	South East
Centre for Reproduction and Gynaecology Wales (CRGW)	Llantrisant	0316	TS	Wales
The Centre for Reproductive and Genetic Health	London	0044	TS	London
Centre for Reproductive Medicine and Fertility - Sheffield	Sheffield	0196	TS	Yorkshire & Humberside

Key: T = Treatment; S =Storage; R = Research

²⁵ Annual Report and Accounts 2010/11 correction: Andrology Solutions was omitted in error from the list of licensed centres. It was however accounted for in the number of licensed centres reported for the 2010/11 year.

APPENDICES

Centre name	Location	Centre no	Centre type	Region
Centre for Reproductive Medicine - Coventry	Coventry	0013	TSR	West Midlands
Centre for Stem Cell Biology (Alfred Denny)	Sheffield	0312	R	Yorkshire & Humberside
Chelsea and Westminster Hospital	London	0158	TS	London
The Chiltern Hospital Fertility Services Unit	Great Missenden	0064	TS	South East
Complete Fertility Centre Southampton	Southampton	0307	TS	South East
Countess of Chester Hospital	Chester	0280	T	North West
County Durham ACU	Bishop Auckland	0168	TS	North East
Craigavon Area Hospital	Belfast	0294	T	Northern Ireland
CREATE Centre for Reproduction and Advanced Technology	London	0299	TS	London
CRM London	London	0199	TS	London
Dumfries and Galloway Royal Infirmary	Dumfries	0275	T	Scotland
Edinburgh Assisted Conception Unit	Edinburgh	0201	TS	Scotland
Epsom and St Helier NHS Trust	Surrey	0259	T	London
Fertility Unit Barking – Havering and Redbridge Hospitals Trust	Essex	0291	T	London
Fisher Bioservices UK	Bishop's Stortford	0300	S	East England
The Gateshead Fertility Unit	Gateshead	0170	TS	North East
Glasgow Centre for Reproductive Medicine	Glasgow	0250	TS	Scotland
Glasgow Nuffield Hospital	Glasgow	0115	TS	Scotland
Glasgow Royal Infirmary	Glasgow	0037	TS	Scotland
Gloucestershire Hospitals NHS Trust	Gloucester	0151	S	South West
Good Hope Hospital NHS Trust	Sutton Coldfield	0261	T	West Midlands
Guys Hospital	London	0102	TSR	London
Hartlepool General Hospital	Hartlepool	0031	TS	North East
Hartshorne and Genesis Group	Coventry	0320	R	West Midlands
Heart of England NHS Foundation Trust – Solihull Hospital	Solihull	0267	T	West Midlands
Herts and Essex Fertility Centre	Cheshunt	0030	TS	East England
Hewitt Centre for Reproductive Medicine	Liverpool	0007	TS	North West
Hexham General Hospital	Hexham	0277	T	North East
Homerton Fertility Centre	London	0153	TS	London
Hull IVF Unit	Hull	0021	TSR	Yorkshire & Humberside
Human Genetics and Embryology Laboratories	London	0245	R	London
Institute of Biomedical Research	Birmingham	0209	R	West Midlands
Institute of Reproductive and Development Biology	London	0249	R	London
IVF Hammersmith	London	0078	TS	London

Key: T = Treatment; S =Storage; R = Research

APPENDICES

Centre name	Location	Centre no	Centre type	Region
IVF Scotland	Edinburgh	0313	TS	Scotland
IVF Wales	Cardiff	0049	TS	Wales
The James Cook University Hospital	Middlesbrough	0055	TS	North East
Lanarkshire Acute Hospital NHS Trust	Lanarkshire	0098	TS	Scotland
The Leeds Centre for Reproductive Medicine	Leeds	0314	TS	Yorkshire & Humberside
Leicester Fertility Centre	Leicester	0068	TS	East Midlands
Leighton Hospital	Crewe	0279	T	North West
The Lister Fertility Clinic	London	0006	TS	London
London Female and Male Fertility Centre	London	0143	TS	London
London Fertility Centre	London	0088	TSR	London
London Fertility Centre (Storage)	London	0308	S	London
London Sperm Bank	London	0011	S	London
London Women's Clinic	London	0105	TS	London
London Women's Clinic - Cardiff	Cardiff	0301	TS	Wales
London Women's Clinic - Darlington	Darlington	0075	TS	North East
London Women's Clinic - Swansea	Swansea	0059	TS	Wales
Luton and Dunstable NHS Trust Hospital	Luton	0256	T	East England
Manchester Fertility Services Ltd	Manchester	0033	TSR	North West
Midland Fertility Services	Aldridge	0008	TS	West Midlands
Newcastle Fertility Centre at Life	Newcastle upon Tyne	0017	TSR	North East
NewLife Fertility Centre	Epsom	0321	TS	South East
Ninewells Hospital	Dundee	0004	TS	Scotland
North Middlesex University Hospital (Reproductive Medicines Unit)	London	0289	T	London
Nuffield Health Woking Hospital	Surrey	0144	TS	South East
NURTURE	Nottingham	0076	TS	East Midlands
Origin Fertility Care	Belfast	0200	TS	Northern Ireland
Oxford Fertility Unit	Oxford	0035	TSR	South East
Peninsular Centre for Reproductive Medicine	Exeter	0005	TS	South West
Portsmouth Fertility Centre	Portsmouth	0281	T	South East
Princess of Wales Hospital (ABM University Health Board)	Bridgend	0265	T	Wales
Queen Mary's Hospital	Kent	0117	T	London
Queens Medical Centre Fertility Unit	Nottingham	0162	TS	East Midlands
Regional Fertility Centre - Belfast	Belfast	0077	TS	Northern Ireland
Reproductive Genetics Institute	London	0206	TS	London
Reproductive Medicine Clinic - Bristol	Bristol	0276	T	South West
Reproductive Medicine Unit	London	0167	TS	London

Key: T = Treatment; S =Storage; R = Research

APPENDICES

Centre name	Location	Centre no	Centre type	Region
Roslin Cells Limited	Midlothian	0202	R	Scotland
Royal Cornwall Hospital	Truro	0282	T	South West
Royal Derby Hospital	Derby	0149	TS	West Midlands
Royal Surrey County Hospital	Guildford	0159	S	South East
Salisbury Fertility Centre	Salisbury	0197	TS	South West
Section of Reproductive and Developmental Medicine	Sheffield	0191	R	Yorkshire & Humberside
Shirley Oaks Hospital	Croydon	0163	TS	London
Shropshire and Mid-Wales Fertility Centre	Shrewsbury	0148	TS	West Midlands
SNBTS Tissues and Cells Directorate	Edinburgh	0317	TS	Scotland
South East Fertility Clinic	Tunbridge Wells	0208	TS	South East
South West Centre for Reproductive Medicine	Plymouth	0179	TS	South West
Spire Bristol Hospital	Bristol	0284	T	South West
St Jude's Women's Hospital	Wolverhampton	0198	TS	West Midlands
St Mary's Hospital	Manchester	0067	TSR	North West
Subfertility Unit – James Paget Healthcare NHS Trust	Norfolk	0190	S	East England
Sunderland Fertility Centre	Sunderland	0096	TS	North East
Sussex Downs Fertility Centre	Eastbourne	0015	TS	South East
Swansea Reproduction Unit	Swansea	0273	T	Wales
Torbay Hospital	Torquay	0260	T	South West
University of Cambridge	Cambridge	0246	R	East England
University of Manchester	Manchester	0175	R	North West
University of Oxford, Department of Obstetrics and Gynaecology	Oxford	0311	R	South East
Wales Heart Research Institute	Cardiff	0319	R	Wales
Wellcome Trust Centre for Stem Cell Research University College Cambridge	Cambridge	0252	R	East England
Wessex Fertility Limited	Southampton	0057	TS	South East
West Middlesex University Hospital	London	0302	T	London
Western Sussex Hospitals NHS Trust – St Richards Hospital	Chichester	0269	T	South East
The Whittington Hospital Fertility Unit	London	0258	T	London
The Winterbourne Hospital	Dorset	0133	TS	South West
The Women's Unit – Cwm Taff NHS Trust	Rhondda Cynon Taff	0298	T	Wales
Yeovil District Hospital	Yeovil	0283	T	South West

Key: T = Treatment; S =Storage; R = Research

* An up to date list of centres can be viewed on the HFEA website at: www.hfea.gov.uk



“...to ensure the HFEA and the sector keep abreast of new scientific and research developments through continued collaborative working with scientific and professional bodies.”

Appendix III:

EXTERNAL ADVISORS AS AT 31 MARCH 2012

CLINICAL ADVISOR

Mr Andrew Riddle

Person Responsible/Medical Director
Assisted Conception Services
Nuffield Health
Woking Hospital

SCIENTIFIC ADVISORS

Dr Stephanie Gadd

Senior Embryologist
Bath Fertility Centre

Mr David Gibbon

Principal Embryologist and
Business Manager for Fertility Services
Hartlepool General Hospital

Mr Andy Glew

Person Responsible/Laboratory Director
Herts and Essex Fertility Centre

Mr Jason Kasraie

Person Responsible/Consultant Embryologist
The Shropshire and Mid-Wales Fertility Centre

Dr Paul Knaggs

Person Responsible (Research)/
Senior Embryologist
IVF Hammersmith

Dr Lynne Nice

Laboratory Manager
CARE Northampton

COUNSELLING ADVISOR

Mrs Sheila Pike

Senior Counsellor
Centre for Reproductive Medicine and Fertility
Sheffield

NURSING ADVISORS

Mrs Helen Kendrew

Matron/Fertility Services Manager
Bath Fertility Centre

Mr Tony Knox

Clinical Inspector
Self-employed

Ms Kathryn Mangold

General Manager and Directorate Nurse
for Women's Services/Licence Holder
Chelsea and Westminster Hospital



Appendix IV:

RESEARCH PROJECTS LICENSED BY THE HFEA BETWEEN 1 APRIL 2011 TO 31 MARCH 2012

Assisted Conception Service, Glasgow Royal Infirmary (Centre 0037)

The effect of biomass reduction on embryo development after biopsy of either one or two blastomeres (R0175)

Birmingham Women's Hospital (Centre 0119)/ Institute of Biomedical Research (Centre 0209)

Human gamete interaction and signalling (R0172 / R0173)

Birmingham Women's Hospital (Centre 0119)

Genetic screening of the preimplantation embryo (R0186)

Centre for Human Development, Stem Cells and Regeneration/Division of Human Genetics, University of Southampton (Centre 0251)

Environmental sensitivity of the human preimplantation embryo (R0142)

Centre for Reproductive Medicine, Coventry (Centre 0013)

Indicators of oocyte and embryo development (R0155)

Centre for Stem Cell Biology and Developmental Genetics, University of Newcastle upon Tyne (Centre 0296)

Derivation of embryonic stem cell lines from interspecies embryos produced by somatic cell nuclear transfer (R0179)

Guys Hospital, London (Centre 0102)

Improving methods for preimplantation genetic diagnosis of inherited genetic disease and predicting embryo quality (R0075)
Developing criteria for estimating quality of stem cells derived from human embryos (R0133)

Hull IVF Unit (Centre 0021)

Biochemistry of early human embryos (R0067)

Human Genetics and Embryology Laboratories, University College London (Centre 0245)

Genetic profiling for infertility and development of novel preimplantation diagnosis (R0113)

Institute of Biomedical Research (Centre 0209)

Derivation of GMP human embryonic stem cells (R0184)

Institute of Reproductive and Development Biology, Imperial College London (Centre 0249)

Comparative studies on human embryonic stem cells and stem cells derived from male germ cells (R0174)

IVF Hammersmith (Centre 0078)

The vitrification of blastocysts following biopsy at the early-cleavage stage or blastocyst stage of embryo development – a pilot study (R0187)

London Fertility Centre (Centre 0088)

Analysis of chromosomes in human preimplantation embryos using Fluorescence In Situ Hybridisation (FISH) and Comparative Genomic Hybridisation (CGH) (R0169)

Manchester Fertility Services Ltd. (Centre 0033)/ St Mary's Hospital, Manchester (Centre 0067) and University of Manchester (Centre 0175)

In vitro development and implantation of normal human pre-implantation embryos and comparison with uni- or poly-pronucleate pre-embryos (R0026)
Derivation of human embryonic stem cell lines from embryos created from clinically unused oocytes or abnormally fertilised embryos (R0170/171)

Newcastle Fertility Centre at Life (Centre 0017)

Pluripotency reprogramming and mitochondrial biology during early human development (R0152)
Mitochondrial DNA disorders: is there a way to prevent transmission? (R0153)

Oxford Fertility Unit (Centre 0035) and University of Oxford, Department of Obstetrics and Gynaecology (Centre 0311)

Development of a model to study implantation in the human (R0111)
To derive human embryonic stem cells and trophoblast cell lines (R0143)
To develop pre-implantation genetic diagnosis (PGD) for mitochondrial DNA disease (R0149)

Roslin Cells Limited (Centre 0202)

Platform technologies underpinning human embryonic stem cell derivation (R0136)

APPENDICES

**Section of Reproductive and Developmental Medicine, University of Sheffield (Centre 0191)/
Centre for Stem Cell Biology (Alfred Denny),
Sheffield (Centre 0312)**

Development of human embryonic stem cell lines to Good Manufacturing Practice for treatment of degenerative diseases and conditions (R0115)

University of Cambridge (Centre 0246)

