

TRUST HOUSING ASSOCIATION LIMITED

Audit and Performance Committee Meeting held on the 28 May 2025 at 11.30am, Norton House Hotel, Edinburgh

Present at meeting:

Board Members

Ali Ross
David Knight
Gordon Laurie
Graham Curran
Ian Mitchelmore
Mary Niven (observer)
Steve McGowan (observer)
Laura Bornatici (observer)

Officers in Attendance

Rhona McLeod, CEO
Zoe Purdie, Director of Finance & People
Neil Ferguson, Director of Business Development & Digital
Jackie McIntosh, Director of Assets & Sustainability
Jenny Wallace, Director of Customer Experience
Annette Brown (Governance & Business Support
Manager, Minute Taker)

Auditors in Attendance

Martin Ritchie (TIAA)

ALI ROSS IN THE CHAIR

Agenda Item	Detail
1.	Chair's Opening Remarks
1.1	Ali Ross, Chair, of the Audit & Performance Committee, welcomed committee members, the Executive Team, Martin Ritchie from TIAA and Steve McGowan, Laura Bornatici and Mary Niven to the meeting.
1.2	Steve, Laura and Mary had been invited to join the meeting as observers as they had indicated a desire to join the committee.
2.	Declarations of Interest
2.1	There were no declarations of interest recorded.
3.	Apologies
3.1	No apologies were noted.
4	Q4 Performance Report
4.1	Neil Ferguson, Director of Business Development and Digital, presented the Q4 Performance to the committee. He advised that many of the figures will be discussed at the Board meeting as part of the ARC submission.
4.2	Overall it is a really good set of results with the majority being highlights as opposed to exceptions. It was noted that of the exceptions reported most were due to marginal changes and the biggest highlight of all is the improved voids figures which will be discussed in more detail at the Board Away Day on the 29 May.

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4.3	David Knight referred to the complaints indicator and asked if ' <i>responded in full</i> ' means that it has been resolved. Neil advised the committee that it does mean that it has been resolved. He explained that the SPSO changed the wording to ' <i>responded to</i> ' as opposed to ' <i>resolved</i> '.
4.4	With regards to exception reporting the following points were noted –
4.5	<ul style="list-style-type: none"> • The “Average Days to Complete Non-Emergency Repairs” indicator is sitting at 5.2 days which lower than in Q4 in 23/24 but is still within the target of <=6 days.
4.6	<ul style="list-style-type: none"> • Likewise with “% Right First Time” we are performing well at 94.4% which is better than the target of =>90% and the Scottish average but due to the marginal downward trend it has been reported as an exception.
4.7	<ul style="list-style-type: none"> • Jackie advised that there has not been a significant change in the “% of Properties with a Valid EICR Certificate” as we are going through a change process with contractors. The new contractor has been onboarded and have a list of priority repairs to focus on. It is hoped that this indicator will improve over the next 2 quarters. Gordon Laurie asked if the target was achievable. Jackie advised that the target may be set lower in the coming year to account for instances where the contractor can't gain access. Gordon highlighted that he was slightly nervous with a target of less than 100% for a Health & Safety regulation but accepted that the target may not be met due to not being able to gain access to all properties.
4.8	<ul style="list-style-type: none"> • Ali Ross asked if TIAA were comfortable with the indicator as it featured in the follow up report. Martin Ritchie advised that TIAA had marked the recommendation as outstanding as at the time of the report there were a number of properties still outstanding. It has been noted that there is a new contractor in place and a forced action procedure will be in place. Once this has been implemented it is hoped that that we will be in a better position on the action. The auditors report highlights the fact that Trust are good at monitoring the situation and the Committee have oversight. Ali asked if other Housing Associations are facing the same issues. Martin advised that due to Trust's geographical spread it makes it more difficult to manage than Housing Associations with stock in urban areas. The regulation states than there should be an EICR in place and it should be reviewed every 5 years. The focus is on what actions are being take to address access issues.
4.9	<ul style="list-style-type: none"> • Jackie advised that since the report was prepared Trust have had their allocation for medical adaptations for the next year confirmed as £1.2M. This is the biggest allocation Trust have ever received and it is hoped that it will improve this indicator moving forward. The team are currently

