

**Minutes of Shire Audit Committee Meeting  
Held on 12 March 2024  
at 18:00pm via Microsoft Teams Application**

**PRESENT:** H Carr, L Gallacher, R Morris

**CONVENOR:** H Carr

**IN ATTENDANCE:** J Munro (Chief Executive, CE)  
C Donnelly (Director of Corporate Services, DCOR)  
M Scott (Asset Manager, AM)  
G Gillespie (Wylie Bisset, WB)  
S Beattie (CT)

The meeting commenced at 18:00.

**The Convenor welcomed members, G Gillespie, of Wylie + Bisset, and S Beattie, of CT, to the meeting.**

Item		Action
<b>1.0</b>	<b>Formal Business</b>	
1.1	<u>Apologies</u> No apologies were received.	
	The Audit Committee acknowledged B Cuthbertson’s ongoing Leave of Absence, which was agreed by the Board on 28 February 2024.	
1.2	<u>Declaration of Interest</u> None.	
1.3	<u>Minutes of the Meeting Held on 22 November 2023</u> The Convenor presented the minutes of the meeting and invited comment or corrections.	
	<b>The Audit Committee agreed the minute as a true and accurate record of the meeting held on 22 November 2023.</b>	
1.4	<u>Action Plan</u>  <b>The Audit Committee noted the contents of the Action Plan.</b>	
1.5	<u>Matters Arising</u> None.	
1.6	<u>Notifiable Event</u> None.	
<b>2.0</b>	<b>Items Requiring a Committee Decision</b>	
2.1	<u>Internal Audit – Damp and Mould</u> The DCOR confirmed that the Damp and Mould audit was in line with the	

Item		Action
	<p>Association’s Audit plan. The DCOR introduced G Gillespie to present the audit report.</p> <p>G Gillespie presented the findings of the Internal Audit report and confirmed that the Association received a “Substantial” Assurance grading. One low and two medium grade recommendations were made and there were six areas of good practice highlighted. The Audit Committee noted that comparative benchmarking data shows that Shire have a lower number of recommendations, with the average number of recommendations in similar audits comprising of one low grade and three medium grade recommendations. G Gillespie confirmed that there has been an influx in damp and mould audits amongst W+B clients of late.</p> <p>The Audit Committee expressed concern that 16 of the 21 damp and mould cases/inspections were out with target. The AM advised the Audit Committee that when damp and mould is reported by a tenant an inspection is raised in the first instance, with a five-day timeframe for the inspection to be carried out. The AM advised that in cases of no access, a note has been made but the target date has not been updated in the system. As such, the system shows the inspection as being out with target. The AM confirmed that all visits have been carried out and the issues around recordkeeping/admin have now been discussed with the Asset Team.</p> <p>The AM advised that the majority of damp and mould cases have been condensation dampness, with staff providing tenants with relevant information on how to remedy this. The Audit Committee noted that there have been a few bigger issues identified during some damp and mould inspections which have been highlighted to the Board separately and have had specialist surveys conducted.</p> <p>It was suggested that the AM will report on damp and mould cases to the Board monthly, as part of the Health and Safety report.</p> <p>The Audit Committee requested that the Internal Audit Report of Damp and Mould is updated to make it clearer that all 21 cases have been dealt with, and the issue highlighted within the audit pertains more to an administrative point rather than cases not being actioned.</p> <p>The CE will obtain legal advice regarding the ability to force access if a tenant has reported damp and mould and then does not grant access.</p> <p>The Audit Committee highlighted the importance of having robust processes and controls in place for damp and mould.</p> <p>The Internal Audit Report for Damp and Mould will be shared with the Audit Committee when it has been updated.</p>	<p></p> <p></p> <p></p> <p></p> <p><b>AM</b></p> <p><b>CE/WB</b></p> <p><b>CE</b></p> <p></p> <p><b>DCOR</b></p>