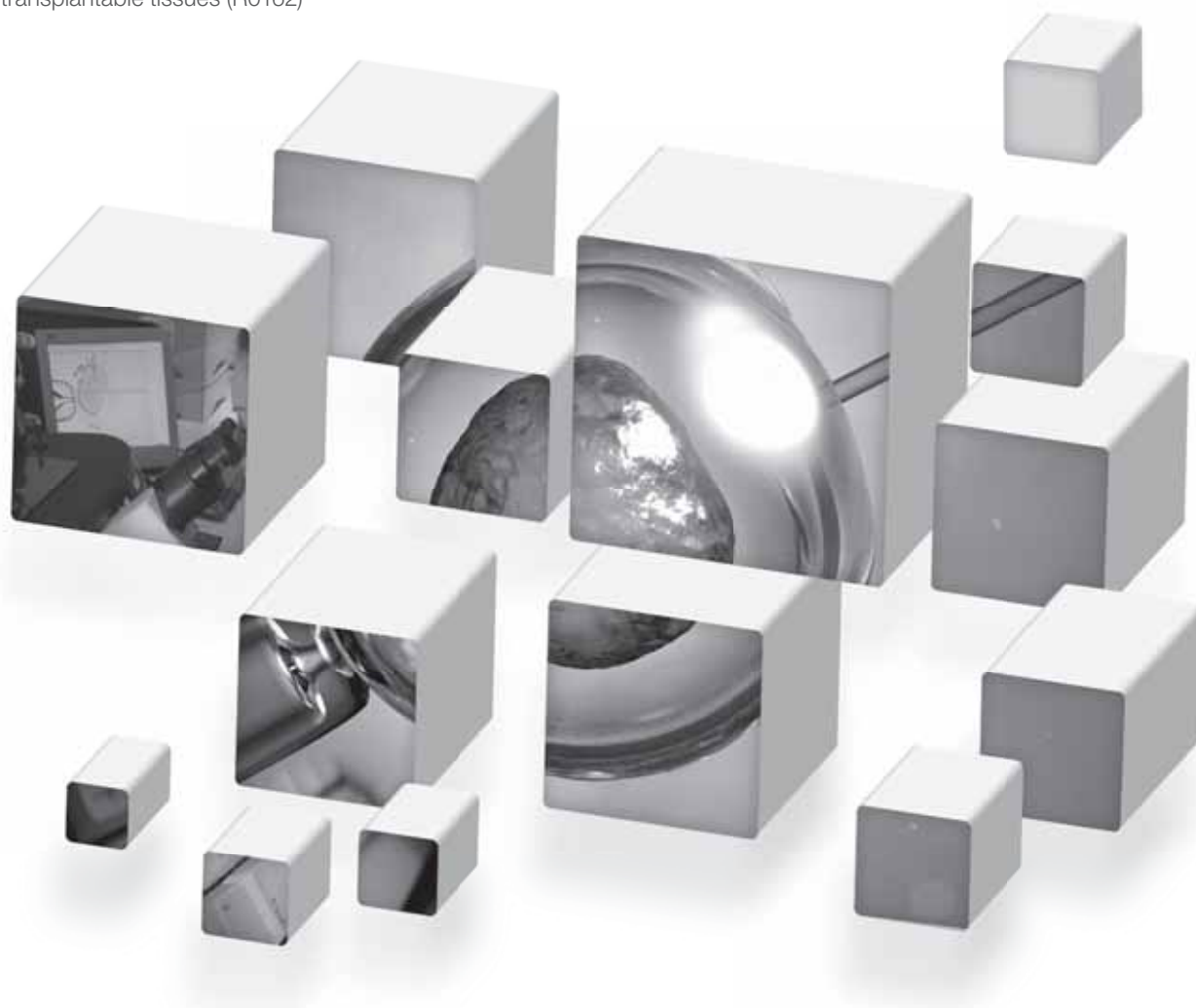
Derivation of stem cells from human surplus embryos: the development of human embryonic stem cell (hES) cultures, characterisation of factors necessary for maintaining pluripotency and specific differentiation towards transplantable tissues (R0162)

**Wales Heart Research Institute (Centre 0319),
formerly IVF Wales (Centre 0049)**

Investigation into the role of sperm PLC- zeta in human oocyte activation (R0161)

**Wellcome Trust Centre for Stem Cell Research,
University of Cambridge (Centre 0252)**

Derivation of pluripotent human embryo cell lines (R0178)



APPENDICES

NEW PGD CONDITIONS LICENSED BY THE HFEA BETWEEN 1 APRIL 2011 TO 31 MARCH 2012

Name of condition	OMIM number	Licence committee date
Cerebral autosomal dominant arteriopathy with subcortical infarcts and leukoencephalopathy (CADASIL)	125310	5 May 2011
Hereditary nonpolyposis colorectal cancer: Lynch syndrome (for all subtypes)	-	5 May 2011
Spondyloepiphyseal dysplasia congenital	183900	5 May 2011
Muscular dystrophy-dystroglycanopathy type A5	613153	26 May 2011
Spinocerebellar ataxia type 6	183086	26 May 2011
Amyotrophic lateral sclerosis (ALS1)	105400	30 June 2011
Senior-Loken syndrome 6	610189	30 June 2011
Spinal and bulbar muscular atrophy, X-linked (Kennedy's disease)	313200	30 June 2011
Bethlem myopathy	158810	28 July 2011
Gaucher disease type III	231000	28 July 2011
Glycogen storage disease type 1A	232200	25 August 2011
Idiopathic arterial calcification of infancy	208000	25 August 2011
Mucopolysaccharidosis III (MPS-III) type B; MPS-III type C; and MPS-III type D	252920; 252940; 252930	25 August 2011
Pyruvate dehydrogenase E1-beta deficiency	179060	25 August 2011
Severe combined immunodeficiency	601457	25 August 2011
Arrhythmogenic right ventricular cardiomyopathy/dysplasia (ARVC/D), autosomal dominant	-	29 September 2011
Peroxisome biogenesis disorders (PBS) (Zellweger syndrome spectrum ZSS)	601539	29 September 2011
Stickler syndrome type I, II, III and autosomal recessive	108300; 609508; 604841; 184840; 120210	29 September 2011
Ehlers-Danlos syndrome (classic type) type I and II	130000; 130010	27 October 2011
Pseudohypoparathyroidism type 1a (PHP1a)	103581	27 October 2011
Dyskeratosis congenita	305000	1 December 2011
Townes-Brocks syndrome	107480	1 December 2011
Canavan disease	271900	26 January 2012
Charcot-Marie-Tooth disease type 2	609260	26 January 2012

APPENDICES

Name of condition	OMIM number	Licence committee date
Catecholaminergic polymorphic ventricular tachycardia 2 (CPVT2) (autosomal recessive form; CASQ2 gene)	611938	1 March 2012
Familial hemophagocytic lymphohistiocytosis (FHL)	603553	1 March 2012
L-2-hydroxyglutaric aciduria	236792	1 March 2012
Pseudoachondroplasia	177170	1 March 2012
Renal coloboma syndrome	120330	1 March 2012
Saethre-Chotzen	101400	1 March 2012
Calpainopathy	253600	29 March 2012
Familial paraganglioma syndrome (PGL1)	168000	29 March 2012
Frontotemporal dementia	600274	29 March 2012
Holt-Oram syndrome	142900	29 March 2012
Long QT syndromes types, 1, 2, 3, 5 and 6, (also known as Romano-Ward syndrome)	613688	29 March 2012



Appendix V:

HFEA PEER REVIEWERS FOR PGD APPLICATIONS AS AT 31 MARCH 2012

Prof Faisal Ahmed

Consultant in Paediatric Endocrinology
and Bone Metabolism
Royal Hospital for Sick Children,
Glasgow

Dr Edward Blair

Consultant in Clinical Genetics
Clinical Genetics Service
Oxford University Hospital

Prof Kate Bushby

Action Research Professor
in Neuromuscular Genetics
Institute of Genetic Medicine
International Centre for Life
Newcastle University

Dr Anupam Chakrapani

Consultant in Inherited
Metabolic Disorders
Birmingham Children's Hospital

Prof Angus Clarke

Professor and Consultant
in Clinical Genetics
Institute of Medical Genetics
School of Medicine
Cardiff University

Prof Jill Clayton-Smith

Consultant in Clinical Genetics and
Honorary Professor
Central Manchester University Hospitals
NHS Foundation Trust

Dr Bru Cormand

Associate Professor of Genetics
Department of Genetics
University of Barcelona

Dr Justin Davies

Consultant in Paediatric Endocrinology
and Honorary Senior Lecturer
Child Health Directorate
Southampton University Hospital Trust

Prof Diana Eccles

Consultant in Cancer Genetics
Wessex Clinical Genetics Service
Princess Anne Hospital, Southampton

Prof Frances Flinter

Consultant in Clinical Genetics and
Caldicott Guardian
Guy's and St Thomas' NHS Foundation
Trust, London and
Professor of Clinical Genetics
King's College London

Dr Nicola Foulds

Consultant in Clinical Genetics
Wessex Clinical Genetics Service
Princess Anne Hospital, Southampton

Dr Alan Fryer

Consultant in Clinical Geneticist
Liverpool Women's NHS Foundation Trust

Dr Melita Irving

Consultant in Clinical Genetics
Guy's and St Thomas' NHS Foundation
Trust, London

Dr Simon Jones

Consultant in Paediatric Inherited
Metabolic Disease
Central Manchester University Hospitals
NHS Foundation Trust

Dr Tara Montgomery

Consultant in Clinical Genetics
Institute of Human Genetics
International Centre for Life
Newcastle University

Dr Kay Metcalfe

Consultant in Clinical Genetics
Genetic Medicine
St. Mary's Hospital, Manchester

Dr Andrew Morris

Metabolic Paediatrician
Genetic Medicine
St Mary's Hospital, Manchester

Prof Francesco Muntoni

Professor of Paediatric Neurology
Institute of Child Health and Great
Ormond Street Hospital, London

Dr Helen Murphy

Consultant in Clinical Genetics
Department of Genetic Medicine
Central Manchester NHS Foundation
Trust

Dr Ruth Newbury-Ecob

Consultant in Clinical Genetics
University Hospitals Bristol
and Honorary Reader in Medical Genetics
University of Bristol

Dr Christine Oley

Consultant in Clinical Genetics
Clinical Genetics Unit
Birmingham Women's Hospital

Dr Simon Olpin

Consultant Clinical Scientist in Inherited
Metabolic Disease
Department of Clinical Chemistry
Sheffield Children's Hospital

Dr Kai Ren Ong

Consultant in Clinical and
Cancer Genetics
Birmingham Women's NHS Foundation
Trust

Prof Mary Porteous

Consultant in Clinical Genetics
SE Scotland Genetic Service
Western General Hospital, Edinburgh

APPENDICES

Prof Joanna Poulton

Professor and Honorary Consultant
in Mitochondrial Genetics
Nuffield Department of Obstetrics
and Gynaecology
The Women's Centre
John Radcliffe Hospital, Oxford

Prof Nazneen Rahman

Professor of Human Genetics
Institute of Cancer Research

Dr Uma Ramaswami

Consultant Metabolic Paediatrician
The Willink Biochemical Genetics Unit
Genetic Medicine
St Mary's Hospital, Manchester

Dr Leema Robert

Consultant in Clinical Genetics
Guy's and St Thomas' NHS Foundation Trust
London

Dr Richard Sandford

Consultant in Medical Genetics
Academic Laboratory of Medical Genetics
University of Cambridge

Dr Glenda J Sobey

Consultant
EDS Specialist Clinic
Department of Clinical Genetics
Sheffield Children's Hospital

Dr Miranda Splitt

Consultant in Clinical Genetics
Institute of Human Genetics
International Centre for Life
Newcastle University

Dr Mohnish Suri

Consultant in Clinical Genetics
Nottingham Clinical Genetics Service
Nottingham University Hospitals NHS Trust

Prof Karen Temple

Professor of Medical Genetics
University of Southampton and
Honorary Consultant in Clinical Genetics
Wessex Clinical Genetics Service
Princess Anne Hospital, Southampton

Dr Peter Turnpenny

Consultant in Clinical Genetics
Clinical Genetics Department
Royal Devon and Exeter Hospital, Exeter

Dr Suresh Vijay

Consultant in Clinical Inherited Metabolic Disorders
Birmingham Children's Hospital

Dr John Walter

Metabolic Paediatrician
Genetic Medicine
St Mary's Hospital, Manchester

Dr Diana Wellesley

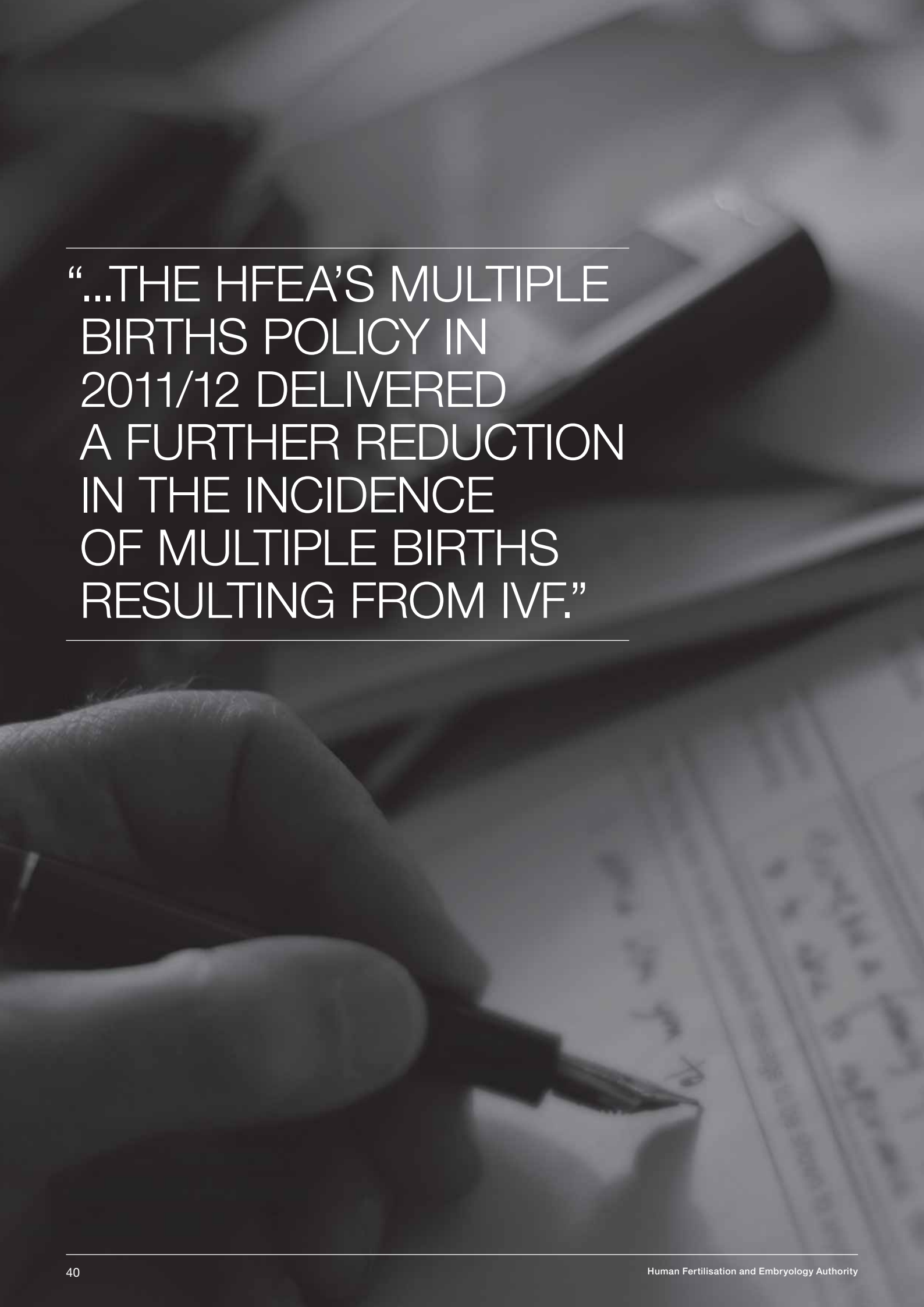
Consultant in Clinical Genetics
Wessex Clinical Genetics Service
Princess Anne Hospital, Southampton

Dr Michael Wright

Consultant in Clinical Genetics
Institute of Human Genetics
International Centre for Life
Newcastle University

Dr Robert Wynn

Consultant Paediatric Haematologist
Director
Blood and Marrow Transplant Unit
Royal Manchester Children's Hospital

A grayscale photograph of a hand holding a pen, writing on a document. In the background, a calculator is visible. The text is overlaid on the left side of the image.

“...THE HFEA’S MULTIPLE
BIRTHS POLICY IN
2011/12 DELIVERED
A FURTHER REDUCTION
IN THE INCIDENCE
OF MULTIPLE BIRTHS
RESULTING FROM IVF.”

