

**Meeting of the Audit and Risk Committee held on 4 November 2021
at 2.00pm held via Zoom**

Attendance: Fiona Boath (Chair)
Mark Griffiths
Susan Macmillan
Margaret Vass

Staff in attendance: Donna Birrell (CEO)
Kirsty Brown (DCEO/DFCS)
Craig Wood (DHPS)
Hilary Tennant (GCO)(Minutes)

Also in attendance: Stephen Pringle, (SP) Wylie & Bisset, Internal Auditors (Agenda Item 3 only)

Item		Action
1.	<p>Introduction and Apologies</p> <p>The Chair welcomed everyone to the meeting and introduced Stephen Pringle from Wylie & Bisset (Internal Auditor – Agenda item 3 only). Apologies were noted from Lorna Cameron</p> <p>The Chair asked for approval from the Committee to bring item 8 forward for discussion first to allow Stephen Pringle to leave after this item. This was agreed.</p>	
2.	<p>Declarations of Interest</p> <p>Donna Birrell, on behalf of all staff in attendance, declared an interest in item 10.1 EVH pay award.</p>	
3.	<p>3.1 Internal Audit Reports: Stephen Pringle, Wylie & Bissett. (Item 8.1 on the agenda)</p> <p>SP presented results of the Internal Audits carried out since the last Audit and Risk Committee meeting in relation to the following two areas:</p> <ul style="list-style-type: none"> ◆ Strategic Control and Corporate Governance: Grading – Strong (Appendix 1) ◆ Risk Management: Grading – Strong (Appendix 2) <p>The final audit for the current financial year, Planned Maintenance, is scheduled for January 2022.</p>	

Chair's signature.....

<p>An update on recommendations and unactioned items from previous audits was provided in Appendix 3.</p> <p>SP noted that the audit outcomes provided very good assurance, with 26 areas of best practice identified in the Strategic Control and Corporate Governance audit, and 6 areas of best practice in the Risk Management audit, with only 1 low grade recommendation in each area.</p> <p>A query had been raised in relation to training, and SP highlighted that there would be further training in risk management prior to the launch of the Risk module in Decision Time early next year. There was some disappointment expressed that some members felt there was a lack of consultation on the training plan. The process has been outlined in the managers response to the audit. It was agreed that this would be made more explicit when the training plan is being developed next year.</p> <p>The Committee decided:</p> <ul style="list-style-type: none"> ◆ that the contents of the report and attached appendices be approved. <p><i>SP left the meeting following consideration of this item</i></p> <p>3.2 SFHA Internal Audit Guidance: Review and recommendations</p> <p>The report provided information on the updated SFHA Internal Audit Guidance issued in 2021 (Appendix 1), which emphasised the requirement for a strong internal audit process.</p> <p>Areas to consider included the impact of COVID-19 and changes to tender documentation.</p> <p>The guidance recommended:</p> <ul style="list-style-type: none"> ◆ appropriate training for Audit Committees is undertaken; ◆ that the full Board approves the internal audit plan; and ◆ that the Board/Audit Committee should meet with the Internal Auditor, without staff present, at least once a year. <p>RSHA’s actions in relation to each recommendation was outlined in the report.</p> <p>The Committee discussed having the opportunity to meet with the IA without staff in attendance, which could be facilitated by staff briefly leaving each meeting when the Auditor is in attendance, and it agreed that this would be implemented from the next scheduled meeting.</p> <p>The Committee decided:</p> <ul style="list-style-type: none"> ◆ that the contents of the report and attached appendix be approved. <p>3.3 18-month review of Internal Auditor Function</p> <p>The report provided an 18-month review of the Internal Auditor function. The DCEO/DFCS met with the Internal Auditor (IA) in October 2021 to discuss the internal audit function.</p>	<p>DCEO/ DFCS</p>
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------