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	<p>creating a plan to allocate the funding. David asked if the increased allocation would have a positive impact on the accounts. Zoe confirmed that there is an admin fee so if all of the spend is utilised there will be an increase of £120k.</p>
4.10	<ul style="list-style-type: none"> • Neil advised that there have been more complaints in Q4 than Q3 but nothing of particular concern. Gordon queried the 5 Mid Market Rent complaints. Jenny advised that they were all linked to a fire in the substation but have since been resolved.
4.11	<ul style="list-style-type: none"> • Neil referred to the response times for Stage 2 complaints which has increased but still within the target of 95%. This is mainly due to some complex stage 2s which have taken longer to complete. Neil advised that the team are aware that a lot of stage 2 complaints are being closed off on day 19 or 20 and it is something that the team are monitoring.
4.12	<ul style="list-style-type: none"> • Neil advised that Complaints will go live in Rubixx and when this happens customers will be asked to complete a satisfaction survey when their complaint is resolved. The survey will focus on the how the process was handled and will help to provide improved data on the complaints process and how it is managed.
4.13	<ul style="list-style-type: none"> • The “Average Days to Let” indicator is averaging at 78 days which is under target and a good indication of the work that the Voids Task Force are doing. Gordon queried the increase in General Needs which has gone up 10% per quarter. Neil advised that this is a reflection of the performance of the team in letting properties that were historically difficult to let. Jenny advised that when you remove the lets that have been vacant for more than 6 months the numbers are steady.
4.14	<ul style="list-style-type: none"> • The “% of Tenancy Offers Refused” indicator is on target but there was a slight increase as more offers are being made as a result of the Voids Task Force. There were approx. 30 – 60 offers in the quarter which often results in more refusals. Ali asked for more detail on the reasons for customers refusing offers. Jenny advised that a lot of customers are not ready to move yet. At present customers have 3 offers and if they choose not to accept any of the houses offered to them they will either be suspended or removed from the list. Annual reviews are carried out but the team are aware that this needs to be done more proactively to ensure that customers are ready to move when they receive an offer.
4.15	<ul style="list-style-type: none"> • “Rent Loss due to Empty Properties” is above the target of 4% in Q4. It was noted that the ARC figure is different due to exceptions and adjustments. The Committee agreed that it was good to see the figures coming down and congratulated the team.
4.16	<ul style="list-style-type: none"> • With regards to the “Average Grade Received from Care Inspectorate” indicator Jenny advised the committee that Branch 1 was recently

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	<p>inspected. The way in which inspections are graded has changed and instead of receiving an overall grade for the inspection it is split into 4 separate grades for each category. The results of the inspection were very positive. Gordon asked if the leadership assessment is a score based on the local staff or Trust overall? Jenny advised that it is a bit of both but with more of a focus on local.</p>
4.17	<ul style="list-style-type: none"> It was noted that there was a 0.2% change in staff absence. This is an upward trend but long term absence has come down.
4.18	<ul style="list-style-type: none"> The committee noted the significant demand on the Welfare Benefits Team and asked if the team had enough resources. Jenny advised that the additional 0.5 post has helped and if we were to increase resources it would allow the team to take on more cases. The goal is to analyse the number of people at offer stage to see who is taking the service up and if more resource would help. Rhona advised that there is a link between the Welfare Benefits Team and the strong rent arrears performance which the team are very proud of. It was agreed that there may be a need to look at the value of the service and who is accessing it.
4.19	<ul style="list-style-type: none"> Rhona advised that the “Average Hours to Complete Emergency Repairs” indicator highlights another really good set of results. The committee agreed. Rhona explained that a lot of operational controls have been put in place and as a result we have produced the best set of KPIs relative to target that Rhona has seen in her time working at Trust.
4.20	<ul style="list-style-type: none"> David referred to rent arrears and asked for clarification on the process for former tenants debts. Zoe advised that there is provision in the accounts and generally once a year a report will be brought to the committee to write off what debts we can’t recover.
4.21	<ul style="list-style-type: none"> David referred to the “% of Mandatory Training Completed by Colleagues” indicator and the sentence which refers to the renewal of Cyber Security training. Zoe reassured the committee that employees are asked to complete cyber training annually so the figures build and then drop. Neil explained that everybody has to do the cyber security training at onboarding so they each have a different anniversary. David queried why Board Members do not have to do the training and it was agreed that this aspect would be discussed in more detail at the Strategy Day as it would be useful to have Board Members on LearnPro to complete mandatory training modules.
4.23	<p>Action: Governance & Business Support Manager to consider the use of LearnPro to support Board Members with mandatory training.</p>
4.24	<p>The Committee noted the Q4 Performance Report.</p>