HFEA PEER REVIEWERS FOR RESEARCH APPLICATIONS AS AT 31 MARCH 2012

Prof Lars Åhrlund-Richter

Professor of Molecular Embryology
Department of Women's
and Children's Health
Karolinska Institutet
Stockholm, Sweden

Prof Siladitya Bhattacharya

Professor of Reproductive Medicine
Head, Division of Applied Health Sciences
University of Aberdeen

Dr Virginia Bolton

Consultant Embryologist
Assisted Conception Unit
Guy's Hospital, London

Prof Nigel Brown

Dean
Faculty of Medicine
and Biomedical Sciences
St George's, University of London

Dr Mark Curry

Senior Lecturer
Department of Biological Sciences
University of Lincoln

Prof Joy Delhanty

Director
UCL Centre for PGD
University College London

Prof Simon Fishel

Managing Director
CARE Fertility Group Ltd

Prof Richard Fleming

Director
GCRM Ltd and Honorary Professor
of Reproductive Medicine
Glasgow University

Prof Stephen Franks

Professor of Reproductive Endocrinology
Imperial College London

Dr Joyce Harper

Reader in Human Genetic
and Embryology
UCL Centre for PGD
University College London

Prof Geraldine Hartshorne

Professorial Fellow
Division of Reproductive Health
Warwick Medical School
University of Warwick

Prof Martin Johnson

Professor of Reproductive Sciences
Department of Physiology Development
and Neuroscience
University of Cambridge

Prof Sue Kimber

Co-Director
North West Embryonic Stem Cell Centre
University of Manchester

Prof Charles Kingsland

Consultant Gynaecologist
Hewitt Centre for Reproductive Medicine
Liverpool Women's Hospital

Prof Alan McNeilly

Programme Leader
MRC Centre for Reproductive Health and
Honorary Professor
The Queen's Medical Research Institute
Edinburgh

Dr Anthony Michael

Deputy Head of Graduate School
and Reader in Reproductive Science
St George's, University of London

Prof Harry Moore

Co-Director
Centre for Stem Cell Biology
Department of Biomedical Sciences
University of Sheffield

Prof Christine Mummery

Professor of Developmental Biology
and Chair of the Department of Anatomy
and Embryology
Leiden University Medical Center
The Netherlands

Dr Jennifer Nichols

Assistant Director of Research
Wellcome Trust Centre for
Stem Cell Research
University of Cambridge

Dr Sue Pickering

Consultant Embryologist
Edinburgh Fertility and Reproductive
Endocrine Centre
University of Edinburgh

Prof Helen Picton

Chair of Reproduction and Early Development
Leeds Institute of Genetics, Health and
Therapeutics, and
Scientific Director of the Leeds Centre
for Reproductive Medicine
University of Leeds and Leeds Teaching
Hospitals NHS Trust

Prof Ian Sargent

Professor of Reproductive Science
Nuffield Department of Obstetrics
and Gynaecology
University of Oxford

Prof Justin St. John

Centre Director
Centre for Reproduction and Development
Monash Institute of Medical Research
Australia

Prof Miodrag Stojkovic

Deputy Director of Regenerative Medicine
Centro de Investigacion Principe Felipe
Spain

Prof Karl Swann

Professor of Reproductive Cell Biology
School of Medicine
Cardiff University

Prof Michael Whitaker

Professor of Physiology and
Dean of Research and Innovation
Institute for Cell and Molecular Biosciences
Medical School
University of Newcastle

Dr Maureen Wood

Honorary Research Fellow
Department of Obstetrics
and Gynaecology
University of Aberdeen

Appendix VI:

MEMBERS' INTERESTS AS AT 31 MARCH 2012
(or at end of term of office, if this was prior to 31 March 2012)

Mr Hossam I Abdalla FRCOG

Direct employment and consultancies	Director and Person Responsible at the Lister Fertility Clinic; Licence Holder at Agora Gynaecology and Fertility Centre
Fee-paid work other than HFEA	None
Shareholdings	Various managed unit trusts
Other public appointments and committee memberships	None
Other	None
Registration of hospitality	None

Prof David Archard

Direct employment and consultancies	Professor of Philosophy at Lancaster University
Fee-paid work other than HFEA	External examining; Royalties from academic publications; Occasional honoraria for lectures and for acting in an advisory capacity
Shareholdings	None
Other public appointments and committee memberships	None
Other	None
Registration of hospitality	None

Ms Debbie Barber

Direct employment and consultancies	Advanced Clinical Nurse Specialist at Oxford Radcliffe Trust
Fee-paid work other than HFEA	Oxford Brookes University; Greenwich University and Oxford Fertility Unit
Shareholdings	None
Other public appointments and committee memberships	Royal College of Nursing – Midwifery and Fertility Nurse Group
Other	None
Registration of hospitality	None

APPENDICES

Ms Anna Carragher

Direct employment and consultancies	None
Fee-paid work other than HFEA	None
Shareholdings	Equity Unit Trust
Other public appointments and committee memberships	Council Member of the Wildfowl and Wetlands Trust; Commissioner for the Equality Commission for Northern Ireland; Electoral Commissioner for Northern Ireland; Member of the Arts Council for Northern Ireland
Other	None
Registration of hospitality	None

Mrs Sally Cheshire

Direct employment and consultancies	None
Fee-paid work other than HFEA	Chair of the NHS North West Strategic Health Authority (until 3 October 2011); Vice Chair of the NHS North of England Strategic Health Authority – responsible for the North West (from 3 October 2011)
Shareholdings	None
Other public appointments and committee memberships	None
Other	None
Registration of hospitality	None

Dr Mair A Crouch

Direct employment and consultancies	Tutor at Glasgow University; Genetics and Law Consultancy
Fee-paid work other than HFEA	Honoraria for occasional lectures
Shareholdings	None
Other public appointments and committee memberships	Generation Scotland Advisory Board
Other	Member of: British Society for Human Genetics; Society for Genomics Policy and Population Health; Human Genetics Commission Consultative Panel
Registration of hospitality	None

Ms Jane Dibblin

Direct employment and consultancies	Freelance Executive Producer
Fee-paid work other than HFEA	Author's royalties; Occasional teaching and training
Shareholdings	BAA
Other public appointments and committee memberships	None
Other	None
Registration of hospitality	None

APPENDICES

Ms Rebekah Dundas

Direct employment and consultancies	Programme Manager at Big Lottery Fund
Fee-paid work other than HFEA	None
Shareholdings	None
Other public appointments and committee memberships	None
Other	Member of: Infertility Network UK; Donor Conception Network; Twins and Multiple Births Association (TAMBA)
Registration of hospitality	None

Mrs Ruth Fasht OBE

Direct employment and consultancies	Management and Organisational Consultancy – children and family services; Fostering and adoption services, and related issues
Fee-paid work other than HFEA	Occasional consultancy on children and family services
Shareholdings	None
Other public appointments and committee memberships	Member of: Norwood Council; Norwood Adoption Society Management Committee; Adoption Panel of Intercountry Adoption Centre
Other	Member of: Institute of Group Analysis; British Association for Adoption and Fostering
Registration of hospitality	None

Dr Andy Greenfield

Direct employment and consultancies	Medical Research Council
Fee-paid work other than HFEA	University of Oxford; University of London; The Wellcome Trust - payments for teaching, supervision, examination and reviewing activities
Shareholdings	None
Other public appointments and committee memberships	None
Other	Member of: British Society for Developmental Biology; Genetics Society; Anatomical Society (Great Britain and Ireland)
Registration of hospitality	None

Prof Neva Haites OBE

Direct employment and consultancies	Professor in Medical Genetics and Vice Principal for Development at the University of Aberdeen; Honorary Consultant at Aberdeen Royal Hospitals NHS Trust; Member of the Board of NHS Grampian
Fee-paid work other than HFEA	External Examiner for the University of Malaya
Shareholdings	Jointly with husband - Weatherford; Managed funds including a selection of shares selected by the Management Consultants
Other public appointments and committee memberships	Chair of Biomedical and Therapeutics Research Committee of Chief Scientists Office Scotland; Member of: NHS Scotland Board; Chief Scientist Committee, Scotland
Other	None
Registration of hospitality	None

APPENDICES

Ms Gemma K Hobcraft

Direct employment and consultancies	Self-employed Barrister
Fee-paid work other than HFEA	Author's royalties
Shareholdings	None
Other public appointments and committee memberships	Government Equalities Office appointment as a 'Public Appointment Ambassador'
Other	Executive Committee Member of Human Rights Lawyers Association; Trustee of Brook
Registration of hospitality	None

Prof Emily Jackson

Direct employment and consultancies	Professor of Law at the London School of Economics
Fee-paid work other than HFEA	External examining; Occasional honoraria for lectures and for acting in an advisory capacity; Author's royalties from academic publishers
Shareholdings	None
Other public appointments and committee memberships	None
Other	Member of: BMA Medical Ethics Committee; Medical Research Council Ethics and Public Involvement Committee
Registration of hospitality	None

Prof Lisa Jardine CBE

Direct employment and consultancies	Director of the Centre for Editing Lives and Letters; Centenary Professor of Renaissance Studies at Queen Mary, University of London
Fee-paid work other than HFEA	Royalties from academic publications; Journalism and media
Shareholdings	None
Other public appointments and committee memberships	Trustee of the V&A Museum; Patron of the Archives and Records Association; Non-Executive Director of The National Archives
Other	Fellow of the Royal Historical Society; Honorary Fellow of King's College, Cambridge and Jesus College, Cambridge; Honorary Doctorates at: Sheffield Hallam, St. Andrews, Aberdeen and the Open University; Honorary Bencher of the Honourable Society of the Middle Temple; Member of the Labour Party
Registration of hospitality	None

Rev Mr Ermal Kirby

Direct employment and consultancies	A post-holder in the Methodist Church, receiving a stipend from the national body and expenses from the London District.
Fee-paid work other than HFEA	None
Shareholdings	None
Other public appointments and committee memberships	None
Other	Trustee of M B Reckitt Charitable Trust
Registration of hospitality	None

APPENDICES

Prof William Ledger

Direct employment and consultancies	Professor of Obstetrics and Gynaecology, University of Sheffield; Honorary Consultant at the Sheffield Teaching Hospitals NHS Foundation Trust; Member Advisory Board - Ferring Limited
Fee-paid work other than HFEA	Honoraria for various academic presentations at scientific meetings
Shareholdings	None
Other public appointments and committee memberships	ESHRE Taskforce on Fertility and Society; Member of Council - Royal College of Obstetricians and Gynaecologists
Other	Research Funding from Ferring, Ipsen and SPD; Advisory Board for Merck, Sharpe and Dohme
Registration of hospitality	None

Mrs Clare J Lewis- Jones MBE

Direct employment and consultancies	Chief Executive at Infertility Network UK (INUK)
Fee-paid work other than HFEA	None
Shareholdings	None
Other public appointments and committee memberships	None
Other	Patient Representative on the British Fertility Society Management Committee; Member of: European Society of Human Reproduction and Embryology; Labour Party; Chair of: National Infertility Awareness Campaign; Association of Fertility Patient Organisations and Fertility Europe
Registration of hospitality	None

Ms Lillian Neville

Direct employment and consultancies	Senior Lecturer at University of Salford; Registered Nurse
Fee-paid work other than HFEA	None
Shareholdings	None
Other public appointments and committee memberships	Committee Member of the Association of Advanced Nurse Practice Educators (AANPE)
Other	Member of: Institute for Health and Social Care Research; Royal College of Nursing
Registration of hospitality	None

Dr Susan M Price

Direct employment and consultancies	Consultant in Clinical Genetics
Fee-paid work other than HFEA	Occasional work as an expert in legal cases requiring specialist genetic reports
Shareholdings	None
Other public appointments and committee memberships	None
Other	Fellow of the Royal College of Physicians; Member of: British Society of Human Genetics; European Society of Human Genetics; Skeletal Dysplasia Group; Genetics Club (a national forum to discuss ethical issues in genetics)
Registration of hospitality	None

APPENDICES

Prof Lesley Regan

Direct employment and consultancies	Professor and Head of Obstetrics and Gynaecology at Imperial College Healthcare NHS Trust at St Mary's Hospital; Deputy Head of Department of Surgery and Cancer (Development and Communications), Imperial College London
Fee-paid work other than HFEA	None
Shareholdings	None
Other public appointments and committee memberships	President of the Association of Early Pregnancy Units in the UK; Chair of: Women's Sexual and Reproductive Rights (WSSR); International Federation of Gynaecology and Obstetrics (FIGO); Royal College of Obstetricians and Gynaecologists (RCOG) Advocacy Committee Member of: RCOG Council; RCOG International Executive Board; Royal Society of Medicine - Global Health Steering Committee; Trustee of: NCEPOD, CHARM and GENESIS Trust; Wellbeing of Women
Other	Occasional fees for editorial/medical legal work and writing of reports
Registration of hospitality	None

Dr Alan R Thornhill

Direct employment and consultancies	Scientific Director and Person Responsible at The London Bridge Fertility, Gynaecology and Genetics Centre, London
Fee-paid work other than HFEA	Various academic presentations (for which expenses and honoraria awarded) Ad hoc consultancy work: Clinica Genesys, Bucharest, Romania Eurordis – Rare Diseases Europe
Shareholdings	None
Other public appointments and committee memberships	Secretary of the Alpha Scientists in Reproductive Medicine
Other	None
Registration of hospitality	None

“THE HFEA STRIVES
TO ENCOURAGE
CONSISTENTLY HIGH
QUALITY STANDARDS
OF TREATMENT
AND RESEARCH IN
THE SECTOR BY
PUTTING THE PATIENT
EXPERIENCE FIRST.”





04

Remuneration Report

Remuneration Report

The HFEA develops its remuneration recommendations based on the Civil Service Pay Guidance issued annually by HM Treasury.

For the last two years pay in the public sector has been frozen and the HFEA's remuneration recommendations have accordingly reflected that fact.

Reward agreements have been within the HFEA budget set through the Arm's Length Body (ALB) team at the Department of Health.

Reward systems and approval mechanisms

Pay levels, including a recommendation to freeze pay, are reviewed annually through the Remuneration Committee which has specific responsibility to monitor overall levels of remuneration and to approve the remuneration of the Chief Executive and the Directors.

Duration of contracts, notice periods and termination payments

Members of staff in Bands 1 (Assistant grade) and 2 (Officers) have six weeks' notice of termination of contract. Members of staff in Band 3 (Managers) and above have three months notice of termination of their contracts. Termination payments are made only in appropriate circumstances. In cases where gross misconduct has occurred no termination payments are made.

Chair and Non-Executive Members

The Chair of the Authority, Professor Lisa Jardine, was appointed on 17 January 2008 and took up the post on 1 April 2008. Since 1 October 2009, Professor Jardine has been remunerated on a part-time basis directly by the Authority. Details are set out on page 57 to these accounts.

The remuneration levels of the Authority Members are set nationally. Revisions are made in accordance

with the agreement on the Pay Framework for ALB Chairs and Non-Executive Directors, announced in March 2006. The HFEA implements the revisions when instructed.

With effect from 1 April 2010, all Authority Members were transferred from a daily rate basis of remuneration to fixed salary rates consistent with comparable ALBs.

