Annual report and accounts 2025/26

Human Tissue Authority

HC 460

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Annual report and accounts 2025/26
For the period 1 April 2025 to 31 March 2026
Presented to Parliament pursuant to Schedule 2(16) of the Human Tissue Act 2004.

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Contents

Chief Executive's foreword 4
Performance Report 6
Overview 7
Performance analysis 18
Accountability Report 24
Corporate Governance Report 25
Remuneration and Staff Report 39
Parliamentary Accountability and Audit Report 49
Financial Statements 58

Chief Executive’s foreword

I am pleased to present the Human Tissue Authority's Annual Report and Accounts for the period 1 April 2025 to 31 March 2026. It is the fourth Annual Report I have presented as the HTA's Chief Executive.

With our three-year strategy (2024-2027) now embedded, 2025/26 has been a year of translating our strategic ambitions into tangible progress, making regulation more proportionate and risk-based, innovating in how we work, and maintaining public confidence in the safe and trusted use of human tissue and organs.

Notable government reforms in the health sector and more generally in how regulation can be improved have been important drivers. We have engaged proactively working with our sponsor department to align our work with the government’s reform agenda whilst also in parallel continuing to deliver our ongoing statutory duties. Across our six regulated sectors, we have maintained a comprehensive compliance assessment programme and continued to develop our suite of regulatory tools, trialling new approaches to managing Corrective and Preventative Action Plans (CAPAs) and implementing Evaluated Self-Assessments (ESAs) in the Public Display sector. Overall, 25/26 has been a very good year in terms of organisational delivery as evidenced by the HTA’s impressive performance which saw us meet or exceed all our key performance indicators (KPIs) - a first for the organisation.

One important area of focus this year was our response to Sir Jonathan Michael's independent inquiry, which published its final report in July 2025. The inquiry made 75 recommendations across various areas where the deceased are cared for. One of these recommendations fell to the HTA - to extend our incident reporting system to the Anatomy sector. I am proud that our colleagues delivered this in full, ahead of the set deadline and without additional resources, with the system going live on 1 December 2025.

We also made progress in preparing for the new Substances of Human Origin (SoHO) Regulations, which come into force in Northern Ireland in August 2027 and we began a multi-year programme to review and update our Codes of Practice, important work that will also involve renewing our guidance for the sectors we regulate.

In relation to living organ donations, we approved 1165 cases in the year, an increase on the previous year. Duty to Report referrals have also increased and similar legislation now applies across all UK countries, with new regulations covering Scotland effective from 1 July 2025.

Our staff are highly valued and the key to all that we undertake and 2025/26 marked the first year of our new three-year People Strategy. Good progress has already been made, with 30 of the 70 identified actions commenced. I am particularly pleased that this work has delivered early outcomes and that staff turnover has fallen to its lowest level for many years.

I would like to thank all my colleagues for their dedication and professionalism and also the Board

Members for the constructive challenge provided throughout the year, which has refined and improved our overall approach. I am very proud of what we have all achieved together.



Dr Colin Sullivan
Chief Executive

Performance Report

Overview

Who We Are and What We Do

This section describes who we are and what we do. It also looks at our performance and achievements throughout 2025/26.

We are a Non-Departmental Public Body (NDPB) sponsored by the Department of Health and Social Care (DHSC), established and domiciled in England. We were established under the Human Tissue Act (HT Act) 2004 – which covers England, Wales and Northern Ireland – to regulate activities relating to the removal, storage, use and disposal of human tissue. We also provide several regulatory services for Scotland, which comes under separate human tissue legislation. Across our remit, we licence over 1,000 premises across six sectors, publishing standards and requirements that those working within these regulated fields must meet.

Our Vision

The safe and trusted use of human tissue.

Our Mission

To be an excellent regulator for the use of human tissue with consent and safety, sustaining public and professional confidence, today and in the future.

We seek to maintain public confidence by ensuring that the removal, storage and use of human tissue and organs is undertaken safely and ethically and with proper consent, in accordance with the provisions of the Human Tissue Act 2004, Human Tissue (Quality and Safety for Human Application) Regulations 2007 (as amended) and the Quality and Safety of Organs Intended for Transplantation Regulations 2012 (as amended).

We also have a role in maintaining professional confidence, making sure that human material being used by professionals has been obtained with the proper consent and is managed with appropriate care.

How we work

- We licence organisations that remove, store and use human tissue for certain activities under the Human Tissue Act (2004)
- We licence organisations that carry out a range of activities associated with the use of human tissues and cells for patient treatment, as required by the Human Tissue (Quality and Safety for Human Application) Regulations 2007 (as amended)

- We licence organisations undertaking organ transplants as required by the Quality and Safety of Organs Intended for Transplantation Regulations 2012 (as amended)
- We monitor and inspect or audit organisations to ensure they comply with the requirements of the legislation and our Codes of Practice
- We use our powers to take regulatory action where we identify non-compliance
- We assess living organ donations to ensure donors are protected from duress or coercion, and that no reward is offered or given
- We provide information, advice and guidance to the public and professionals about the nature and purpose of activities within our remit
- We monitor developments relating to activities within our remit and advise the Government on related issues
- We work collaboratively with partners across the system and actively engage with our stakeholders
- We are open and transparent in our publications to maintain public confidence
- We are proportionate in our approach to our work

In addition to our statutory role, we are increasingly called upon to provide advice on areas related to, but not specified in, legislation. This is especially important in areas of emerging technology and life sciences research, not originally envisaged when the Human Tissue Act was enacted.

Whilst the HTA has a statutory duty to superintend compliance and an influential role in promoting good practice, public confidence in the use of human tissue cannot be safeguarded by the HTA alone. Public confidence is also dependent on the individuals and organisations that undertake activities within the HTA's remit, acting in accordance with the standards and requirements of the legislation for the safe and trusted use of human tissue.

Our people

The HTA's Board currently consists of 11 Members, including the Chair, 9 of whom have been appointed by the Secretary of State for Health and Social Care, one Member appointed by the Welsh Government's Cabinet Secretary for Health, Well-Being, and Sport; and one by the Department of Health in Northern Ireland. All Board members are non-executives. Early in 2025/26, the Board was brought to full complement following the appointment of four new Members for England and a new Member appointed by the Department of Health in Northern Ireland. Our Board members come from a diverse range of backgrounds, including the commercial sector, administration and academia/research, bringing a wide range of business, commercial and public sector experience.

The Board is supported by a Senior Management Team (SMT) of five, each with extensive experience in the public sector, particularly in regulation and health and social care. The SMT are part of a team of c60 staff who bring experience ranging from scientific and medical backgrounds to commercial and business roles. We are co-located in our Stratford offices with four other health-sector regulators and continue to explore opportunities to share services and strengthen organisational resilience.

Our values



Our values define how we work and the integrity and behaviours that stakeholders can expect from us when working together. We have four core values that we believe are visible and recognised in our service delivery:

Collaboration – we work together to achieve a common goal, whilst seeking and valuing diverse perspectives. We share ideas and best practices, striving for excellence collectively. Through active listening and teamwork, we promote a culture of collaboration and cooperation.

Openness – we aim to work transparently, with integrity and accountability for our actions and decisions. Embracing change, we take responsibility and remain honest in our interactions, fostering a culture of boldness and candid communication.

Respect – we respect the diversity of people and value their perspectives, professionalism and skills. Fostering trust and promoting autonomy in decision-making. We will challenge unprofessional behaviour while actively listening and being respectful of others' viewpoints.

Excellence – we strive to deliver excellence through expertise, leadership and collaboration. We are committed to personal and professional development, coaching colleagues, and fostering a culture of learning and growth.

During 2025/26, our values continued to guide our approach to equality, diversity and inclusion. The HTA adopted the International Holocaust Remembrance Alliance (IHRA) working definition of antisemitism, endorsed by the Board in November 2025, reflecting our commitment to our core values and our ongoing work on diversity and inclusion.

Our Strategy

Our strategic approach is based on being clear about the risks we regulate and then being proportionate and targeted in our response. Our three-year strategy (2024-2027), launched in summer 2024, continued to provide the framework for our work in 2025/26. The strategy focuses on the following four strategic themes.



Our approach to regulation

The first of our strategic priorities allows us to examine how we can develop and adapt our approach to regulation, taking opportunities to collaborate with stakeholders and to develop proportionate and bespoke tools for the regulation of human tissue and cells. In 2025/26, we continued to innovate in how we undertake inspections and compliance assessments, including trialling new approaches to managing Corrective and Preventive Action Plans (CAPAs) and implementing Evaluated Self-Assessments (ESAs) in the Public Display sector. We also delivered a new incident reporting system for the Anatomy sector (HTARI) ahead of schedule, in response to a recommendation from Sir Jonathan Michael's independent inquiry.

Building public trust and confidence

The second of our priorities is to ensure we build and maintain public trust and confidence in our ability as a regulatory body. Communication and policy development are key activities we undertake to ensure our stakeholders are fully informed and that we can proactively implement changes to relevant legislation. In 2025/26, we hosted a well-attended Learning Event, delivered targeted social media campaigns across a range of sectors, and began our multi-year programme to review and update our Codes of Practice.

The use of data and information

The third priority is the use of data and information.
Keeping pace within the digital world in which we operate in is crucial. This year saw both further development our Customer Relationship Management system (CRM); an important tool which holds key data and a substantial upgrade to our finance system.

Being an efficient and effective public body

Our last priority is to continue being an efficient and effective public body
Conducting our regulatory duty in an efficient and effective manner is important to us and also feeds into the government’s reform and efficiency programme. This also involves our back-office functions operating in ways that support good governance and a stable financial position, thereby allowing the Authority to operate efficiently.

Executive Team and staff

The non- executive Board which forms the Authority is supported by a team of senior executives (the Senior Management Team – SMT) , with four directorates. The executive team is responsible for providing leadership to the organisation within the authority delegated by the

Board: The executive team:

- Develops strategic options for the board's consideration and approval
- Prepares our annual business plan for approval by the board and the Department of Health and Social Care
- Oversees delivery of the objectives set out in the business plan
- Ensures arrangements are in place to secure the proper and effective control of our resources
- Approves proposals for material changes to outputs including establishing new areas of work
- Approves expenditure and changes to policies and staff terms and conditions where these exceed delegations to individual directors
- Identifies and mitigates the strategic risks facing the HTA
- Reviews the financial position and budgets for future years, ensuring statutory obligations are met.

Staff involvement and wellbeing

All staff in the organisation come together in person quarterly, although individual teams also meet in person. At these meetings, staff are kept abreast of current issues facing the HTA. These meetings also allow staff to have their say and be heard. Staff are kept updated on the delivery of our new strategy that went live in 2024/25. In addition, virtual weekly exchange calls (WEC) are conducted again, allowing all staff to share updates across directorates, along with other online tutorials and updates.

April 2025 was the start of the three-year People Strategy approved by the Board in March 2025. Good progress is being made against the deliverables listed in the strategy. Pulse Surveys were carried out in 2025/26 to provide touchpoints with staff. A Staff Forum has been set up for staff to be able to provide feedback to the executive to ensure staff have a voice and the executive can respond accordingly. In the Summer of 2026/27, a more detailed staff survey will be conducted, and the People Strategy can be flexed accordingly.

A Health and Safety Committee (H&S), chaired by the Director of Finance & Resources, has been established, with expert H&S advice provided by the CQC H&S team under a shared services agreement. The Committee has members from across the directorates, and the actions are worked on and reported up to SMT and to the Staff Forum. We have a Wellbeing contract in place to offer support to staff as they need it, both privately and professionally.

Key successes in 2025/26

Our 2025/26 business plan represented year two of our three-year strategy, and against a backdrop of significant government reform activity across the health sector, we maintained good performance across our core operations, meeting or exceeding the majority of our key performance indicators throughout the year. The overall Business Plan RAG rating remained Green across all four quarters.

Notable regulatory successes included sustained performance on our inspection programme, with all Regulation KPIs green and an improvement in the timeliness of new licence application decisions. Our Living Organ Donation work continued, with timely decisions in line with legislative criteria.

A particular highlight of the year was the successful delivery of the HTA Reportable Incidents (HTARI) system for the Anatomy sector, the only recommendation directed at the HTA from Sir Jonathan Michael's Phase 2 Inquiry report. This was accomplished within a tight timeframe, without additional resources, and without adversely affecting performance against other KPIs. The work was completed ahead of internal milestones, and the system went live on 1 December 2025. Alongside this, we published universal guidance on the dignity and care of the deceased in October 2025.

Our communications and stakeholder engagement activities were strong throughout the year, including targeted engagement, themed social media weeks, and sector-based round tables. The Learning Event held in September 2025 brought together stakeholders from across the sectors we regulate.

Change project delivery in 2025/26

Our change activities programme was similarly on track across all quarters, with all must-do projects progressing as intended. Significant workstreams included the first phase of the Codes of Practice review and ongoing preparations for the new EU Substances of Human Origin (SoHO) Regulations, which will become operational in Northern Ireland from August 2027. The year also saw the launch of a new Technology Change Management System, the completion of upgrading our Finance System, and the initiation of a project to migrate our CRM system to Dynamics 365 in the cloud.

Key issues and challenges in 2025/26

Progressing government reform

The early months of 2025/26 saw a series of significant government announcements, including the ALB Landscape Review (April 2025), the Spending Review (June 2025), the 10-Year Health Plan for England (July 2025), the Dash Report (July 2025), and the Life Sciences Sector Plan (July 2025). These followed the earlier decision (in March 2025) to merge the DHSC and NHS England. Throughout the year, the HTA worked to align its activities with this package of reforms and to engage with relevant officials in the Devolved Administrations.

