

MINUTES OF THE 3RD FINANCE, AUDIT & CORPORATE SERVICES (F.A.C.) SUB COMMITTEE MEETING OF WILLIAMSBURGH HOUSING ASSOCIATION, HELD ON WEDNESDAY, 3RD MAY 2023 AT 6.00PM (HYBRID).

PRESENT: M. Symons Convenor
J. Scott
A. Ballantine
Cllr. M. MacLaren
R. Coelho

IN ATTENDANCE: L. Ramsay Head of Finance & Corporate Services
L. Fleeting HR & Corporate Admin Supervisor

1. (a) Apologies

No apologies were given.

(b) Declarations of Interest

There were no declarations of interest.

2. (a) Minutes of the F.A.C. Meeting No.2: 1st February 2023

The minutes of the Finance, Audit & Corporate Services Sub Committee meeting held on Wednesday, 1st February 2023 (No.2) were proposed correct, on a motion proposed by J. Scott, seconded by R. Coelho.

(b) Matters arising

There were no matters arising.

3. F.A.C KPI

L. Ramsay presented a new KPI report and explained that this is a summary of the performance indicators contained in the main reports and L. Ramsay asked the Committee if there are any comments or additional KPI's they would like included. A member of the Committee asked if the Financial Fitch ratings can be included in future reports. The same Committee member asked if an explanation can be summarised of any GDPR complaints to the ICO. Another Committee member asked if there was anything in Microsoft Outlook that can be a default setting to prompt staff to review email addresses before sending emails which should assist to reduce the risk of GDPR breaches. L.Ramsay will review and update at the next F.A.C. meeting.

4. Financial Reports to 31st March 2023

L. Ramsay presented the report, noting a good performance for the 12 months to 31st March 2023, with revenue in line with budget expectations and costs £0.1m below budget. It was highlighted that costs were £0.9m above 2021/22 results with higher volumes and additional void and reactive repair costs (£0.3m – note reactive price increases of 28% have been incurred), additional depreciation (£0.3m, non cash) and impact of staff posts vacant last year (£0.2m).

L. Ramsay summarised the Development spend to date, including the £0.2m of design costs on Cartha Crescent which had been expected (together with the land purchase) to be grant funded in 22/23, however, this will be delayed, as we are currently reviewing cost plans, land valuations and grant subsidy. A Committee member asked if the development didn't go ahead would (a) the cost to date need to be written off and if so (b) would this be a notifiable even to the SHR. L.Ramsay advised yes to both questions and that a full update on Development status will be brought to the next full Management Committee meeting.

L. Ramsay also noted that the Financial Reports form the basis of the 2022/23 Statutory Accounts, however, the following adjustments are expected to be made in advance of the audit fieldwork:

- Finalisation of Reactive Repairs Costs (James Frew).
- Depreciation & Grant Income - We are waiting to receive the component accounting breakdown for the Albert Road project (*No impact on cash as it is a movement between the Statement of Comprehensive Income & the Statement of Financial Position.*)
- Pension Actuarial Valuation – not yet available (no impact on cash).

L. Ramsay advised that a reconciliation from the financial reports and the final statutory accounts will be provided to Committee, prior to the signing of the statutory accounts.

L. Ramsay further updated Committee that with the subsidiary (W.P.S.) terminating trading as at 31/3/23, the closing assets and liabilities balances of W.P.S. have been included in W.H.A.'s Statement of Financial Position, as at 31st March 2023.

L. Ramsay highlighted that currently W.H.A. has £6.7m of funds with our main banker (RBS), however, will progress an application with Lloyds banking group which will alleviate this. Furthermore, it was highlighted to Committee that Virgin Money has a Fitch rating of BBB+ which is below the recommended levels in the Treasury Management policy.

The Committee noted the update on the performance to 31st March 2023.

5. Data Protection Report

This report was presented by L. Ramsay, advising of data protection statistics, as reported to the Information Commissioners Office. The report also highlights the project work carried out to date with our external Data Protection Officer and the future work planned. A committee member asked about the Subject Access Request procedure – it was confirmed that when a Subject Access Request comes in to the organisation, the process is managed by a Corporate Admin assistant with the relevant staff involved in collecting the data. This is then packaged and supplied to the customer from Corporate Admin.

Committee noted the content of the report.

6. Audit Report

L. Ramsay presented the Audit Report.

L. Ramsay advised that the finance team were on schedule for the external audit fieldwork to commence w/c 5th June 2023 which will be carried out by Chiene & Tait.

