

WHEATLEY HOUSING GROUP LIMITED**GROUP AUDIT COMMITTEE****MINUTE OF MEETING held on 14 May 2025 at 10.30am****Wheatley House, Glasgow**

Present: Allan Clow, Maureen Dowden, Iain Macaulay and Alison McLaughlan

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)

1. Apologies for absence

There were apologies for absence from Caroline Gardner and David Rockliff.

In the absence of the Chair, the Committee elected Allan Clow to Chair the meeting.

2. Declarations of Interest

There were no new declarations of interest.

3. Minutes of Audit Committee meeting of 25 January 2025 and matters arising

Decided: The Committee approved the minutes of 25 January 2025.

4. Risk Management Update

The Committee received a summary of risk management activities across 2024/25, recent horizon scanning and proposed updates to the strategic risk register.

The Committee discussed the strategic risk relating to cyber security and the threat landscape in light of recent high-profile cyber incidents. The Committee was updated on the business continuity planning work we undertake which includes consideration of how we would operate without access to certain systems.

It was also confirmed that we have further refined our approach to IT service desk identification and verification to further mitigate the type of social engineering risk which is reported to have materialised in a recent cyber event relating to a large retailer.

The Committee discussed the risk relating to the Radio Teleswitch Service switch-off and the contingency arrangements available to us. It was explained that we are exploring both technical workarounds and continuing to engage with relevant stakeholders.

Decided: The Committee noted the contents of the report and recommended the proposed changes to the Strategic Risk Register for approval by the Group Board.

5. KPMG audit plan and strategy to 31 March 2025

The Committee was provided with an update on the Audit Plan and progress to date. It was confirmed that the plan takes into account our history of strong financial management and low instances of errors.

The Committee discussed how RSL cashflows and the nature of the cross-guarantee arrangements are reflected in the audit. It was explained that the need for every entity to consider its own 'going position and assurances within disclosures substantially covered these areas.

Decided: The Committee approved the updated audit plan and strategy

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7. Group Assurance update

The Committee were provided with an update on the delivery of the Internal Audit Plan and the findings of the Treasury Management and Anti-Social Behaviour reviews and the frontline assurance checks.

The Committee were updated on a matter reported to the Director of Assurance under the Group's Fraud, Corruption and Bribery Policy since the last Committee meeting. It was confirmed that disciplinary action was invoked and that controls in this area will be strengthened.

The Committee discussed the importance of consistent processes being in place across our RSLs save where there is a compelling reason for a departure. It was noted that our data assurance processes consider the consistency of the process given that it can impact the data it produces.

Decided: The Committee noted the contents of the report.

8. Internal Audit Annual Report and Opinion

The Committee were provided with the Internal Audit Annual Report and Opinion Report 2024/25 and the basis for the Opinion reached.

The Committee discussed the tension which can be inherent in the review process and it was explained that a strong focus on pre-review engagement and communication has minimised this.

The Committee discussed the engagement of external expertise, particularly in relation to technology, and how we ensure they have the necessary expertise. It was explained that we undertake a robust procurement and assessment process and have a strong quality assurance on the work undertaken.

Decided: The Committee noted and approved the contents of the report.

9. Rolling Internal Audit Plan

The Committee were provided with an update on the rolling internal audit plan and the proposed reviews for the next period.

The Committee agreed that the proposed areas of focus were appropriate and relevant.

Decided: The Committee:

- 1) noted the contents of the report;**
- 2) noted the appointment of a Technology Audit provider; and**
- 3) approved the rolling internal audit plan.**

10. Group Anti-Fraud Report 2024/25

The Committee were provided with an update on the anti-fraud, bribery and corruption arrangements in place during 2024/25. It was confirmed that the activity supports an assessment that we have a culture of openness in terms of anti-fraud activity.

The Committee discussed the potential for participation in the National Fraud Initiative to become mandatory. It was explained that this is not considered likely in the short-term.

The Committee was advised that a lesson learned from recent cyber events related to the need for clear decision making in relation to shutting down systems and that delays increase exposure.

Decided: The Committee noted the report.

11. Group Audit Committee Self-Assessment

The Committee were provided with the results of its self-assessment and the responses to the results. The Committee considered the responses and agreed that no additional action was required.

Decided: The Committee noted the contents of the report.

12. Internal Audit Strategy

The Committee were provided with an update on the development of an Internal Audit Strategy and the core elements of the strategy.

The Committee considered how technology is reflected in the strategy, whether it should be in the vision and how we ensure the team remains professionally challenged. It was explained that a key driver for the team is the breadth of the work and this has continued to be sufficiently wide.

Decided: The Committee approved the draft Internal Audit Strategy 2025-2030.

13. Gifts, Hospitality, Payments and Benefits Annual Report

The Committee were provided with an update on compliance with the Gifts and Benefits Policy for the period 1 April 2024-31 March 2025.

The Committee noted the continued post-pandemic trend of very low levels of gifts and hospitality.

Decided: The Committee noted the contents of the report.

14. Data Assurance

The Committee were provided with an update on the approach to data assurance and the planned improvements.

The Committee welcomed the continued focus on staff engagement throughout the process and its importance in increasing data maturity.

Decided: The Committee noted the contents of the report.

15. AOCB

There was no other competent business.

Signature: **Chair**

Date: