

CLYDESDALE HOUSING ASSOCIATION LIMITED

Minute of the Audit & Risk Sub-Committee meeting held in the office at 39 North Vennel, Lanark ML11 7PT and via video conferencing on Wednesday 10 June 2026 at 5.30pm.

Brian McNally

Hazel Galbraith

John Lockhart, Sub-Committee Chair

A quorum was achieved.

In Attendance

Chief Executive (CEO) minute

Depute Chief Executive (DCE)

Ailsa Gourlay, WBG (Internal Auditor) Teams

1. Apologies

Apologies were received from Claire McGraw and Gabrielle McElhinney.

Post meeting note: Lesley McDonald was unable to attend remotely due to technical difficulties.

2. Approval of Previous Meeting Minutes & Matters Arising

The minutes of the Audit & Risk Sub-Committee meeting held on 25 March 2026 were reviewed for accuracy and approved by the Audit & Risk Sub-Committee.

In accordance with section 62 of the Association's Rules, the Sub-Committee Chairperson authorised the CSO to affix their electronic signature as conclusive evidence that the minutes of the meeting held on 25 March 2026 represent a true and accurate record of the proceedings.

There were no matters arising.

Agreement on Items for AOCB

The Sub-Committee Chairperson invited members to raise any items under AOCB. No items were brought forward for discussion.

3. Conflicts of Interest

There were no conflicts of interests.

4. Notifiable Events

The CEO presented the report to the Sub-Committee and advised that its purpose is to ensure compliance with requirements to notify the Scottish Housing Regulator (SHR)

of any material, significant or exceptional issue, event, or change within the organisation, along with details of how the organisation intends to address it. The CEO further noted that a reasonably detailed explanation must be provided to the SHR where a significant change has been implemented.

The CEO confirmed that the previously reported Notifiable Event concerning a failure to complete 40 electrical safety inspections within their 5-year anniversary date had been closed by the SHR on 2 June 2026 following completion of all overdue inspections.

The CEO advised the Sub-Committee that there were no additional points to highlight beyond the content of the report. The Sub-Committee noted the report and congratulated staff for resolving the electrical safety inspection issue so quickly.

- i) The Audit & Risk Sub-Committee considered the report.
- ii) The Audit & Risk Sub-Committee agreed that the actions of the Association have been satisfactory in relation to Notifiable Events and for assurance and oversight purposes.

5. Internal Audit:

5.1 2025/26 Annual Report on Internal Audit

The Sub-Committee Chairperson invited Ailsa Gourlay from Wbg to present the 2025/26 Internal Audit Annual Report.

Ms Gourley advised the Sub-Committee that Wbg were satisfied that sufficient internal audit work has been undertaken to allow them to draw a conclusion as to the adequacy and effectiveness of CHA's risk management, control and governance processes. In Wbg's opinion, the Association has adequate and effective risk management, control and governance processes to manage its achievement of the CHA's objectives at the time of their audit work.

In Wbg's opinion, CHA has proper arrangements to promote and secure value for money. Wbg's fieldwork was carried out between August 2025 and March 2026.

The Sub-Committee were satisfied with the progress made in 2025/26 on internal audit activity.

5.2 Planned Maintenance Report

The Internal Auditor presented the internal audit report on planned maintenance. The audit focused on:

- Stock condition surveys
- Planned maintenance works – financial controls and contract management
- Progress reporting and value for money
- Sample testing of payments to contractors
- Progress reporting to Committee

In summary, Wbg provided CHA with a “strong” level of assurance surrounding planned maintenance arrangements. This was highlighted through several areas of good practice. Wbg raised one recommendation for improvement:

- that the Association introduce a Planned Maintenance Procedure document that consolidates the current practices into one document. This Procedure should include:
 - The roles and responsibilities of all staff involved;
 - The method for creating the annual and five year planned maintenance programme;
 - Processes for monitoring progress and how this is reported; and
 - Training requirements.

The DCE advised the Sub-Committee that this will be complete by end August 2026.

Wbg listed two observations:

- The Association undertakes a Stock Condition Survey on 20% of its housing stock each year, with the aim of achieving 100% coverage over a five-year cycle. As of 23 February 2026, the five-year cycle completion rate stands at 81% between 2021 to 2026. This shortfall is largely due to the impact of the Covid-19 pandemic on the 2021,2022 survey period, as well as access restrictions affecting one area. However, between April 2022 and 23 February 2026, the Association has completed surveys on 75.5% of their housing stock.
- The Association’s Repairs and Maintenance Policy was set to be reviewed in October 2025. This was not completed due to the Policy being reviewed by the Tenants Scrutiny Panel in conjunction with the Tenants Information Service. Consequently, the review has been delayed until June 2026.

The CEO asked Wbg how CHA’s target of 100% stock condition surveys over any 5-year period compares with other RSLs. Wbg did not have this data to hand and will contact the CEO with this information at some point following the meeting.

The Sub-Committee Chair commented positively on the outcome of the audit and thanked the DCE for their and the Technical Services Team’s work to achieve such high standards.