Chief Executive and Directors

The Chief Executive's pay is set in accordance with the recommendation of the Chair, subject to the review of the Remuneration Committee and agreement of the sponsor branch at the Department of Health.

Remuneration of the Directors must be approved by the Remuneration Committee and is based on proposals received from the Chief Executive.

All staff

In the Performance Development Planning (PDP) process, all staff are assessed on their performance and given a performance category box marking, which is then translated into performance related pay.

Consistent criteria are applied to all staff, including Directors. To ensure fairness across the organisation there is a moderation process managed by the Senior Management Team (SMT).

As noted above, in line with public sector pay constraints in force during financial year 2011/12, no consolidated pay increases were awarded to staff. A number of non-consolidated small bonus awards were recommended for certain qualifying members of staff, within HM Treasury parameters.

Recommendations for revised salary bands and any increases for each level of performance are reviewed by the SMT and approved by the Remuneration Committee. In practice, the pay freeze has meant that no such approvals were sought during this past business year.

New posts

All new posts or posts with changed responsibilities are subject to a formal job evaluation process (Paypoints II) before recommendations for pay or changes to pay are made.

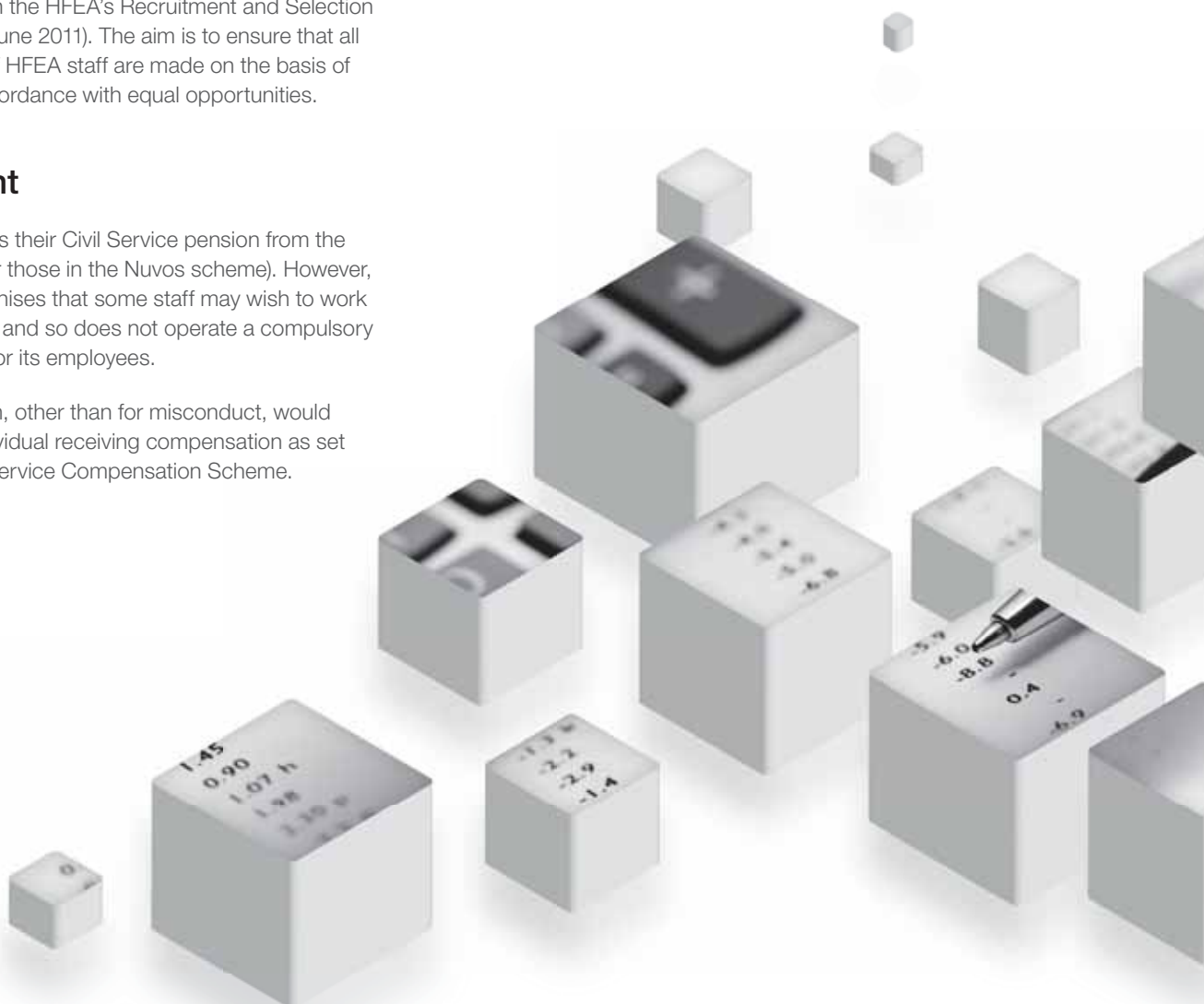
Appointments

The HFEA has, like other public bodies, been subject to a recruitment freeze over the past two years. Within that freeze the HFEA has the ability to re-appoint to posts designated 'front-line', and can seek approval from the Department of Health to re-appoint to posts designated 'business critical'. All appointments are made in accordance with the HFEA's Recruitment and Selection Policy (revised June 2011). The aim is to ensure that all appointments of HFEA staff are made on the basis of merit and in accordance with equal opportunities.

Retirement

Staff may access their Civil Service pension from the age of 60 (65 for those in the Nuvos scheme). However, the HFEA recognises that some staff may wish to work beyond this age and so does not operate a compulsory retirement age for its employees.

Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.



Salary and pension entitlements

The following sections provide details of the remuneration and pension interests of the Chief Executive and Directors. Figures in the following tables are subject to audit.

Chief Executive: Mr Alan Doran CB

From 1 April 2011 to 31 March 2012, Mr Doran's contractual salary and pension entitlements were:

Salary	Real Increase in Pension at age 60	Real Increase in Lump Sum	Total Accrued Pension at age 60 at 31 March 2012	Related Lump Sum at 31 March 2012	CETV at 1 April 2011	CETV at 31 March 2012	Real Increase in CETV as Funded by HFEA
Band £'000	Band £'000	Band £'000	Band £'000	Band £'000	Nearest £'000	Nearest £'000	Nearest £'000
180-185 (2010/11 170-175 ²⁶)	(0-2.5) (2010/11 2.5-5)	0-2.5 (2010/11 0-2.5)	95-100 (2010/11 95-100)	0-5 (2010/11 0-5)	1,811	1,820	(50)



Mr Doran left on 31 March 2012. Included in the salary noted above is a payment for leave accrued but not taken in the band £15k - £20k. In addition to the salary noted above he received a lump sum compensation payment in the band £70k-£75k. Mr Doran's salary and the foregoing payments were paid directly by the Authority, and were approved by both the HFEA Remuneration Committee and the Department of Health. No benefits-in-kind were paid by the HFEA to Mr Doran.

²⁶ This figure includes a bonus payment (in relation to 2009/10) in the band £5,001-£10,000.

Directors

The Government Financial Reporting Manual requires the HFEA to provide information on the salary and pension rights of the named individuals who are the most senior managers of the HFEA, subject to the individuals concerned consenting to disclosure.

The salary and pension entitlements of the most senior managers in the HFEA during the period were:

Name of Director	Salary	Real Increase in Pension at age 60	Real Increase in Lump Sum	Total Accrued Pension at age 60 at 31 March 2012	Related Lump Sum at 31 March 2012	CETV at 1 April 2011	CETV at 31 March 2012	Real Increase in CETV as Funded by HFEA
	Band £'000	Band £'000	Band £'000	Band £'000	Band £'000	Nearest £'000	Nearest £'000	Nearest £'000
Mr Mark Bennett Director of Finance and Facilities	95-100 (2010/11 95-100)	0-2.5 (2010/11 0-2.5)	0-2.5 (2010/11 0-2.5)	5-10 (2010/11 0-5)	0-5 (2010/11 0-5)	60	88	20
Mr Nick Jones Director of Compliance (appointed 1 June 2010)	95-100 (2010/11 75-80 (full year equivalent 95-100))	0-2.5 (2010/11 0-2.5)	0-2.5 (2010/11 0-2.5)	0-5 (2010/11 0-5)	0-5 (2010/11 0-5)	14	32	14
Mr Peter Thompson Director of Strategy and Information	90-95 (2010/11 90-95)	0-2.5 (2010/11 0-2.5)	0-2.5 (2010/11 0-2.5)	20-25 (2010/11 20-25)	0-5 (2010/11 0-5)	322	353	2

All senior managers are employed on a permanent basis, and are covered by the terms of the Principal Civil Service Pension Scheme. No bonuses or benefits in kind were paid by the HFEA to senior managers in the year.

Mr Peter Thompson was appointed Chief Executive with effect from 1 April 2012. He retains oversight of his Director level responsibilities for Strategy and Information.

MEDIAN PAY AND MULTIPLES

2011/12		2010/11	
Band of Highest Paid Director's Total Remuneration	£255k-£260k	Band of Highest Paid Director's Total Remuneration	£170k-£175k
Band of Highest Paid Director's Gross Salary Only	£160k-£165k	Band of Highest Paid Director's Gross Salary Only	£160k-£165k
Median Total Remuneration	£36,485	Median Total Remuneration	£36,000
Ratio - Total Remuneration	7.0	Ratio - Total Remuneration	4.8
Ratio - Gross Salary Only	4.5	Ratio - Gross Salary Only	4.5

Under new reporting requirements, public sector bodies are required to disclose the relationship between the total remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

The highest paid Director for this comparison was the Chief Executive. The higher remuneration stated relates to total remuneration, the lower to gross salary only, and excludes any other payments. The gross salary only and related ratio show a fairer position for year-on-year comparison.

The HFEA is a London-based small expert organisation whose work requires scientific and other professional or graduate-level skills. Consequently, median pay is higher than that for a number of other public sector bodies.

In 2010/11, due to a number of temporary lower-paid posts relating to project work, overall median pay was less than that for the permanent workforce only. This effect disappeared in 2011/12. During both years a pay freeze was in operation.

Definitions

'Salary' includes gross salary, performance pay or bonuses, and any other allowance that is subject to UK taxation.

'Total remuneration' includes salary, non-consolidated performance-related pay and benefits in kind as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

'Benefits in kind' covers the monetary value of any benefits provided by the employer.

This report is based on payments made by the HFEA and thus recorded in these accounts.

Civil Service pensions

As per 2001 Statutory Instrument No. 1587, HFEA staff were conditionally admitted to the Principal Civil Service Pension Scheme (PCSPS) as from 1 April 2000, transferring from the HFEA by-analogy Scheme.

The PCSPS is an unfunded multi-employer defined benefit scheme but the HFEA is unable to identify its share of the underlying assets and liabilities. A full actuarial valuation was carried out as at 31 March 2007 by the Scheme Actuary, Hewitt Bacon Woodrow. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservice.gov.uk/pensions).

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, staff may be in one of four defined benefit schemes; either a "final salary" scheme (Classic, Premium, or Classic Plus) or a "whole career" scheme (Nuvos). The statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under Classic, Premium, Classic Plus and Nuvos are increased in line with Pensions Increase legislation. New entrants joining from October 2002 may opt for either the appropriate defined benefit arrangement or a "money purchase" stakeholder pension with an employer contribution (Partnership Pension Account).

Employee contributions are set at the rate of 1.5% of pensionable earnings for Classic and 3.5% for Premium, Classic Plus and Nuvos. Increases to employee contributions apply from 1 April 2012. Benefits in Classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years' initial pension is payable on retirement. For Premium, benefits accrue at the rate

of 1/60th of final pensionable earnings for each year of service. Unlike Classic, there is no automatic lump sum. Classic Plus is essentially a hybrid, with benefits in respect of service before 1 October 2002 calculated broadly as per Classic and benefits for service from October 2002 calculated as in Premium. In Nuvos a member builds up their pension based on his or her pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March), the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. In all cases, members may opt to commute pension for a lump sum up to the limits set by the Finance Act 2004.

The Partnership Pension Account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of three providers. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is that which the member is entitled to receive when they reach pension age, or immediately upon ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of Classic, Premium, and Classic Plus and 65 for members of Nuvos.

REMUNERATION REPORT

For 2011/12, employer's contributions of £558,676 were payable to the PCSPS in respect of staff directly employed by the Authority (2010/11: £598,962) at one of four rates in the range 16.7% to 24.3% (2010/11: 16.7% to 24.3%) of pensionable pay, based on salary bands. The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. In 2012/13 the rates will be in the range 16.7% to 24.3%. The contribution rates are set to meet the cost of benefits accrued during 2011/12 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

For 2011/12, Partnership Pension Account employer's contributions of £15,305 were payable in respect of staff directly employed by the Authority (2010/11: £14,510) to one or more companies chosen by employees from the panel of three appointed stakeholder pension providers. No contributions were due to partnership pension providers at the balance sheet date (2010/11: £nil).

Further details about the Civil Service pension arrangements can be found at the website www.civilservice.gov.uk/pensions.

Lord Hutton's review of public sector pensions (March 2011) contained a number of recommendations for reforms which were accepted by the Government. These included increases to members' contributions with effect from April 2012 and a new pension scheme with effect from April 2015. Further information in respect of these and other changes to the PCSPS can be obtained from www.civilservice.gov.uk/pensions/reform.

Cash Equivalent Transfer Values

The tables on pages 52 to 53 show the Chief Executive's and Directors' Cash Equivalent Transfer Values (CETV) accrued at the beginning and the end of the reporting period as provided by the Civil Service Pension Scheme.

A CETV is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the

scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme.

The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing pension benefits at their own cost.

CETVs are worked out in accordance with The Occupational Pensions Schemes (Transfer Values) (Amendment) Regulations 2008, and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

The factors used in the CETV calculation were revised during the year. This means that the opening CETV values shown in this year's report will differ to the amount shown as the closing CETV values in last year's report.

Real increase in Cash Equivalent Transfer Values

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Compensation paid – exit packages

Six members of staff received compensation packages during the year, including the outgoing Chief Executive, Mr Alan Doran:

Exit package cost band	Number of compensation packages
£10,001 - £25,000	1 (2010/11 nil)
£25,001 - £50,000	4 (2010/11 nil)
£70,000 - £75,000	1 (2010/11 nil)

These compensation costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in full in the year of departure.

Register of interests

Details of company directorships and other significant interests declared by Authority Members can be found in Appendix VI and on our website, www.hfea.gov.uk.

The HFEA also maintains a register of company directorships and other significant interests declared by senior management. Persons wishing to view this register should apply via email to the Director of Finance and Facilities at enquiriesteam@hfea.gov.uk.

