

**Minutes of the Meeting of the Audit & Risk Committee
held on 17 February 2022 at 10.30am
via Zoom**

PRESENT: Isabel McGarvie Chair
Robert Fernie
Margaret Moore

IN ATTENDANCE: Lynne Douglas Chief Executive
Val Hunter Director of Business Development
Tracey Howatt Director of Customer Experience
Paula Rice Director of Finance & Technology
Christina Greig Head of Strategic Programmes
Clare Beesley Governance Manager
Kelly Adams External Auditor, RSM
Martin Ritchie Internal Auditor, TIAA

034. Apologies for Absence

Apologies for absence were received from the Director of People & OD.

035. Declaration of Interests

There were no declarations of interest.

036. Minutes

- (i) Minutes of the Meeting held on 25 November 2021

The Minutes of the Audit & Risk Committee meeting held on 25 November 2021 were approved and signed by the Chair.

037. Business Arising

- (i) Action List

The Audit & Risk Committee noted the Action List.

038. Internal Audit

(i) Internal Audit Plan

The Committee received Report A&R/5(i)/FEB/22 from the Director of Finance & Technology.

The Internal Auditor advised that the Plan was an annual update to the three year audit strategy. He highlighted the following:

- Procurement Audit – deferred from 2021/22 due to take place in Q1 of 2022/23
- Corporate Performance Management – brought forward from 2022/23 due to take place in March 2022

In respect of the proposed audit in relation to Governance - Board Effectiveness, a query was raised as to whether this linked to the recent work undertaken by the Governance consultant, Shirley Otto. The Chief Executive confirmed that this would tie in with that work, but the scope of the audit could be widened to also look at e.g., the effectiveness of the work undertaken with the Board in relation to the Business Strategy.

A query was raised as to whether there should be more audits in relation to ICT given the number of ongoing projects. The Director of Finance & Technology confirmed that reviews in relation to cyber security were ongoing with some external checks being undertaken. The Project & Change Management audit would also include some of the changes to ICT systems. The Internal Auditor confirmed that he was comfortable with the systems in place in respect of ICT. He also confirmed that ICT would be looked at as part of other audits, e.g., Rent Setting, Collection and Arrears. The External Auditor suggested that the effectiveness of the CX project could be audited at the appropriate time by the Internal Auditor.

The Chair queried whether the timing of the Operations audits was satisfactory. For example, should the Planned and Cyclical Maintenance audit be brought forward? The Internal Auditor confirmed that the timings had been agreed with management but could be amended if required. The Director of Business Development advised that, given the timing of the Strategic Asset Management Plan, the ongoing work with EESSH2, assessments and reviews, she felt that the proposed timing was correct and would bring more value.

The Audit & Risk Committee reviewed the content of the report and provided feedback to TIAA on the proposed subject and scope of the audits; and recommended approval of the Internal Audit Annual Plan for 2022/23.

039. Priority Items

(i) Confidential: Redacted

(ii) Confidential: Redacted

040. Any Other Business

There was no other business.

041. Date of Next Meeting

The date of the next meeting was due to take place on Thursday 12 May 2022.