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5.	Internal Audit Update
5.1	Ali commended the quality of reporting from TIAA.
5.2	Zoe Purdie, Director of Finance & People introduced Martin Ritchie from TIAA to present the Damp and Mould Audit, Follow Up Review and Annual Report. Zoe noted the excellent outcomes of the Follow Up Review which states that 10 of the 16 actions are complete with the remaining 6 in progress.
5.3	Martin Ritchie, TIAA, presented the reports as read and noted that reasonable assurance had been given on both.
5.4	Damp & Mould Referring to the “Damp and Mould” report Martin advised that it was a really positive outcome. The policy was comprehensive, outlining responsibilities on both Trust and Tenants. The Damp & Mould process guidance was also excellent and the information was readily available on the website. There were 3 recommendations; all classed as important and 1 operational effectiveness matter as outlined below;
5.6	1. Damp & Mould inspection summary letters – it is important that all tenants get a letter following the inspection and the recommendation is that the letters are shared and saved centrally.
5.7	2. Documentation of a 6 month follow up – at present there is no audit trail to determine if the inspections were required. The recommendation is that the 6 month inspection be clearly documented and scheduled.
5.8	3. Inspection sheets – all damp and mould inspection forms should be saved centrally.
5.9	The operational effectiveness matter recommends that the team move to a systems approach as opposed to a spreadsheet to reduce human error as this will also improve filing issues.
5.10	Gordon asked if 6 months inspections are carried out for every case. Jackie explained that it depends on what has been found at the original inspection. Gordon asked if there a prompt/reminder to carry out a six month inspection if it is required. Jackie advised that there is an automated message in the system so that no inspections are missed.
5.11	Ali asked if there were any lessons to be learned from similar audits TIAA have conducted. Martin advised that recommendations are consistent across the sector. Trust has a defined process in addition to a policy and by moving the process onto Rubixx it will improve the process further.
5.12	Jackie advised that Damp and Mould Inspections were moved onto Rubixx on the 1 May 2025. This means that each inspector has a work tray and there are letters that flow automatically from a central point.

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	<p>Follow Up Review</p>
5.13	<p>Referring to the Follow Up report Martin advised that 10 recommendations were implemented and 6 were in progress. It was noted that only Priority 1 & 2 recommendations were followed up on from the previous auditors.</p>
5.14	<p>Martin focused on the Care & Support Recommendations on the Quality Assurance Visit report templates and advised that there was still a bit of work to get them implemented however they will not be following up on this action as the Quality Assurance of care does not fall under the Board's responsibility.</p>
5.15	<p>Martin also referred to the electrical safety testing which had 114 properties outstanding at the time of audit but it has been acknowledged that this will reduce over time and it is reported to the committee on a quarterly basis.</p>
5.16	<p>Martin advised the committee that overall it is a really good Follow Up Review.</p>
5.17	<p>Ali referred to the date of some of the actions which go as far back as July 2023 and asked if the dates could be updated now that action has been taken against most of them. Gordon pointed out that some of the audits are now 2/3 years old and asked if there was a process to agree what actions can be dropped. The Executive Team advised that 90% of the majority of the actions have been completed but only 10% is outstanding causing the date to drift.</p>
5.18	<p>The Committee asked Martin if it was possible to close down an action that was 90% complete and open up a new one. Martin advised that TIAA would mark it as considered but not implemented. They would then take it to the Committee and advise the Executive Team's proposal and the rationale behind it, then it is up the Committee to decide. It is more a conversation around whether or not the risk has been addressed and are the Committee content. It is an option to close them down, but it would always be presented to the committee with a rationale and justification of that.</p>
5.19	<p>Ali felt that by taking this approach it would present a more up to date reflection of where Trust are.</p>
5.20	<p>Annual Report Martin presented the Annual Report to the committee advising that Trust has good governance processes in place. Of the 5 reviews that have taken place there are no areas with limited assurance.</p>
5.21	<p>Ali thanked Martin for attending the meeting and for the quality of the reports.</p>
5.22	<p>Gordon noted that 13 recommendations from 5 audits is very good and commended the team.</p>
5.23	<p>Ali referred to the audits that are planned and asked if the cyber security audit should be brought forward given the high profile cyber attacks that have been in the media. Neil acknowledged the Committee's concern in this area and</p>