	<p>The Internal Audit report was attached as Appendix 1 and a proposed draft questionnaire to be included in future audit closing meetings was attached as Appendix 2.</p> <p>Details of the feedback from the Internal Auditor and the SMT was provided in the report.</p> <p>The Chair noted that a formal review questionnaire had been received as part of the IA’s external regulatory review, and agreed to meet with the Committee members to discuss and agree the responses.</p> <p>The Committee decided:</p> <ol style="list-style-type: none"> 1. the contents of the report be approved. <p>3.4 Landlord Health and Safety Audit: Housing Health & Safety Compliance The report detailed the outcome of two recent landlord H&S audits completed by Housing H&S Compliance (HH&SC).</p> <p>A detailed report, including recommendations, for Asbestos Management was provided in Appendix 1 and for Gas Safety in Appendix 2.</p> <p>Both reports provided adequate assurance for these two key areas, however the report emphasised that the SMT felt that the inclusion of ‘highly important’ recommendations in relation to reinspection for Asbestos was not commensurate with the risks to the Association, and likelihood of occurrence within RSHA stock.</p> <p>The Committee noted the comments in relation to asbestos and were satisfied that the risks were adequately managed given the known levels of asbestos in RSHA stock.</p> <p>The Committee decided:</p> <ol style="list-style-type: none"> 1. the contents of the report and appendices be noted; and 2. that the creation of an action plan, to include a regular progress report, to be presented to future Committee meetings, be approved. 	<p>Chair</p> <p>DHPS</p>
<p>4.</p>	<p>Health and Safety</p> <p>4.1 Incidents – There were no incidents to report, however the CEO reported that the current upgrading works at the hotel adjacent to the office were posing issues for staff and visitor access and parking. The DHPS was in discussion with the hotel in relation to the parking facilities for the office and would report to the Board and Committee on the outcome of these.</p> <p>4.2 Health and Safety Update The report provided an update on H&S related issues within the Association.</p> <p>The office had re-opened with staff working in a hybrid pattern of 50% office based and 50% home working. Updated Office Risk Assessments had been</p>	<p>DHPS</p>

	2. that the progress of the Training Needs Analysis exercise be noted.	
5	<p>Minutes of Previous Meetings</p> <p>5.1 Minute of Audit and Risk Committee Meeting – 29 July 2021 The Minute was approved on a motion by Mark Griffiths and seconded by Susan Macmillan.</p> <p>5.2 Confidential Minute of Audit and Risk Committee Meeting –29 July 2021 The Minute was approved on a motion by Mark Griffiths and seconded by Susan Macmillan.</p>	
6	<p>Matters Arising Schedule The CEO presented the Matters Arising Schedule.</p> <p>The Committee decided:</p> <ul style="list-style-type: none"> ◆ that the Matters Arising Schedule be approved. 	
7	<p>Record of Electronic Approvals The report provided information on the result of a request for electronic approval which was sought from the Committee during September 2021.</p> <p>The Committee noted the low response to the request for electronic approval and it was agreed that any future requests being sent to the Committee which required action or approval would be highlighted in the title text of the email as ‘Action Required’ or ‘Approval Required’</p> <p>The Committee decided:</p> <ul style="list-style-type: none"> ◆ that the contents of the report be noted. 	RSHA staff
8	<p>RSG Key Risks Confidential <i>This item was confidential</i></p>	
9.	<p>External Audit There was no report.</p>	
10.	<p>Resources Update Confidential <i>This item was confidential</i></p> <p>10.2 Investors in People The report detailed the action plan and timescale for the RSHA three-year review of IIP, and re-accreditation. The Association would aim to improve the current standard award, and the SMT have promoted the benefits of IIP Accreditation with their individual teams.</p> <p>The Committee decided:</p> <ul style="list-style-type: none"> ◆ that the contents of the report be noted. 	CEO
11.	<p>Governance There was no Governance report.</p>	

12.	Finance There was no Finance report.	
13.	Draft Policies for Review and Recommendation to Board There was no report.	
14.	Action Tracker The updated Action Tracker was presented to the Committee. The Committee agreed that both items would now be removed from the Tracker. The Committee decided: ♦ that the Action Tracker be approved.	
15.	Any Other Competent Business The CEO noted the Internal Auditor's Equality Assessment survey currently underway. The Chair noted that she had completed the EVH leadership course, which had been very informative and interesting, and would be available if anyone was interested in taking the course and had any questions about it.	
16.	Date of next meeting Audit and Risk Committee: Thursday, 28 April 2022, time tbc.	

Chair's signature.....