Modernising regulation

During 2025/26, the HTA continued to progress development of more bespoke and targeted methods of delivering our regulatory duties. We progressed another phase of our “Innovations in Inspections” project which included trialling a proof of concept of a different approach to

managing Corrective and Preventive Action (CAPA) plans on shortfalls found across twenty inspections . Our overall aim is to use our limited resources in the most effective way and the accumulated benefit of the initiatives trialled and adopted over recent years meant that in 2025/26, 226 planned regulatory assessments were conducted across the range of just over 1000 licenses, which is more than in previous years. Ongoing innovation over recent years has expanded the range of assessment tools to ensure proportionate oversight across our sectors. A few highlights for 2025-26 include:

- Almost all inspections in the Research sector and a large proportion in the Anatomy sector were undertaken by a single inspector, with the exception of those used for training.
- Having previously adopted Evaluated Self-Assessments (ESAs) in Research, we successfully trialled Evaluated Self Assessments (ESAs) across half the Public Display sector and will complete that programme of work in 2026/27.
- Ongoing high levels of risk, incidents and shortfalls meant the continued use of two-person unannounced inspections for the PM sector proved invaluable in identifying issues and enabling a clear focus on effective operational practices.
- We also delivered our second streamlined Data Collection Exercise (DCE) to support our data-informed, risk-based approach to regulation, gathering targeted sector-specific information from licensed establishments to inform risk profiling, inspection planning and regulatory prioritisation. Issued to 547 establishments across all sectors, the exercise achieved a 100% return rate, benefiting from delivery improvements that made it more efficient and accessible while maintaining data assurance. The DCE provides a proportionate and cost-effective means of gaining timely insight into sector risk, particularly for establishments inspected less frequently, as part of an integrated regulatory assessment framework.

‘Duty to Report’ expansion to Scotland

From 1st July 2025, the Scottish Government implemented a statutory duty[1] on certain clinicians to report to the HTA all cases of organ transplants outside the United Kingdon and any reasonable suspicion that an organ donation and transplantation-related offence may have been committed. This means the whole of the UK is now covered by similar legislation, following the earlier implementation of regulations in England, Wales, and Northern Ireland from 1st April 2024[2]. Each report received by the HTA requires careful consideration and, where appropriate, referral to the police for further investigation.

Our people and culture

There was also very encouraging progress on people and culture. Staff turnover has fallen to its lowest level in many years, at 12.7%. Thirty of the 70 identified actions under the HTA People Strategy had commenced by the end of the financial year. The People Risk moved within tolerance by the end of Quarter 3, supported by positive pulse survey results and informal feedback, and the high response rate of over 90% to the Quarter 4 pulse survey was a good

[1] The Human Tissue (Supply of Information about Transplants) (Scotland) Regulations 2025.
[2] The Human Tissue Act 2004 (Supply of Information about Transplants) Regulations 2024; https://www.legislation.gov.uk/uksi/2024/262/made.

indicator of staff engagement. The HTA's Senior Management Team and Board also formally adopted the IHRA definition of antisemitism, consistent with our EDI approach and core values.

IT development and cyber security

The 2025/26 period marked a strategic pivot in the HTA’s digital resilience, transitioning from legacy constraints to a modernised, cloud-ready infrastructure. By delivering the first major phase of our three-year Digital and IT Strategy, we have successfully transformed critical business applications and mitigated the operational risks associated with aging technology. HTA's investment has established a robust technical foundation, ensuring that IT systems are scalable and can evolve alongside our regulatory requirements without the systemic burden of technical debt.

We set an ambitious agenda for 2025/26 within a demanding external environment and are pleased to have delivered against it.

Forward look

Looking ahead to 2026/27, there are several significant events and developments that will shape our work as an organisation. Three key issues are highlighted below.

The continued implementation of Sir Jonathan Michael's Independent Inquiry

The final report of Sir Jonathan Michael's Independent Inquiry into the issues raised by the David Fuller case was published in July 2025, containing 75 recommendations. The HTA successfully implemented its recommendation (No. 26) to extend the HTARI incident reporting system to the Anatomy sector. This was recognised positively in a Written Ministerial Statement by our Minister in December 2025. A further Written Ministerial Statement is planned by DHSC in July 2026 to update Parliament on progress across the wider set of recommendations. We will continue to support DHSC and the Programme Board established to oversee implementation, and to assist other bodies where our experience and expertise can add value. Whilst the HTA's own formal recommendation has been fulfilled, the broader systemic questions raised by the Inquiry about the care of the deceased will remain a key consideration for our regulatory work in the year ahead.

Substances of Human Origin (SoHO) Regulations

The new EU SoHO Regulations come into force in Northern Ireland in August 2027, and preparations for this significant regulatory change will intensify during 2026/27. During 2025/26, the HTA completed a detailed review of the EDQM guidance underpinning the new Regulations. This puts the HTA in a good position to develop the new licensing and regulatory model required when the Regulations take effect. In 2026/27, we will progress the next phases of this work, including guidance and system development, to ensure we are fully prepared ahead of the August 2027 implementation date. This is a complex, multi-year undertaking that will require

sustained policy and operational resources.

Government reform Agenda

During 2025/26, the HTA navigated a period of significant government reform. These reforms continue to shape the operating environment for the HTA as we move into 2026/27. We are committed to aligning our work with government priorities, supporting the ambitions of the 10-Year Health Plan and the Life Sciences Growth Plan, and contributing to the drive for proportionate, growth-enabling regulation. Our 2026/27 Business Plan has been developed with these in mind. We will continue to support DHSC Ministers and their officials, and work with the wider family of health ALBs to ensure the HTA plays its full part in delivering the government's health agenda, whilst in parallel delivering on our statutory regulatory duties.

Strategic risks as at 31 March 2026

The primary risks that could significantly impact the HTA's overall functioning, if they materialise, are outlined below.

By considering these risks, we can assess the ongoing viability of our strategy and business plan in light of changing circumstances and adjust as necessary. This does not mean we expect the risks to materialise, it indicates that these are areas of risk of which we need to be aware and to consider our response to in order to perform our role effectively.
Further information on our approach to managing strategic risks and our assessment can be found in the governance statement.

We have a major regulatory failure with negative consequences for members of the public, broader stakeholders and staff.

This risk looks at the possibility of regulatory failures, such as serious non-compliance at a licensed establishment, not being identified or addressed in a timely manner. This could result in harm to the public, damage professional confidence, and the loss of trust in the HTA as an effective regulator.

During 2025/26, all Regulation KPIs were within expectations. We continued to develop our regulatory tools and approach, including trialling Evaluated Self-Assessment (ESAs) in the Public Display sector and progressing innovation within our inspection CAPA (Corrective and Preventative Action plan) management. We also delivered the extension of our HTARI (HTA Reportable Incident) incident reporting system to the Anatomy sector, the only formal recommendation directed to the HTA from Sir Jonathan Michael's Phase 2 Inquiry report.
We continue to mitigate this risk through our risk-based inspection programme, proactive regulatory engagement, robust intelligence gathering, strong escalation pathways, and through the continued development of our data-driven regulatory insight capabilities.

Our reputation as a trusted expert authority is at risk if misunderstanding about human tissue use and regulation overshadows our expert guidance, potentially

undermining public confidence and regulatory compliance across sectors we regulate.

There is a risk that the public and key stakeholders misperceive our remit, or that weak external relationships lead to gaps in risk management across the sectors we regulate. This could result in risks being poorly managed at the system level.

During 2025/26, we continued to conduct stakeholder engagement, including through a well-attended Learning Event in September 2025. We met regularly with officials and on occasions Ministers from the Devolved Administrations. We continued to participate in the Health and Social Care Regulators Forum and regular ALB Senior Leaders' Meetings. Looking ahead, we recognise that during a period of government reform with the restructuring of our host department, there is increased importance in maintaining clear and consistent communication of our role and remit.

Mitigations include clear communication of our role, strategic stakeholder engagement, regular horizon scanning, and proactive engagement with Ministers, DHSC and system partners.

Not having the people we need who are trained properly and well-motivated to do all the things we need to deliver.

As a small specialist organisation, the HTA is exposed to the risk that insufficient capacity or capability among our staff could hinder delivery of our statutory responsibilities and strategic priorities.

This risk was above tolerance at the start of 2025/26, with attrition running above our target rate. Through the first year of our three-year People Strategy, significant progress has been made. Thirty of the 70 identified actions under the strategy had been commenced by year-end, covering areas including leadership development, performance management, induction, well-being, and HR system improvements. By the end of Quarter 3, the People Risk had moved within tolerance, supported by positive pulse survey results and a marked reduction in turnover to its lowest level for many years (excluding the early months of Covid). Staff sickness remained low much of the first half of the year and within target for most months. The Pulse Survey at the start of Quarter 4 achieved an impressively high response rate of over 90%.

We recognise that sustaining this improvement requires continued commitment as we move into year two of the People Strategy, and that, as a small organisation, individual departures can have a disproportionate effect on headline figures. We remain committed to the full three-year programme.

Failure to be financially sustainable and/or to meet efficiency expectations of the Spending Review and other requirements.

The risk is that we may not have sufficient or effectively managed financial resources to fully deliver our functions. This includes risks related to income volatility, cost pressures, fee recovery, and external funding pressures.

During 2025/26, the financial risk increased in the first half of the year due to external pressures, including a DHSC moratorium on uncommitted spend introduced in Q1. A range of mitigating actions were taken, including a detailed review of all budget lines, reductions in non-essential expenditure, and savings across several cost areas. Debt recovery performance was strong, with 98% of the annual licence fee collected by the end of December 2025.
Actions to mitigate this risk continue to include strong financial governance, regular review of the position of the budget by both the executive and the Board, a robust licence fee model and robust control and debt recovery procedures.

We fail to keep pace and adapt to innovation, growth and reform

This was a new risk introduced in 2025/26 to reflect proposed reforms and potential changes across the regulatory and life sciences landscape including spanning a review of ALBs, proposals for regulatory reform, and opportunities for digital and technological developments. These developments are accompanied by a commitment to reduce regulatory and administrative burden and, as a result, reshape the regulatory landscape. This level of change is significant, and it was essential that the HTA had the capacity to engage with the system and contribute to the changing shape of regulation through the lens of the safe use of human tissue. Therefore, a more strategic focus on the emerging themes in our landscape was necessary to mitigate or prepare for any changes that could significantly impact the HTA and our horizon scanning work is helping to mitigate this risk.

Failure to invest, maintain and use IT systems in line with business needs and security standards could result in a successful cyber-attack or data loss

This risk concerns the HTA's ability to maintain, develop, and effectively use its technology and data infrastructure to support core operations and protect sensitive information.
During 2025/26, the HTA made progress against this risk. A new Technology Change Management System was launched in Q2, the HTA portal was updated, and important work was undertaken on backup and recovery processes to enhance resilience. A new Data Analyst was appointed following a vacancy, enabling the collation and preparation of 22 core datasets for publication. The Finance System upgrade was completed by year's end, moving the HTA to a more stable, supported platform. In Q3, it was identified that our CRM solution was approaching end of life, which accelerated plans to migrate to Dynamics 365 in the cloud, with delivery on track for June 2026.

By year-end, the SMT agreed to move the Security risk specific to cyber-attack to tolerance, reflecting the continued and evolving threat landscape. Whilst the HTA maintains strong controls and a positive security posture, as evidenced by the independent NHS Cyber Assessment Framework (CAF) assessment in 2024/25, which recorded high confidence and low risk, the HTA remains vigilant and is progressing annual penetration testing and phishing campaign exercises to further strengthen our defences.

Going concern

The going concern basis of accounting for the HTA is adopted in consideration of the requirements as set out in the International Accounting Standards as interpreted by HM Treasury's Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in preparation of the financial statements, where it is anticipated that the services they provide will continue in the future.

Parliament has demonstrated its commitment to continue funding the DHSC for the foreseeable future, and the DHSC funds the HTA through grant-in-aid, in addition to resourcing from licence fees from both the private and public sectors.

The level of funding from DHSC has been agreed for the next financial year. Our licence fees were agreed by HTA in December 2025 and communicated to the sectors in the fourth quarter of 2025/26. We maintain reserves to cover 6 months of payroll and operating expenditure.

There is no expectation that our services will cease. An ongoing review of Arm's Length Bodies by the Cabinet Office has not affected the HTA's remit, and it is unlikely that any proposal would end the regulation of the sectors that procure and use human tissue.

The HTA concludes that it continues to be considered a going concern.

Performance analysis

This section considers HTA's performance against our key priorities, as set out in the Business Plan.

Measuring performance

Each year, we agree a Business Plan with our parent government department, the Department for Health and Social Care. The yearly plan flows from our HTA Strategy (2024-27), which has also been approved by DHSC.

We use active Portfolio Management as the dynamic means through which we deliver, manage and report on our Business Plan, tracking progress through successful completion of change activities and Key Performance Indicators. Our agile Portfolio Management approach aligns with the Government's Functional Standard for Project Delivery.

Analysis of performance over the year: Business Plan - Key Performance indicators 2025/26

The table below reflects the key performance indicators agreed with our Board.

	Target	2025/26	2024/25
Approach to Regulation			
[1] 222 **compliance assessments** across all sectors [reported quarterly against planned allocation]	222	226*	223
[2] Decisions reached on 70% of **new licence applications** within 90 days of the application fee being paid (rolling annual average) [reported quarterly]	70%	78%*	80%
[3] 99% of **panel and non-panel cases** actioned within 10 and 5 working days respectively [reported monthly]	99%	100%*	100%
Trust and Confidence			
N/A			
Use of Information			
[4] 99% **system availability** across our core essential functions, outside of scheduled maintenance routines and system patching [reported monthly]	99%	100%*	N/A
[5] Bi-annual **open datasets** are assessed, validated and published within 10 weeks of quarter end [reported annually]	100%	100%	N/A
Efficient and Effective			
[6] 90% of **enquiries** answered within 10 working days [reported monthly]	90%	97.3%**	92.7%
[7] 100% of **FOIs** (Freedom of Information requests) responded to within 20 working days [reported quarterly]	100%	100%**	95.8%
[8] Actual **spend** within 3% of budget [reported quarterly]	3%	2.6%*	0.6%
[9] **Debt** no more than 5% of income at year end [reported annually]	5%	0.3%	2.2%
[10] Unqualified external **audit opinion** received [reported annually]		Achieved	Achieved

*Latest month
**Average

At the conclusion of the financial year, all KPIs set out above were either met or exceeded. This is a significant achievement for all in the organisation to celebrate following a successful year of delivery.

Financial review

Our accounts include the main statements: the Statement of Comprehensive Net Expenditure (SoCNE), the Statement of Changes in Taxpayers` Equity (SoCTE)the Statement of Financial Position (SoFP), and the Statement of Cashflow (SoCF). These provide an overview of our income and expenses for the year, our assets and liabilities at year's end, and our cash flows. Additional notes to the statements offer more detailed information about our accounts. They were prepared following the standards of the Government Financial Reporting Manual (FReM) to ensure an accurate and fair presentation.

