

**Audit and Risk Committee held on 5th November 2020 at 2.00pm
Online Meeting held via Zoom**

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

Staff/Adviser(s) Donna Birrell (CEO)
Attendance: Kirsty Brown (DCEO/FCMS)
Susan Mackay (CSO, Minute Taker)
Stephen Pringle, Wylie & Bisset, Internal Auditors (SP, Agenda Item 8.1 only)

Item		Action
1.	<p>Introduction and Apologies</p> <p>The Chair welcomed Stephen Pringle from Wylie & Bisset (Internal Auditor) (Agenda Item 8.1) and newly appointed A&R Committee Member Lorna Cameron to her first A&R Committee meeting.</p> <p>The Chair requested agreement to re-jig the Agenda to allow Item 8.1 to be moved forward to allow Stephen Pringle to leave the meeting early. This was agreed.</p> <p>The Chair requested that the meeting be recorded for Minute taking purposes and this was agreed.</p> <p>For the purposes of reporting the Chair recorded that all Board Members had received an “open” invite to join the meeting given the discussion of the Annual Assurance Statement. Apologies had been received from Board Members Fionn Stevenson and Malcolm Begg.</p>	
2.	<p>Declarations of Interest</p> <p>Donna Birrell CEO, declared on behalf of staff members present, an interest in Agenda Item 13. AOCB EVH Pay Award.</p>	
3.	<p>Internal Audit (Agenda Item 8.1) Stephen Pringle, Wylie & Bisset.</p> <p>SP went on to guide Members through the two recently completed Internal Audit reports:</p> <p>1. Procurement Review</p> <p>The Audit had achieved the grading of: Substantial Assurance.</p>	

	<p>SP reported two medium grade recommendations from the review. (SP commented that was lower than average number of recommendations made on this type of audit.)</p> <ul style="list-style-type: none"> • Annual review of Policy (which had been completed November 2020); • A new centralised Contract Register is implemented. (This will be progressed over 2020/21). <p>Six areas of good practice had been noted in the audit.</p> <p>A Member queried the benchmark used. SP clarified that 15 clients were used to benchmark against. Wylie & Bisset currently worked with 42 housing associations (37 in Scotland and 5 in Northern Ireland).</p> <p>The review was a standard three-year review.</p> <p>2. Business Continuity</p> <p>The Audit had achieved the grading of: Substantial Assurance.</p> <p>SP commented that as a result of COVID most plans had been tested significantly.</p> <p>Three medium recommendations and one low recommendation were made:</p> <ul style="list-style-type: none"> • Service disruption log (to maintain and monitor all Disruption logs) and add a section within the Business Continuity plan on how to use Disruption logs; • Development and testing of scenarios on an annual basis; • Training required for staff involved is carried out; and • Admin points with definitions (change headings Day 1 to Priority 1, Day 2 to Priority 2, etc.) Consider adding recovery timescales. <p>Ten areas of good practice had been noted in the audit.</p> <p>A Member queried what other areas should be tested? SP suggested IT and remote working or a major threat facing the Association, e.g. flooding.</p> <p>The Chair thanked SP for attending the meeting.</p> <p>The report was noted.</p> <p><i>SP left the meeting at 2.45 pm.</i></p>	
4.1	Health & Safety: there were no incidents to report	

4.2	<p>Health and Safety Moment</p> <p>The Chair wished to share an insight offered as part of a recent Mini Conference hosted by EVH “Embrace the Present: it’s a Gift” she had attended online.</p> <p>The observation related to mental health: and the need for “Looking through the keyhole” and beyond. With the increased use of online platforms we only see a very small part of a person – we don’t see the whole picture. As a result no-one sees all that others are going through. The Chair highlighted that not all staff and Board Members had dedicated office space. The comment “stab me in the front not in the back” alerts us to raising an issue directly and not ignoring signs if we are concerned.</p>	
4.3	<p>Health and Safety Update (DCEO)</p> <p>Members agreed that the General Office RAMS risk assessment was comprehensive.</p> <p>Members noted and approved the report and actions plans.</p>	
5.1	<p>Minute of Audit and Risk Committee Meeting – 30th July 2020</p> <p>The Minute was approved on a motion by Margaret Vass and seconded by Mark Griffiths.</p>	
5.2	<p>Confidential Minute of Audit and Risk Committee Meeting – 30th July 2020</p> <p>The Minute was approved on a motion by Margaret Vass and seconded by Mark Griffiths.</p>	
6.	<p>Matters Arising Schedule (DCEO/FCSM)</p> <p>Members noted and approved the contents of the report.</p>	
7.	<p>RSG Key Risks Confidential (CEO)</p> <p><i>This matter was confidential.</i></p>	
8.	<p>External Audit: no report</p>	
9.	<p>Staffing Update Confidential</p> <p>9.1 Confidential Staff Update <i>This matter was confidential.</i></p> <p>9.2 Confidential HR Report <i>This matter was confidential.</i> <i>Staff Member Susan Mackay left the meeting for this item.</i></p> <p>9.3 Investors in People – The CEO reported that an interim “light touch” review meeting had been held with IIP on 3rd November. IIP were updated on progress and change over the last year. A full review will be undertaken by November 2021.</p> <p>9.4 Confidential Stress Survey 2019 - Action Plan (CEO) <i>This matter was confidential.</i></p>	

10.1	<p>Confidential Annual Assurance Statement 2020: Annual Assurance Statement Verification and first draft of Annual Assurance Statement (CEO) <i>This matter was confidential.</i></p>	
11.	<p>Draft Policies for Review and Recommendation to Board (CEO)</p> <p>The following policies were presented to the Committee in draft:</p> <ul style="list-style-type: none"> i) Policy for the Sustainable Procurement of Goods, Services and Works (incl. 2 appendices) ii) Security Policy iii) Ventilation & Fresh Air Policy iv) Waste Management Policy v) Unacceptable Actions Policy and EIA vi) Safeguarding Policy and EIA vii) Company Credit Card Policy viii) Remote Working Policy ix) Social Media Policy <p>It was noted that since circulating the policies for consultation, the DCEO and CEO had agreed to amend the “Homeworking Policy” to “Remote Working Policy” as it reflected more accurately the aim and content of the Policy statement.</p> <p>The Committee recommended that the policies be approved by the Board.</p> <p>A Member commented that the policies were clear, well written and not overly long.</p> <p>It was noted the revised annual Health and Safety policies were due to be circulated for consultation to Board Members on 12th November.</p>	DCEO/FCSM
12.	<p>Action Tracker</p> <p>Tenant Handbook: A Member queried as to whether an electronic version of the Tenant Handbook would be made available. The DCEO confirmed that that it was published within the Tenant Services section of the website.</p> <p>Excellence Change: a Member expressed concern that there were still a few outstanding items to be progressed. The DCEO proposed that the outstanding actions would be reported as part of the Staffing Update going forward. The two outstanding actions were noted as being:</p> <ul style="list-style-type: none"> • Leadership Development Programme; and • Team culture and values. 	

	<p>It was noted that the intention was to create a new initiative to engage with staff members in the future and to continue the theme to review processes and to put the customer first.</p> <p>A Member agreed to send on copies of slides from a recent similar initiative undergone by her Housing Association for interest.</p> <p>The contents of the action tracker were noted and approved.</p>	LC
13.	<p>Any Other Competent Business</p> <ul style="list-style-type: none"> • Thanks, were recorded to staff for getting the enormous amount of paperwork for the meeting out on time to the Committee Members for their consideration. • EVH Pay Award 2021: The CEO reported that she had been asked to respond to EVH on behalf of RSHA’s Board with respect to how EVH Negotiators should approach the proposed pay award next year. <p>It was noted that the current three year deal was in its final year and was based on a formula (October 2020 CPI + 0.1%) with a floor of 1.25%. Should the CPI figure fall below the floor then there is a return to annual negotiations. The DCEO added that the October RPI figure was due out on 18th November – shortly before the Board papers were due out on 19th November. Following discussion, it was agreed that the CEO should respond to EVH as follows:</p> <p>The preference of A&R Committee would be to recommend that the pay award due under the final year of the three year deal be deferred until April 2022. However as this appears unlikely then, the preference would be to stick with the formula but the “floor” should be removed from the pay award negotiations to give October 2020 CPI + 0.1%.Members also asked the CEO to feedback the poor quality of the documentation sent out by EVH which had proved difficult to understand.</p>	CEO
14.	<p>Date of next meeting</p> <p>Audit and Risk Committee: Thursday, 29th April 2021, time tbc.</p> <p>The meeting closed at 4pm.</p>	