

**Meeting of the Audit and Risk Committee
held on 9 November 2023 at 6.30 P.M.
Meeting was conducted using Zoom**

In Attendance: Fiona Boath, Mark Griffiths, Margaret Vass
Lorna Cameron, Ken Butler

Staff in Attendance: Donna Birrell – Chief Executive Officer (CEO)
Gerry Casey – Depute CEO / Director of Finance & Corporate
Services (DCEO/DFCS)
Sandra McPhee – Governance & Compliance Officer (GCO) Minutes
Craig Wood – Director of Housing and Property Services (DHPS)

Also in Attendance: Graham Gillespie Wylie & Bisset – Internal Audit – Item 4 only (WB)
Carla Tamagnini, Wylie & Bisset - Internal Audit – Item 4 only (WB)

Item		Action
1.	<p>Introduction and Apologies</p> <p>The meeting commenced at 6.32pm.</p> <p>The Chair welcomed everyone to the meeting and confirmed that apologies were received from Susan Macmillan.</p>	
2.	<p>Declarations of Interest</p> <p>There were no Declaration of Interests.</p>	
3.	<p>Audit & Risk Committee – Scope of Remit and Business 2023/24</p> <p>The DCEO/DFCS presented the report on the Scope of the Remit and Business of the Committee for the coming year.</p> <p>The Committee raised the following comments / queries:</p> <ul style="list-style-type: none"> Requested amendment to show that the meetings in April and June will be held on a hybrid basis with a preference for meeting in person and November meeting by Zoom. <p>The Committee: ❖ Noted the content of the report</p>	

	<p>❖ Approved the remit with update that meetings are held on a hybrid basis in April and June and by Zoom in November.</p>	
4.	Internal Audit Report	
4.1	<p>Internal Audit Reports</p> <p>The Chair welcomed Graham Gillespie and Carla Tamagnini from Wyle & Bisset to the meeting to review the recent completed internal audits.</p> <p>The DECEO/DFCS advised Committee that the three planned audits were completed on schedule. Contingency had been made for a fourth audit pending the outcome of the SHR Annual Assurance Statement Visit earlier in the year. There were no issues arising from this visit and it was agreed that the fourth audit was no longer required.</p> <p>Appendix 1 – Business Planning</p> <p>WB advised Committee that Strong assurance has been given for Business Planning following the audit.</p> <p>The report contains the scope of the Audit, looking at what work was involved and if the Association is compliant with SHR requirements.</p> <p>The report raised a number of good practice points and no recommendations.</p> <p>Appendix 2 – Damp and Mould</p> <p>WB advised Committee that Substantial assurance has been given for Tenant Safety Damp and Mould following completion of the Audit.</p> <p>The report advised that a sample review of records for 10 properties was completed as part of the Audit.</p> <p>There were 5 recommendations with one being of medium grading and 4 low. There were also examples of good practice highlighted along with benchmarking advising the average recommendations given within the RSL sector is four.</p> <p>Appendix 3 – Reactive Repairs</p> <p>WB advised Committee that Weak assurance has been given for Reactive Repairs following completion of the Audit.</p> <p>The Audit reviewed the Policy, timescales for repair completions along with sample testing.</p> <p>There were two recommendations, one high and 1 medium.</p>	