Remuneration of Authority Members

Membership of the Human Fertilisation and Embryology Authority during the year ended 31 March 2012 was as follows:

Prof Lisa Jardine CBE
(Chair of the Authority and Remuneration Committee)

Prof Emily Jackson
(Deputy Chair and member of the Remuneration Committee)

Mr Hossam I Abdalla FRCOG

Prof David Archard

Ms Debbie Barber

Ms Anna Carragher

Mrs Sally Cheshire
(Chair of the Audit and Governance Committee and member of the Remuneration Committee)

Dr Mair A Crouch

Ms Jane Dibblin

Ms Rebekah Dundas

Mrs Ruth Fasht OBE

Dr Andy Greenfield

Prof Neva Haites OBE

Ms Gemma K Hobcraft

Rev Mr Ermal Kirby
(resigned 31 December 2011)

Prof William Ledger
(resigned 19 April 2011)

Mrs Clare J Lewis-Jones MBE
(formerly Brown) (resigned 31 May 2011)

Ms Lillian Neville

Dr Susan M Price

Prof Lesley Regan

Dr Alan R Thornhill

Chair's remuneration

From 1 October 2009, Professor Jardine was remunerated directly by the Authority as Chair on a part-time basis.

During financial year 2011/12 the salary of Professor Jardine from the Authority was in the band £55k - £60k. No pension contributions were paid.

Other Members' remuneration

Aggregate remuneration payable to individual Members was in the following bands:

£0 - £5,000	
Prof William Ledger	
Mrs Clare J Lewis-Jones MBE (formerly Brown)	
£5,001 - £10,000	
Mr Hossam I Abdalla FRCOG	Ms Gemma K Hobcraft
Prof David Archard	Prof Emily Jackson (Deputy Chair)
Ms Debbie Barber	Rev Mr Ermal Kirby
Ms Anna Carragher	Ms Lillian Neville
Dr Mair A Crouch	Dr Susan M Price
Ms Jane Dibblin	Prof Lesley Regan
Ms Rebekah Dundas	Dr Alan R Thornhill
Mrs Ruth Fasht OBE	
Dr Andy Greenfield	
Prof Neva Haites OBE	
£10,001 - £15,000	
Mrs Sally Cheshire (Chair of the Audit and Governance Committee)	

No pension contributions were paid on behalf of any Member.

Appeals Committee

The Appeals Committee Chair receives a fee of £273 per day. The Appeals Committee Deputy Chair receives a fee of £208 per day and Appeals Committee Members receive a fee of £190 per day. No pension contributions were paid on behalf of any Appeals Committee Member.

No remuneration was paid to Appeals Committee Members during the year.

Travel and subsistence

From September 2009 information regarding travel and subsistence claimed by Authority Members and senior management has been published on the Authority's website, www.hfea.gov.uk.

Total travel and subsistence paid to Authority Members and Senior Management during 2011/12 is as follows:

Name	Air	Rail/ Tube	Taxi/ Car/ Parking	Accommodation/ Meals	Other	Total
	£	£	£	£	£	£
Senior Management	458	655	229	286	21	1,649
Authority Members	6,311	9,917	1,746	2,914	1,120	22,008
Appeals Committee Members	-	-	-	-	-	-
TOTALS	6,769	10,572	1,975	3,200	1,141	23,657

Audit

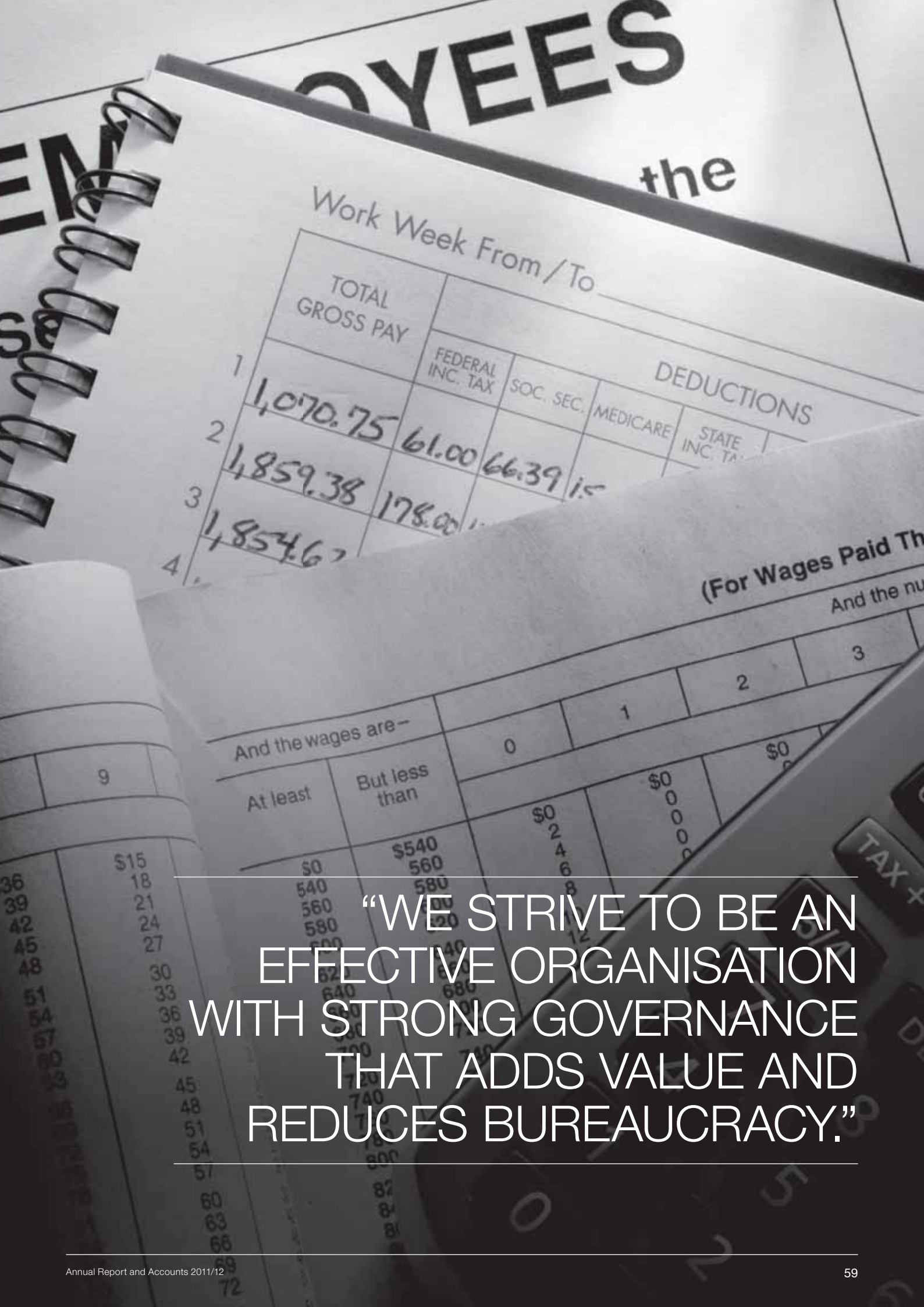
Certain of the disclosures in the Remuneration Report are subject to audit. These include salaries and allowances, bonuses, expense allowances, compensation for loss of office and non-cash benefits for each Senior Manager and Member who served during the year.



Mr Peter Thompson

Chief Executive

26 June 2012



PAYEE'S

the

Work Week From / To _____

	TOTAL GROSS PAY	DEDUCTIONS			
		FEDERAL INC. TAX	SOC. SEC.	MEDICARE	STATE INC. TAX
1	1,070.75	61.00	66.39	1.5	
2	1,859.38	178.00			
3	1,854.67				
4					

(For Wages Paid Thru _____)
And the number _____

And the wages are -

At least But less than

0

1

2

3

\$0 2 4 6 8

\$0 0 0 0 0

TAX +

“WE STRIVE TO BE AN
EFFECTIVE ORGANISATION
WITH STRONG GOVERNANCE
THAT ADDS VALUE AND
REDUCES BUREAUCRACY.”

“WE ARE INCREASINGLY
CONFIDENT THAT WE CAN
LEARN FROM OURSELVES
AND THE SECTOR...”



05

Statement of the Responsibility
of the Authority and Chief Executive



Statement of the Responsibility of the Authority and Chief Executive

Authority Members' responsibilities

Under section 6(1) of the Human Fertilisation and Embryology Act 1990 (as amended), the HFEA is required to prepare a statement of accounts for each financial year in the form and on the basis determined by the Secretary of State, advised by HM Treasury. The accounts are prepared on an accruals basis, and must show a true and fair view of the Authority's state of affairs at the year-end, its net expenditure, changes in taxpayers' equity and cash flow for the financial year.

In preparing the accounts the Authority is required to comply with the requirements of the Government Financial Reporting Manual, and in particular to:

- Observe the Accounts Directions issued by the Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- Make judgements and estimates on a reasonable basis
- State whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Authority will continue in operation. The statements have been prepared on the going concern basis as there are no formal grounds to consider this inappropriate.

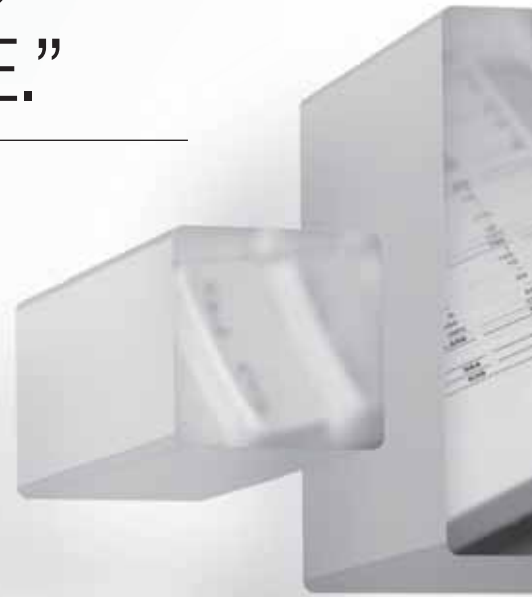
Accounting Officer's responsibilities

The Accounting Officer of the Department of Health has designated the Chief Executive of the HFEA as the Accounting Officer for the Authority. His responsibilities include responsibility for the propriety and regularity of the public finances for which he is answerable, for keeping proper records and for safeguarding the Authority's assets, as set out in Managing Public Money published by HM Treasury.

The following section, containing the Annual Governance Statement, describes how these responsibilities are fulfilled, risk is managed and a system of effective controls is maintained and operated. The National Audit Office then reports, where appropriate and by exception, on the compliance and performance of this framework in its Certificate and Report in section 7.



“...THE HFEA HAS BECOME
MORE MODERN, MORE
NIMBLE, MORE ABLE TO
MANAGE CHANGE AND
MORE COST EFFECTIVE.”



06

Annual Governance Statement



Annual Governance Statement

Our background environment

This statement sets out how we have achieved our core objectives, and how we make effective use of resources and strive to continuously improve.

As for last year, there are major uncertainties surrounding the organisation's future. This uncertainty sits alongside the constantly changing environment provided by new scientific developments in fertility treatment, with ethical implications. There are changes in the way that the NHS commissions fertility treatment in light of wider changes to NHS structures. The sector continues to grow, with 63,500 cycles reported to us in 2011 (compared to 53,800 in 2008, growth of over 5% per year).

Any proposed transfer of functions to another body must constitute a risk to our continued performance of statutory functions. The Department of Health had indicated a consultation on options as regards the transfer of functions undertaken by the HFEA and Human Tissue Authority in summer 2011. However at the time of writing the consultation has not been published.

Until proposals emerge it is difficult to assess risks with any certainty. Uncertainty generates risk. Our assessment is that any transfer is unlikely to take place before 2014/15. A key factor for us is ensuring that we retain Members on the Authority beyond autumn 2012, as that is when Members' terms will end. We are working with the Department of Health to ensure Members are either re-appointed or replaced.

We are working with the Care Quality Commission (CQC) to explore opportunities for cost-sharing. Good progress has been made in office services and human resources and we continue to explore additional areas. We have taken up opportunities provided by the Department of Health's shared services programmes, in particular internal audit, office supplies and travel purchasing (the latter effective from May 2012).

The HFEA remains determined to ensure that the quality of its statutory work and the morale of its staff remain as high as possible.

In the period 2011/12, the HFEA reduced its headcount by 15% (to 73 by 31 March 2012), cut its recurring Grant-in-Aid from the Department of Health by 33% (to £1.4m for 2012/13) and reduced its treatment fees to the sector by 28% from 1 October 2011, with approval from HM Treasury. Our budgeted costs are planned to reduce to £6.1m in 2012/13, from £8m in 2010/11. We also returned £1.1m of Grant-in-Aid in 2011/12 as our fee income and cost management both exceeded expectations. We have carried vacancies, redesigned business processes, adapted to Government spending restrictions and moved from a relatively expensive property to a smaller, less expensive office on a floor in the London office of CQC.

We continue to review services, benchmark them appropriately and implement changes where necessary. There will be some further reduction in headcount and cost base over the coming year.

We have possibly reached the point where any transfer of functions has the potential to increase costs. This is a matter for others. This, then, is the context in which the HFEA is operating.

The Governance Framework of the HFEA

The Human Fertilisation and Embryology Act 1990 (as amended) (the Act) and HFEA Standing Orders establish the governance framework and permit the Chair and the Members, who comprise the Authority, to be supported by the Executive, comprising the Officers. In order to manage HFEA business, the Authority has established a series of standing committees, with terms of reference and membership described in Standing Orders. These are regularly reviewed, most recently by the Authority in December 2011.

The following table sets out the standing committees, and frequency of meetings and summarised attendance records. As the table shows, Authority Members have a good attendance record, and there is rarely an issue with quoracy.

STANDING COMMITTEES' STRUCTURE, MEETINGS, MEMBERS AND ATTENDANCE

	No. of meetings	No. of Members as at 31 March 2012	Avg. attendance %
Authority	7	18	81
Compliance Committee	10	6	96
Audit and Governance Committee (AGC)	4	5	90
Research Licence Committee	4	6	100 quorate (62 attendance)
Licence Committee	12	8	100 quorate (63 attendance)
Executive Licensing Panel (ELP)	25	3 (4 reserves)	100 quorate
Remuneration Committee	5	3	93
Appeals Committee	0	7	n/a

The key executive meeting is the Corporate Management Group (CMG), chaired by the Chief Executive and attended by Directors and the majority of Heads of Departments. It meets monthly and considers routine and important matters of executive business.

THE PURPOSE OF THE SYSTEM OF GOVERNANCE

The system of governance is designed to provide internal control, assurance over the operation of these controls, and the oversight and other processes to manage risk at a reasonable level rather than to eliminate all risk of failure to achieve policies, statutory functions, aims and objectives. The overall intention is to ensure the responsibilities of the Authority Members and the Chief Executive, as described in the previous section, are met.

The HFEA operates this as an evolutionary process designed to identify and prioritise the risks to the achievement of policies, statutory functions, aims and objectives. It also evaluates the likelihood of those risks being realised, the impact should they be realised and the controls in place to mitigate them efficiently, effectively and economically. The HFEA complies with the requirements of the Corporate Governance Code in so far as they relate to public bodies. The system of governance was in place in the HFEA for the year ended 31 March 2012 and up to the date of approval of the annual report and accounts, and accords with HM Treasury guidance.

Corporate Governance in the HFEA

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the HFEA policies, aims and objectives, as set out in the Act, the Authority's Business Plan, and by Ministers within the Department of Health, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money. Overall, the reports of our external auditors, the National Audit Office (NAO), indicate that financial, asset and accounting controls are in place, complete, and of a high standard. The reports of internal audit also make an important contribution to this assurance.

