

# 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 8 December 2021.

## 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 2021

### Closed session

1. Exempt from publication

### OfS risk management

2. The committee received a suite of information relating to the risk environment in which the OfS is operating and sought assurance on how these are being managed and mitigated.  
Exempt from publication
3. Exempt from publication
4. Exempt from publication
5. We agreed that we will consider the risks associated with prioritisation and capacity at our next meeting in February 2022.
6. The committee also considered the updated register of OfS's strategic and principal risks and the changes to this since the last meeting. We noted that a number of the target dates given as March 2022 for resolution of some high impact, high likelihood risks were likely to be more aspirational than realistic and suggested these be reviewed.
7. We were updated on a small number of information and internal control issues that had occurred since the last meeting. These were minor in nature and lessons have been learned. We were assured that these did not represent any systemic risk.

### Data Futures

8. The committee received an update from the Director of Data, Foresight and Analysis on progress with the HESA data futures programme. We were advised that this is on track with risks being identified and adequately managed.
9. A member of the committee, Margaret Monckton, is now the OfS representative on the programme's quarterly review group. She reported on a recent meeting of the group she had attended, providing assurance that the project is being effectively managed by a good team of people and has effective board oversight. It is expected to deliver on time, but any external changes are likely to put pressure on this.
10. We will continue to be updated on the risks associated with the programme at future meetings and advise the board accordingly.

### Internal Audit update

11. The Head of Internal Audit provided an update on progress against the internal audit plan for 2021-22 and on progress with management action arising from previous reviews.
12. We also received four completed internal audit reviews. We noted that no significant issues had arisen from the review of the OfS's data processing and controls in relation to funding or the review of budgetary controls at the OfS and that the outcomes are consistent with management expectations. We were assured that effective controls are in place in the areas considered by the audit.

13. Exempt from publication

14. Exempt from publication

15. In addition to the completed reviews, we also considered and endorsed a proposed approach to carrying out the annual risk management internal audit. This more strategic assessment of the process will inform a review of the OfS's strategic risks, risk tolerance and appetite to ensure they align with the new strategic plan. We will carry this out at our February meeting, the outcomes of which will inform our advice to the board when it considers its own strategic risks, risk tolerance and appetite in March 2022.

### **OfS financial statement 2021-22**

16. We endorsed the proposed accounting policies which form the basis for the preparation of the OfS's financial statements for 2021-22.

17. We also considered the NAO's proposed audit plan and endorsed the identified risks as appropriate for the audit focus.

### **Reporting internal control issues**

18. We noted and agreed the proposed revised guidance for the reporting of internal control incidents.

Kate Lander

December 2021