

Audit and Risk Committee held on 21st November 2019 at 6.00pm at the Association's office, Stirling Road, Doune FK16 6AA

Attendance: Fiona Boath (Chair) Margaret Vass Susan Macmillan
Colin O'Brien Mark Griffiths

Staff/Adviser(s) Donna Birrell (CEO)
Attendance: Kirsty Brown (DCEO/FCSM)
Susan Mackay (Corporate Services Officer (CSO) - Minute Taker)
Mark McLintock, MainStreet Consultants (Agenda Item 11.2)

Item		Action
1.	<p>Introduction and Apologies</p> <p>The Chair welcomed Susan Macmillan to her first meeting of the Audit and Risk Committee as a Member. The Chair acknowledged that, as it was her first meeting as Chair, she would welcome feedback on her performance from more experienced Members and the CEO.</p> <p>She went on to welcome Mark McLintock from MainStreet Consulting to the meeting and proposed that Agenda Item 11.2 be taken first to allow Mark McLintock to leave the meeting. This was agreed.</p> <p>There were no apologies.</p>	
(2) 11.2	<p>Proposed Group Risk Management Framework presented by Mark McLintock, MainStreet Consulting. (Presentation uploaded to Decision Time Document Library)</p> <p>The Association have an existing Risk Management Framework but had identified as a key objective the need to have an improved framework in place.</p> <p>MMcL gave a brief summary introduction to the risk management identification and measurement of risk and the need to gauge the Association's "risk appetite" in order to work up a new model to test out risks that affect the Association going forward. Managing risk was a regulatory standard and therefore the Association had to have a robust system to report on risks facing the Association and manage those risks.</p>	

	<p>MMcL summarised the proposed model and queried the appetite for risk. It was clear that the Members believed the appetite to be low to risk and were generally risk averse.</p> <p>MMcL went on to explain the mechanism for measuring risks in the model and the importance of knowing the “appetite for risk” i.e. markers built into the model that would be used to trigger a risk to be entered in the Risk Register. MMcL had estimated a monetary value to significant risk for the Association as being £100K. The DCEO/FCSM however advised that this figure would require to be reduced to £50K as this was a significant sum for the Association and in fact triggered Bank Loan Covenants. MMcL agreed to rework his estimates on this basis and build a new model to reflect the changes.</p> <p>It was noted that MMcL would attend the Board Meeting in November to present to the framework to the Board and review risk appetite.</p> <p>The suggested new format of the Risk Register was discussed. The CEO raised the need to show movement in risks, i.e. either increase/decrease in level of risk. MMcL would add in a column to show this. The framework would also include a comments column for reasons for the change and the date of change.</p> <p>A Member queried how this work integrated with the Decision Time Risk module? The CEO explained that it was necessary for RSHA to present an approved working risk framework model to Decision Time for them to interpret into software.</p> <p>A Member commented that during the demonstration on Decision Time at Parkhead HA earlier in the year, the risk module had been recommended.</p> <p>The Chair thanked MMcL for his informative presentation. <i>Mr McLintock left the meeting at 6.45pm.</i></p>	MMcL
2.	Health & Safety	
2.1	Incidents – None to report	
2.2	<p>Health and Safety Moment</p> <p>A member raised a concern over the weight and manoeuvrability of the display stands used by staff for events. At a recent event in Strathblane, she had borrowed the boards and reported that the boards were extremely heavy and that she had had difficulties building the boards up due to their instability and at one point a board had collapsed and fallen down.</p>	

5.	Matters Arising Schedule (DCEO/FCSM) <i>Item 13 Draft Report on Review of Sub-Committee Performance – annual statement to Board confirming duties and responsibilities as an Employer have been met (DCEO/FCSM):</i> Discussion took place on the wide ranging ‘best practice’ duties and responsibilities of an employer. DCEO updated that Linda Ewart had suggested contacting EVH for a checklist which would perhaps cover the main headings. Following discussion, it was agreed that the list should focus on key risk areas otherwise it would be extremely long and prove unmanageable. <i>Item 2.3 H&S Update:</i> Members queried the delay in proceeding with the displaying of fire notices on floors of flatted properties as this had been agreed at the previous meeting. The CEO explained that following consideration by Asset Management, and the recent report from Grenfell, advice from the fire service was to be sourced and considered before displaying such notices. Members noted and approved the contents of the report.	DCEO A&DM
6.	Annual Assurance Statement – Status Review: The CEO confirmed that there were no changes to current status.	
7.	Internal Audit (DCEO)/FCSM) The DCEO/FCSM reported that the next internal audit was Allocations Review and would take place during the first week of January 2020.	
8.	External Audit – No report	
9.	9.1 Staff and Board Update (DCEO/FCSM) Confidential 9.2 Confidential Staff Matter <i>The DCEO/FCSM and CSO left the meeting at this point.</i>	
10.	Private Finance Update (DCEO/FCSM) The DCEO updated Members that the Loan Agreement had been returned and signed by the lenders (BOS). The security work remained in progress. It was hoped to get the additional security requirement/stock to be pledged to BOS complete over the coming weeks.	
11.	Group Risk (including Venachar) 11.1 Group Key Risk Register Update (DCEO/FCSM) It was noted that: <ul style="list-style-type: none">no new risks had been identified and no risks had been removed from the register since the last meeting date.	

	<ul style="list-style-type: none"> The register had however been updated following the Regulator’s advice on Brexit and Tenant and Resident Safety. <p>The Committee noted and endorsed the updated Key Risk Register.</p>	
12.	<p>Draft Policies for Review and Recommendation to Board (CEO)</p> <ul style="list-style-type: none"> Notifiable Events and Internal Protocol Risk Management Asset Management Sustainability Board and Staff Members Expenses Data Retention Policy <p>The Committee recommended that the policies be approved by the Board subject to the following amendments:</p> <ul style="list-style-type: none"> Protocol for notifiable events: 4. Process for notification 4.2 to be amended to read “CEO” and delete reference to “Director”. 	CEO
13.	<p>Action Tracker</p> <p>The contents of the action tracker were noted and approved.</p>	
14.	<p>Any Other Competent Business</p> <p><i>Use of board portal software:</i></p> <ul style="list-style-type: none"> A Member queried the efficiencies gained from using the Board Portal Software as opposed to paper copies? The DCEO reported that use of the software was still relatively new however it was noted that the Portal was a cost neutral solution. It was noted the software was easy to use and staff resource time freed from photocopying was being used on other tasks. Date of next A&R meeting: it was noted that the next meeting would be held on Thursday, 30th April 2020. The February meeting had been cancelled as a result of the Governance Review held recently. It was agreed to hold a meeting to discuss the new Risk Framework before the Board meeting scheduled for Thursday, 28th November. The CEO would inform all Board Members of the change of start time. 	CEO
15.	<p>Date of next meeting</p> <p>Audit and Risk Committee: Thursday, 30th April 2020 at 6pm</p> <p>The meeting closed at 7.35pm.</p>	