The Management Statement, agreed between the Department of Health and the HFEA, sets out the accountability framework within which the Authority's work will be monitored. This requires:

- Prior approval by the Department of the HFEA Annual Business Plan
- Submission to the Department of quarterly monitoring information on progress in implementing the Business Plan
- An annual accountability meeting between Department of Health Ministers and the Chair and Chief Executive of the HFEA.

ANNUAL GOVERNANCE STATEMENT

Department of Health representatives regularly attend Authority meetings and meetings of the Audit and Governance Committee (AGC). Close liaison has been maintained with the Department given the changes arising from the Government's Arm's Length Bodies (ALBs) review²⁷ and Department of Health restructuring. In addition to the formal accountability framework, there have been regular meetings with the Department of Health sponsor and transition teams.

Withdrawal and restriction of several of the procurement responsibilities of all ALB Accounting Officers has continued, although some have been partly relaxed. For a small organisation with an ambitious workload, and a small external spend, we have complied with the controls. We continue to spend much less in restricted areas than before. Evidence of success can be found in lower headcount, reduced salary costs beyond those expected by the reduction in staff numbers (because we have cut our senior staff further) and reduced running costs.

Highlights of Authority and Standing Committee reports

The work of the Authority and its standing committees is summarised elsewhere in the annual report and detailed on the HFEA website. Control matters are reported to both the Authority and Department using the same Directorates Report that seeks to set out effective key performance indicators. This report has evolved considerably over the last few years and continues to do so. The report provides a strategic perspective on resourcing and delivery. The Authority discussed and approved the annual Business Plan, approved the budget, and discussed and approved several key policy and regulatory developments during the year.

The Authority also sits as the Oversight Committee for disclosure of information for research purposes. It fulfilled this duty during the year. In addition, the Appeal Committee had one appeal lodged, which was extant at end March 2012.

The AGC fulfilled its delegated powers by approving last year's Statement of Internal Control, overseeing the audit functions and scrutinising the financial

statements in detail on behalf of the Authority. The Members then approved the Annual Report for publication. AGC works on a cycle of four meetings a year covering themes and requiring Directors and the Chief Executive to attend at least annually, when the theme of the meeting corresponds to their functional responsibility. It has already reviewed a draft of this statement and will approve it, before publication, on behalf of the Authority.

The Remuneration Committee consists of the three senior Members and meets when business requires. Although, as last year, a pay freeze was in operation, pay remit proposals were considered and approved by the Committee, as were other matters relating to human resources and remuneration, including business cases for a few voluntary redundancies.



²⁷ www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_117691

HFEA risk and capability assessment

The HFEA has no newly identified major risk to report and has continued to operate its risk management to adapt and respond to changes. During the year, the HFEA successfully arranged an office move and established closer working relationships with CQC either of which could have proved destabilising. The HFEA also announced new policies on gamete donation that, at the time of writing, seem to have gained widespread acceptance notwithstanding the diversity of views expressed when they were announced. Finally, the HFEA is pleased to have been requested by the Secretaries of State for Health and for Business, Innovation and Skills to lead a public consultation on the ethical and regulatory aspects of new treatments for mitochondrial disease. This builds on the scientific work the HFEA was requested to manage earlier and is a positive recognition of the capability of the organisation to deliver important pieces of work.

The HFEA has received no ministerial directions during the year. Towards the end of 2011/12, the size of the HFEA bank balance became a subject both of discussion between the HFEA and the Department of Health and some media interest. The HFEA has acted to ensure that its statutory operations are not at risk, whatever is agreed between the Authority and Department in respect of the balance.

The HFEA corporate risk management process aims to help Members and staff to consider risk, its probability and impact, and the controls in place for management and mitigation purposes, in a consistent manner.

This is achieved using a High Level Risk Register, team level operational risk logs, and the monitoring of project-specific risks. The process also recognises that risk exposure varies with new activities, or changes to existing activities, and therefore regular reviews are conducted. Such a process is of particular value in the circumstances the HFEA currently faces.

The HFEA has an organisation-wide approach to managing risk. This takes place at departmental and strategic level through the Senior Management Team (SMT), CMG, Standing Committees, the Authority itself and internal audit. The Authority reviews the effectiveness of risk management regularly during the year. Each functional committee of the HFEA reviews its activities and arrangements at least once each year, with actions reported to Authority as appropriate.

The AGC reviews strategic risks associated with the achievement of key Business Plan objectives, using a framework based on the Treasury model, reviewing the High Level Risk Register at each meeting. Risks are also considered regularly by CMG. The Authority also has regular oversight of the High Level Risk Register.

It is recognised that effective risk management requires adequate resourcing and this is reflected in the organisation structure – however, due to the imposed restrictions, staffing levels are reducing. This features prominently in the Risk Register, though the scope for the HFEA to mitigate any resulting exposure is limited. The Head of Business Planning has specific responsibility for supporting risk management across the organisation and inducting new staff in risk management processes. It is recognised that all staff must be involved in, and have some understanding of, risk management.

All operational managers and project managers are actively involved in risk management and all either attend or are represented on CMG and/or Programme Board.

The HFEA also has in place a business continuity plan setting out back-up working arrangements in the event that the HFEA's office building, or the area around it, is inaccessible. The contact cascade for the business continuity plan was tested successfully during 2011, and managers keep a copy of the plan at home for reference during any emergency that may arise.

ATTITUDE TO RISK

The HFEA attitude to risk is to adopt a proportionate and balanced approach. Risk is defined as something that may jeopardise the Authority's ability to perform its statutory functions or something that may lead to an inability to achieve Business Plan objectives. This could also include failure to identify and take advantage of new opportunities. During the past year, the HFEA has had to assess which risks, or parts of risks, it could influence, and focus on achievable mitigations and practical opportunities.



APPETITE FOR RISK

As a regulator, the HFEA intrinsic risk appetite should reflect that of its sector. Whereas some aspects, e.g. 'standard' IVF (In vitro fertilisation with known partners) treatments, may be considered mature or maturing and therefore low risk, there are others where social, political and medical technologies change and interests are high. There are a number of factors involved:

- The continued implementation of the amended Act and decisions of the Authority arising
- The continuing impact of Government in redrawing the public sector in the UK
- The changes arising to ALBs, the NHS and Department of Health
- Fertility developments within the EU and internationally
- The coming to maturity of donor-conceived children in increasing numbers.

The HFEA risk appetite reflects the above and was last increased in 2010/11. The organisation continues to have a medium risk appetite. The HFEA considers it has a sound approach to the major issues and trends for change that it faces and is aware of the risks of complacency and of managing an organisation and staff with an uncertain future.

HFEA performance, including assessment of own effectiveness

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. This review is informed by the work of the internal auditors, Directors and the executive managers within the HFEA who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review by the Authority, the AGC, SMT and CMG. Processes to address weaknesses and ensure continuous improvement of the system are in place. Each Standing Committee reviews its effectiveness and performance and, where relevant, reports this to the Authority. In addition, the Authority reviewed and updated its Standing Orders during the year.

By the end of 2011, I had completed an Internal Governance Review and the organisation an internal evaluation of Programme 2010. Taken together, these confirmed that the significant changes made to statutory processes and the organisation to equip the HFEA for the new legislation had, broadly, worked and delivered the intended benefits. A major lesson learned was to ensure that continuous improvement was embedded in the management culture of the organisation.

Programme and project level controls are also in place, with a Programme Officer to assist in the development of effective project management practice. Project managers consider the risks associated with delivery of their objectives within each project and report to a monthly Programme Board, which in turn reports each month to CMG. All new pieces of work proposed must have a supporting business case and project initiation document, which contains an analysis of the risks of doing and not doing the work. The HFEA continues to train and develop its people in project management. Finally, the role of project sponsor (usually a Director for high-profile projects) has been refreshed to assist project managers to both 'keep their eyes on the ball' and also obtain needed support from around the organisation to deliver project objectives.

The new Internal Audit service developed a work plan, obtained AGC approval for it, and has reviewed the management of key areas of work during the year. It has reported to AGC that in respect of the arrangements examined by it for the year to 31 March 2012, it found no fundamental weaknesses or deficiencies and was of the opinion that the Authority could rely on the arrangements in all material respects.

Operation of the Risk and Control Framework

RISK REGISTER AND OPERATIONAL RISK LOGS

The High Level Risk Register is underpinned by a system of individual departmental operational risk logs. This operational risk system enables risks, if relevant, to be escalated to the High Level Risk Register via Directors or the Head of Business Planning. In this way, serious issues are referred to CMG for further consideration.

ANNUAL GOVERNANCE STATEMENT

The assessment of risks is integrated into the business planning process, and the Risk Register is reviewed against the new objectives being developed for the Business Plan each year. The system of internal control includes an identification of key risks associated with delivery of operational objectives within each Directorate, and within individual projects, and the controls to mitigate them. Individual Directors have formally ensured that these key elements of risk management and control are functioning within their respective directorates.

REGULATORY RISK MANAGEMENT

A key obligation of the HFEA is to regulate the assisted fertility sector and assess specific and general compliance with statute, regulation and good practice. The HFEA launched a new tool to assess clinic compliance risk at the end of 2010/11 and a new clinics database was launched during 2011. These new systems, further updates to the Code of Practice and regular review of evidence from self-assessment questionnaires, incidents and inspections, are all designed to improve our capacity to use information in a coherent manner and regulate effectively. Our ability, therefore, to appraise the overall compliance of the sector, the risks of its activities and to understand the singularity of a particular clinic or reported change has improved significantly during the last year.

INFORMATION MANAGEMENT

A Knowledge and Information Management Strategy was approved in 2010/11. This strategy has, as its main objectives to:

- Interrogate and add value to the data held in the Register and other repositories, sharing what is permitted within statutory limitations, and making greater use of trend analysis to inform HFEA work and the sharing of information
- Promote openness and transparency by proactively publishing information, making greater use of social media and stakeholder events, and to fulfil statutory information provision functions
- Ensure that the HFEA collection of data and information is restricted to what is either required by statute or what is necessary to carry out regulatory activity, develop evidence-based policy or to better inform patient choice and service the HFEA role as an information provider

- Ensure the HFEA achieves best practice in its corporate and information governance, conforming to recognised standards and maintaining accurate, timely records
- Increase the capabilities and efficiency of HFEA staff, creating a culture where knowledge sharing is powerful and where expertise is shared by many in a learning environment.

INFORMATION SECURITY

In accordance with our responsibilities under section 33A of the HFE Act (as amended), the HFEA has in place various robust and specific arrangements to ensure information security, including a Security Policy that applies to all staff.

All staff and Members complete the online annual National School of Government course for protecting information to Level 2 or 3.

The HFEA has a register of its information assets in an Information Assets Owners Log, which identifies responsible officers and enables the HFEA to help them manage their responsibilities in respect of these systems properly, particularly in respect of personal data. It has also developed a systems map showing key interdependencies between shared data and systems.

Other arrangements include:

- Secure and confidential storage of and limited access to Register information
- Prevention of any unauthorised use of removable media such as USB memory sticks and data CDs with HFEA laptops and PCs
- A fixed asset register to record the location of and responsibility for items of IT equipment
- Stringent encryption standards
- A standard, thorough data wiping process for all obsolete and retired data-storage equipment.

The HFEA data security precautions have proved effective during the year. No actual data losses were reported but processes and systems were reviewed in the light of two near misses. The first concerned an archived box that the contractor was unable to locate temporarily, but was found following a request from the HFEA to investigate further.

The second occurred during the office move in July/August 2011, when a sub-contractor lost two encrypted laptops and a desktop – with no loss of identifiable personal data.

OFFICE MANAGEMENT

The HFEA operates a clear desk policy and has on-site shredders and confidential disposal arrangements in place. Before moving, a significant records management project successfully transferred all our primary records into electronic storage and trained staff in the use of the software. We therefore manage significantly less paper than before and have no physical archive.

INTERNAL INCIDENTS

The HFEA internal incidents procedure is used to identify when something significant has gone wrong and to enable the root causes of the failure to be identified and then addressed. A small number were reported during the year and actions undertaken as a result. I and my Directors promote constructive use of incident reports and ensure they are seen as a means of improvement.

FINANCIAL AND PAYROLL MANAGEMENT

A system of financial management is in place beginning with clear delegation of financial powers from myself to named officers. Financial Procedures and Financial Instructions are reviewed regularly and updated as needed, particularly to reflect updated governance and organisation. Duties over payments and handling of cash are clearly segregated and have appropriate oversight and departments are required to manage procurement and contracts in accordance with the published procedures.

Myself and my Directors, assisted by the Heads of Human Resources and Finance, perform the key roles in payroll matters and approvals. Finally, detailed transaction listings and management accounts enable the proper scrutiny, review and forecasting needed to manage the HFEA budget. An increasing data series is now publicly available from the HFEA website and **www.data.gov.uk** in accordance with Government requirements.

Overall conclusion

The assurance framework that is now in place enables me to highlight the relationships between key risks and the importance of a coordinated approach to their management. I consider, as do my fellow Directors who have each signed a copy of this statement, that the HFEA has a robust, proportionate and cost-effective framework in place to assure Members and the Department of Health that we effectively manage risk and ensure organisational and financial control.

Over the last twelve months, I consider that the HFEA has become more modern, more nimble, more able to manage change and more cost effective. This has built on the strong foundations already in place and has depended on the efforts of all staff. We are increasingly confident that we can learn, from ourselves and the sector, and be a positive influence on improved standards, better regulation and effective information provision.



Mr Peter Thompson

Chief Executive

26 June 2012



“...IMPROVED STANDARDS, BETTER
REGULATION AND EFFECTIVE
INFORMATION PROVISION.”



07

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament



The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

I certify that I have audited the financial statements of the Human Fertilisation and Embryology Authority ("the Authority") for the year ended 31 March 2012 under the Human Fertilisation and Embryology Act 1990 (as amended). These comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Accounting Officer and Auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Human Fertilisation and Embryology Act 1990 (as amended). I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Authority's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Authority; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements.

If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Opinion on Regularity

In my opinion, in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Opinion on Financial Statements

In my opinion:

- the financial statements give a true and fair view of the state of the Authority's affairs as at 31 March 2012 and of its net expenditure, changes in taxpayers' equity and cash flows for the year then ended; and
- the financial statements have been properly prepared in accordance with the Human Fertilisation and Embryology Act 1990 (as amended) and directions issued thereunder by the Secretary of State.

Opinion on Other Matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the Secretary of State's directions issued under the Human Fertilisation and Embryology Act 1990 (as amended); and
- the information given in the Chair and Chief Executive's Foreword, the Management Commentary and its Appendices included within the Annual Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements are not in agreement with the accounting records or returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

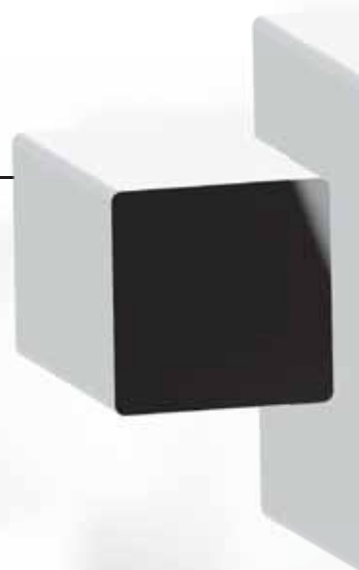
Report

I have no observations to make on these financial statements.