L. Ramsay further advised that Internal auditors, Alexander Sloan, had completed 5 audits during 22/23. A summary of the outstanding recommendation action points is included in the audit report with progress and targeted completion dates highlighted.

Committee noted the content of the report.

7. HR Report

L. Fleeting presented the HR Report advising on the status of the current recruitment positions and updates on recent new starts to the Association.

L. Fleeting gave an update on the progress of Grading Assessments taken place to date and also regarding Absence Management actions resulting from the recently approved policy.

L. Fleeting summarised the Mental Health framework training delivered to staff and current status of the planed HR project work. It was also noted that there has been circa 50 hours of staff training undertaken since April 23 and L. Fleeting acknowledged that this stat would be added to the KPI summary from next quarter.

The Committee noted the contents of the report and one member made their thanks to the progress in the HR work.

8. Pension Consultation

L. Ramsay updated the Committee on the progress of the previously agreed timetable for the pension review project. Noting that staff have been informed of the pension review and communication will be sent out shortly by L. Fleeting to gather the representatives for the short life working group. Furthermore, L. Ramsay advised that the dates for the first 3 anticipated meetings have been set between June 23 and September 23 with Spence & Partners engaged to facilitate the meetings. [REDACTED] from Chiene & Tait will attend the first meeting (via MS teams) and present information on the SHAPS pension schemes and current risks.

One Committee member noted good progress on the project within timescales.

The Committee noted the contents of the update.

9. Policy Review

Firewall Policy

L. Ramsay presented the policy which refers specifically to the WatchGuard M370 with the role of this firewall being to protect internal systems and restrict unwanted access into W.H.A.'s Network. L.Ramsay highlighted that there are no material changes to the current policy.

CCTV and Data Retention Policies

L. Ramsay presented the report highlighting that as part of our compliance with UK Data Protection Regulations, W.H.A. has various policies and appendices to support this. As part of this suite of policies, the CCTV policy has been reviewed and updated following installation of a new CCTV system and clause 4.3 has been updated to include "Prevention and detection of unacceptable behaviors, including aggressive or abusive actions, towards clients and visitors by staff in W.H.A. premises."

L. Ramsay went on to discuss the Data Retention policy (also part of the GDPR suite of policies) which details the approach of W.H.A. to the retention, deletion and destruction of personal data. L. Ramsay reported that a minor change only has been made to the policy to update the "reasons for retention basis" to the latest Scottish Law references.

Discipline Policy

L. Fleeting presented the report, highlighting that W.H.A.'s discipline procedures have previously always been part of the conditions of service. As part of the ongoing staff consultation and forum, it has been agreed to remove elements of the terms and conditions to their own policy and have a summary within the conditions of service that highlights where to find more information on each section.

9. Policy Review Contd.

Discipline Policy Contd.

L.Fleeting further explained that the Acas code of practice sets the minimum standard of fairness that workplaces should follow and are used by employment tribunals when deciding on relevant cases (i.e. Unfair dismissal claims). W.H.A. policy has been written to ensure there is consistent and fair treatment for all as well as clarifying and reinforcing rights and obligations.

Grievance Policy

L. Fleeting presented the policy highlighting W.H.A.'s grievance procedures have always been part of the conditions of service and the introduction of this policy is in a move to create a suite of HR policies as opposed to being part of one document.

L. Fleeting updated Committee that this policy also follows the Acas code of practice on grievance to ensure that W.H.A. are following best practice guidelines. There is an emphasis on trying to resolve matters in an informal matter in the first instance but ensuring that staff are aware of their rights should they wish to lodge a formal grievance.

One Committee member noted the progress on the HR policies assist in closing the gap in previous W.H.A. policies and were pleased with the ongoing progress.

The recommendations and approval of all four policies was passed, on a motion proposed by J. Scott and seconded by M. MacLaren.

10. Any Other Business

L. Ramsay reported that W.H.A. has requested to open online banking for our current account with Virgin Money. Part of the criteria is to ensure Committee have approved this action.

A Committee member asked if the payment facility is single user to which L. Ramsay advised that all W.H.A. payments are set up as two signatories, as minimum, in line with the Financial Regulations.

The approval of this request was proposed by A. Ballantine and seconded by J. Scott.

L. Ramsay reminded Committee to send a copy of photographic ID, if possible, to assist with the compliance of Bank of Scotland's account opening department.

11. Date and Time of Next Meeting

M. Symons thanked everyone for their attendance and advised that the next scheduled meeting of W.H.A.'s Finance, Audit & Corporate Services Sub Committee would be held on **Wednesday, 2nd August 2023 at 6pm (hybrid)**.

CONVENOR:

DATE: