

**WHEATLEY HOUSING GROUP LIMITED****GROUP AUDIT COMMITTEE****MINUTE OF MEETING held on 15 May 2024 at 10.30 am****New Mart Road, Edinburgh**

**Present:** Caroline Gardner (Chair), Maureen Dowden, Iain Macaulay, Alison McLaughlin and David Rockliff (by video call).

**In attendance:** Anthony Allison (Group Director of Governance and Business Solutions), Ranald Brown (Director of Assurance), Steven Henderson (Group Chief Executive), Pauline Turnock (Group Director of Finance), Michael Wilkie (KPMG), and Duncan Black (Head of Audit and Inspection, Glasgow City Council – item 6 only), and Frank McCafferty (Group Director of Repairs and Assets – item 13 only)

**1. Apologies for absence**

Apologies were received from Fiona Burden.

**2. Declarations of Interest**

There were no declarations of interest.

**3. Minute of previous Audit Committee meeting and matters arising**

**Decided: The Committee approved the minute of 31 January 2024.**

**4. Risk Management Update**

The Committee received an update on the risk management activity during 2023/24, and the proposed changes to the Strategic Risk Register and Group Risk Management Policy.

The Committee discussed the proposed changes of some review periods from quarterly to biannually. It was agreed that it be clear within the policy this was a minimum expectation and should reflect the risk profile.

The Committee discussed how the cyber security risks reflect different types of data, and how the way we mitigate the risk recognises the specific sensitivities relating to personal data.

[REDACTED]

1) Noted the content of this report; and

## 5. 2023/24 Statutory Accounts: KPMG Audit Plan and Strategy

The Committee sought an update on the likelihood of the current CBG financial statement position impacting our audit. It was explained that whilst it is a general consideration it has not hitherto been considered material in the context of the overall Group position.

The Committee sought assurance that the KPMG audit planning and resourcing remained sufficient to deliver on the agreed timescales. It was confirmed the audit remained on track and there were no immediate risks to completion timescales.

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## **7. Internal Audit Annual Report and Opinion 2023/24**

The Committee were provided with an update on the Internal Audit Annual Report and Opinion 2023/24.

The Committee noted the Opinion and agreed it was a fair reflection of our control environment based on reporting throughout the year.

**Decided: The Committee noted and approved the contents of this report, including the Annual Internal Audit opinion detailed in Section 4 of the paper.**

## **8. Group Anti-Fraud Annual Report 2023/24**

The Committee were provided with an update on the anti-fraud, bribery, and corruption arrangements in place during 2023/24.

The Committee discussed the work carried out and noted that the instances of potential fraud were low-level.

**Decided: The Committee noted the report.**

## **9. Group Assurance Update**

The Committee were provided with an update on the delivery of the Internal Audit Annual Plan, including the outcome of the reviews on Equality, Diversity, Inclusion and Human Rights, commercial properties and vendor management.

The Committee noted that no material control issues were identified during the reviews and a number of the overdue recommendations were delayed based on alignment with other ongoing activity.

**Decided: The Committee noted the contents of the report.**

## **10. Rolling Internal Audit Plan**

The Committee were provided with an update on the extension of our existing contract for the provision of IT audit services, as well as the rolling internal audit plan and the proposed reviews for the next period.

The Committee discussed the plan and agreed it was appropriately focused for the next quarter.

**Decided: The Committee**

- 1) Noted the contents of the report;**
- 2) Approved the rolling internal audit plan; and**
- 3) Approved the 1-year extension of our contract for the provision of IT audit services.**

## **11. Group Audit Committee Self-Assessment**

The Committee were provided with the results of its self-assessment. The Committee welcomed the findings and noted that no specific improvement areas were identified.

The Committee discussed recent highly publicised governance failures and the emerging findings on the potential root causes of those failures. In particular, the Committee considered the role of organisational culture in such failures. It was agreed that the Committee would be provided with an update on how we test and evidence our culture.

**Decided: The Committee noted the contents of the report.**

## **12. Internal Audit Methodology Update**

The Committee were provided with a summary of the new Global Internal Audit Standards.

The Committee discussed the proposed changes to the Standards to which the Internal Audit function must conform and the Internal Audit action plan. The Committee considered the change of frequency of External Quality Assurance reviews from every three years to every five years, which is in line with the requirements of the new Standards.

**Decided: The Committee**

- 1) Approved the Internal Audit Methodology Action Plan;**
- 2) Approved the proposal to complete an external quality assessment every five years, with the next one taking place in 2026/27; and**
- 3) Approved the Group Internal Audit Charter.**

## **13. Fire Prevention and Mitigation Update**

The Committee were provided with a report which provided an update on: Person-Centred Risk Assessments (PCRAs) across the Group; the rate of Accidental Dwelling Fires (ADFs) across the Group; progress with our Fire Risk Assessment programme; and Routine Fire Safety Monitoring in our Multi Storey Flats (MSFs) by Scottish Fire and Rescue Service (SFRS).

The Committee noted that its role in monitoring fire safety arose following the Grenfell disaster and since then reporting to all Boards across the Group has increased. It was agreed that the Group Board be asked to consider whether the Committee requires an ongoing role in doing so

All relevant MSFs and Livingwell premises continue to have valid FRAs in place where a high percentage of recommendations have been actioned and closed.

**Decided: The Committee**

- 1) Noted the update and progress of work under the Fire Prevention and Mitigation Framework for April 2023 – March 2024; and**
- 2) Agreed to recommend to the Group Board that the ongoing monitoring of progress under the Framework is undertaken by the RSL and Lowther Boards.**

## **14. Gifts, Hospitality, Payments and Benefits: Annual Report**

The Committee were provided with an update on compliance with our Payments, Benefits, Gifts and Hospitality Policy for the period 1 April 2023 – 31 March 2024.

The Committee noted that during the pandemic the level of hospitality offers has reduced significantly as an increasingly high number of events are held virtually.

**Decided: The Committee noted the contents of the report.**

**15. AOCB**

There was no other competent business.

**Signature:** ..... **Date:** .....  
**Chair**