

Meeting Minutes

Audit Committee Meeting

Wednesday 6 November 2019 at 10.00am in the Leving House, Livingston

Present:	Jean Hamilton (Convener) Bob McDougall Bob Hartness Frances Wood Janice Flanagan	In attendance:	Isla Gray Sharon Brady-Wardrope Carol Bonham Michelle Proust (Minutes)
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356 WELCOME AND APOLOGIES

Jean Hamilton welcomed everyone to the meeting. Apologies had been received from Dougie Taylor.

357 DECLARATIONS OF INTEREST

There were no declarations of interest.

ITEMS FOR DEBATE/DECISION/APPROVAL

358 MINUTES FROM THE MEETING HELD ON 3 JULY 2019

The minutes of the previous meeting were confirmed as an accurate record.

Proposed: Bob McDougall

Seconded: Frances Wood

359 MATTERS ARISING

There were no matters arising.

360 BAD DEBT WRITE-OFF – HALF YEAR REVIEW

The Committee considered the previously circulated report which set out the proposed write-off of a range of debts which staff have sought to pursue in line with the Associations Policy for Management and Collection of Debts, and which are now deemed irrecoverable.

On consideration of the detail of the report the Committee queried the process for identifying, monitoring and early action on current tenant debts, and for tenants who have indicated their intention to end their tenancy. Sharon Brady-Wardrope provided detail on the trigger points, monitoring and action taken by staff to assist tenants in tackling their debt and provided some examples of where it becomes beyond the control of staff to further mitigate the accrual of debt.

The Committee queried whether any of the cases of debt were joint tenancies', where the debts would be jointly and severally liable. Sharon Brady-Wardrope intimated that she thought not, but as the report did not specify this detail she would check.

Decision: On condition of the investigation of whether any of the debts listed were joint tenancies, and that the debt figures would be adjusted accordingly if this was the case, the Committee approved the write-off of the debts detailed in the report, totalling £15,944.39.

361 MANAGEMENT ACCOUNTS Q2: 31 MARCH 2019 – 30 SEPTEMBER

The committee reviewed the previously circulated accounts.

During consideration of the accounts the Committee noted and supported the efforts being made to raise awareness of and promote Horizon's work towards providing adaptations without delay.

In regard to the legislative requirement to upgrade smoke detector systems in properties by 2021, the Committee requested that upfront funding and loan options from Scottish Government be investigated.

Decision: The Audit Committee recommended the Management Accounts to the Board for approval.

ITEMS FOR PERFORMANCE AND RISK MANAGEMENT AND MONITORING

362 TREASURY MANAGEMENT – MID-YEAR REVIEW

The Committee considered the previously circulated Mid-year Treasury Management Review in line with Treasury Management Policy requirements, and welcomed the positive performance and compliance detailed in the report.

Decision: The Audit Committee noted the Mid-year Treasury Management Review.

363 **RISK REGISTER**

The Committee considered the previously circulated group-wide risk register and outline of a revised approach to risk monitoring across Link group.

Key comments and queries from discussion were:

1. Will the risks around build plans be included?
2. Where do the risks around Assets sit?
3. What would the mechanism be to add/remove risks?
4. If parent retains right to decide which risks are incorporated on register does this take into consideration that responsibility for Horizon's risks would still sit with Horizons Board. Will all risks that Horizon feel are necessary for Horizon be incorporated in a group level monitor? How does Horizon assure itself that all risks deemed worthy of monitor and consideration by Horizons Board would be incorporated?
5. How would scoring be decided. Same risk that may score high at subsidiary level may not score as high at Group level. Different level of impact. How is this reflected or balanced?
6. How will the group level register be kept complete without it becoming burdensome?

Discussion ended with the Committee being supportive of the principle of the revised approach to risk monitoring. The Committee's comments would be provided to Link. It was requested that more detail on the guiding principles that would underpin the new report and monitor be incorporated in the paper prior to consideration of the new register at the Horizon Board meeting in December. It was noted that Jon Turner, Link CEO, would be attending the Board meeting in December.

With the above discussion points and suggestions in mind, the Committee noted the report.

364 **INTERNAL AUDIT REPORTS & MONITORING**

Further to the information contained in the previously circulated report, it was noted that while the audit review for 2018-19 had been adequate and fulfilled it's purpose, it was felt by both Board and management that there had been scope for more detailed scrutiny of some of the areas included in the review.

Discussions would be held with Scott-Moncrieff to ensure the quality of the 2019-20 internal audit provides a level of scrutiny the Association will be satisfied with.

Decision: The Audit Committee:

- Noted that all actions from previous internal audits have been completed and;
- Noted the reporting timescales for the November 2019 block review.

365 LOAN COVENANT COMPLIANCE

The Committee noted the continued compliance as detailed in the previously circulated report.

366 PENSIONS TRUST FORUM UPDATE

The Committee noted the previously circulated update, provided by Carol Bonham, from the Pensions Trust Forum with was held in September 2019.

ITEMS FOR NOTE

367 ANY OTHER BUSINESS

There were no items of other business arising.

Thanks and well wishes from the Committee were extended to Isla Gray, who was attending her final meeting of the Audit Committee before moving on to her new role with Castlehill Housing Association.

Janice Flanagan provided her apologies for the next meeting of the Audit Committee in February 2020.

Date of the next meeting

The date of the next meeting is Wednesday 5 February 2020 at 10:00 a.m. in Livingston.

Signed:

Date:.....