Our funding

We are a non-departmental public body (NDPB) with around 5% (£299k) of cash funding through grant-in-aid (GIA) from the Department of Health and Social Care, £80k in capital funding, and a small amount of non-cash cover (£171k) for notional charges such as amortisation and depreciation. Our GIA has reduced over the last four years in line with the Department's Efficiency and Reform Review. The remaining funding (95%) comes from licence fees from both the public and private sectors, including contributions from the Devolved Administrations (DAs) and secondment fees.

We set our licence fees to cover the full cost of regulatory activities and the back-office costs necessary to operate as a regulator.

Our expenditure

Our total expenditure for the 2025/26 year was £6,605k (2024/25 £5,935k) an increase of 11%. The majority of our costs relate to staffing, which represented 72% of expenditure in 2025/26 (2024/25 73.6%).

Below is a summary of our financial position as of 31 March 2026

	Notes	2025/26	2024/25
Income		**£'000s**	**£'000s**
Licence fees		6,041	5,271
Other	(a)	112	183
Total income		**6,153**	**5,454**
Expenditure			
Staff costs		4,741	4,366
Non-staff costs		1,864	1,569
Total expenditure		**6,605**	**5,935**
Net income/(expenditure)		**(452)**	**(481)**
Grant in aid (cash)	(b)	**299**	**305**
Ring-fenced Grant in aid	(c)	**171**	**120**
(Deficit)/Surplus for the year		**18**	**(56)**

The figures in the above table will differ from the SoCNE due to the treatment of grant-in-aid and non-cash technical accounting transactions.

(a) Other income consists of contributions from the Devolved Governments and income from the secondment of a member of staff to the Human Fertilisation and Embryology Authority for the first quarter of 2025/26.

(b) Grant in aid is treated as financing within our statutory accounts and is therefore required to be excluded from SoCNE, which is on page 59 within the financial statements and included in the Statement of Changes in Taxpayers' Equity (SoCTE) on page 62.

(c) We received cover for our non-cash transactions, which do not represent operational transactions and are not shown in the above analysis.

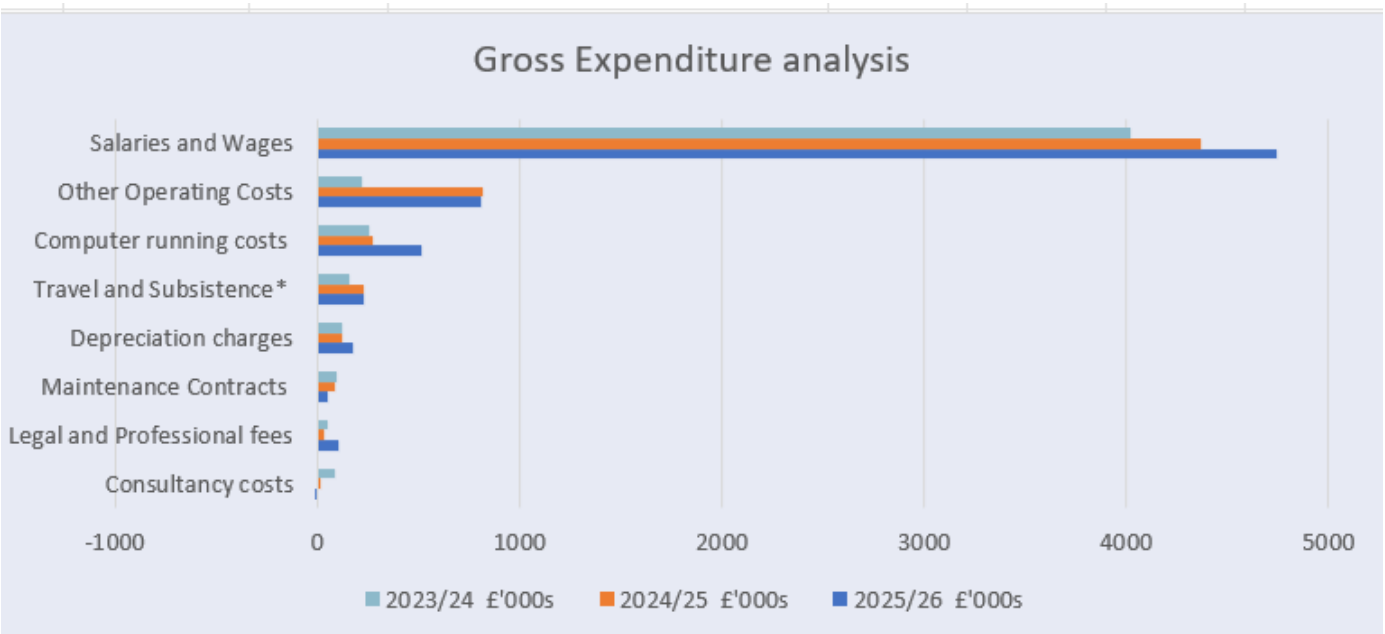
Financial performance

At the conclusion of the 2025/26 financial year, the organisation nearly achieved a break-even position, registering a modest surplus of £18,000 before accounting for non-cash items amounting to £171,000. This represents a further reduction in the deficit compared to previous years.

Total operating expenditure for this financial year rose by £670k (11.3%) to £6,605k, primarily reflecting strategic investment in human capital and enhancements to digital infrastructure. The principal driver of this variance was an £375k increase in salaries and wages, alongside a £242k uplift in computer running costs as HTA continues to modernise its operational systems. Legal and professional fees also increased by £72k. These upward movements were partially mitigated by realised efficiencies in maintenance contracts, which decreased by £35k, and a favourable variance in consultancy costs. Our capital expenditure allocation for 2025/26 was £80k, and the upgrade to the accounting software Great Plains was £74k.

Gross expenditure analysis

The graph below shows where we have spent our funding during the last three financial years.



Other financial information

Supplier payments

We adhere to the Better Payments Practice Code by paying our suppliers within 30 days of receipt of an invoice. No interest payments were made to suppliers under the Late Payment of Commercial Debts (Interest) Act 1998.

HTA Target	2025/26	2024/25
100%* of payments made within 10 days of receipt of undisputed invoice.	**368 invoices received, of which 346 (94%) were paid within 10 days**	**363 invoices received of which 341 (93.9%) were paid within 10 days**
BPPC Target	**2025/26**	**2024/25**
100%* of payments made within 30 days of receipt of undisputed invoice.	**368 invoices received, of which 367 (99.7%) were paid within 30 days**	**363 invoices received of which 363 (100%) were paid within 30 days**

*Change in Target from 90% to 100%

Forward financial outlook

HTA approved our 2026/27 annual budget in December 2025. This budget sets out our planned expenditure for the year ahead. During the budget-setting process, the finance team worked closely with directorates to ensure that all proposals were fully and accurately costed.

Our GIA was agreed by the Department of Health and Social Care in March 2026. Fees for all licensed establishments were agreed by the Authority in December 2025 and published at the beginning of April 2026. Anticipated cost pressures, including pay award increases and inflation, have been incorporated into the 2026/27 budget.

The key focus will be to deliver our business plan and other commitments while maintaining tight financial control and delivering against the agreed budget within headcount targets.

Sustainability Report

The Human Tissue Authority (HTA) occupies a small area within a shared office building in outer London. Building-wide environmental management measures—such as recycling facilities, waste services and energy-efficient systems—are overseen by the landlord. As a result, the HTA's direct influence over the environmental performance of the estate is limited.

The HTA's primary operational environmental impacts relate to business travel and procurement activity. Staff are required to travel on official business in a cost-effective manner, using rail or other public transport wherever suitable. The organisation procures goods and services predominantly through Crown Commercial Service frameworks, which incorporate sustainability considerations as part of their design.

As an executive non-departmental public body (NDPB), the HTA provides quarterly environmental data to the Department of Health and Social Care (DHSC) to support its consolidated reporting against the Greening Government Commitments (GGCs). This reflects the requirement that central government departments report on behalf of their executive agencies, non-ministerial departments and NDPBs.

For the purposes of Annual Report sustainability disclosures, the 2025/26 period is a transitional year under the government's Sustainability Reporting Guidance. Bodies that have not previously been in the scope of full GGC sustainability reporting are not mandated to apply the full reporting requirements for this period. The HTA therefore provides environmental information on a proportionate basis, reflecting its small size and limited environmental footprint. The HTA is not required to produce Taskforce on Climate-related Financial Disclosures (TCFD)-aligned reporting for 2025/26 unless directed by its sponsoring department. Such guidance applies mainly to central government departments and larger arm's-length bodies.

A significant change in reported business travel emissions is noted for 2025/26. This reflects improved completeness and accuracy in the data supplied by the HTA's travel provider, replacing the estimation methodology used in previous years. The HTA will continue to report accurate information as it becomes available.

Summary of performance

Activity	2025/26	2024/25	2025/26	2024/25
Total tCO_2e^2	**Km travelled**	**Km travelled**	**Tonnes CO_2e^2**	**Tonnes CO_2e^2**
Car	42,254	29,943	7.18	5.31
Flights	49,141	21,196	10.63	2.28
Rail	214,860	63,613	7.83	4.17

Financial information	2025/26	2024/25	2025/26	2024/25
	Rail	**Rail**	**Air**	**Air**
Expenditure	£75,790	£74,566	£12,937	£8,968
Number of transactions/flights	1520	986	93	44



Dr Colin Sullivan
Accounting Officer

13 July 2026

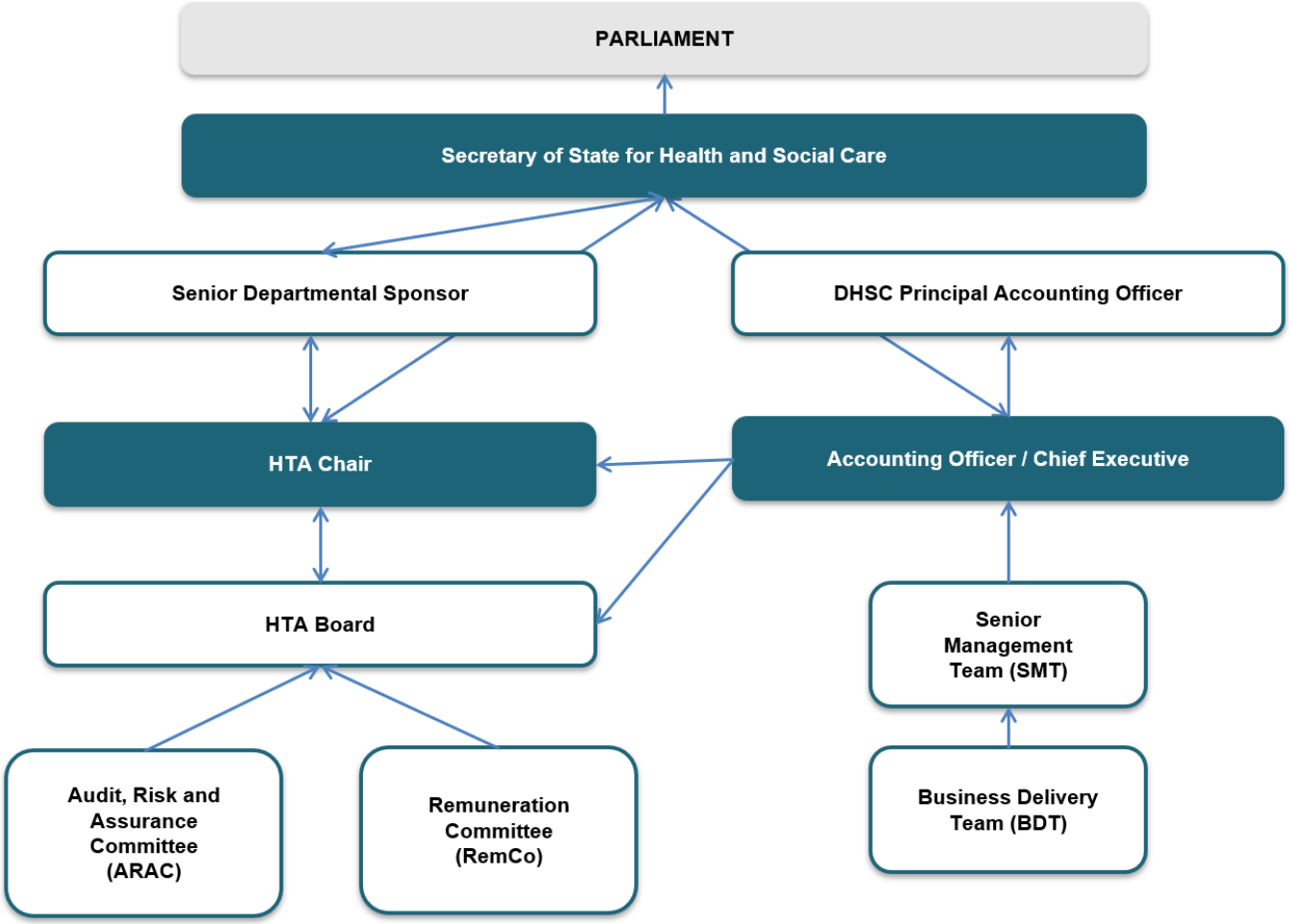
Accountability Report

Corporate Governance Report

Directors Report

Governance Structure

The diagram below depicts the governance and risk management structure, with the following sections describing the role of the Board, Committees and the SMT.



During 2025/26, the Board comprised of 13 members at point during the year (5 arriving and 2 departing in the year), all appointed through an open public process. At 31 March 2026, we had a Board of 11 members. Below is a list of Board members during 2025/26. Biographies for each existing member can be found on our website https://www.hta.gov.uk/about-hta/meet-our-board-and-executive-team.

Members of the Board are appointed by the Secretary of State for Health and Social Care (or, for

one member each, as noted in the table above, by the Cabinet Secretary for Health in Wales and the Department for Health in Northern Ireland) for a set period, not exceeding three years. They may be reappointed but may not serve for a total of more than six years. In the event of early termination, there is no contractual provision for compensation. In October 2025, the Chair was exceptionally extended to 3rd January 2027 in accordance with the Cabinet Office Code of Governance for Public Appointments.

