AUDIT COMMITTEE MEETING

Wednesday 8th October 2025

MINUTE

Present: **A Clark (Chair); R Elliott; W Raeburn**

In Attendance: **C Ironside, K Miller (staff)**

C Boyd (TIAA) for part of the meeting (virtual)

Minutes: **F Hurrell (staff)**

The meeting started at 5.00 pm and was held in person & virtually.

Item 8 was discussed at the start of the meeting so that C Boyd from TIAA could leave the meeting, however the minutes are documented in order of the agenda.

ACTION

1. Apologies for Absence

J McFadyen
L Fordyce

2. Declarations of Interest

R Elliott – Former RBS employee and RBS Shareholder

3. Minutes of last meetings: 18th June 2025

K Miller clarified agenda item 6 of the minutes that should have referred to Financial Statements rather than Management Accounts. Subject to this change the minutes of the meeting held on the 18th of June were approved as a true and accurate record.

Proposed: R Elliott; Seconded: W Raeburn

4. Matters Arising

None

5. Audit Committee Record of Actions

Members noted that the results of the procurement audit were scheduled to be brought to the meeting today but the audit date has been delayed. The results from the audit should be available for the next Audit Committee meeting in February 2026.

For Approval

6. Risk Assessment Review

C Ironside spoke to her report and raised the following points:

1. The rise of polarising politics ahead of the elections in Scotland next year could potentially increase the risk of antisocial behaviour cases and she suggested this is included in the Register. Members agreed.

W Raeburn highlighted his ongoing concern about factoring. C Ironside to review the risk rating and whether it was currently too low. **CI**

A Clark proposed a number of amendments to the risk register: **CI**

- Reputational Risk should increase;
- Service Failure of Principal contractor should reduce;
- GDPR breach should reduce;
- Stock Condition SHQS should be lower;
- All suggestions were agreed by members.

Following a question from the Chair regarding our capability to recover from a cyber attach, K Miller reassured members we have a robust process in place and training for staff is ongoing.

Proposed: W Raeburn; Seconded: R Elliott

For Noting

7. Internal Audit – Outstanding Actions Tracker

K Miller presented the tracker to the Committee noting that the Factoring Consultancy Report is due in November.

Following a query regarding invoice frequency for Factoring, K Miller confirmed that invoices are issued once per year for Factored and twice a year for Factored Admin. It is hoped that any new IT system would help the Association carry out its factoring responsibilities more efficiently.

The Chair queried if the delay in the Asset Management Strategy renewal is because we are waiting for the outcome of SHNZ. C Ironside confirmed that it wasn't but explained that the Association has a number of priorities at the moment and the likely timescale for the strategy would be early next year.

8. Internal Audit Reports:

C Boyd from TIAA joined virtually to present the audit reports below and noted the positive audit overall.

(i) **Complaints:** A reasonable level of assurance was achieved, and C Boyd explained the six recommendations and two operational effectiveness suggestions they put forwards, noting these are relatively minor.

(ii) **Data Protection:** A reasonable level of assurance was achieved, and C Boyd explained the two recommendations they put forward, noting these are not urgent.

Members gave positive feedback on the outcome of the Audit and were reassured by the robust processes in place.

AOCB

K Miller re-confirmed that four firms had progressed to stage 2 of the External Audit and Taxation Services tender process. They have until the end of October to complete their tender submission.

W Raeburn queried if there had been any improvement since Capita have been taken over by MRI. K Miller confirmed that little had changed, and we have a constant level of unresolved tickets. Research shows alternative providers are similar in price and many associations have moved to one of two system providers.

K Miller further clarified that the cost for the new software will be factored into the 30-year Financial Plan (it had been removed from the present plan to bring it back in line with the original plan submitted to RBS) and the original costs of the present software has already been written off through depreciation

9 Discussion and Appointment of Vice Chair of Audit

In the absence of two members, it was decided not to discuss this item at this meeting and instead the Chair will email members to canvass interest initially. **Audit Chair**

13. Date and Time of Next Meeting: 4 February 2026 at 5.00 pm

The meeting closed at 6.25 pm