

## **Minutes of the Office for Budget Responsibility Oversight Board and Audit Committee**

**17 June 2021**

### **Oversight Board**

#### Attending

Members: Sir Christopher Kelly, Bronwyn Curtis, Richard Hughes, Sir Charles Bean, Andy King. Staff: Steve Farrington (Chief of Staff), Mark Dembowicz (Head of Strategy, Operations and Communications).

### **1. Procedures**

The Board reviewed the minutes from the last meeting and cleared them for publication.

### **2. Update on OBR activity**

The Board discussed a **summary of the OBR's recent outputs**, stakeholder engagement, management issues and priorities. In relation to our outputs, the following issues were discussed:

- The publication of the Welfare trends report, which was shorter and later than usual, reflecting the increased workload and sequencing required to produce our forecast updates over the past year. The report focused on two ways that the pandemic has affected our welfare spending forecast: first, the drivers of the sharp rise in spending on Universal Credit (UC); and second, our expectation that the pandemic will cause medium-term spending on UC to be materially higher than our pre-pandemic forecast.
- We published monthly profiles of our March 2021 forecast on 6 May in order to inform our monthly commentary on the public finances. Data releases were showing a shortfall in borrowing relative to our forecast, mainly for timing reasons.

The Board discussed a range of **staff and office management** issues including the main conclusions from the staff survey and the plan to address issues; the staffing and accommodation budget; staff vacancies; and our plans for increasing the number of staff using the office.

The Board also discussed our **engagement** with Government and other stakeholders including:

- The development of the *Fiscal risks report* including consideration of the overlap of analysis in work across government and our ongoing external engagement for our key themes.
- The forthcoming fiscal framework review and Charter for Budget Responsibility.
- Engagement on the autumn forecast timetable, which the Treasury had communicated requests to make changes to the process to allow more time for decision making at the end of the forecast process.
- Wider stakeholder engagement including with the Society of Professional Economists, National Institute for Economic and Social Research and the Northern Ireland Assembly Finance Committee on the establishment of their new fiscal council.

The Board also discussed upcoming publications and the process for replacing Prof. Sir Charlie Bean, whose term comes to an end in January 2022.

### **3. Risk register**

The Board discussed the risk register and agreed some changes and mitigations, including in relation to managing analytical priorities, staffing and accommodation.

**Additional attendees: for items 4 and 5, OBR business manager, NAO and GIAA.**

### **4. Finances and accounts**

The Board discussed the financial position at the end of 2020-21, which will be incorporated into the *Annual report and accounts* due to be published in July.

### **5. Annual report and accounts**

The Board reviewed the *Annual report and accounts* which were approved for publication.

### **Audit Committee**

Attending

Attendees: Sir Chris Kelly, Bronwyn Curtis, Richard Hughes, Mark Dembowicz, Steve Farrington, OBR business manager, NAO and GIAA.

### **1. NAO Audit Completion Report 2020-21**

The NAO presented the Audit Report, which proposed a clear audit opinion. The Report was considered and agreed by the Audit Committee, which was invited to review the findings set out in the report, including the letters of representation and audit certificate. No material issues were raised.

### **2. Internal audit plan for 2020-21**

The Government Internal Audit Agency presented the draft annual opinion report and draft internal audit plan for 2020-21, which was agreed by the Board.