Name	Appointment Dates	
	From	To
Lynne Berry (Chair) [2]	18-Nov-19	03-Jan-27
Gary Crowe [1]	01-Sep-19	30-Aug-25
Ellen Donovan [1] [3]	04-Jan-21	31-Mar-27
Helen Froud	21-Apr-25	20-Apr-28
Andy Greenfield [1]	01-Apr-22	31-Mar-28
Nicole Lappin [4]	12-Sep-25	11-Sep-28
David Lewis [1]	01-Apr-22	31-Mar-28
David Lock	28-Nov-23	27-Nov-26
Gina Radford	21-Apr-25	20-Apr-28
Steve Stanbury	21-Apr-25	20-Apr-28
David Stanton [5]	12-Apr-25	31-Jan-26
Mhairi Spurr (was Mhairi Anderson)	28-Nov-23	27-Nov-26
Jessica Watts	28-Nov-23	27-Nov-26

[1] Gary Crowe, Ellen Donovan, Andy Greenfield, and David Lewis were each serving a second three-year term during the reporting period.
[2] Lynne Berry's second term (originally 19 Nov 2022 - 18 Nov 2025) was exceptionally extended by the Secretary of State for Health and Social Care until 3rd of January 2027 or the appointment of a new Chair, whichever was the sooner.
[3] Ellen Donovan was appointed by the Cabinet Secretary for Health in the Welsh Government.
[4] Nicole Lappin was appointed by the Minister for Health in the Northern Ireland Government
[5] David Stanton resigned partway through his first term.

Senior Management Team

Our Accounting Officer (Chief Executive) and Directors during the 2025/26 financial year and at 31 March 2026, are set out below.

Name	Position	Joined/Resigned
Colin Sullivan	Chief Executive	N/A
Nicolette Harrison	Director of Regulation	N/A
Louise Dineley	Director of Data, Technology and Development	N/A
Katrina Leighton-Hearn	Director of Finance and Resources	N/A
John McDermott	Deputy Director for Performance and Corporate Governance	N/A

Register of Interest

We maintain a register of interests and require all Board members and staff to declare any company directorships and other significant interests held by them or their close family and friends that may conflict with their HTA responsibilities.

Members also declare their interest in any items under discussion at Board, Audit and Risk Committee and Remuneration Committee meetings. The Chair decides whether there is a conflict of interest and whether the member concerned should remain involved in the discussion. Members' interests are published on our website. https://www.hta.gov.uk/about-hta/committees-and-working-groups/authority-board

Our Auditors

The Comptroller and Auditor General is the external auditor for the HTA's accounts. The external auditor's remuneration in 2025/26 was £60,000. No fees were incurred for non-audit work.

Personal data-related incidents

Arrangements for data security and any personal data-related incidents are set out in the annual governance statement.

Statement of the Authority and Accounting Officer's Responsibilities

Under the Human Tissue Act 2004, the Secretary of State has directed the HTA to prepare, for each financial year, a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the HTA's state of affairs, income and expenditure, Statement of Financial Position, and cash flows for the financial year.

In preparing the accounts, the HTA and the Accounting Officer are required to comply with the requirements of the Government Financial Reporting Manual prepared by HM Treasury, and in particular to:

- observe the Accounts Direction 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 accounts.
- prepare the accounts on a going concern basis.
- confirm that the Annual Report and Accounts, as a whole, is fair, balanced and understandable, and that I take personal responsibility for the Annual Report and Accounts and the judgements required to determine that it is fair, balanced and understandable.

The Accounting Officer of the DHSC has appointed the Chief Executive as Accounting Officer for the Human Tissue Authority, with responsibility for preparing the HTA's accounts and transmitting them to the Comptroller and Auditor General.

The responsibilities of an Accounting Officer, including responsibility for the propriety and

regularity of the public finances, for which the Accounting Officer is answerable, and for keeping proper records and safeguarding the HTA's assets, are set out in the Accounting Officers' Memorandum, issued by the DHSC, and in Managing Public Money published by HM Treasury.

As Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the HTA's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

Accounts Direction

The Annual Accounts have been prepared and issued by the HTA, under directions given by the Secretary of State for Health and Social Care, with the approval of HM Treasury, in accordance with Schedule 2 (paragraph 16) of the Human Tissue Act 2004. The Accounts report the resources that have been used by the HTA to deliver its objectives. These Annual Accounts have been prepared in accordance with the guidance set out in the Financial Reporting Manual (FReM) 2025/26.

Authority statement

The Senior Management Team (SMT) of the HTA has reviewed and contributed to this document. The Audit, Risk and Assurance Committee (ARAC), on behalf of the Authority, has reviewed the Annual Report and Accounts.

Governance statement

The purpose of the Governance Statement is to explain the composition and organisation of the HTA's governance structures and how they support the achievement of its objectives. It sets out the governance structures, risk management, and internal control processes that have been in place during the year and provides an assessment of their effectiveness.

Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the HTA's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me. As the Accounting Officer, I am also responsible for ensuring that the HTA is administered prudently and economically and that resources are applied efficiently and effectively.
The system of control was in place throughout the year ending 31 March 2026 and up to the point of signing the accounts.

Governance framework

The HTA is an independent regulator established in 2005, following events in the 1990s that revealed incidents of removal and retention of human organs and tissue without consent. The legislation that established the HTA not only addressed this issue but also updated and

consolidated other laws relating to human tissue and organs. The HTA was established by the Human Tissue Act 2004 as an arm's length body of the Department for Health and Social Care and is overseen by a Board appointed by the DHSC Secretary of State, and with one member selected by the Health Minister of Wales and another by the Northern Ireland Department of Health.

The DHSC Permanent Secretary nominates a Senior Departmental Sponsor (SDS) who acts as the HTA's designated, consistent point of contact within the Department. The SDS acts as the link at the executive level between the HTA and the senior officials of the Department and Ministers. The SDS also supports the Permanent Secretary in holding the HTA to account and in assuring its performance.

A Departmental sponsor team supports the SDS by undertaking the principal day-to-day liaison between the Department and the HTA.

Our Board

We are governed by the Board, our corporate decision-making body. The Board is responsible for setting the strategic direction of the HTA and is the ultimate decision-making body for matters of HTA-wide strategic, regulatory, or reputational significance. Effective governance facilitates the delivery of HTA's purpose and strategy. The Board is committed, through its governance framework, to appropriate decision-making at the appropriate level within the HTA, ensuring accountability, long-term value, and fulfilling our purpose of furthering the interests of our stakeholders.

Board members and Committee attendance during the financial 2025/26 year (meetings available / meetings attended)

	Board	Audit, Risk and Assurance	Remuneration Committee
Number of meetings held	4	4	4
Lynne Berry (HTA Chair)	4/4	N/A	4/4
Gary Crowe (ARAC Chair) [1]	1/1	1/1	N/A
Ellen Donovan (RemCo Chair)	4/4	N/A	4/4
Helen Froud	4/4	N/A	N/A
Andy Greenfield	4/4	N/A	N/A
Nicole Lappin [2]	3/3	N/A	N/A
David Lewis [4]	4/4	4/4	4/4
David Lock	4/4	N/A	N/A
Gina Radford	4/4	N/A	N/A
Steve Stanbury [3]	4/4	3/3	N/A
David Stanton [4]	3/3	2/3	N/A
Mhairi Spurr [5]	4/4	N/A	3/4
Jessica Watts	3/4	3/4	N/A

[1] Gary Crowe's second full term as a Board member ended on 30 August 2025
[2] Nicole Lappin was appointed on 12 September 2025

[3] Steve Stanbury was appointed to the Board on 21 April 2025 but did not immediately assume a role as an ARAC member.
[4] David Stanton replaced Gary Crowe but then resigned on 31 January 2026. He held the role of ARAC chair from the 1st of September to his resignation. David Lewis was appointed ARAC Chair from 1st February 2026.
[5] Previously Mhairi Anderson

Board Administration

The administration for the Board is the responsibility of the Deputy Director for Performance and Corporate Governance, supported by the Board Secretary (and Private Office Lead), who maintains and keeps up to date the main procedures and policies of the Board, corporate records, and terms of reference of the Board and Committees. The Deputy Director for Performance and Corporate Governance also maintains the HTA's corporate governance framework.

Board meetings provide the opportunity to assess a range of management information and more detailed reports on progress against elements of the strategic plan. They also allow the board to hold the executive to account for the HTA's performance.

Highlights of Board meetings in 2025/26

During 2025/26, the Board fulfilled its primary role, ensuring that the HTA's statutory responsibilities were met by setting the HTA's strategic direction and providing support and challenge to the Executive responsible for discharging these responsibilities day-to-day.

Standing items at Board meetings in 2025/26 included:

- Chief Executive's Report detailing current issues
- Performance Report covering progress against our Business Plan, including Review of the Strategic Risk Register
- Audit, Risk and Assurance and Remuneration Committee Chair's Reports
- Chair's report
- Updates from DHSC sponsor team officials

In addition, in 2025/26 the Board discussed the following matters:

- 12-month evaluation of the Human Tissue Act (Supply of Information about Transplants) Regulations 2024
- HTA Strategy 2024-27: Review of Year 1
- Evidential Compliance Assessments trialled in the Postmortem sector during 2024/25
- Review of Board Standing Orders, Committee Terms of Reference and supporting documents.
- Dignity of the Deceased: Making Improvements
- Strategic Change in the Health Sector and across Government
- Budget-setting and fees proposals for 2026/27
- Business Plan 2026/27
- Feedback from HTA's sectoral Learning Event, and next steps
- Codes of Practice Review

- Horizon Scanning report 2025/26

Meeting of the Board held in public

The Board meets formally four times a year, with one of these meetings open to any members of the public to observe via live stream using Teams. In 2025/26, this occurred at our June meeting.

Workshops and informal meetings

In addition to the formal meetings, the Board held an informal strategy meeting in July, following the publication of Sir Jonathan Michael's final report. It also held an informal effectiveness and strategy meeting in November and a briefing session on Information Governance and Cyber Assessment Framework (CAF), in January. Informal development and discussion sessions are also held after each formal Board meeting.

Board effectiveness

The Board is committed to the highest standards of corporate governance and, in line with good practice, reviews its effectiveness annually. In Quarter 4 of 2025/26, HTA's Private Office, under the HTA Chair, conducted a light-touch Board Effectiveness Review (BER). The review focused on the Board's dynamics, the Board's balance of skills and experience, and how these can be best deployed and developed.

All Board members completed a questionnaire and skills self-assessment. The HTA Chair has considered the results. No serious or immediate Board or Committee effectiveness concerns were raised in the review, with the Board and its Committees working well, and maintaining an effective relationship of constructive Challenge to the Executive. The exercise was informed with material from the separate reviews of ARAC and RemCo, overseen by those Committees' Chairs, input from SMT, and other sources. Together, these insights have informed a Board Effectiveness Review Action Plan (BERAP) for the year ahead (2026/27) to sustain and further develop existing good practice.

Board Committees

To help our Board fulfil its duties, it is supported by two Committees – Audit and Risk Committee (ARAC) and Remuneration Committee (RemCo).

Audit and Risk Committee (ARAC)

This Committee advises the Accounting Officer and Board on risk management, corporate governance and assurance arrangements. It is made up of four Non-Executive Directors. Individuals from the HTA DHSC Sponsor Team and the Government Internal Audit Agency (GIAA) are invited to regularly attend the committee. The National Audit Office and KPMG, as external auditors for the HTA, also attend each meeting. The Committee meets three times a year.

The Audit and Risk Committee agrees on the annual internal audit plan. The plan is designed to systematically review different areas of the business and provide assurance to the executive team and the ARAC that any identified weaknesses in controls, are addressed and strengthened. The Committee has private sessions with the internal audit provider – GIAA, and external

auditors KPMG and the NAO, without the HTA executives being present. Both internal and external auditors have direct access to the Committee Chair if they wish to raise anything which they feel is not appropriate to raise directly with the executive.
During the 2025/26 financial year, internal audit services were provided by the GIAA. The GIAA team operates according to Public Sector Internal Audit Standards, and the internal audit plan included the following five reviews.

- Cyber Assessment Framework audit
- Corporate Governance audit
- Application of Licence Variations audit
- Budget Management audit
- Stakeholder Management audit

3 recommendations were not accepted in the Corporate Governance audit.

Business area	Assurance rating	Recommendations made		
		High	Medium	Low
Cyber Assessment Framework	Moderate	0	3	0
Corporate Governance	Substantial	0	1	3
Application of Licence Variations	Substantial	0	0	1
Budget Management	Substantial	0	0	0
Stakeholder Management	Moderate	0	3	3
Total recommendations		**0**	**7**	**7**

Committee Activities

The work of the Audit and Risk Committee follows an agreed annual work programme, with the committee allocating its time in 2025/26 to the following key topics:

- Annual Report and Accounts
- Internal Audit Assurance reporting
- Internal Audit Service Provision consideration for 2026-2027
- Internal Audit action tracking
- External Audit reports
- Risk Update and Review of Strategic Risk Register
- Cyber Security Reports, and Cyber Assessment Framework updates
- Health and Safety Update
- Government Functional Standards
- Interests, Gifts, and Hospitality.
- Reports on grievances, disputes, fraud and other information
- Whistleblowing Policy
- SIRO report
- ARAC Effectiveness Review

- ARAC Terms of Reference

Remuneration Committee (RemCo)

This Committee has the formal role of agreeing, within the framework set by the Department for Health and Social Care, on the approach to staff and Senior Management remuneration on behalf of the Board. In addition, the Committee serves as a forum for informal support and a sounding board for the Chief Executive on wider culture and people issues, including the HTA's People Strategy.

The Remuneration Committee met three times in 2025/26. It agreed the allocation of the 2025/26 consolidated pay awards for staff within the framework set by the DHSC; received updates on the HR Shared Services provision and Human Resources data, statistics; and reviewed progress against HTA's People Strategy.

Corporate Governance

We have a Framework Agreement with the DHSC, which defines the critical elements of our relationship with them as an arm ’s-length body. The way we work with the DHSC and discharge our accountability responsibilities effectively is outlined in the agreement. The Senior Departmental Sponsor (SDS) at the DHSC meets with the CEO for a formal accountability meeting every quarter and for informal meetings throughout the year. The SDS also meets with the Chair on a regular basis and agrees and monitors delivery against the annual objectives. In addition, SMT members meet with other DHSC Sponsor Teams at quarterly intervals and as issues require. Representatives from DHSC are also present as observers at the Board and at the Audit and Risk Committee.

The operational objectives that help us deliver our corporate strategy are set out in our annual Business Plan. This document is approved by DHSC, and monitoring information is submitted to them on a quarterly basis. Along with formal meetings with the SDS and other officials, this provides assurance to DHSC that the delivery of our objectives is on track.

