



## 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. This paper provides a report on the work of the Risk and Audit Committee following its meeting on 6 March 2024.
2. No decisions are required from the board.

### Membership of the committee

3. Nick Gash has been appointed as an independent member of the committee to formally join on 1 June 2024. He attended the meeting as an observer.
4. Dirk Kahl has been appointed as an independent member of the committee to join on 1 July 2024.

### Update from the chief executive

5. The chief executive updated the committee on a number of areas of work:
  - a. Recent work on quality and standards.
  - b. Investigations related to student outcomes (condition B3).
  - c. The completion of the Teaching Excellence Framework 2023.
  - d. Providers' submission of annual financial returns.
  - e. Consultations on the new free speech duties.
  - f. The Public Accounts Committee hearing on 26 February on the investigation into student finance at franchised providers.

- g. An update on sector engagement including visits to providers and a programme of online engagement events.
- h. The progress of the Public Bodies Review of the OfS.

## Data Futures

- 6. The committee was updated on the progress of the 2022-23 Student data collection. All providers had signed off their returns by mid-January. We are working with a number of providers on potential data amendments where issues identified with the quality of their data will have a material impact on one or more of our onward uses. Exempt from publication.
- 7. The committee heard that the focus had been on the student data that is needed to conduct the Graduate Outcomes and National Student Surveys, and was reassured that this data is of sufficient quality. However, the delays to the collection of 2022-23 Student record have affected the approaches we would normally take to understand, use and publish the data.
- 8. An independent review is being commissioned, and a steering group will be set up.

## Cyber security report

- 9. The cyber security report was presented.
- 10. Exempt from publication.
- 11. The committee was reassured that the audit actions related to cyber security are on track to be implemented as part of a wider cyber improvement programme. Cyber security is on the internal audit plan for 2024-25.

## Draft Corporate governance report

- 12. A first draft of the Corporate governance report was shared with the committee. A final draft will be shared with the committee in May, in advance of final approval by the committee at its June meeting as part of the accountability report.
- 13. The committee suggested where more detail would be helpful.

## Draft RAC Annual report

- 14. A first draft of the RAC annual report was shared with the committee. Members will be asked to sign off the report in principle in May in advance of final approval by the committee at its June meeting.
- 15. The committee suggested where more detail would be helpful.

## Student interest deep dive

- 16. As part of the RAC effectiveness review carried out in 2023, the committee had requested to be better informed about student interest. In response to this request, the topic for this meeting's deep dive was student interest and involvement. The Director for Fair Access and

Participation, as the director with responsibility for oversight of our work on student insight and input, presented the deep dive.

17. Exempt from publication.

18. Exempt from publication.

19. The committee requested to return to the topic of student interest and insight on a regular basis.

## Risk management

20. Exempt from publication.

21. Exempt from publication.

22. Exempt from publication.

23. Exempt from publication.

24. Exempt from publication.

## Assurance map

25. The assurance map was shared with the committee. It has been updated, and its presentation has been refined following feedback from the committee. It is aligned with best practice as set out in the Orange Book. Exempt from publication.

26. Exempt from publication.

## Internal audit

27. An update on the work carried out by internal audit (KPMG) since the last meeting was shared with the committee. Exempt from publication.

28. The Head of Internal Audit reported his expectation that his opinion for the operating year would again be 'Significant assurance with minor opportunities for improvement'.

29. The draft internal audit plan for 2024-25 was presented to the committee for discussion. Eight reviews are proposed, exempt from publication. The committee gave feedback on the plan.

30. Exempt from publication.

31. Exempt from publication.

## Interim accounts

32. The interim accounts were presented. The accounts are broadly the same as in the previous year, other than the new income stream from section 71 fees, which is not material.

33. The final accounts will be presented to the committee at its meeting in June.

**NAO audit progress report**

34. The interim audit took place between 15 January and 9 February 2024 and it went well.

35. No significant findings or issues were raised to the attention of the committee.

**NAO update on value for money and insight**

36. The Value for money and insight report was shared with the committee.

37. The report on non-executive director appointments was noted with interest.

**Paper publication**

38. To be published externally along with the board papers (shaded sections exempt from publication).