

Report from the Risk and audit committee

Issue

1. The board is kept informed of the work of its Risk and Audit Committee by receiving a report on the outcomes of each meeting. The attached report summarises the outcomes of the Risk and Audit committee meeting held on 13 December 2018.

Recommendations

2. The board is invited to receive the report of the Risk and Audit Committee.

Further information

3. Available from Kate Lander. Full minutes of the meeting are available to members on request.

Risk and Audit Committee report

December 2018

Report from the chief executive

4. The chief executive gave an oral update on matters of relevance to the Committee, including on the organisational design process, progress on making registration decisions and OfS's work on developing a strategy for market exit.

Internal Audit procurement

5. The Committee considered options for the letting of a new contract for internal audit services at the OfS, to commence at the start of the 2019/20 financial year, and agreed to proceed with a competitive tender process to be initiated in the New Year. The Committee will be kept involved in this process and we expect to be in a position to consider the outcomes of the tender exercise at our meeting in February.

Risk management

6. The Committee considered an updated risk register for the OfS, including details of the broad, long-term strategic risks that have been identified, and that additional work is being carried out to continue to improve the organisation's understanding of principal corporate risks alongside an assurance mapping exercise. To assist in developing risk management maturity even further, it was agreed it would be timely for the board to consider the strategic and high level risks, and have a more detailed conversation about risk appetite.
7. The Committee was pleased with the progress being made across the board on risk management, that key risks are being prioritised and noted that, as risk management maturity developed across the organisation the management of risk (and the supporting policy and framework which had been developed) would be able to support effective delivery of the organisation's objectives as well as providing visibility and assurance to the senior team, RAC, and the board.

Internal Audit update

8. The Committee was updated on progress against the internal audit plan for 2018/19. Work was underway on a number of audits and the Committee was assured that the plan should be completed in the Spring. It was noted that recommendations arising from previous internal audits had been followed up and these were either complete or had been superseded.

OfS accounts 2018/19

9. The Committee received two papers relating to the process for producing the OfS's annual accounts:

- a. The accounting policies by which the financial statements will be prepared and presented.
- b. The NAO's plan for carrying out the audit.

Internal public interest disclosure (whistleblowing) policy

10. The Committee provided comments on the proposed internal whistleblowing policy for OfS staff. An updated version will be considered at the next meeting.

Kate Lander
December 2018