

Report from the Risk and Audit Committee

Board's primary role in relation to this paper:

- A. Set strategy
- B. Set risk appetite
- C. Oversee performance
- D. Understand context

Purpose

1. The Risk and Audit Committee (the committee) met on 12 March 2026. This paper provides the board with a summary of the meeting.

Recommendations

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

Summary of the meeting

RAC effectiveness review report

3. The annual review into the effectiveness of the committee had been carried out and the findings were largely positive.
4. The committee considered whether the assurance it provides to the board is sufficiently robust and whether any enhancements to its approach could further strengthen its effectiveness. The committee's reporting to the board is well-developed. However, there may be value in exploring how to ensure the assurance provided continues to meet the board's evolving needs. Periodic feedback from the board on the assurance being provided and / or additional areas where it would welcome specific assurance from RAC may prove useful.
5. A mechanism will be established to allow chairs of the other board committees to escalate relevant concerns directly to the Risk and Audit Committee.
6. It was suggested that board papers should explicitly reference the board's risk appetite and tolerance in relation to related areas of risk, and whether the paper relates to specific strategic risks. This would frame the discussion of the board and enable its discussions to be consistent with its agreed appetite. The executive team intends to include this in board papers following the board's review of risk appetite and tolerance at its July planning event.

Risk management

7. Exempt from publication

8. Exempt from publication

9. Exempt from publication

Exempt from publication

Deep dive: transnational education risk

10. An overview of risks and opportunities related to transnational education (TNE), and the OfS's approach to managing the emerging risk, was presented (based on the information and discussion at the board meeting in February).

11. Exempt from publication

12. Exempt from publication

13. Exempt from publication

Cyber security report

14. Exempt from publication

Triennial review of the designated data body (DDB)

15. The committee received the emerging findings and draft report of the triennial review of the designated data body (DDB), carried out in accordance with the statutory requirement. Exempt from publication.

16. Exempt from publication

17. Exempt from publication

18. Exempt from publication

Assurance map

19. The committee received the assurance map and reviewed the assessment of assurance across the strategic risk framework.

20. Exempt from publication

Internal audit

21. The committee received the draft internal audit plan for 2026–27.

a. Exempt from publication

b. Exempt from publication

22. The committee received the internal audit progress report.

a. Exempt from publication

b. Exempt from publication

c. Exempt from publication

d. Exempt from publication

Business continuity update

23. Satisfactory progress has been made in implementing the recommendations of the business continuity internal audit report, with more work to be done.

24. A business continuity exercise is being planned.

Periodic review of reporting of delegated decisions

25. The committee reviewed a proposal for informing the board of contentious decisions made and for RAC's periodic review of the effectiveness of delegation arrangements, in line with the Scheme of Delegation Part 9.11.

26. The committee noted the arrangements.

Draft interim accounts

27. The committee received the draft interim accounts for the nine months to 31 December 2025.

28. No material issues were raised.

NAO interim audit progress report

29. The NAO provided an update on its interim audit. Exempt from publication.

30. The NAO reported a positive interim visit and constructive engagement with the OfS team.

31. The committee confirmed that it was content with the NAO's assessment of risks and management's responses.

32. Exempt from publication

33. The committee noted the process for the handover of the accounting officer role.

Draft Governance Statement

34. The committee received the first draft of the Governance Statement which will form part of the 2025-26 annual report and accounts.

Draft RAC annual report and opinion

35. The committee received the first draft of the RAC annual report and opinion.

NAO value for money and insight work

36. The committee received the NAO value for money and insight report.

Paper publication

37. To be published externally along with the board papers (subject to appropriate redactions).