Our system of corporate governance complies with the requirements of the ‘Corporate governance in central Government departments: code of good practice,’ in so far as they relate to ALBs. It is designed to ensure that sufficient oversight of operational matters is held by our Board and ARAC, while allowing for clear accountability and internal control systems at executive level. The HTA is compliant with the provisions of the code with the following exceptions:

- 2.5, 2.10, 3.6, 4.3-4.5, 5.15 – in place of the Nomination Committee, the functions are carried out by appointing Departments (in respect of non-executive directors) and by HTA's Remuneration Committee.
- 4.7 – in place of the Permanent Secretary, the HTA Chair and Chief Executive share this responsibility.
- 4.11 – in place of the Board Secretary, the HTA Chair and Chief Executive, and the Private Office Lead take responsibility.
- 5.2 – The board has delegated the clearance of the governance statement to the Audit, Risk and Assurance Committee meetings.
- 5.5 – The Head of Internal Audit only attends the Audit, Risk and Assurance Committee

meetings.

- 5.11 – Audit, Risk and Assurance Committee is established as an advisory committee, it was exceptionally granted decision-making authority by the Board.

Performance Management

We operate a comprehensive Portfolio Management approach to Business Planning and Performance Management, linked to the best-practice Management of Portfolios syllabus. This allows us to transparently demonstrate our delivery against our stated objectives and plans. We account to the Board and DHSC for our performance on a quarterly basis. The information we use to demonstrate our performance is available in the “Authority Meetings” section of our website.

Our Portfolio Management performance reporting, owned by the Deputy Director for Performance and Corporate Governance, is subject to rigorous scrutiny and is undertaken at different levels of granularity as appropriate for the forum at which it is considered, including by our Business Delivery Team, our monthly Portfolio Senior Management Team (Portfolio Board), our Board and ultimately the DHSC.

Quality of data used by the Board

The papers on which the Board (and its Committees) rely are subject to a comprehensive internal assurance process overseen by the relevant member of the SMT. Feedback from members of the Board and the annual review of Committees suggests the papers are of good quality and accuracy.

Risk management framework

The audit, risk and assurance committee (ARAC) provides an independent and objective view of arrangements for managing risk. It advises the Board on the coordination and prioritisation of risk management across the HTA and on the effectiveness of the internal control system.
The internal control system is designed to manage risk to a reasonable level rather than eliminate all risks. It therefore provides reasonable, not absolute, assurance of effectiveness. It is based on a continuous review of processes designed to identify and prioritise risks to the achievement of organisational aims and objectives.
Our risk management policy defines risk, outlines roles and responsibilities for managing risks, and explains how risks are categorised, assessed, escalated and de-escalated. It uses the 5x5 risk scoring matrix in line with HM Treasury guidance (Orange Book).

Risk appetite

The Board has ultimate responsibility for risk management, including decisions that affect our risk profile. The Board approves the risk management policy and determines the risk appetite (the extent to which we would tolerate known risks in return for benefits expected from a particular action or set of actions).

At each of its meetings, the audit, risk and assurance committee reviews the strategic risk

register and undertakes a deep-dive discussion of any one of the strategic risks.
Directors, in conjunction with their teams, are also responsible for ensuring that risks in their directorates are managed in line with our risk management policy – this includes identifying, assessing and updating operational risk registers, which are monitored by the Business Delivery Team (BDT). The BDT reviews operational risk registers periodically and escalates risks whose threat level is increasing to the senior executive team for consideration for inclusion in the strategic risk register.

Our key strategic risks are detailed in the performance report on pages 15-17.

Information governance

We have an established information governance structure:

- Director of Finance and Resources is the Senior Information Risk Officer (SIRO) with responsibility for the system of safeguarding and protecting personal identifiable information, confidential, and corporate sensitive data
- The Information Governance Lead has a dual role within the HTA, of the Records Management & Information Governance (RMIG) Lead and the Data Protection Officer (DPO)
- Director of Data Technology and Development is our Caldicott Guardian and Senior Responsible Officer (SRO)
- Directors and Heads of Service are Information Asset Owners (IAOs) where relevant
- The Chair of the Audit and Risk Committee fulfils the role of Freedom to Speak Up Champion for the HTA, supporting an open culture and providing an independent point of escalation.

A framework is in place that brings together all key policies, procedures and controls, including:

- Information Governance & Assurance Framework
- Records Management and Retention Policy
- Freedom of Information Policy
- Information Security Policy
- Individual Information Rights Guidance

The Audit, Risk and Assurance Committee (ARAC) and senior management receive regular information governance updates, with mandatory training provided to maintain high levels of awareness. Relevant information risks are captured in operational risk registers, which are reviewed monthly at Business Delivery Team (BDT) meetings.

To strengthen our cyber resilience, we have recruited an IT Cyber Security & Compliance Manager. We also provide a comprehensive Cyber Security dashboard to ARAC at each meeting, providing assurance that cyber security controls are sufficient to prevent information security threats.

Data security risks are managed and monitored within the overall risk management framework, HMG Security Policy Framework.
Personal data breaches are overseen by the Information Governance Lead, and all other data security risks, excluding personal data, are managed by the Head of IT to ensure security threats

are followed up and appropriately managed. We are committed to strengthening cybersecurity controls through the Cyber Assessment Framework and the National Data Guardian's Data Security Standards.

Any data recorded within both the HTA's digital and physical platforms are subject to specific legislative provisions, the Data Protection Act 2018 (DPA) and Freedom of Information (FOI) Act 2000. User access is based on the principle of least privilege, and access is granted based on requirements to fulfil the role. Spot checks are conducted with IT and a random selection of staff throughout the year, these checks the expected permission sets against the actual to ensure that people are not given the wrong permissions. Requests for information are handled in full compliance with both the Data Protection Act and the Freedom of Information Act.
Any operational requirements to deviate from the HTA security policy regarding data security require SIRO agreement.

In the 2025/26 financial year, there were 3 reported personal data breaches investigated, none of which were judged to be of sufficient gravity to report to the Information Commissioner's Office (ICO). The SIRO report, which is presented to the Audit, Risk and Assurance Committee at the June 2026 meeting includes information on data breaches for 2025/26.

All employees are required to complete the following annual mandatory training modules 'Information Security' and 'Responsibilities Under GDPR' to protect information. Staff training compliance as of March 2026 was 85% and 92% (March 2025: 90% and 76%) respectively.

The current Data Security and Protection Toolkit (DSPT), aligned to the Cyber Assessment Framework (CAF), is composed of 5 Objectives, 18 Principles, and 46 Contributing Outcomes, including 12 mandatory outcomes that must be evidenced by an organisation completing the CAF-based assessment.

For the 2025/26 DSPT (v7) cycle completed this financial year, the HTA achieved an overall rating of 'Approaching Standards', with two contributing outcomes not achieved:

- A3.a – Asset Management
- E4.a – Managing Records

These areas were highlighted as requiring additional work and were identified as priority items for improvement.

We are actively addressing both unmet outcomes through a multi-year Records Management and Retention Programme of work.

Counter fraud, bribery and corruption

Quarterly submissions are made to the DHSC Anti-Fraud Unit (DHSC AFU) in compliance with the government counter fraud functional standard GovS 013. We maintain a suite of policies specifically designed to prevent, detect, and uphold a zero-tolerance approach to financial irregularity.

To manage the risk of bribery, the organisation maintains a Register of Interests and a Gifts and

Hospitality Register, ensuring transparency in all professional dealings. Counter Fraud and Anti-Bribery training remains a mandatory requirement for all staff to ensure awareness of reporting obligations and the identification of red flags.

Our financial controls include a strict separation of duties and robust verification processes for changes to supplier bank details to mitigate the risk of mandate fraud.

There were no losses due to fraud identified in 2025/26. We are active members of the ALB Counter Fraud Liaison Group, which facilitates the sharing of best practices and provides access to specialist expertise for investigations if required.

Government Functional Standards

There are 14 Government Functional Standards, of which 12 are applicable to the HTA. As agreed with our Audit and Risk Committee, we intend to seek compliance with the Government Functional Standards in a manner that is proportionate to an organisation of our size. As part of the 2025/26 annual assessment cycle, we have completed the 5 audit recommendations agreed with GIAA related to their 2024/25 internal audit of our approach, including moving to the Good / Better / Best self-assessment model and adding in objective quality assurance checks of the self-assessments. We can confirm that the HTA is compliant with the required Government Functional Standards.

Whistleblowing

Our staff are encouraged to speak up and raise any concerns where something does not feel or look right. Our procedures for raising concerns are accessible to all staff. We offer several options for staff to raise concerns at all levels across the organisation, and also promote external whistleblowing hotlines. To support the whistleblowing policy, the Chair of the Audit, Risk and Assurance committee is a Freedom to Speak Up Champion.

Pensions

As an employer with staff who are entitled to membership of the NHS Pension Scheme, we have control measures in place to ensure compliance with all employer obligations under the scheme's regulations. This includes ensuring that salary deductions, employer contributions, and payments into the scheme are in accordance with the rules, and that member pension scheme records are accurately updated in line with the timescales set out in the regulations.

Internal Audit

In 2025/26, Internal Audit provided assurance over the HTA’s core business activities, with individual reviews across operational, financial, and other risk areas, all informed by the HTA’s risk assessment and an independent view of our risk profile. The Head of Internal Audit’s opinion is based solely on whether the controls in place support the achievement of management’s objectives as set out in the 2025/26 Internal Audit Plan and individual Assignment Reports.

Head of Internal Audit Opinion

In accordance with the requirements of the UK Public Sector Internal Audit Standards, the Head of Internal Audit is required to provide the Accounting Officer with their annual opinion on the overall adequacy and effectiveness of the organisation's risk management, control, and governance processes.

This opinion is based on the outcomes of the work that Internal Audit has conducted throughout the reporting year. There have been no undue limitations on the scope of the internal audit work, and the appropriate level of resources has been in place to enable the function to satisfactorily complete the planned work.

In summary, the overall opinion given to the Accounting Officer was Moderate.

Accounting Officer's conclusion

The governance arrangements detailed in this statement aim to support the Human Tissue Authority in maximising our understanding and use of all available information about the quality and effectiveness of our systems, to help us improve services and satisfy assurance requirements about the effectiveness of our systems of internal control.

Based on my review, I am not aware of any significant control issues, and I am content that appropriate arrangements are in place for the discharge of all statutory functions for which the Human Tissue Authority is responsible. In summary, I am satisfied that the governance framework, risk management, and internal control system are adequate and have been effectively maintained throughout 2025/26.

Remuneration and Staff Report

The remuneration and staff report provides details of the remuneration (including any non-cash remuneration) and pension interests of board members and the directors who regularly attend board meetings.

Senior staff remuneration

The remuneration of the chair and non-executive directors is set by the Secretary of State for Health and Social Care. The salaries of the staff employed on HTA conditions and terms of service are subject to direction from the Secretary of State for Health and Social Care.
The remuneration of the chief executive and all executive senior managers (ESMs) is first subject to independent job evaluation, then approved by HTA's remuneration committee (RemCo), with additional governance oversight from the DHSC remuneration committee. Any salary exceeding the £174,000 (prior to July 2025 this was £150,000) required approval from both the Secretary of State and the DHSC remuneration committee. The remuneration of the executives and senior managers is detailed in the table on pages 41-42.
Membership of the remuneration committee and its work are on page 29.

Performance appraisal

A personal objective-setting process that is aligned with the business plan is agreed with each member of staff annually, and all staff are subject to an annual performance appraisal.

Policy on duration of contracts, notice periods and termination payments

Terms and conditions: non-executive directors and chair

Below are the terms and conditions for the chair and non-executive directors.

Statutory basis for appointment

The Chair and Non-Executive Directors of Non-Departmental Public Bodies (NDPBs) within the health sector hold a statutory office under the Health and Social Care Act 2012. Their appointment does not create any contract for services with the Secretary of State for Health and Social Care or with the HTA.

Employment law

The appointments of the Chair and Non-Executive Directors of the HTA are not within the jurisdiction of employment tribunals. There is also no entitlement to compensation for loss of office through employment.

Reappointments

The Chair and Non-Executive Directors are eligible for reappointment at the end of their current 3-year term of office, but they have no right to be reappointed. The Department of Health and Social Care (DHSC) will have a view as to who should be appointed to the office.

Termination of appointment

A Chair or Non-Executive Director may resign by giving notice in writing to the Secretary of State for Health and Social Care, their appointment will terminate on the date set out in their appointment letter unless terminated earlier in accordance with Schedule 2 to the Human Tissue Act.

Remuneration

Under the Act, the Chair and Non-Executive Directors are entitled to be remunerated by the HTA for as long as they hold office. There is no need for provision in HTA's annual accounts for the early termination of any Non-Executive Director's appointment.

Conflict of interests

The Code of Conduct for Board Members of Public Bodies published by the Cabinet Office applies to NDPB boards. The Code requires Chairs and Board members to declare, on appointment, any business interests, positions of authority in a charity or voluntary body in health and social care, and any connection with bodies contracting for NHS services. These must be entered into the HTA's register of interest, which is available to the public. Any changes should be declared as they arise.

Terms and conditions of the HTA executive team

Basis of appointment

All executive directors and other directors who are members of the executive team are appointed on a permanent basis under a contract of service at an agreed annual salary with eligibility to claim allowances for travel and subsistence costs, at rates set by HTA, for expenses incurred on its behalf. Appointments may be made on an interim basis to cover vacancies or for other operational reasons, with agreed arrangements for travel and subsistence costs. There were no interim appointments in 2025/26.

Termination of appointment

Directors who are members of the executive team must give three months' notice of contract termination. There is no provision for compensation included in the HTA's annual accounts for the early termination of any executive director's contract of service in 2025/26.

Terms and conditions of the HTA staff

The HTA provides for general staff salaries to be uplifted annually in August and the salaries of senior executives are typically backdated to April. Any uplifts are in line with HM Treasury pay guidance and approved by the HTA's Remuneration Committee and by DHSC.

Single total figure of remuneration – board members' and directors' remuneration (subject to audit).

