

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

5 October 2023

Oversight Board

Attending:

Members: Bronwyn Curtis OBE, Baroness Sarah Hogg, Dame Susan Rice, Richard Hughes, Prof. David Miles CBE, Tom Josephs

Staff: Stephen Farrington (Chief of Staff), James Ebdon (Deputy Chief of Staff), Mark Dembowicz (Head of Strategy, Operations and Communications), Sandra Powell (Finance and Business Manager)

1. Procedures

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

The Board designated Bronwyn Curtis as Chair of the Oversight Board and Dame Susan Rice as Chair of the Audit Committee.

2. Update on OBR activity

The Board welcomed Dame Susan Rice and Baroness Sarah Hogg as non- executive members to the OBR Oversight Board. The terms of office began on 21 June and will run for three years. Bronwyn Curtis' second term of office is due to end on 7 June 2024. Andy King departed from the OBR on 31 August 2023 and Tom Josephs was nominated by the Chancellor as his successor. The Treasury Select Committee approved his appointment, and he joined the OBR on 18 September 2023. The Board also discussed the interim staff cover for senior OBR staff.

The board discussed the recent, novel Subject Access Request and Freedom of Information requests.

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

- recent agreement of a revised *Memorandum of Understanding* between the OBR and HMT (and HMRC and DWP) that governs the forecast process;
- Agreement and publication of timetable for the Autumn forecast process;
- BRC engagements with the Chancellor;
- Recent refresh of our external advisory panel, following an external advert of expressions of interest and direct approaches to individuals. The panel now comprises around 25 experts and is much balanced in terms of its gender and ethnic diversity. The inaugural meeting was held on 5 September.

- external engagement on the main topics of our upcoming *Fiscal risks and sustainability* report (covering inactivity & health, energy and debt sustainability) with relevant experts;
- BRC engagements with the Centre for Policy Studies, Economics Observatory and Institute for Government, the Overseas Development Institute and Institute for Fiscal Studies.

The Board discussed the OBR's **budget** including the request for additional resources to establish a new supply side analysis unit, costs pressures (IT migration and maternity cover) and a range of **staff and office management** issues.

The Board discussed a **summary of the OBR's recent outputs**, including:

- The publication of the following reports and commentaries: *Annual report and accounts; Fiscal risks and sustainability report*; the inaugural OBR Article on *300 years of public finance data*; *Working paper 19: The OBR's forecast performance*; our monthly commentary on the latest Public Sector Finances.
- A significant programme of model maintenance and development work.

A range of forthcoming issues was discussed, including upcoming publications of the Forecast evaluation report on 19 October, our next Economic and fiscal outlook alongside the Autumn Statement on 22 November and progressing plans to publish working papers on devolved income taxes and welfare policy costings and our model development and maintenance work, including the development of a new overlapping generations model to analyse longer-term fiscal issues.

3. Risk register

The Board discussed a review of the key organisational risks identified by internal audit processes and noted some suggested changes and inclusions (e.g. forthcoming General election).

4. OBR Finance HMT and OBR finance staff attended this item

The Board discussed developments in the budget for this year and the main in year pressures in the context of IT, staffing and the costs pressures that we face for this financial year.

Audit Committee

Attendees: Bronwyn Curtis OBE, Baroness Sarah Hogg, Dame Susan Rice, Richard Hughes, Stephen Farrington (Chief of Staff), Jim Ebdon (Deputy Chief of Staff), Sandra Powell (OBR Finance), Ranjit Solomon (HMT Finance), Anu Newton (GIAA)

5. Internal audit

The Government Internal Audit Agency updated the board 2023-24 OBR audit plan including the completion of the hybrid working audit, OBR's progress against the agreed recommendation and the forthcoming internal review of the Business Continuity plan which was last reviewed in 2020.