Amyas C E Morse
Comptroller and Auditor General
National Audit Office
157-197 Buckingham Palace Road
Victoria
London SW1W 9SP

Date: 2 July 2012

“THE RECURRING COST OF THE HFEA FELL IN 2011/12 AND WILL CONTINUE TO FALL IN 2012/13. THE HFEA WILL RECEIVE GRANT-IN-AID FROM THE DEPARTMENT OF HEALTH AT A REDUCED LEVEL...HAVING ALREADY ACHIEVED THE GOVERNMENT’S DESIRED REDUCTION OF 30%.”



08

Financial Accounts



Financial Accounts

Annual Report and Accounts 2011/12

STATEMENT OF COMPREHENSIVE NET EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2012

	Note	2011/12	2010/11
		£	£
Expenditure			
Staff Costs	2	4,333,538	4,582,781
Depreciation	3	130,766	332,763
Loss on Disposal of Assets	3	237	393
Other Expenditures	3	1,463,075	2,126,929
		5,927,616	7,042,866
Income			
Income from Activities	4	5,660,908	5,915,560
Other Income	4	360	27,736
		5,661,268	5,943,296
Net Expenditure		266,348	1,099,570
Interest Receivable		(4,622)	(2,702)
Net Expenditure after Interest		261,726	1,096,868
Other Comprehensive Expenditure			
Exceptional Items : Provisions (released) provided for in the year	11	(662,735)	1,030,000
Taxation		949	549
Total Comprehensive Expenditure for the year		(400,060)	2,127,417

STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2012

	Note	31 March 2012		31 March 2011	
		£	£	£	£
Non-current Assets					
Property, Information Technology and Office Equipment	5	63,673		135,777	
Intangible Assets	6	<u>84,513</u>		87,620	
Total Non-current Assets			148,186		223,397
Current Assets					
Trade and Other Receivables	8	1,231,850		1,569,184	
Cash and Cash Equivalents	9	<u>3,109,589</u>		<u>2,576,737</u>	
Total Current Assets			4,341,439		4,145,921
Total Assets			4,489,625		4,369,318
Current Liabilities					
Trade and Other Payables	10	572,939		616,734	
Provisions	11	<u>399,585</u>		<u>788,759</u>	
Total Current Liabilities			972,524		1,405,493
Non-current Assets plus Net Current Assets			3,517,101		2,963,825
Non-current Liabilities					
Provisions	11	<u>96,337</u>		<u>378,774</u>	
Total Non-current Liabilities			96,337		378,774
Assets less Liabilities			3,420,764		2,585,051
Taxpayers' Equity					
I&E Reserve			3,420,764		2,585,051
Total			3,420,764		2,585,051



Mr Peter Thompson
Chief Executive
26 June 2012

STATEMENT OF CASH FLOWS FOR THE PERIOD
ENDED 31 MARCH 2012

		2011/12	2010/11
	Note	£	£
Cash flows from operating activities			
Net Expenditure after interest		(261,726)	(1,096,868)
Decrease (Increase) in trade and other receivables	8	337,334	437,464
Increase (Decrease) in trade and other payables	10	(43,795)	57,082
Depreciation Charges	3	130,766	332,763
Loss on Disposals of non-current Assets	3	237	393
Taxation		(949)	(549)
Movement in provisions	11	(8,876)	(30,029)
Net cash outflow from operating activities		152,991	(299,744)
Cash flows from investing activities			
Purchase of property, computer and office equipment	5	(30,731)	(28,909)
Purchase of intangible assets	6	(25,061)	(85,276)
Proceeds of disposal of property, computer and office equipment		0	350
Net cash outflow from investing activities		(55,792)	(113,835)
Cash flows from financing activities			
Grants from parent department (Department of Health)		435,653	2,251,000
Net financing		532,852	1,837,421
Net increase in cash and cash equivalents in the period	9	532,852	1,837,421
Cash and cash equivalents at the beginning of the period	9	2,576,737	739,316
Cash and cash equivalents at the end of the period		3,109,589	2,576,737

As at 31 March 2012 there were no fixed asset accruals (2010/11: £'nil).

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY FOR THE PERIOD ENDED 31 MARCH 2012

	Note	I&E Reserve	Total
		£	£
Balance at 1 April 2010		2,461,468	2,461,468
Changes in Taxpayer's Equity 2010/11			
Grant from Department of Health		2,251,000	2,251,000
Comprehensive Expenditure for the year		(2,127,417)	(2,127,417)
Balance at 31 March 2011		2,585,051	2,585,051
Changes in Taxpayer's Equity 2011/12			
Grant from Department of Health		435,653	435,653
Comprehensive Expenditure for the year		400,060	400,060
Balance at 31 March 2012		3,420,764	3,420,764

NOTES TO THE ACCOUNTS:

1. Statement of Accounting Policies

The HFEA's accounts are prepared in accordance with the provisions of the Human Fertilisation and Embryology Act 1990 (as amended) and an Accounts Direction issued by the Secretary of State for Health in June 2007.

The accounts are prepared in accordance with the accounting and disclosure requirements given in HM Treasury's Financial Reporting Manual (FReM), insofar as these are appropriate to the HFEA and are in force for the financial year for which the statements are prepared. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

Where the FReM permits a choice of accounting policy, the accounting policy that is judged to be the most appropriate to the particular circumstance of the HFEA for the purpose of giving a true and fair view has been selected.

The particular policies adopted by the HFEA are described below. They have been applied consistently in dealing with items that are considered material to the Accounts.

(a) Accounting Convention

The financial statements are prepared under the modified historical cost convention by the inclusion of non-current assets at their value to the business by reference to current costs, where there is a material difference between historic cost and current replacement cost.

(b) Non-Current Assets

Non-current assets include property, information technology, and office equipment together with intangible assets which relate to constructed software and software licenses.

Only items, or groups of related items, costing £1,000 or more and with individual values over £250 are capitalised. Those costing less are treated as revenue expenditure.

Non-current assets are stated at their depreciated historical cost as the Authority considers this an appropriate basis for calculating their current value, after taking into consideration the estimated useful economic lives of the assets and their values.

(c) Depreciation and Amortisation

Depreciation is provided on all non-current assets on a monthly basis from the date of acquisition at rates calculated to write off the cost of each asset evenly over its expected useful life.

Expected useful lives are as follows:

Leasehold improvements	Length of lease to next breakpoint
Information technology	3 years
Office equipment	4 years
Furniture, fixtures and fittings	4 years

Amortisation is provided on intangible non-current assets (which comprise constructed software and software licences) on a monthly basis at a rate calculated to write off the cost of each intangible asset over its expected useful life. The expected useful life of this software is three years.

(d) Grant-in-Aid

Grant-in-Aid received is used to finance activities and expenditure which supports the statutory and other objectives of the entity and is treated as financing and credited to the General Reserve, because it is regarded as contributions from a controlling party.

(e) Operating Income

Licence fee income is recognised at the time of treatment date. An estimate of the income for treatments provided by the clinics, but not reported to the HFEA at 31 March 2012 is accrued based on the historical data of the typical delay between the clinic providing the treatment to the patient and reporting the treatment to the HFEA.

Deferred income is recognised in respect of income for annual licence fees.

(f) Operating Leases

Operating leases are charged to the accounts on a straight line basis over the lease term.

(g) Capital charges

No capital charges have been provided in accordance with FReM Chapter 11 (Income and Expenditure).

(h) Pensions

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS). The defined benefit elements of the scheme are unfunded and are non-contributory except in respect of dependents' benefits. The HFEA recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services by payment to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution elements of the scheme, the HFEA recognises the contributions payable for the year.

Further information in respect of Civil Service Pensions is provided in the Remuneration Report.

(i) Disclosure of Fees and Costs Information

In accordance with the principles of HM Treasury's Managing Public Money and section 35B of the Human Fertilisation and Embryology Act 1990 (as amended), the Authority sets its regulatory fees with the objective of recovering the full costs of the primary regulatory services it provides.

There are some elements of the Authority's work that do not relate directly to the regulatory process, and the Department of Health accordingly contributes to the funding of these activities through the provision of annual Grant-in-Aid.

The key areas of work funded in this way are the maintenance of the Authority's Register of in vitro fertilisation (IVF) and Donor Insemination (DI) treatments and their outcomes; policy development and communications; the production of publications (that do not relate to the regulatory process); and associated overhead and management costs.

Grant-in-Aid is also received for the purchase of IT, furniture and other office equipment.

FINANCIAL ACCOUNTS

Further information in respect of Grant-in-Aid received in the year is provided in the Statement of Changes in Taxpayers' Equity.

Further information in respect of fees income and related costs is provided in note 4(b) to these accounts.

(j) Value Added Tax

The Authority was not registered for VAT during financial year 2011/12.

(k) Cash

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. The Authority manages its cash in accordance with the terms of its Financial Memorandum which is contained within the Authority's Management Statement.

(l) Financial Instruments

Financial assets and financial liabilities arise from the Authority's normal operational activities and are recognised in accordance with standard accruals accounting principles.

The Authority's financial assets comprise cash at bank and in hand, licence fee debtors, balances with Central Government bodies, and other debtors.

The Authority's financial liabilities comprise trade creditors and other creditors.

The fair values of financial assets and liabilities are deemed to be their book values, unless there is appropriate cause to apply an alternative basis of valuation.

To date, the fair values of all financial assets and liabilities of the Authority are deemed to be their book values, and the Authority has not entered into any transactions involving derivatives.

(m) Provisions

Provisions are recognised when the Authority has a present legal or constructive obligation as a result of a past event, it is probable that the Authority will be required to settle the obligation, and a reliable estimate can be made of the obligation. The amount recognised as a provision is the best estimate of expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties.

2. Staff numbers and related costs

STAFF COSTS COMPRISE:

	2011/12				2010/11
	Total	Permanently Employed Staff	Members	Others	Total
	£	£	£	£	£
Wages and salaries	3,544,013	3,259,695	183,936	100,382	3,779,241
Social security costs	266,746	247,728	10,061	8,957	289,536
Other pension costs	572,748	566,213	0	6,535	637,710
Staff Costs	4,383,507	4,073,636	193,997	115,874	4,706,487
Less recoveries in respect of outward secondments	(49,969)	(49,969)	0	0	(123,706)
Total Net Costs	4,333,538	4,023,667	193,997	115,874	4,582,781

Other staff costs relate to staff employed on fixed term contracts together with agency and other temporary staff.

As noted in para 1(h) above, further information in respect of Civil Service Pensions is provided in the Remuneration Report on pages 54 to 55. Details of remuneration paid to Members and the Senior Management team are provided in the Remuneration Report on pages 53 to 57.

Staff costs totalling £17,240 (£61,644 in 2010/11) were capitalised during the year.

AVERAGE NUMBER OF PERSONS EMPLOYED

The average numbers of persons employed during the period were as follows:

	2011/12			2010/11
	Total	Permanent staff	Others	Total
Directly Employed	76	73	3	92
Other	0	0	0	3
Total	76	73	3	95

The total for directly employed permanent staff includes one (two in 2010/11) full-time equivalent staff seconded out of the Authority.

Other staff directly employed by the Authority relates to full-time equivalent staff on fixed term contracts.

Staff not directly employed by the Authority relate to staff on secondment to the Authority together with agency and other temporary staff.

3. Other expenditure

		2011/12	2010/11
	Note	£	£
Running Costs		868,557	1,276,486
Professional and Administrative Fees	a	233,972	388,767
Rentals under operating leases		284,865	364,648
Audit Fees	b	75,681	97,028
Other Expenditure		1,463,075	2,126,929
Non-Cash Items			
Depreciation and Amortisation		130,766	332,763
Loss on disposal of assets		237	393
Provisions (released) /provided for in the year		(662,735)	1,030,000
Total		931,343	3,490,085

NOTES

- a. Professional and administrative fees include litigation and other legal costs arising during the period.
- b. Audit fees paid are split as follows.

	2011/12	2010/11
	£	£
External Audit Fee	25,000	45,000
Internal Audit Fee	50,681	52,028
	75,681	97,028

The sum due to be invoiced by the National Audit Office in respect of their external audit work in relation to financial year 2011/12 is £32,500.

4. Income

(A) SUMMARY OF INCOME

Gross income is made up of licence fee and other incomes which are recorded on an accruals basis.

Analysis of Income	2011/12	2010/11
	£	£
Licence Fee Income	5,660,908	5,915,560
Other Income	360	600
EU (EUSTITE) Project Funding	0	27,136
Total Income for the Year	5,661,268	5,943,296

(B) FEES AND RELATED COSTS

In accordance with section 35B of the Human Fertilisation and Embryology Act 1990 (as amended), the Authority may charge fees in respect of its licensing activities.

For the purposes of providing information on fees and charges, these fees are calculated on a full cost recovery basis, in order that all costs incurred by the HFEA in the grant of and superintending of compliance with the terms of licences, are included in the final fees invoiced to the licensee. During the year ended 31 March 2012, the licence fee income received by the HFEA represented the costs incurred in the granting of new licences and the regulation of licences in force for the period.

The fees and associated costs for these activities are summarised below.

	2011/12	2010/11
	£	£
Licence Fee Income	5,660,908	5,915,560
Costs allocated to regulatory activities	4,758,461	5,604,103
Surplus	902,447	311,457

In addition, there are elements of the Authority's work that do not relate directly to the above regulatory process. The Department of Health accordingly contributes to the funding of these activities through the provision of annual Grant-in-Aid. The balance of costs relating to these activities is funded from fees income.

This disclosure is provided for the purposes of providing information on fees and charges, not IFRS 8 purposes.

(C) OPERATING SEGMENTAL REPORTING

Under the definition of IFRS 8 the HFEA is a single operating segment as the UK's independent regulator of treatment using eggs and sperm, and of treatment and research involving human embryos, setting standards for, and the issue of licences to, centres together with the provision of information for the public and determining the policy framework for fertility issues.