	<p>WB highlighted that pre and post inspections ceased at the time of Covid and had not restarted. There has been a robust response to this recommendation from the Association on actions taken to address the issue.</p> <p>Of the sample testing it emerged that 15% of emergency repairs reviewed were late and that 18% of the urgent repairs reviewed were out with policy timescales. The Association provided responses to address this issue.</p> <p>Actions arising from the above audits will be included in an action plan and presented to the next meeting of Audit and Risk Committee to allow progress to be monitored.</p> <p>Appendix 4 – Internal Audit Recommendations Follow Up</p> <p>Report provided update on previous audits that have been carried out and ensuring improvements identified have been put in place.</p> <p>The Committee raised the following comments / queries:</p> <ul style="list-style-type: none"> • Very comprehensive audits of the three areas and very positive reports on business planning process and approach to damp and mould. • Some worrying findings in reactive repairs report but welcome the helpful recommendations and immediate improvement actions. • Lack of post repair inspections is surprising. • Is there any update on contractor performance? The DHPS advised that this is included in the quarterly performance report for the Board meeting on 23 November, however we are continuing to work towards improvements, and since the completion of the audit, improvements have been seen. • Why did post inspection stop happening? The DHPS advised that inspections were being done but not being recorded on SDM. The Policy is being updated to reflect recommendations for approval at November Board meeting. For routine repairs, the staff are carrying out phone inspections and recording these on SDM. <p>The Chair advised Committee that as they are unable to have a private discussion with the Auditors, if there are any questions, please email to herself and these will be passed to the Auditors for response.</p> <p>The Committee:</p> <ul style="list-style-type: none"> ❖ Approved the contents of the report and the four Audit Report appendices. <p style="text-align: right;"><i>G Gillespie and C Tamagnini Left the meeting.</i></p>	<p style="text-align: center;">DHPS</p> <p style="text-align: center;">DHPS</p>
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5.	Minutes of Previous Meeting	
5.1	<p>Minute of meeting held on 29 June 2023</p> <p>The Minute was approved by Ken Butler and seconded by Mark Griffiths.</p>	
6.	<p>Matters Arising Schedule</p> <p>The schedule was presented to the Committee.</p> <p>The Committee</p> <p>❖ Approved the Matters Arising Schedule.</p>	
7.	Health and Safety	
7.1	<p>Health & Safety Exception Report – SHR RAAC</p> <p>The CEO advised Committee that SHR issued a letter on 30 October requesting information on RAAC cases in properties. The CEO advised that as most of our properties are post 1990 the likelihood is low. We are currently reviewing 13 properties based on a four step process advised by the SHR.</p> <p>Further correspondence has been received that there could be a connection with Asbestos and RAAC and we should be cross checking with our Asbestos register.</p> <p>The Committee:</p> <p>❖ Noted the verbal report provided by the CEO</p>	DHPS
7.2	<p>Health & Safety Audit Reports and Action Plan Updates</p> <p>The DCEO/DFCS presented the report with the updates to the Action Plans and Business Continuity Emergency Scenario Testing Action Plan. An update on health and safety related topics was also provided including a review of any new risk assessments and any new draft or updated health and safety policies for initial review before recommendations to the Management Board.</p> <p>The Committee:</p> <p>❖ Noted and approved the contents of the report and supporting documents.</p>	

	❖ Noted that there were no health and safety incidents reported since last meeting.	
8.	RSG Key Risks	
8.1	<p>Annual Review of Risk Management Framework, Internal Controls and Management Systems/Strategic Risk Analysis, Risk Register, Scoring And Appetite</p> <p>The CEO presented the report on the outcome of the annual review of the RSG Risk Management Framework for approval as well as the annual review of the analysis of Strategic Risk, review of key Risk Register and scoring and also Risk Appetite Statement for approval.</p> <p>The Committee raised the following comments / queries:</p> <ul style="list-style-type: none"> • Very comprehensive risk information. • What items are included in the winter PPE? The DCEO/DFCS confirmed that PPE includes screen wash, some ice/grit containers, snow shovel, torch, phone charger cable, first aid kit and advice on additional items that staff should consider taking and notes given on more hazardous driving conditions in rural areas. • Appendix 1, page 6 – significant benefits of good risk management system are listed under point 2.2 but should look at checking the order of the items. From the order of the list, an outsider might believe that the organisation is focusing on Risk Management primarily because the SHR says we should, which is not the case. • Appendix 2, page 24 – update on progress should show transfer of Risk ownership to the DCEO/DFCS. • Appendix 2, page 26 – the indicator should show as Amber until the engagement with tenants on post repair checks are sorted. • Appendix 2, page 51 – review date has past and much of the review controls aren't addressing the key risk of handling control of rents is taken out of our hands. • Appendix 2, page 56 – for the Balmaha project, we have been unable to ensure that we have the required level of funding in place and the Association remains at risk which should be reflected. <p>The CEO advised Committee that unfortunately the Risk Register was not fully up to date and that not all Risk Owners had updated the register. This will be addressed for the Quarterly Key Risk Report being presented to the November Board.</p> <p>The Committee felt that the Risk Appetite reflected the current situation.</p> <p>The Chair asked the Committee if they feel there is benefit to having the facilitated workshop as recommended with the report? The Committee agreed that this would be useful for new members and also dependent on</p>	<p>CEO</p> <p>SMT</p> <p>CEO</p>