Board		2025/26					2024/25				
Name	Title	Salary and allowances (bands of £5,000)	All taxable benefits total to the nearest £100	Performance pay and bonuses (bands of £5,000)	Pension Benefits to the nearest £1,000	Total (bands of £5,000)	Salary and allowances (bands of £5,000)	All taxable benefits total to the nearest £100	Performance pay and bonuses (bands of £5,000)	Pension Benefits to the nearest £1,000	Total (bands of £5,000)
		£'000	£	£'000		£'000	£'000	£	£'000		£'000
Lynne Berry	Chair	40-45	0	0	0	40-45	40-45	200	0	0	40-45
Professor Gary Crowe[1]	NED	5-10 (Fye10-15)	500	0	0	5-10 (Fye10-15)	10-15	2,500	0	0	10-15
David Stanton [2]	NED	5-10 (Fye10-15)	0	0	0	5-10 (Fye10-15)	N/A	N/A	N/A	N/A	N/A
David Lewis [2]	NED	5-10 (Fye 10-15)	1,300	0	0	10-15 (Fye 10-15)	5-10	1,600	0	0	5-10
Mhairi Spurr (was Mhairi Anderson)	NED	5-10	900	0	0	5-10	5-10	1,800	0	0	5-10
Tom Chakraborti [3]	NED	N/A	N/A	N/A	N/A	N/A	5-10	100	0	0	5-10
Helen Froud [4]	NED	5-10 (Fye 5-10)	2,400	0	0	10-15 (Fye10-15)	N/A	N/A	N/A	N/A	N/A
Helen Dodds [3]	NED	N/A	N/A	N/A	N/A	N/A	5-10	300	0	0	5-10
Ellen Donovan	NED	5-10	1,200	0	0	10-15	5-10	1,600	0	0	5-10
Andy Greenfield	NED	5-10	200	0	0	5-10	5-10	400	0	0	5-10
Nicole Lappin [5]	NED	0-5 (Fye 5-10)	1,100	0	0	5-10 (Fye10-15)	N/A	N/A	N/A	N/A	N/A
David Lock	NED	5-10	0	0	0	5-10	5-10	100	0	0	5-10
Jessica Watts	NED	5-10	400	0	0	5-10	5-10	500	0	0	5-10
Gina Radford [4]	NED	5-10 (Fye 5-10)	400	0	0	5-10 (Fye 5-10)	N/A	N/A	N/A	N/A	N/A
Steve Stanbury [4]	NED	5-10 (Fye 5-10)	700	0	0	5-10 (Fye 5-10)	N/A	N/A	N/A	N/A	N/A

[1] Gary Crowe held the Role of ARAC Chair until his departure from the Board in 31 August 2025 and received a higher rate of remuneration.

[2] David Stanton held the role of ARAC Chair from 1 September 2025 until his departure from the Board on 31 January 2026, when he was replaced by David Lewis. Both received a higher rate of remuneration.

[3] Tom Chakraborti and Helen Dodds departed on 31 March 2025

[4] Helen Found, Gina Radford, and Steve Stanbury joined on 21 April 2025

[5] Nicole Lappin joined on 19 September 2025

Directors		2025/26					2024/25				
Name	Title	Salary and allowances (bands of £5,000)	All taxable benefits total to the nearest £100	Performance pay and bonuses (bands of £5,000)	Pension Benefits to the nearest £1,000	Total (bands of £5,000)	Salary and allowances (bands of £5,000)	All taxable benefits total to the nearest £100	Performance pay and bonuses (bands of £5,000)	Pension Benefits to the nearest £1,000	Total (bands of £5,000)
		£'000	£	£'000		£'000	£'000	£	£'000		£'000
Dr Colin Sullivan	Chief Executive Officer	135-140	100	0	37,000	175-180	135-140	200	05-10	35,000	175-180
Louise Dineley	Director	115-120	200	0	52,000	165-170	110-115	0	0	6,000	115-120
Nicolette Harrison	Director	115-120	0	0	34,000	150-155	110-115	0	0	31,000	140-145
Katrina Leighton-Hearn [1]	Director	80-85 (Fye 110-115)	100	0	11,000	90-95 (Fye 120-125)	20-25 (Fye 105-110)	0	0	12,000	30-35 (Fye 115-120)
Katherine Towner [2]	Interim Director	N/A	N/A	N/A	N/A	N/A	30-35(Fye 210-215)	N/A	N/A	N/A	30-35(Fye 210-215)
Tom Skrinar [3]	Director	N/A	N/A	N/A	N/A	N/A	30-35(Fye 90-95)	0	0	103,000	135-140
John McDermot	Deputy Director	95-100	400	0	29,000	120-125	90-95	400	0	27,000	115-120

[1] Katrina Leighton-Hearn joined part-time on 1 December 2024

[2] Katherine Towner was employed as Interim Director of Finance and Resources during February and March 2025 through an agency

[3] Tom Skrinar was 0.5FTE, worked at HTA one secondment and was terminated on 31/12/2024

PENSION COSTS

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.
In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”.
An outline of these follows:

a) Accounting valuation
A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary’s Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2026, is based on valuation data as at 31 March 2024, updated to 31 March 2026 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.
The latest assessment of the liabilities of the scheme is contained in the Statement by the Actuary, which forms part of the annual NHS Pension Scheme Annual Report and Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation
The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (considering recent demographic experience), and to recommend the contribution rate payable by employers.
The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from 1 April 2024 to 23.7% of pensionable pay. The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.
The 2024 actuarial valuation is currently being prepared and will be published before new contribution rates are implemented from April 2027.

Pension Benefits – Senior Management Team (Subject to audit)

Officer	Real increase in pension at age 60 (a)	Real increase in pension lump sum at age 60 (b)	Total accrued Pension at 31/03/26 (c)	Lump sum at age 60 at 31/03/2026 (d)	CETV at 31/03/2026 (e)	Real increase in CETV as funded by employer 2025/26	CETV at 31/03/2025
Dr Colin Sullivan	2.5-5	0	10-15	0	207	33	155
Louise Dineley	2.5-5	2.5-5	40-45	105-110	953	54	869
Nicolette Harrison	0-2.5	0	15-20	0	326	36	271
Katrina Leighton-Hearn	0-2.5	0	15-20	0	248	9	225*
John McDermott	0-2.5	0	20-25	0	256	16	224

**The cash equivalent transfer value for Katrina Leighton-Hearn has been amended from the value stated in the 2024-25 annual report of £37,000. This is due to a transposition error in the preparation of the prior year statement.*

Cash Equivalent Transfers

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capital 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 (or other allowable beneficiary's) pension payable from the scheme. CETVs are calculated in accordance with SI 2008 No.1050 Occupational Pension Schemes (Transfer Values) Regulations 2008.

Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension because of inflation and contributions paid by the employee (including the value of any benefits transferred from another scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Fair pay disclosure (subject to audit)

Reporting bodies are required to disclose the relationship between the total remuneration of the highest-paid director/member in their organisation against the 25th percentile, median and the 75th percentile of remuneration of the organisation's workforce. Total remuneration of the employee at the 25th percentile, median and 75th percentile is further broken down to disclose the salary component.

The banded annualised remuneration of the highest-paid director in the Human Tissue Authority in the financial year 2025-26 was £135k-£140k (2024-25: £180k-£185k). This annual difference was due to the temporary employment of the highest-paid Director in the prior year. The relationship to the remuneration of the organisation's workforce is disclosed in the table below:

		Financial years	
		2025-26	2024-25
	Remuneration banding for highest paid director	£135,000 to £140,000	£180,000 to £185,000
25th percentile	Total remuneration	£46,575	£36,974
	Salary component	£46,200	£36,974
	Total remuneration ratio	2.99	4.94
Median percentile	Total remuneration	£52,570	£50,474
	Salary component	£52,164	£50,474
	Total remuneration ratio	2.65	3.62
75th percentile	Total remuneration	£58,737	£62,339
	Salary component	£55,800	£62,339
	Total remuneration ratio	2.37	2.93

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

For the 2025/26 financial year, remuneration ranged from £18k to £139k (2024-25: £8k to £182k FYE). The 2024/25 figure included non-executive pay and wasn't reinstated to exclude it following changes to the FReM for 2025/26. The 2024/25 ceiling reflects a short-term tenure reported as a full-year equivalent rather than the actual salary paid.

Other information about pay includes:
• Four directors were eligible for pay award of 3.25% backdated to 1st of April 2025
•Our average staff numbers have increased from 56.9 in 2024/25 to 59.4 2025/26

Percentage change in remuneration of the highest paid individual (subject to audit)

Director	2025/26	2024/25	Change
Salary and allowances mid-point	£137,500	£182,500	(24.7%)
Performance pay and bonuses	0	0	0%

The table above shows the mid-point of the salary band of the highest-paid director and their performance pay. In 2025/26, the highest-paid staff member received a consolidated pay award. There were no bonuses paid.

The table below shows the average percentage change in pay for HTA staff from the previous financial year, excluding the highest-paid director.

Staff	2025/26	2024/25	Change
Salaries and allowances	£56,293	£49,258	13%
Average Performance pay award	£1,426	£1,064	32.5%

In line with Cabinet Office guidelines, HTA staff received a flat pay award of 3.25 %-3.5% during the reporting year. The average performance pay award per FTE has increased from £1,064 in 2024/25 to £1,426 in 2025/26.

Staff numbers and related costs (subject to audit)

	Permanently employed staff	Board Members	Temporary staff	Total 2025/26	Total 2024/25
	£'000	£'000	£'000	£'000	£'000
Wages and salaries	3,395	131	6	**3,532**	**3,363**
Social security costs	460	12	0	**472**	**361**
Pension costs	737	0	0	**737**	**642**
Subtotal	4,592	143	6	**4,741**	**4,366**
Less recoveries in respect of outward secondments	(18)	0	0	**(18)**	**(59)**
Total net costs	**4,574**	**143**	**6**	**4,723**	**4,307**

£6k in Temporary staff represents the recruitment fee for a fixed-term appointment.

Average number of persons employed (subject to audit)

The average number of whole-time equivalent persons employed (excluding non-executive directors) during the year was as follows:

Employment	Permanently Employed staff	2025/26 Total	2024/25 Total
Directly employed	59.4	59.4	56.9

During the year, one staff member was on secondment to the HFEA for half their time and left in June 2025. The HTA employed an average of 60 staff in 2025/26 (2024/25: 60).

There were no temporary staff employed in 2025/26

Staff

Our staff turnover for 2025/26 was 12.7%, including planned leavers on fixed-term contracts. Excluding planned leavers, our turnover was down to 9.5%.

Sickness and absences

During the year ended 31 March 2026, the total number of whole-time equivalent days (WTE) lost to sickness absence was 370 (2024/25: 268 days). There were four instances of long-term sickness, and all sickness is managed in accordance with our Managing Attendance policy. This

information is disclosed in accordance with the Financial Reporting Manual (FReM).

Consultancy expenditure

For the year ended 31 March 2026, the HTA incurred no expenditure on consultancy services (2024/25: £121,834).

Equality and diversity

The HTA is fully committed to equality of opportunity for both current and prospective employees. We expect everyone who works for or with the HTA, or applies to work for the HTA, to be treated fairly and valued equally.

Our values make it clear that we are fully committed to providing equal opportunities for all staff. Any form of discrimination because of race, disability, gender, gender identity, religion/belief, age, sexual orientation or any other protected characteristic is not tolerated.

We monitor our performance in this area with statistics and reports discussed at Remuneration Committee and management meetings. We are developing a new Equality, Diversity & Inclusion strategy to recognise that equality of opportunity and treatment is everybody's responsibility and help support a truly inclusive environment for everyone at the HTA.

Equality information for staff which excludes Board members as at 31 March 2026

	31 March 2026 (number)	31 March 2026 (%)	31 March 2025 (number)	31 March 2025 (%)
Gender				
Female	39	63%	40	67%
Male	23	37%	20	33%
Total	**62**		**60**	
Age distribution				
18-29	1	2%	1	2%
30-39	15	24%	14	23%
40-49	21	34%	23	38%
50-59	21	34%	18	30%
60+	4	6%	4	7%
Total	**62**		**60**	
Time in service				
0-4 years	43	69%	39	65%
5-9 years	12	20%	12	20%
10-19 years	7	11%	9	15%
Total	**62**		**60**	
Ethnicity				
Asian	4	6%	3	5%

Black	2	3%	4	7%
Other	3	5%	1	2%
White	49	80%	50	83%
Undisclosed	4	6%	2	3%
Total	**62**		**60**	

Disability

We have a specific policy to support interviewing any candidate with a disability who meets the essential criteria for a post to provide greater equity for those with disabilities. Support is also provided for all staff who have, or develop, a disability, including making any reasonable adjustments to the workplace or work processes and having advice available through occupational health referrals if necessary. We keep informed of any changes to employment law and update our policies and guidance accordingly.
Disability - 9% of HTA staff declared a disability in 2025/26.

Off-payroll assurance statement

The HTA seeks to ensure that any engagements of more than six months in duration, for more than a daily rate of £245, include contractual provisions that allow us to seek assurance regarding the income tax and National Insurance Contribution obligations of the person engaged, and to terminate the contract if that assurance is not provided.
For all new off-payroll engagements, or those that reached six months duration, between 1 April 2025 and 31 March 2026, for more than £245 per day and that last for longer than six months. There were no staff who met this criteria.

Number of existing engagements as of 31 March 2026	0
Of which….	
No. assessed as caught by IR35	0
No. assessed as not caught by IR35	0
No. engaged directly (via PSC contracted to department) and are on the department payroll	0
No. of engagements reassessed for consistency/assurance purposes during the year	0
No. of engagements that saw a change to IR35 status following the consultancy review	0

For any off-payroll engagements of board members, and/or senior officials with significant financial responsibility, between 1 April 2025 and 31 March 2026.

No. of off-payroll engagements of board members, and/or senior officials with significant financial responsibility, during the financial year	0
Total no. of individuals on payroll and off-payroll that have been deemed “board members, and/or senior officials with significant responsibility,” during the financial year.	18

Exit packages (subject to audit) 2025/26

There were no exit packages agreed or paid in 2025-26 (2024-25: 0).

Parliamentary Accountability and Audit Report

Accountability (the details below are subject to audit)

The purpose of the parliamentary accountability and audit report is to bring together the key parliamentary accountability documents within the Annual Report and Accounts.

Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are thus subject to special control procedures compared with the generality of payments.

There were no losses or special payments over £300,000, either individually or in aggregate, made in 2025/26 (2024/25: nil).

Fees and charging and cost allocation

We set our licence fees to recover the full cost of regulating six sectors (Anatomy, Post Mortem, Public Display, Research, Human Application and Organ Donation and Transplantation). In addition, regulatory services are provided to the Devolved Governments.

The table below provides an analysis of charging for licensable activities. The income differs from that in the financial statements, as it only includes income related to regulatory activities, thus excluding grant-in-aid.