The Internal Auditor left the meeting at 17:45.

6. Actions from Previous Meetings

The CEO presented the report to the Committee, advising that its purpose is to ensure that actions identified at Management Committee and Audit Sub-Committee meetings are appropriately progressed, monitored, and reported back to the Committee for confirmation.

The CEO confirmed that there were no further updates to the report.

- i) The Audit & Risk Sub-Committee considered the Actions from Previous Meetings Report and agreed progress is satisfactory.

7. Risk Management Update

The CEO presented the risk maps and risk management logs to the Sub-Committee and highlighted that the operational risk, “Loss of grant funding: 2025/26 heating contract”, had been eliminated through the Scottish Government’s extension of the timescale for grant claims beyond April 2026.

The Sub-Committee briefly discussed the conflict in the Middle East and the significant impact on the availability and price of a range of goods, particularly oil and natural gas. Transport through the Strait of Hormuz, a key shipping route, has been restricted and there is limited capacity on alternative export routes. This has pushed up energy prices globally.

- i) The Audit & Risk Sub-Committee considered the risk maps and logs and agreed that the Association’s approach to risk management continues to provide appropriate assurance.

8. Annual Assurance Statement Update

The CEO provided an update on progress made in preparing for the 2026 Annual Assurance Statement covering:

- Progress made in formatting the 2026 version of the Scottish Federation of Housing Associations’ (SFHA) Self-Assurance Toolkit for CHA purposes into an assurance evidence log. Some areas have been identified for improvement, however these are not material and do not affect CHA’s current level of compliance. Committee commented that good progress had been made to date.
- External review arrangements with Wbg starting on 31 August 2026.
- Arrangements for meeting with the Sub-Committee’s AAS scrutiny group in August to review the evidence log and action plan progress. The CEO will contact those members to agree a specific date for this.

The CEO displayed the evidence log to provide assurance that progress matched that reported.

- i) The Audit & Risk Sub-Committee considered the report.
- ii) The Audit & Risk Sub-Committee examined the Assurance Evidence Bank and Action Plan at the meeting and provided feedback to the CEO.
- iii) The Audit & Risk Sub-Committee were satisfied that the report provided adequate assurance and oversight of Clydesdale Housing Association’s self-assurance process in relation to the Regulatory Framework.

9. Health & Safety Update

The CEO presented the report to the Sub-Committee, advising that the purpose of the report was to provide an update on progress against the Association's duty of care to ensure a safe working environment under the Health and Safety at Work Act 1974. The CEO confirmed that there were no further updates to the report content.

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| i) The Audit & Risk Sub-Committee considered the Health & Safety report and agreed progress was satisfactory. |
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10. Sub-Committee Annual Work Programme

The CEO presented the report to the Committee, advising that its purpose is to review the key areas of scrutiny arising from Audit Sub-Committee meetings and to ensure clarity of purpose and oversight.

The CEO advised they had nothing further to add to the report content.

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| i) The Audit & Risk Sub-Committee noted the content of the Sub-Committee Annual Work Programme. |
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11. Annual Review of Sub-Committee Effectiveness

The Sub-Committee reviewed the 2025/26 Sub-Committee Annual Work Programme and the Sub-Committee's Terms of Reference.

The Sub-Committee concluded that it had met all areas contained within the 2025/26 Annual Work Programme and that the Sub-Committee's Terms of Reference remained fit for purpose and no changes required.

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| i) That the Audit & Risk Sub-Committee concluded that the Sub-Committee remained effective and agreed to report to the Management Committee on its conclusions. |
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12. List Of Recurring Actions Update

The CEO noted that the list of recurring items serves as an annual reminder to ensure nothing is missed, rather than requiring a covering report.

The Committee agreed that progress on standing items is on track, with no further comments raised.

13. GDPR Update

In the CSO's absence, the CEO presented the report to the Sub-Committee, advising that its purpose was to provide an update on the Association's compliance with the Data Protection Act 2018 and UK GDPR. The CSO noted that there were no significant subject access requests or data breaches to report for the period from April 2026, and the committee acknowledged the update without questions.

- i) The Audit & Risk Sub-Committee considered the GDPR report and agreed the level of compliance demonstrated provided sufficient assurance.

14. Freedom of Information and Environmental Information Report

In the CSO's absence, the CEO advised the Audit & Risk Sub-Committee that the purpose of the report is to inform them of CHA's compliance with statutory duties under the Freedom of Information (Scotland) Act 2002 (FOISA) and the Environmental Information (Scotland) Regulations 2004 (EIR).

The CSO reported that CHA had received no Freedom of Information requests for the period from April 2026, indicating a low volume, and the committee accepted the update without further discussion.

- i) The Audit & Risk Sub-Committee considered the Freedom of Information and Environmental Information report and agreed the current arrangements provide sufficient assurance.

15. AOCB

There were no items to be discussed under AOCB.

The Sub-Committee Chairperson thanked everyone for attending.

The meeting ended at 18:10.