

Summary Report of 10 June 2025 Audit and Risk Assurance Committee Meeting

INFO 25/06/01 - Report by Anthony Harbinson

The Committee considered the following items:

Executive Update

The Director of People and Resources gave an update on the latest work and issues within the FSA and wider government including: the Spending Review, Sanitary and Phyto-Sanitary (SPS) agreement, Arms-Length Bodies (ALB) review, Governance report and financial position, Civil Service reform and Estates.

National Audit Office (NAO) Management Letter 2023/24 and NAO Plan 2024/25

The NAO Engagement Director presented the management letter for 2023/24 and draft plan for 2024/25. ARAC noted the plan to lay the annual report and accounts for 2024/25 before parliament prior to the Christmas recess.

Annual Reporting and Accounts 2024/25 - Governance Statement

ARAC members noted the draft governance statement and had a few points clarified.

Counter Fraud Annual Report

ARAC members noted the counter fraud, bribery and corruption annual report and discussed a few points of interest.

Information Security Annual Report

The Head of Knowledge Information Management and Security presented her annual report. ARAC members discussed some of the risks around cyber security.

Head of Internal Audit Annual Report and Opinion

The Head of Internal Audit presented her annual report and opinion. Progress made since the last report was discussed by ARAC members.

Annual Review of the Internal Audit Charter

The Head of Internal Audit presented the internal audit charter which was agreed by ARAC members.

Regulatory Audit Progress Report

The Head of Delivery Assurance presented the latest progress report detailing the progress made in delivering regulatory audit assurance activities in England, Wales and Northern Ireland. ARAC

members noted the report.

ARAC Chair's Annual Report to the FSA Board

ARAC members were content with the ARAC Chair's annual report to Board which will be presented to the September Board meeting

Internal Audit Report – Governance Framework for Enforcement

The Head of Internal Audit presented the key findings from the review of governance framework for enforcement. ARAC members noted and discussed the action plan which is being taken forward following the review.

Regulatory Audit Report – Postmortem Inspection

The Head of Delivery Assurance presented the key findings from the postmortem inspection review. ARAC members noted and discussed the work completed to develop the action plan.

Non-compliance interventions / withdrawal of approval to operate

The Head of Internal Audit presented the key findings from the review of non-compliance interventions / withdrawal of approval to operate. ARAC members noted the findings and discussed the actions being taken forward.

Current Litigation

The General Counsel gave the ARAC members an overview of current litigation involving the FSA.

Below the line papers received for information:

- Audit Management Actions
- Complaints
- Risk Management update
- FSA Change Portfolio update
- ARAC External Assurances

Date of next meeting:

9 September 2025 10:30 – 12:30