Item		Action
2.2	<p><b>The Audit Committee noted the content of the report and its recommendations.</b></p> <p><u>Internal Audit – Follow Up Review</u> G Gillespie, of Wylie + Bisset, presented the report to the Audit Committee and advised that a ‘Substantial’ level of assurance can be provided in relation to the Association’s endeavours to implement audit recommendations made in 2022/23 and earlier years. Of the recommendations, the Association has fully implemented 3 and partially implemented 2, with the remaining 1 recommendation being superseded.</p>	
2.3	<p><b>The Audit Committee noted the content of the report and its recommendations.</b></p> <p><u>Internal Audit Plan for 2024/25</u> G Gillespie, of Wylie + Bisset, presented the report to the Audit Committee. The purpose of the report was to present the proposed Internal Audit Plan for 2024/25.</p> <p>The Audit Committee noted that the Internal Audit Plan for 2024/25 takes into consideration current issues in the sector as well as key areas of risk.</p> <p><b>The Audit Committee approved the Internal Audit Plan for 2024/25.</b></p> <p><b><i>The Convenor of the Audit Committee thanked G Gillespie for his attendance. G Gillespie and the AM left the meeting at this point (18.40).</i></b></p>	
2.4	<p><u>External Audit – Audit Plan for Financial Year Ended 31 March 2024</u> S Beattie, of CT, introduced himself to the Audit Committee. S Beattie then presented the Audit Plan for the audit of the financial statements for the year ending 31 March 2024.</p> <p><b>The Audit Committee approved the External Audit Plan for the audit of the financial statements for the year ended 31 March 2024.</b></p> <p><b><i>The Convenor of the Audit Committee thanked S Beattie for his attendance. S Beattie left the meeting at this point (18.47).</i></b></p>	
2.5	<p><u>Review of Risk Map</u> The DCOR presented the report to the Audit Committee, highlighting the key updates to the Risk Map. The Audit Committee were asked to consider and approve the updated March 2024 Risk Map.</p> <p>The Audit Committee discussed the wider current insurance market.</p> <p><b>The Audit Committee:</b></p>	

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2.6	<ul style="list-style-type: none"> <li>• approved the Risk Map as reflecting the Association’s current risk status.</li> <li>• recommended the Risk Map to Board for approval at the Board meeting on 27 March 2024.</li> </ul> <p><u>Cyber Essentials – Approval of specific inbound rules</u> The DCOR presented the report to the Board. The purpose of the report was to seek approval for two IT rules in line with Cyber Essentials requirements.</p> <p><b>The Audit Committee approved the two rules where inbound network traffic is expressly permitted to access the Association’s firewall.</b></p>	
3.0	<p><b>Items for Discussion</b> <u>None.</u></p>	
4.0	<p><b>Reports for Information Only</b></p>	
4.1	<p><u>Information Requests</u> The DCOR presented the report to the Audit Committee, confirming that there has been one new Freedom of Information Request and no new Subject Access Requests since the last report in November 2023.</p> <p>The DCOR confirmed that, as requested by the Audit Committee, the report now contains requests for the current and previous financial year.</p> <p><b>The Audit Committee noted the content of the report.</b></p>	
5.0	<p><b>AOCB</b></p>	
5.1	<p><u>HMS Project</u> The Audit Committee confirmed that they are happy to agree to the recommendation to progress with the preferred supplier and consultant.</p>	
5.2	<p><u>EVH Wage Negotiation</u> The Audit Committee noted the information from the Member’s Ballot, which was circulated by the DCOR.</p>	
5.3	<p><u>SPSO Investigation</u> The CE provided a general update on the complaint which is currently being investigated by the SPSO. A further update will be provided at the Board Meeting on Wednesday 27 March 2024.</p>	
6.0	<p><b>Date of Next Meeting:</b></p> <ul style="list-style-type: none"> <li>• Date: 18 June 2024</li> <li>• Venue: remotely (MS Teams)</li> </ul> <p>Meeting Concluded at 19.17</p>	

Item		Action
	I confirm this Minute is a true and accurate record of the meeting: -  Convenor_____	