5. Property, Information Technology and Equipment

2011/12	Leasehold Improvements	Information Technology	Office Equipment	Furniture & Fittings	Totals
	£	£	£	£	£
Cost/valuation					
At 1 April 2011	569,041	445,697	60,206	73,098	1,148,042
Additions	0	27,194	3,537	0	30,731
Disposals	0	(109,154)	(7,197)	0	(116,351)
At 31 March 2012	569,041	363,737	56,546	73,098	1,062,422
Depreciation					
At 1 April 2011	510,490	413,462	42,134	46,179	1,012,265
Charged in year	58,551	23,475	7,245	13,327	102,598
Disposals	0	(108,971)	(7,143)	0	(116,114)
At 31 March 2012	569,041	327,966	42,236	59,506	998,749
Net Book Value at 31 March 2012	0	35,771	14,310	13,592	63,673
Net Book Value at 31 March 2011	58,551	32,235	18,072	26,919	135,777
Asset Financing					
Owned	0	35,771	14,310	13,592	63,673

2010/11	Leasehold Improvements	Information Technology	Office Equipment	Furniture & Fittings	Totals
	£	£	£	£	£
Cost/valuation					
At 1 April 2010	569,041	609,616	167,510	78,895	1,425,062
Additions	0	19,397	9,512	0	28,909
Disposals	0	(183,316)	(116,816)	(5,797)	(305,929)
At 31 March 2011	569,041	445,697	60,206	73,098	1,148,042
Depreciation					
At 1 April 2010	306,714	514,151	152,461	37,210	1,010,536
Charged in year	203,776	82,277	6,489	14,373	306,915
Disposals	0	(182,966)	(116,816)	(5,404)	(305,186)
At 31 March 2011	510,490	413,462	42,134	46,179	1,012,265
Net Book Value at 31 March 2011	58,551	32,235	18,072	26,919	135,777
Net Book Value at 31 March 2010	262,327	95,465	15,048	41,685	414,525
Asset Financing					
Owned	58,551	32,235	18,072	26,919	135,777

6. Intangible Assets

2011/12	Software Licences	Constructed Software	Total
	£	£	£
Cost/valuation			
At 1 April 2011	327,455	572,396	899,851
Additions	7,821	17,240	25,061
Disposals	(44,709)	0	(44,709)
At 31 March 2012	290,567	589,636	880,203
Amortisation			
At 1 April 2011	301,479	510,752	812,231
Charge for the year	15,021	13,147	28,168
Disposals	(44,709)	0	(44,709)
As at 31 March 2012	271,791	523,899	795,690
Net Book Value at 31 March 2012	18,776	65,737	84,513
Net Book Value at 31 March 2011	25,976	61,644	87,620
Asset Financing			
Owned	18,776	65,737	84,513

2010/11	Software Licences	Constructed Software	Total
	£	£	£
Cost/valuation			
At 1 April 2010	321,236	510,752	831,988
Additions	23,632	61,644	85,276
Disposals	(17,413)	0	(17,413)
At 31 March 2011	327,455	572,396	899,851
Amortisation			
At 1 April 2010	293,043	510,752	803,795
Charge for the year	25,848	0	25,848
Disposals	(17,412)	0	(17,412)
As at 31 March 2011	301,479	510,752	812,231
Net Book Value at 31 March 2011	25,976	61,644	87,620
Net Book Value at 31 March 2010	28,193	0	28,193
Asset Financing			
Owned	25,976	61,644	87,620

7. Financial Instruments

IFRS 7 requires disclosure of the role financial instruments have had during the period in creating or changing the risks an entity faces when undertaking its activities. Financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which IFRS 7 mainly applies. The Authority has no powers to borrow funds, and financial assets and liabilities are generated by day-to-day operational activities rather than being held to manage the risks facing the Authority in undertaking its activities.

a) Liquidity risk

94% of total gross income (including Grant-in-Aid) during the year was derived directly from the number of IVF and DI treatment cycles performed by the licensed clinics and reported to the HFEA, together with licences issued to clinics.

There are procedures in place to identify late and non-reporting of treatment cycles by clinics and also procedures for chasing up debts.

The remaining main source of revenue is derived from Government grants made on a cash basis.

Therefore, the HFEA is not exposed to significant liquidity risks.

b) Investments and interest rate risk

The HFEA follows an investment policy of placing any surplus funds on overnight deposit in an interest bearing bank account. The Authority's banking arrangements are risk assessed.

Gross interest income was 0.08% of the total revenues of the HFEA (including Grant-in-Aid). The HFEA is therefore not reliant on this income and is not exposed to significant interest rate risk.

c) Credit risk

The Authority receives most of its income from the clinics it regulates. It operates a robust debt management policy and, where necessary, provides for the risk of particular debts not being discharged by the relevant party. The Authority is therefore not exposed to significant credit risk.

d) Financial assets and liabilities

The only financial asset held at a floating rate was cash at bank of £3,109,112. Petty cash held on site amounted to £477. As at 31 March 2012, none of the Authority's financial liabilities were carried at a floating rate. The fair value of the financial assets and liabilities was equal to the book value.

e) Foreign currency risk

Consistent with previous accounting periods there were minimal foreign currency transactions conducted by the HFEA during the year ended 31 March 2012. There was therefore no significant foreign currency risk during the year.

8. Trade Receivables and Other Current Assets

	31 March 2012	31 March 2011
	£	£
Analysis by Type		
Trade receivables – licence fee debtors	532,061	539,869
Prepayments and accrued income	677,657	986,583
Other receivables	22,132	42,732
	1,231,850	1,569,184
Intra – Government Balances		
Other Central Government Bodies	1,000	109,827
NHS Bodies	471,727	522,788
Total Intra – Government Balances	472,727	632,615
Bodies External to Government	759,123	936,569
	1,231,850	1,569,184

Prepayments and accrued income include calculations of the fees due to be invoiced to clinics after the balance sheet date in respect of chargeable treatments undertaken before the balance sheet date.

Balances with other central government and NHS bodies include accrued income that can be directly attributed to them.

All debts were due for settlement within one year of the balance sheet date. No provision for bad or doubtful debts has been made as all debts are anticipated to be recoverable.

9. Cash and Cash Equivalent

	£
Balance at 1 April 2010	739,316
Net change in cash	1,837,421
Balance at 31 March 2011	2,576,737
Net Change in cash	532,852
Balance at 31 March 2012	3,109,589

(All cash balances were held at Commercial banks and cash in hand.)

The sum of £54,059 held on behalf of a consortium of NHS and Department of Health's Arm's Length Bodies (ALB) is included in the cash balance held at 31 March 2012. This relates to a training and development programme, further information in respect of which is contained in note 15 c) to these accounts.

No cash equivalents were held by the Authority during the year.

10. Trade Payables and Other Current Liabilities

	31 March 2012	31 March 2011
	£	£
Analysis by Type		
Accruals and deferred income	503,271	427,858
Trade payables	15,609	75,783
Other taxation and social security	0	0
Other payables	54,059	113,093
	572,939	616,734
Intra – Government Balances		
Other Central Government Bodies	104,144	151,181
Balances With Bodies External to Government	468,795	465,553
	572,939	616,734

All creditors were due for settlement within one year of the balance sheet date.

11. Provisions for Liabilities and Charges

	Free Rent	Legal	Early Retirement Costs	Relocation Costs	Total
	£	£	£	£	£
Balance at 1 April 2010	27,990	0	139,572	0	167,562
Provided in the Year	0	250,000	0	780,000	1,030,000
Paid in the Year	0	0	(6,623)	0	(6,623)
Release of Provision for the Year	(23,406)	0	0	0	(23,406)
Balance at 1 April 2011	4,584	250,000	132,949	780,000	1,167,533
Provided in the Year	0	0	0	0	0
Utilised in the Year	(4,584)	0	(4,292)	0	(8,876)
Release of Provision for the Year	0	0	(27,735)	(635,000)	(662,735)
Total Provision for Liabilities and Charges	0	250,000	100,922	145,000	495,922

ANALYSIS OF EXPECTED TIMING OF PAYMENT OR RELEASE OF PROVISIONS

	Free Rent	Legal	Early Retirement Costs	Relocation Costs	Total
	£	£	£	£	£
Not later than one year	0	250,000	4,585	145,000	399,585
Later than one year and not later than five years	0	0	96,337	0	96,337
Later than five years	0	0	0	0	0
Total Provision for Liabilities and Charges	0	250,000	100,922	145,000	495,922

The lease for the premises that the HFEA previously occupied included a rent free period. The rent reduction was formally spread over the lease up to the first break clause in 2012. In view of the Authority's co-location with the Care Quality Commission (CQC) in July 2011, the remaining provision has been written off to July 2011. On the grounds of materiality no prior year adjustment has been provided.

Based on current information the legal provision of £250,000 has remained for litigation costs in relation to the judicial review of actions taken by the Authority.

The legal and professional fees of defending actions brought against the Authority are accounted for in the period in which they arise.

As noted in the Remuneration Report for financial year 2008/09, early retirement costs were provided in that financial year. The calculation of the remaining liability as at 31 March 2012 has been revised after incorporating information received from the pensions' administrator, and the sum of £27,735 has been released. No discounting has been applied to this residual sum on the basis that the net impact on the balance at year end is not anticipated to be material.

In accordance with HFEA's agreement with Department of Health and the General Social Care Council, the Authority remains responsible for residual rent, rates and service charges for the period 20 April 2012 to 30 June 2012, relating to HFEA's previous premises vacated by the General Social Care Council. The relocation provision has been reduced to £145,000 to this effect.

12. Capital Commitments

There were no capital commitments as at 31 March 2012 (2010/11 - £nil).

13. Commitments Under Leases

OPERATING LEASES

	Rent	Other	31 March 2012	31 March 2011
	£	£	£	£
Obligations under operating leases comprise:				
Total Future Minimum Lease Payments Payable :				
During Financial Year 2012/13	248,109	230	248,339	146,999
During Financial Years 2013/14 – 2017/18	537,700	0	537,700	2,740
	785,809	230	786,039	149,739

The HFEA is committed to the following operating lease payments:

14. Contingent Liabilities Disclosed under IAS 37

Details in respect of litigation undertaken against the Authority in recent years have been noted in the Annual Reports and Accounts for financial years 2006/07 to 2010/11 inclusive.

At the date of the finalising of these accounts, aside from the litigation provision noted in paragraph 11 above, the Authority is not a party to any other legal proceedings.

The Authority regulates a sector that addresses some highly charged issues of both a personal and clinical nature, which may generate close scrutiny. Some of the projects and work that the Authority has undertaken as well as certain decisions that the Authority has made in 2011/12 may give rise to later challenge, including a risk of legal action.

15. Related Party Transactions²⁸

- (a) The Department of Health is regarded as a related party. During the period the HFEA had various material transactions with the Department of Health and with some NHS Trusts for which the Department of Health is regarded as the parent Department.

During the period the HFEA invoiced the Department of Health £28,650 for staff costs relating to the secondment of one member of staff. At 31 March 2012 there was no outstanding balance to be invoiced for seconded staff at Department of Health as all such secondments came to an end.

HFEA also invoiced Department of Health £375,653 in relation to operational Grant-in-Aid and £60,000 for capital Grant-in-Aid.

The Department of Health invoiced the Authority £9,529 in respect of the evaluation of the Executive Licensing Panel project work and £33,258 in respect of Internal Audit work during the period.

At 31 March 2012, no balances were due to HFEA from the Department of Health and no balances were due to the Department of Health from HFEA. As at 31

March 2012 internal audit work of the sum £9,939 was still to be invoiced by Department of Health.

- (b) The CQC is regarded as a related party. During the period the HFEA had various material transactions with the CQC.

During the period the HFEA invoiced the CQC £21,931 for staff costs relating to the secondment of two members of staff. At 31 March 2012 there were no balances outstanding to be invoiced for seconded staff at CQC.

The CQC invoiced the Authority £268,077 in relation to rent, rates, accommodation costs and IT network room setup.

At 31 March 2012, the HFEA owed £12,133 to the CQC and no balances were due to HFEA from the CQC.

- (c) During the period to 31 March 2012 the Authority continued to co-ordinate a training and development programme for staff at management levels in the following NHS bodies and Department of Health ALBs: NHS Blood and Transplant; The Health Protection Agency; the CQC and the Human Tissue Authority.

Costs totalling £108,034 arose in respect of the programme during the period and were settled by the Authority on behalf of the consortium.

The closing balance of net contributions of £54,059 is contained within these accounts. It is anticipated that this sum will be expended in full during financial year 2012/13.

- (d) The following Members of the Authority have senior management responsibilities at either NHS Trusts or private clinics that are regulated by the HFEA:

Mr Hossam I Abdalla, FRCOG – Director and Person Responsible of the Lister Fertility Clinic. Fees invoiced by the HFEA to the Lister Hospital during the period amounted to £254,126. The balance on the Lister's account as at 31 March 2012 was £nil.

²⁸ Annual Report and Accounts 2010/11 correction: Related Party Transactions in respect of Mr Roger Neuberg's position held at Leicester Royal Infirmary were included in these accounts. However, Mr Roger Neuberg left the Authority on 6 November 2009.

Prof Neva Haites OBE - Professor in Medical Genetics and Vice Principal for Development at the University of Aberdeen. Fees invoiced by the HFEA to the University of Aberdeen during the period amounted to £46,235. The balance on the University of Aberdeen's account as at 31 March 2012 was £nil.

Dr Alan R Thornhill – Scientific Director and Person Responsible for the London Bridge Fertility, Gynaecology and Genetics Centre, London. Fees invoiced by the HFEA to the London Bridge Fertility, Gynaecology and Genetics Centre during the period amounted to £153,004. The balance on the London Bridge Fertility Gynaecology and Genetics Centre's account as at 31 March 2012 was £12,873.

Prof William Ledger – Professor of Obstetrics and Gynaecology, University of Sheffield and Honorary Consultant at the Sheffield Teaching Hospitals NHS Foundation Trust. Fees invoiced by the HFEA to the Centre for Reproductive Medicine and Fertility (Sheffield Teaching Hospitals NHS Foundation Trust) during the period amounted to £93,601. The balance on the Centre for Reproductive Medicine and Fertility's account as at 31st March 2012 was £nil.

Prof Lesley Regan - Professor and Head of Department of Obstetrics and Gynaecology, St Mary's Hospital, Imperial College Health Care NHS Trust. No fees were invoiced by the HFEA to St Mary's Hospital during the period. The balance on St Mary's Hospital's account as at 31 March 2012 was £nil.

At 31 March 2012, it was anticipated that there was, in addition to the sums noted above, some accrued income due from the above mentioned clinics. This sum is estimated in its totality, based on a global average of treatment reporting delays and the amount due from each clinic cannot be quantified precisely as at the date of signing these accounts.

- (e) **Mrs Rebekah Dundas** is a member of Infertility Network UK. **Mrs Clare Lewis-Jones MBE (formerly Brown)** is the Chief Executive of Infertility Network UK. Payments totalling £1,807 were made to Infertility Network UK by the HFEA during the period for reimbursement of travel and subsistence expenses incurred by members of the organisation in respect of HFEA business.

- (f) In the Annual Report all Members' interests are disclosed and Members are expected to declare any conflict of interest in discussions held by the Authority. A system to record conflicts of interests involving staff of the HFEA was implemented in September 2003.

16. Losses and Special Payments

No losses or special payments arose during the year.

17. IFRSs, Amendments and Interpretations in Issue but not yet Effective, or Adopted

International Accounting Standard (IAS) 8: Accounting policies, Changes in Accounting Estimates and Errors, requires disclosures in respect of new IFRSs, amendments and interpretations that are, or will be, applicable after the reporting period.

There are a number of IFRSs, amendments and interpretations that have been issued by the International Accounting Standards Board that are effective for financial statements after this reporting period. The following have been considered as relevant but have not been adopted early by the HFEA:

IFRS 9 Financial Instruments: This is a new standard intended to replace IAS 39. The effective date is for accounting periods beginning on or after 1 January 2013.

18. Events after the Reporting Period

The date on which the accounts are authorised for issue is the date on which the accounts are certified by the Comptroller and Auditor General.



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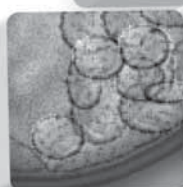
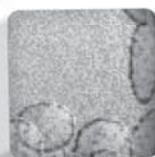
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