Financial Year	Total income from regulatory activities	Costs allocated to licensing activities	Surplus/(Deficit) on activities
	£'000s	£'000s	£'000s
2025/26	6,086	6,105	(19)
2024/25	5,370	(5,539)	(169)

In addition, there are elements of our work that do not relate directly to the cost of regulating the six sectors, such as the Living Organ Donation approvals and supporting the DHSC on policy-related matters. The DHSC and devolved administrations contribute to the funding of these activities through the provision of a Grant-in-aid

We confirm that we have complied with the cost allocation and charging requirements as set out in HM Treasury's guidance.

Remote Contingent liabilities

A contingent liability arises where an event has taken place that gives an entity a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the body.

Contingent liabilities also arise in circumstances where a provision would otherwise be made, but either it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured reliably.

In accordance with IAS 37, contingent liabilities are not recognised in the balance sheet but disclosed in a note to the Accounts.
There are no known remote contingent liabilities and no contingent liabilities disclosed.



Dr Colin Sullivan **13 July 2026**
Accounting Officer

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT, the Northern Ireland Assembly and the Sennedd Cymru.

Opinion on financial statements

I certify that I have audited the financial statements of the Human Tissue Authority for the year ended 31 March 2026 under the Human Tissue Act 2004.

The financial statements comprise the Human Tissue Authority's:

- Statement of Financial Position as at 31 March 2026;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Human Tissue Authority's affairs as at 31 March 2026 and its Comprehensive net expenditure for the year then ended; and
- have been properly prepared in accordance with the Human Tissue Act 2004 and Secretary of State directions issued thereunder.

Opinion on regularity

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

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2024*. I am independent of the Human Tissue Authority in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Human Tissue Authority's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Human Tissue Authority's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Human Tissue Authority is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other Information

The other information comprises information included in the Annual Report but does not include the financial statements and my auditor's certificate thereon. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the Human Tissue Act 2004.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the Human Tissue Act 2004; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Human Tissue Authority and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report.

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 by the Human Tissue Authority or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Authority and Accounting Officer for the financial statements

As explained more fully in the Statement of the Authority and Accounting Officer's responsibilities, the Authority and Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Human Tissue Authority from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view in accordance with Secretary of State directions issued under the Human Tissue Act 2004;

- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with Secretary of State directions issued under the Human Tissue Act 2004; and
- assessing the Human Tissue Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Human Tissue Authority will not continue to be provided in the future

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Human Tissue Act 2004.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Human Tissue Authority's accounting policies;
- inquired of management, the Human Tissue Authority's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Human Tissue Authority's policies and procedures on:
    - identifying, evaluating and complying with laws and regulations;
    - detecting and responding to the risks of fraud; and
    - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Human Tissue Authority's controls relating to the Human Tissue Authority's compliance with the Human Tissue Act 2004, Managing Public Money, employment law and pensions legislation;
- inquired of management, the Human Tissue Authority's head of internal audit and those charged with governance whether:

  - they were aware of any instances of non-compliance with laws and regulations;
  - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team, including internal IT specialists, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Human Tissue Authority for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals and complex transactions. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Human Tissue Authority's framework of authority and other legal and regulatory frameworks in which the Human Tissue Authority operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Human Tissue Authority. The key laws and regulations I considered in this context included Human Tissue Act 2004 and Managing Public Money and employment law and pensions legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit, Risk and Assurance Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Authority and internal audit reports; and
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business;

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the

purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General

Date
15 July 2026

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Financial Statements

Statement of Comprehensive Net Expenditure for the twelve months ended 31 March 2026

	Note	2025/26 £'000s	2024/25 £'000s
Income from sale of goods and services			
Revenue from contracts with customers	4	**(6,041)**	(5,271)
Other Operating Income	4	**(112)**	(183)
Total operating income		**(6,153)**	(5,454)
Expenditure			
Staff costs	3.1	**4,741**	4,366
Purchase of goods and services	3	**1,289**	1,011
Other operating expenditure	3	**417**	382
Non-cash items	3	**138**	170
Total operating expenditure		**6,585**	5,929
Net operating expenditure		**432**	475
Finance expense	3	**20**	6
Comprehensive net expenditure for the year		**452**	481

There are no items of expenditure that should be shown as Other Comprehensive Expenditure. All items of income and expense arise from continuing activities.

Notes 1 to 14 on pages 63 to 80 form part of these financial statements.

Statement of Financial Position as at 31 March 2026

	Note	31-Mar-26 £'000s	31-Mar-25 £'000s
Non-current assets:			
Property, plant and equipment	5	**39**	78
Right of Use Asset	5	**350**	545
Intangible assets	6	**241**	223
Total non-current assets		**630**	**846**
Current assets:			
Trade and other receivables	8	**141**	202
Cash and cash equivalents	9	**4,180**	4,312
Total current assets		**4,321**	4,514
Total assets		**4,951**	5,360
Current liabilities			
Trade and other payables	10	**471**	540
Lease Liabilities	11	**89**	105
Total current liabilities		**560**	645
Total assets less current liabilities		**4,391**	4,715
Non-current liabilities			
Lease Liabilities	11	**270**	441
Total Non-current liabilities		**270**	441
Total assets less total liabilities		**4,121**	4,274
Taxpayers' Equity			
I&E Reserve		**4,121**	4,274
Total equity		**4,121**	4,274

Notes 1 to 14 on pages 63 to 80 form part of these financial statements.

The financial statements were signed on behalf of the Human Tissue Authority by:



Dr Colin Sullivan **13 July 2026**
Accounting Officer

Statement of Cash Flows for the twelve months to 31 March 2026

	Note	2025/26 Total £'000s	2024/25 Total £'000s
Cash flows from operating activities			
Net operating expenditure	SoCNE	**(452)**	(481)
Adjustment for depreciation and amortisation	3	**171**	123
Loss on disposal of fixed assets	3	**0**	4
Interest paid on Lease liabilities	3	**20**	6
Decrease/(Increase) in trade and other receivables	8	**61**	77
Increase/(Decrease) in trade payables	10	**(86)**	(109)
Net cash (outflow)/ inflow from operating activities		**(286)**	(380)
Cash flows from investing activities			
Purchases of Intangible Assets	6	**(57)**	0
Net cash outflow from investing activities		**(57)**	0
Cash flows from financing activities			
Grants from sponsor department		**299**	305
Capital repayments made under lease liabilities		**(68)**	(108)
Interest payments made under lease liabilities		**(20)**	(6)
Net financing		**211**	191
Net increase/(decrease) in cash and cash equivalents in the period		**(132)**	(189)
Cash and cash equivalents at the beginning of the period	9	**4,312**	4,501
Cash and cash equivalents at the end of the period		**4,180**	**4,312**

Notes 1 to 14 on pages 63 to 80 form part of these financial statements.

Statement of Changes in Taxpayers' Equity
For the twelve months ended 31 March 2026

	Note	I & E Reserve £'000s
Balance at 1 April 2024		4,450
Changes in taxpayers' equity for 2024/25		
Net Expenditure		(481)
Total recognised Income and expense for 2024/25		(481)
Grant from sponsor department		305
Balance at 31 March 2025		**4,274**
Changes in taxpayers' equity for 2025/26		
Net Expenditure		(452)
Total recognised expense for 2025/26		(452)
Grant from sponsor department	1.7	299
Balance at 31 March 2026		**4,121**

Notes 1 to 14 on pages 63 to 80 form part of these financial statements.

Notes to the accounts

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. Statement of accounting policies

These financial statements have been prepared pursuant to the Human Tissue Act 2004, Schedule 2 (paragraph 16) and in accordance with the Financial Reporting Manual (FReM). 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 which is judged to be most appropriate to the particular circumstances of the Human Tissue Authority (HTA) for the purposes of giving a true and fair view has been selected. The particular policies adopted by the HTA for the year ended 31 March 2026 are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

1.1 Going concern

The going concern basis of accounting for the HTA is adopted in consideration of the requirements set out in the International Accounting Standards as interpreted by HM Treasury's Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements, where it is anticipated that the services they provide will continue in the future.

1.2 Accounting convention

These accounts have been prepared under the historical cost convention, modified to account for the revaluation of property, plant and equipment at fair value and intangible assets at cost model, to the extent required or permitted by the 2025-26 FReM as set out in these accounting policies.

1.3 Non-current assets

Non-current assets are property, plant and equipment and intangible assets including the costs of acquiring or developing computer systems and software. Only items or groups of related items costing £5,000 or more are capitalised. Items costing less are treated as revenue expenditure in the year of acquisition.

All property, plant and equipment and intangible assets held by the HTA at 31 March 2026 are carried in the Statement of Financial Position at depreciated historical cost. Depreciation and amortisation are charged to write off the cost or valuation of property, plant, and equipment (PPE) and intangible assets, less any residual value, on a straight-line basis over their estimated useful lives. The estimated useful life represents the period over which HTA expects to derive economic

benefits or operational capacity from the asset. This period is specific to the entity's requirements and may be shorter than the asset's actual physical life.

Plant and Equipment

Information Technology	4 years
Furniture and fittings	3 or 5 years
Refurbishment Costs	5 or 10 years
Right of Use Assets (Leases)	Lease term

Intangible assets

Information Technology	5 years
Websites	3 years

1.4 Assets under Construction (Development expenditure)

These are the costs related to the upgrade of HTA systems, whether that be the hardware or applications that are yet to be deployed. These assets are not depreciated. They are depreciated from the point they come into use.

1.5 Impairments

The HTA applies the IFRS 9 simplified approach to measuring expected credit losses (ECL), which uses a lifetime expected loss allowance for all trade receivables.

In assessing the required allowance, the HTA considers historical credit loss experience, the specific sector, and the current and forecasted economic climate. For debts aged over 28, 42, and 56 days, a weighted default rating is applied to determine the potential risk.

In accordance with Department of Health and Social Care (DHSC) guidance, no impairment is recognised against NHS bodies or other DHSC arm’s-length bodies, as the DHSC provides a guarantee of last resort for these balances.

1.6 Critical accounting judgements and key sources of estimation uncertainty

In the application of the HTA accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed annually. Revisions to accounting estimates are recognised in the period of the revision and future periods if the revision affects both current and future period. The judgements that management has made in the process of applying HTA's accounting policies and that may have significant effect on the amounts recognised in the financial statements are:

IFRS 9: expected credit losses (ECL) – an impairment review was conducted where historical debtor information, current economic climate, profile of the sector is taken into account. A weighting is applied to each debt according to the number of days outstanding. This results in a provision (expected credit loss) for these outstanding amounts. Excluded from this review are NHS debtors (see note 1.5).

In accordance with IAS 37, the HTA has recognised an accrual regarding a legal matter during the reporting period. Based on legal advice, management has judged that an outflow of economic benefits is probable, and a reliable estimate of the obligation has been made.

There are no contingent liabilities in 2025/26.

1.7 Grant-in-aid

Grant-in-aid (GIA) received is used to finance activities and expenditure which support the statutory and other objectives of the HTA. Grant-in-aid is treated as financing and credited to the income and expenditure reserve, because it is regarded as contributions from a controlling party.

1.8 Leases

Scope and classification

Contracts that convey the right to use an asset for a period of time in exchange for consideration are classified as leases. In accordance with IFRS 16, the HTA recognises a right-of-use asset and a corresponding lease liability at the commencement of the lease.

The HTA applies the recognition exemptions for low-value assets (items costing less than £5,000 when new) and short-term leases (term of 12 months or less). For these leases, lease payments are recognised as an expense on a straight-line basis over the lease term.

Recognition and initial measurement

At the commencement of a lease (or the IFRS effective dates) HTA recognises a right-of-use asset and a lease liability. The lease is measured as the payments for the remaining lease term net of irrecoverable value added tax, discounted either by the rate implicit in the lease, or where this cannot be determined, HTA's incremental cost of borrowing rate. For the HTA, the incremental cost of borrowing is the rate advised by HM Treasury for that financial year. The lease term is as reflected in the lease agreement. The liability is presented within note 11.

The right-of-use asset is initially measured at the value of the liability.

Expenditure includes interest and straight-line depreciation. Lease payments reduce the lease liability. If applicable, rental payments for leases of low value items or shorter than twelve months are expensed. The HTA does not currently have low value items or leases shorter than twelve months.

The HTA considers the cost model to be a reasonable proxy for this.

Lease Remeasurement

In accordance with IFRS 16, the HTA has reviewed its lease liabilities during the reporting period. A remeasurement of the lease liability was undertaken following a reduction in floor space and the resulting decrease in future lease payments, effective from April 2025.

In accordance with IFRS 16.44, the HTA accounted for a change in the lease scope during the reporting period. A lease modification was recognised following a reduction in floor space at 2 Redman Place and the resulting decrease in future lease payments, effective from April 2025.

As a result of the remeasurement:

-The lease liability decreased by £118k and the right-of-use asset was adjusted by the same amount;
-A small gain of £52 was recognised in the Statement of Comprehensive Net Expenditure at the remeasurement date.

The remeasured amounts are being depreciated over the remaining lease term in line with our accounting policies. The discount rate assessed and used was the HMT rate as of 1st of April 2025.

1.9 Income

Our main source of income takes the form of fees for licences from establishments who have human tissue on their premises and fixed fees from devolved administrations, for work on policies and transplants.

Under IFRS 15 and the 5-step model:
- There is a contractual arrangement between the HTA and its establishments as per IFRS 15 and the 5-step model. The underlying legislation is deemed to enforce contractual obligations on both parties, and thus these arrangements are viewed as contracts under the standard.
- Performance obligations exist between the HTA and those establishments, within the private and public sectors it regulates. The establishments must maintain standards in line with our Codes of Practice and submit details of activities being undertaken. The HTA if satisfied grants a licence.
- A transaction price (licence fee) is chargeable for the granting of licences and for ongoing regulation. The cost of ongoing regulation is based on the sector, type of activity undertaken by each establishment.
- The transaction price is allocated to the obligation on the HTA to regulate the establishments and grant a licence.
- Income is recognised over time across the financial year to which the licence relates.

Other operating income received by HTA relates to seconded staff. Income is recognised on an accruals basis, with the performance obligation deemed to be the point at which these goods or services are delivered.

1.10 Employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of leave earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

1.11 Pensions

Past and present employees are covered by the provisions of the NHS Pensions Scheme (NHSPS). Details of the benefits payable under these provisions can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. The Scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The Scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying Scheme's assets and liabilities. Therefore, the Scheme is accounted for as if it were a defined contribution scheme: the cost to the HTA of participating in the Scheme is taken as equal to the contributions payable to the Scheme for the accounting period.