	<p>what changes are made to the Strategic Plan. It was agreed that a session on this should take place in March 2024.</p> <p>LC asked about the support provided by Decision Time. The CEO will follow up with contact details.</p> <p>The Committee:</p> <ul style="list-style-type: none"> ❖ Noted the content of the report subject to changes highlighted ❖ Approved the revised RSG Risk Management Framework ❖ Noted the annual review of the Strategic Risk ❖ Approved the RSG Key Risk Register and Scoring pending issues raised by CEO on updates. ❖ Noted the Current Risk Appetite Statement ❖ Agreed to the requirement for a facilitated risk workshop in advance of the approval of the RSG Strategic Plan and Business Plan in March 2024 ❖ Noted comments made in report regarding Strategic and Operational Risks. <p>The Audit and Risk Committee agreed to make the above recommendations to the Board for approval.</p>	CEO
9.	Resources Update Confidential	
9.1	<p>Confidential Board and Staffing Update including Board Development Plan</p> <p>Confidential Report.</p>	
9.2	<p>Annual Stress Survey Results</p> <p>The DCEO/DFCS presented the report on the results of the Annual Stress Survey and highlighted that there were two key points that came from the survey. These were as follows</p> <ul style="list-style-type: none"> - With regards to workload of staff members, the intensity, pace, change and pressure of work were highlighted. - Subject of bullying was highlighted in the survey. As this is an anonymous survey, we are unable to identify who highlighted this in the survey. The CEO issued the results to staff and made it clear that the Association has a Zero Tolerance to bullying and encouraged staff to speak with a senior staff member. A copy of the Dignity at Work Policy was also issued to staff as a reminder of support that is available. <p>The CEO advised Committee that the results will be discussed further at the next full staff meeting in December.</p> <p>The Committee raised the following comments / queries:</p>	

	<ul style="list-style-type: none"> • With regards to staff struggling/pressures of workload, are we able to find out what exactly this means? The DCEO/DFCS advised that we are unable to advise exactly what was meant by this. An example, however, within the Finance team could be the many changes that have taken place to processes, but team can see the benefit of them. <p>The DHPS highlighted areas within his team which could include the work for MyHome, geography of the properties we manage, work involved with tenancy sustainment and difficulties faced by staff when other services withdraw their support. In the Property Services team, there is also the impact of the increased work with regards to mould and damp, more inspections, EICRs and more regulatory work being added.</p> <p>The CEO advised Committee that the survey wasn't split into service areas, but hopefully discussions in December will expand what is contained within the survey. Compliance and regulation is constantly expanding within the sector, and this adds to the pressure.</p> <ul style="list-style-type: none"> • Are we too lean on the staff? • Is Hybrid working affecting working relationships? <p>The DHPS advised that there are strains between property and housing services but this is due to pressures of work and demands from customers.</p> <ul style="list-style-type: none"> • We are very lean given the stock numbers we have. Team dynamics can be difficult. Since Covid, customer tolerance levels have reduced. • The key issue for staff moral is that the survey will be taken seriously. <p>The Chair advised that there had been a good discussion by Committee on the survey results and wished to communicate to staff that their concerns are being taken seriously and not just at face value.</p> <p>The Committee:</p> <ul style="list-style-type: none"> ❖ Noted the content of report and supporting documents ❖ Requested feedback following staff discussions in December. 	DCEO/DFCS
9.3	<p>Strathclyde University Work Based Project: Report Outcomes</p> <p>The CEO presented the final report from the Work Based Project and advised the Committee that it is as very useful report and reinforces the importance of the induction programme within the organisation.</p> <p>The Committee raised the following comments / queries:</p>	

	<ul style="list-style-type: none"> • How many staff were involved in the study? The CEO confirmed that 10 staff members were interviewed for the project from various levels. • The recommendations are prohibitively expensive but there is clearly good practice by some managers which could be relatively easily adopted by all to achieve overall positive feedback. <p>The Committee:</p> <ul style="list-style-type: none"> ❖ Noted the content of the report and supporting document. 	
10.	Governance	
10.1	<p>Record of Electronic Approvals</p> <p>There had been no electronic approvals since the last meeting.</p>	
10.2	<p>GDPR Audit Report</p> <p>The GCO presented the report of the recent audit carried out in relation to the Associations Data Protection practices within the office.</p> <p>The Committee raised the following comments / queries:</p> <ul style="list-style-type: none"> • Compliance is good • Very positive report. Good point about data protection being included in induction and perhaps routine reminders to staff. The CEO confirmed that regular GRPR Do's and Don't reminders are issued. • It is good to receive this level of assurance that we are complying with GDPR legislation. • Would be good to send GDPR reminders to Board as well as staff. The GCO confirmed these will be sent to the Board also. <p>The Committee:</p> <ul style="list-style-type: none"> ❖ Approved the contents of the report and accompanying documents. 	GCO
11.	<p>Action Tracker</p> <p>The updated Action Tracker was presented to the Committee.</p> <p>The Committee:</p> <ul style="list-style-type: none"> ❖ Approved the Action Tracker 	

<p>12.</p>	<p>Any Other Competent Business</p> <p>The Chair highlighted the recent attendance at the RIHAF conference by some members of the Board and if they would like to share feedback. Mark Griffiths confirmed he attended the Conference and that it was very interesting with good content. Mark advised that he will give a full update on the Conference and the Board meeting on 23 November.</p> <p style="text-align: right;"><i>Meeting ended at 8.18pm</i></p>	
<p>13.</p>	<p>Date of next meeting</p> <p>Audit and Risk Committee: Thursday, 25 April 2024 at 2.00 p.m., via Zoom</p>	