

GROUP AUDIT COMMITTEE

**MINUTE OF MEETING – 3 May 2023 10.30am,
Wheatley House, Glasgow**

Present: Caroline Gardner (Chair), Bernadette Hewitt, Alison Mclaughlin and Derek Treanor.

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 and Gemma Preston (both KPMG), Duncan Black (Head of Audit and Inspection, Glasgow City Council – item 6 only), and John Crooks (Director of Health and Safety and Compliance – item 12 only).

1. Apologies for Absence

Apologies were received from Fiona Burden.

2. Declarations of Interest

The Committee noted the standing declarations of interest.

3. Minute of previous Audit Committee meeting and matters arising

Decided: The Committee approved the minute of 8 February 2023

4. Risk Management Annual Report

The Committee were updated on the key risk management activities across 2022/23 and the key refinements proposed for the year ahead.

The Committee were updated on the planned approach to the Board risk workshops for 2023/24.

The Committee reviewed the strategic risk register, in particular the risk outwith risk appetite and where changes were proposed. It was confirmed that no change to the risk appetite in relation to care and support services was proposed at this time.

The Committee discussed in detail the risks outwith risk appetite and in particular the risk in relation to fire safety. It was explained that the fire risk scoring reflected the mitigations not being fully within our control as it can relate to the behaviour of individuals. It was agreed that we consider how the fire safety risk reflects the elements that we can mitigate, how we meet our compliance requirements and the behavioural element which we cannot fully mitigate.

The Committee further discussed the risk associated with reliance on technology and its link to business continuity more widely.

Decided: The Committee

- 1) Noted the content of the report;**
- 2) Recommended to the Group Board that Subsidiary Board risk reports should be presented biannually rather than quarterly;**
- 3) Approved the proposed approach to Board risk workshops for 2023; and**
- 4) Recommended the proposed changes to the Strategic Risk Register for approval by the Board.**

5. 2022/23 Statutory Accounts: KPMG audit planning strategy and key accounting estimates and judgements

The Committee were updated on the key estimates and judgements for the 2022/23 financial statements and wider audit plan strategy.

[redacted]

The Committee were updated on the scale and types of activities covered by community infrastructure.

An update was provided by KPMG on progress to date and the anticipated timeline for completion of their work. It was agreed that the August meeting be rescheduled to a later date to allow additional time for completion to reflect this.

The Committee were updated on the new requirements in relation to climate risks and the proposal that KPMG be approved to undertake covenant compliance checks.

Decided: The Committee

- 1) Approved the KPMG audit planning strategy;**
- 2) Approved KPMG undertaking non-audit covenant compliance testing; and**
- 3) Approved this statement of key estimates and judgement.**

6. [redacted]

7. Internal Audit Annual Report and Opinion 2022/23

The Committee were updated on the completed work of the Internal Audit Team for 2022/23 and the annual opinion.

The Committee noted that the work was set within the context of a very positive External Quality Assessment of the Internal Audit team.

Decided: The Committee noted and approved the content of the report

8. Group Anti-Fraud Report 2022/23

[redacted]

It was confirmed that based on internal audit activity during 2022/23, the internal audit team are satisfied that management has considered fraud risks and this will continue to be monitored as part of routine work.

Decided: The Committee noted the content of the report

9. Group Assurance Update

The Committee were provided with an update on the delivery of the assurance plan.

The Committee discussed the lone working arrangements and sought confirmation that no issues are ongoing in relation to them. It was confirmed that processes and staff training are in place and that we regularly engage with our trade union partner on this issue to ensure they remain appropriate.

The Committee welcomed the continued focus on damp and mould and our plans to further strengthen our recording and reporting arrangements.

Decided: The Committee noted the content of the report

10. Rolling Internal Audit Plan

The Committee reviewed the proposed 12-month rolling internal audit plan and proposed reviews for the next period. It was agreed the planned areas of focus remain appropriate and relevant.

Decided: The Committee

- 1) Noted the content of the report; and**
- 2) Approved the 12-month rolling internal audit plan and proposed reviews for the next period.**

11. Group Audit Committee Self-Assessment

The Committee were updated on the results of its self-assessment. The results of the self-assessment provide a positive view of the work of the Committee. It was agreed that as part of the improvement actions we provide a summary of the structural arrangements of the Committee where this was not unanimously clear in the self-assessment returns.

Decided: The Committee

- 1) Noted the content of the report; and**
- 2) Agreed the improvement actions.**

12. Fire Prevention and Mitigation Update

The Committee were provided with a detailed update on our ongoing fire safety and prevention activity across the Group.

The Committee welcomed the continued focus of our fire safety work.

Decided: The Committee noted the update and progress of FPMF for 2022/23.

13. AOCB

There was no further business.

Signature: **Date:**
Chair