1.12 Financial assets

Financial assets are recognised when HTA becomes party to the financial instrument contract or, in the case of contract receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

1.13 Financial liabilities

Financial liabilities are recognised on the statement of financial position when HTA becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are derecognised when the liability has been paid or expired.

1.14 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents would be investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1.15 IFRS issued but not yet effective

The following Standards and Interpretations have been issued by the International Accounting Standards Board (IASB) but have not been adopted by the HTA as they are not yet required by the Treasury FReM or the DHSC Group Accounting Manual (GAM)

IFRS 18 - Presentation and Disclosure in Financial Statements - The Standard is effective for accounting periods beginning on or after 1 January 2027. The HTA anticipates that this will lead to changes in the presentation of the financial statements but will not impact the underlying measurement of assets or liabilities.

IFRS 19 – Subsidiaries without Public Accountability, applicable for accounting periods beginning on or after 1 January 2027. The HTA is not a subsidiary entity and does not prepare group accounts; therefore, IFRS 19 is not expected to have any impact on our financial statements.

1.16 Provisions

Provisions are recognised when the HTA has a present legal or constructive obligation as a result of a past event, it is probable that the HTA 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. Where the expenditure does not materialise or the best estimate crystalises, the provision is released.

1.17 Contingent Liabilities

A contingent liability arises where an event has taken place that gives an entity a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the body.
Contingent liabilities also arise in circumstances where a provision would otherwise be made, but either it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured reliably.
In accordance with IAS 37, contingent liabilities are not recognised on the balance sheet, but disclosed in the accounts.

1.18 Insurance Contracts

The HTA has performed a review of its service contracts, indemnities, and various funding agreements. It has been concluded that the HTA does not issue insurance contracts as defined by the Standard, nor does it hold any reinsurance contracts. Consequently, the adoption of IFRS 17 has had no material impact on the HTA’s financial position, performance, or cash flows for the current or prior reporting periods.

2. Analysis of Net Expenditure by Segment

Under the definition of IFRS 8 the HTA is a single operating segment whose objectives are the licensing and inspection of premises involved in the storage and use of human tissue for purposes such as research, patient treatment, post-mortem examination, teaching and public exhibitions.

The HTA also gives approval for organ and bone marrow donations from living people.

The HTA charges fees for its licensing activities which, along with Grant-in-aid from the DHSC, its sponsoring body, are applied in pursuit of these objectives.

3. Other Expenditure

		2025/26 £'000s	2024/25 £'000s
Staff Costs	3.1	**4,741**	4,366
Purchase of goods and services			
Computer running costs		**513**	271
Staff recruitment, training and welfare		**137**	154
Consultancy		**(5)**	15
Office and administration costs		**28**	22
Maintenance Contracts		**47**	82
Travel subsistence and hospitality		**227**	227
Conferences & Events		**1**	1
Stationery and publications		**30**	28
Shared Services		**70**	73
Auditors Remuneration	(a)	**139**	108
Legal and professional fees		**102**	30
		1,289	1,011
Other operating costs			
Accommodation		**147**	184
Project Costs		**259**	188
Telecommunications		**11**	10
		417	382
Non-cash items			
Depreciation and amortisation	5,6	**171**	123
Bad Debt Write Offs	(b)	**1**	88
Movement in impairment for expected credit loss	8	**(34)**	(45)
Loss on disposal of non-current assets		**0**	4
Lease Interest		**20**	6
		158	176
Total		**6,605**	5,935

Notes

(a) Audit fees	Internal	**79**	63
	External	**60**	45
		139	108

(b)We have recovered some of the written off debt from 2024-25.

3.1 Staff related costs

Staff costs comprise:

	Permanently Employed Staff	Members	Temporary Staff	Total
	£'000s	£'000s	£'000s	£'000s
Wages and salaries	3,395	131	6	**3,532**
Social security costs	460	12	0	**472**
Pension costs	737	0	0	**737**
Sub Total	4,592	143	6	**4,741**
Less recoveries in respect of outward secondments	(18)	0	0	**(18)**
Total net costs	**4,574**	**143**	**6**	**4,723**

Details of remuneration paid to Members and the Senior Management team are given in the Remuneration Report. £6k is agency fee for fixed term appointment services.

4. Income

	Note	2025/26 £'000s	2024/25 £'000s
Revenue from contracts:			
Licence Fee Income		**(6,041)**	(5,271)
Income from devolved administrations		**(56)**	(124)
		(6,097)	(5,395)
Other Operating Income	4.1	**(56)**	(59)
		(6,153)	(5,454)

The HTA's remit is to regulate the removal, storage, use and disposal of human organs and tissue from the living and deceased. In accordance with section 16, schedule 3, paragraph 2 (4) (f) and paragraph 13 of the Human Tissue Act 2004, the HTA may grant licences to other organisations and charge fees for those licences.

4.1 Other Operating Income

	2025/26 £'000	2024/25 £'000
Other Income - Outward secondees	**(18)**	(59)
Other Income Misc	**(38)**	0
	(56)	(59)

Other income - outward secondees relates to a single member of staff who worked for another organisation part-time.

5. Property, Plant and Equipment

	Information Technology Hardware	**Right of Use Lease**	**Total**	**Of which Leases within DHSC Group**
	£'000	**£'000**	**£'000**	**£'000**
Cost or valuation				
At 1 April 2025	229	800	1,029	800
Revaluations	(4)	(117)	(121)	(117)
At 31 March 2026	225	683	908	683
Depreciation				
At 1 April 2025	151	255	406	255
Charge for the year	35	78	113	78
At 31 March 2026	186	333	519	333
Net book value at 31 March 2026	**39**	**350**	**389**	**350**
Assets owned by the HTA	39	0	39	0
Assets Leased by the HTA	0	350	350	350
Net book value at 31 March 2025	78	545	623	545

	Information Technology Hardware	Right of Use Lease	Total	Of which Leases within DHSC Group
	£'000	£'000	£'000	£'000
Cost or valuation				
At 1 April 2024	269	749	1,018	749
Additions	19	0	19	0
Disposals	(59)	0	(59)	0
Remeasurements	0	51	51	51
At 31 March 2025	229	800	1,029	800
Depreciation				
At 1 April 2024	170	170	340	170
Charge for the year	37	85	122	85
Disposals	(56)	0	(56)	0
At 31 March 2025	151	255	406	255
Net book value at 31 March 2025	**78**	**545**	**623**	**545**
Assets owned by the HTA	78	0	78	0
Assets Leased by the HTA	0	545	545	545
Net book value at 31 March 2024	**99**	**579**	**678**	**579**

5a. Carrying value of right of use assets split by counterparty

	£'000's
Leased from DHSC	350
	350

6. Intangible Assets

	Information Technology	Information Technology CRM Dynamics	Assets Under Construction	Total
	£'000	£'000	£'000	£'000
Cost or valuation				
At 1 April 2025	1,132	115	110	1,357
Additions	74	0	0	74
Disposals	0	0	0	0
Adjustments/Transfers	110	0	(110)	0
Reclassification	0	0	0	0
At 31 March 2026	1,316	115	0	1,431
Amortisation				
At 1 April 2025	1,132	2	0	1,134
Charged in year	33	23	0	56
Disposals	0	0	0	0
Adjustments/Transfers	0	0	0	0
At 31 March 2026	1,165	25	0	1,190
Net book value at 31 March 2026	**151**	**90**	**0**	**241**
Net book value at 1 April 2025	0	113	110	223

All assets are owned by the HTA

The addition to the Information Technology group is an upgrade to the financial accounting software Great Plains, of which £ 17k was unpaid at year end.

	Information Technology	Information Technology CRM Dynamics	Assets Under Construction	Total
Cost or valuation	**£`000**	**£`000**	**£`000**	**£`000**
At 1 April 2024	1,132	0	0	1,132
Additions	0	115	110	225
Disposals	0	0	0	0
Adjustments/Transfers	0	0	0	0
At 31 March 2025	1,132	115	110	1,357
Amortisation				
At 1 April 2024	1,132	0	0	1,132
Charged in year	0	2	0	2
Disposals	0	0	0	0
Adjustments/Transfers	0	0	0	0
At 31 March 2025	1,132	2	0	1,134
Net book value at 31 March 2025	**0**	**113**	**110**	**223**
Net book value at 1 April 2024	0	0	0	0

All assets are owned by the HTA

7. Financial instruments

IFRS 7 Financial Instruments Disclosure requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Financial instruments play a much more limited role in creating or changing risk at the HTA than would be typical of the listed companies to which IFRS 7 mainly applies. Financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the HTA in undertaking activities.

Liquidity risk

The HTA receives the majority of its income from annual licence fees payable by establishments mainly in the public sector. Other revenue resource requirements are financed by a grant in aid from the DHSC. These, together with a robust debt recovery, cash flow forecasting and payment process, ensure that the HTA is not exposed to significant liquidity risk.

Market and interest rate risk

At 31 March 2026 the HTA's financial liabilities carried nil rates of interest. The HTA's financial assets relate to receivables and cash balances held at 31 March 2026 within the Royal Bank of Scotland bank (Natwest) account. Interest on cash balances are set by the banks. The HTA is therefore not exposed to significant interest-rate risk.

Credit risk

The HTA receives most of its income from licence fees from within both the NHS and non-NHS market. It has in place and operates a fit-for-purpose credit control policy and, where applicable, provides for the risk of debts not being discharged by those establishments it licenses. The HTA is therefore not exposed to significant credit risk.

The aged debtor report for NHS and non-NHS receivables at 31 March 2026 was:

	£'000s
Not past due	1
Past due 0-28 days	0
Past due 29 days	10

Currency risk

The HTA is principally a domestic organisation with the great majority of transactions, assets and liabilities being UK and sterling based. HTA has no overseas operations. HTA therefore has low exposure to currency rate fluctuations.

Financial instruments held by the HTA

By category	**Receivables and other financial assets**
	31-Mar-26
Financial assets measured at amortised cost	£'000
Contract receivables (net of provisions)	10
Other receivables	3
Cash at bank and in hand	4,180
Total at 31 March 2026	**4,193**
Contract receivables (net of provisions)	106
Other receivables	17
Cash at bank and in hand	4,312
Total at 31 March 2025	**4,435**

Financial liabilities

By category	Other financial liabilities
	31-Mar-26
Financial liabilities measured at amortised cost	£'000
Contract payables	63
Other payables	29
Accruals	379
Total at 31 March 2026	**471**
Contract payables	154
Other payables	24
Accruals	362
Total at 31 March 2025	**540**

As at 31 March 2026, none of the HTA's liabilities carried a floating rate of interest.

Fair values

The fair value of the financial assets and liabilities was equal to book value.

8. Trade receivables and other current assets

	31-Mar-26	31-Mar-25
	£'000	£'000
Amounts falling due within one year:		
Contract receivables (contracts with customers)	11	141
Impairments for credit losses	(1)	(35)
Other Receivables	3	3
Prepayments	128	79
Contract assets	0	14
	141	202

Amounts falling due after more than one year:

There are no debtors falling due after more than one year.

9. Cash and cash equivalents

	£'000
Balance at 1 April 2025	4,312
Net change in cash and cash equivalent balances	(132)
Balance at 31 March 2026	**4,180**

	31-Mar-26	31-Mar-25
	£'000	£'000
The following balances were held at:		
Commercial banks	0	61
Government Banking Services	4,180	4,251
	4,180	4,312

The cash balances as at 31 March 2026 carried a floating rate.

10. Trade payables and other current liabilities

	31-Mar-26	31-Mar-25
	£'000	£'000
Amounts falling due within one year		
Contract payables	63	154
Other payables	29	24
Accruals	379	362
	471	540

All creditors, including an accrual of £60,000 for legal proceedings, are falling due within one year. There are no long-term liabilities.

11. Lease Liabilities

	Property, plant and equipment (Buildings)
	£'000's
Lease obligations at 1 April 2025	546
Additions	0
Disposal	0
Remeasurement	(118)
Payments	(89)
Interest	20
At 31 March 2026	**360**

Obligations for the following periods comprise: **31-Mar-26**

	Right to Use Asset (Lease) £'000	Total £'000
Payable:		
Not later than one year	89	89
Later than one year not later than five years	315	315
Later than five years	0	0
Less interest element	(45)	(45)
Present value of obligations	**359**	**359**

12. Contingent Liabilities

The contingent liability reported in the May 2025 pre-action letter concerning purported liability within the HTA's regulatory remit is no longer held as a contingency. Following further legal advice and the ability to reliably determine a valuation, this matter has been reclassified. A formal accrual has now been recognised within the accounts to reflect this obligation.

13. Related party transactions

During the period none of the Department of Health and Social Care Ministers, the Board members or members of the key management staff, or parties related to any of them, has undertaken any material transactions with the HTA.

The Department of Health and Social Care is regarded as a related party. During the year HTA has had a significant number of material transactions with the Department, and with other entities for which the Department is regarded as the parent Department, including:

Organisations

NHS Blood and Transplant (NHS BT)
Human Fertilisation and Embryology Authority (HFEA)
Care Quality Commission (CQC)
Below are a list of individuals that the Department of Health and Social Care identifies as meeting the definition of Related Parties as set out in IAS 24 (Related Party Transactions) and are therefore deemed to be related parties of the HTA who are within the Departmental Group.

Ministers

The Rt Hon Wes Streeting MP
Karin Smyth MP
Stephen Kinnock MP
Ashley Dalton MP
Baroness Gillian Merron
Sharon Hodgson MP
Zubir Ahmed MP

Below are details of our Board Members who are regarded as related parties as they have interests in establishments that hold an HTA licence.

Board Members

Lynne Berry	Chair of the Court of Governors of the University of Westminster and Pro Chancellor
Steve Stanbury	Director of Internal Audit at City St George's, University of London.
Gary Crowe	(ceased to be a Board member on 30 August 2025) Non-executive Director, University Hospitals of North Midlands NHS Trust

14 Events after the reporting period

In accordance with the requirements of International Accounting Standard 10, events after the reporting period are considered up to the date the accounts are authorised for issue. The financial statements were reviewed and approved by the Audit and Risk Assurance Committee (ARAC) on 9 June 2026. For the purposes of these accounts, the authorised for issue date is interpreted as the date of the Certificate and Report of the Comptroller and Auditor General.

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