

Berneslai Homes Audit & Risk Committee 18 April 24 – Meeting Summary:

BH Investment Strategy

Committee received a report from BMBC which sets out the organisation's investment priorities for 2024/25, the treasury management model, and regulatory framework in which the organisation operates. It was noted that interest rates were the key driver of activities and that these are monitored on an ongoing basis to optimise investment opportunities. The proposed Strategy for investment in 2024/25 is based on security, liquidity and seeks to optimise performance in terms of yield. Committee approved the investment limits, instruments, scheme of delegation and policy statement.

External Audit Plan

External Auditor presented their report which outlined the Audit Planning Strategy for the year, which includes materiality, key audit risks, and the planned approach to address these. The report identified the key risks and that these will continue to be reviewed. Committee approved the External Audit Plan including the proposed fees.

Risk Report Quarterly Update (including NHF Code of Governance Self-Assessment Progress Update)

Committee received and reviewed the report which provided a quarterly summary on Berneslai Homes' Risk Framework, the strategic risks, the annual review of the NHF Code of Governance and the risk appetite statement. The annual self-assessment against the NHF Code of Governance had resulted in a substantial assurance opinion with no recommendations. The self-assessment against the Sector Risk Profile will be monitored quarterly. Emergency Planning updates will be added to this report moving forward. Committee were satisfied that the strategic risks covered the range of risks the organisation was facing at the present time and recommended that the report be put forward for approval at the meeting of Berneslai Homes Board in May 2024.

Data Protection Officers' (DPO) Annual Assurance Report

Committee received a report from BMBC Corporate Assurance, which covered the statutory Data Protection Officers' (DPO) annual report and opinion which provided an overall positive assurance opinion. Committee considered the report in-line with the Company's assurance arrangements to ensure that the overall internal control, risk and governance framework is effective.

Corporate Assurance Activity Report including Summary of Audits carried out

Committee received and considered the report from BMBC Corporate Assurance which provided the Corporate Assurance Teams' progress against the 2023/24 plan of assurance work for Berneslai Homes for the period 1st January to 31st March 2024. Three reviews had been completed during this period in respect of lift compliance, smoke & CO Scorecard Validation and Governance Best Practice, with positive assurance opinions being received.

Corporate Assurance Counter Fraud Update (6 Monthly Update)

Committee received a report from BMBC Corporate Assurance which provided an update the Corporate Anti-Fraud Team's work for Berneslai Homes for the period 18th September 2023 to 31st March 2024. A summary of Tenancy Fraud was provided with Committee's attention being drawn to the positive outcomes from this. Committee noted progress made during this period and requested that moving forward the current communications on publicising outcomes be reviewed to ensure that the good work in this area was more widely publicised.

Information Governance and Security Compliance Update

Committee reviewed a report which provided assurance on the information governance activity being undertaken within Berneslai Homes and that the organisation was compliant with all aspects of Information Governance legislation, regulation, and codes of practice.

Contingent Liability Register

Committee received and noted the content of the report which informed them of the creation of a Register of Contingent Liabilities to improve the financial control framework, help monitor and manage the potential financial risks and enhance the ability of the organisation to deploy its financial resources for maximum benefit.

Policy and Procedure Framework and Approvals Route Update

Committee received a report and noted the ongoing review of the Policy and Procedure Framework and Approvals Route, which aims to comply with regulatory requirements and enhance accountability, transparency and tenant influence. The revised framework will be finalised by June 2024 and a further comprehensive report will be submitted to Committee in October.

Repairs Approach to Investment 2024/25

Committee received a presentation which gave an update on the current position in respect of the Repairs and Maintenance Approach for 2024/25 together with progress in respect of works in progress, strategic actions, and current risks and implications. The report highlighted the positive progress made on the workstreams, such as good collaboration with partners, agreed programmes, and weekly updates. Data is currently being finalised as part of the year end process and will be presented to Berneslai Homes Board meeting in May 2024. Committee noted the positive progress made and the recommended mitigation actions for reducing the key risks and impact of the challenges being faced.

Building Safety Compliance Scorecard

Committee received a report which gave an update on the performance of Berneslai Homes in delivering key services as set out in the Building Safety Scorecard as at the end of March 2024. Compliance remained strong with an average compliance against the 7 key compliances areas of 99.22% (a slight increase from 99.18% in December). 100% compliance achieved on fire, gas, asbestos, non-domestic legionella and passenger lifts. Committee noted Berneslai Homes performance in delivering overall building safety and expressed satisfaction with the strong performance.

New Repairs System Post Implementation Update

An update was given on the current position post implementation. The benefits being seen in terms of the Dynamic Resource Scheduler (DRS) and improvements in productivity were reported together with the main issues and challenges that had been faced during implementation. A detailed report will be presented to Committee after six months capturing how the system is being utilised and the improvements generated. A post implementation review and lessons learned process has been undertaken and a detailed report will be submitted to a future meeting of Berneslai Homes Board. The scope and approach of Phase 2 was outlined noting that the required resources, funding requirements for delivery and timelines will be presented to Berneslai Homes Board meeting in May 2024.

2024/2025 Value for Money (VFM) Projections

Committee were informed that the current VFM Strategy is being reviewed with the aim to align this with the annual strategic planning cycle and budget round for 2025/26. Committee received the update and noted the current projections for 2024/25 and the budgetary pressures.

Audit and Risk Committee Responsibilities

Committee's views were sought on increasing their responsibilities on approving reports at their level as opposed to sending them to the Berneslai Homes Board for approval. Committee agreed to the schedule of delegations being distributed to Committee for comments, which will be presented to Berneslai Homes Board.