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<p>5.24</p> <p>5.25</p> <p>5.26</p> <p>5.27</p> <p>5.28</p> <p>5.29</p> <p>5.30</p>	<p>explained that the audit was originally rescheduled to later in the year to allow a settling in period for the new Head of Digital and Data who is joining Trust in June. Neil advised the committee that the Board will also receive an update on the Cyber Essentials Accreditation and the outcomes of the recent vulnerability tests at the July Board meeting. Neil proposed that the internal audit take place in Q4 or Q3 to allow the team time to work through recommendations and to allow the new Head of Digital and Data to settle into the role.</p> <p>Graham Curran supported Cyber Essentials which is good practice and advised that the team should focus on how to respond to a phishing attack, particularly out of hours. The question is do Trust have the budget to look at the next level up of business monitoring. Neil advised that a proposal regarding monitoring out of office hours will be brought to the Board for a balanced decision on risk /versus investment.</p> <p>Neil advised that he would be content with moving the audit to Q3 but reminded the Committee that the audit is not an assessment. It is the vulnerability tests that assess how secure Trust are.</p> <p>Ali thanked Neil for the update as she was not aware of the plans in place to monitor Trust. Ali asked if the team do pen testing. Neil confirmed that pen tests do take place.</p> <p>The Committee agreed that they would feel more comfortable if the cyber security audit was brought forward to Q3 as opposed to doing it in Q4.</p> <p>Decision: The Cyber Security audit was brought forward to Q3.</p> <p>Action: Director of Finance and People to liaise with TIAA to confirm a new date for the audit to take place.</p> <p>The committee noted the audit reports and recommendations within them.</p> <p>Martin Ritchie left the meeting</p>
6.	Risk Register Update – see private minutes*
7.	Health & Safety Report Q4 2024/25 – see private minutes*
<p>8.</p> <p>8.1</p> <p>8.2</p>	<p>Previous Minute of the Audit and Performance Committee Meeting of 6th February 2025.</p> <p>The minutes from the Audit & Performance Committee held on the 6 February 2025 were proposed and seconded by Gordon Laurie and David Knight.</p>

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	Annette Brown advised that the cyber security update was private and that this would be removed from the final copy of the minutes and copied over to a private minute.
9.	Action Tracker
9.1	The committee reviewed the action tracker and recommended that the following:
9.2	<ul style="list-style-type: none"> • 5 December 2024 – Action 6.2 - Risk Register - can be removed.
9.3	<ul style="list-style-type: none"> • 1 August 2024 – Cyber Security – Action 7.4 – can be removed as it will be covered in the next update to the Committee.
9.3	<ul style="list-style-type: none"> • 24 February 2022 – Item 4.10 – Complaints – Compensation - will stay on the action tracker until Rubixx is live.
10.	Any Other Business
10.1	None.
11.	Date of Next Meeting – Thursday 24th July 2025 (in person, New Mart Road, Edinburgh)

****Items marked private have been excluded from these minutes due to at least one of the following reasons:***

- ***Confidentially sensitive information***
- ***Discussion on commercial interests***
- ***Person specific information***