

**Finance & Risk Committee
Minutes of Harbour Homes Board Meeting held on
Thursday 14 March 2024 at 5pm via MS Teams**

Present:

Anthony Gillespie (Chair)
Jim Sherval
David Welsh
Brian Reilly

In attendance:

Heather Kiteley, Group Chief Executive
Gordon Cameron, Group Director of Operations
Ngeme Ntuli, Group Business Support Manager
Tina Bell, Group Business Support Manager
Stuart Beattie, Audit Manager, Chiene and Tait (C+T)
David Rider & Aoife Mannion, LINKGroup Treasury Services
Alison Petretti, Business Support Officer (note taker)

Action**1. Apologies and Welcome**

1.1 Apologies received from Campbell Whyte and Iain MacPhail.

2. Declarations of Interest

2.1 None.

3. Approval of Minutes Thursday 1 February 2024.

3.1 Proposed by Brian Reilly and seconded by David Welsh.

3.2 Matters Arising and Outstanding Actions

3.2.1 None

4. Note Matters Approved or Papers Issues Between Meetings - CEO

4.1 None

5. Approve – Internal & External Audit Plan –Stuart Beattie, Audit Manager, Chiene and Tait (C+T), Group Director of Finance & Business Support

5.1 The planned Group Audit will include all subsidiaries. The scope was outlined to the Board and advised the audit would be carried out with a hybrid approach.

[Stuart Beattie left the meeting at 5.28pm]

5.2 Approval is sought for the Internal Audit Plan for 2024/25 to be sent to the Board in-between meetings. This is exceptional circumstances due to staff working on the new core system.

Action

5.3 An Internal Audit of the Absence Management and Wellbeing (review of sickness procedures and wellbeing policies now that we are hybrid working). This will take place in May 2024.

5.4 The Board **approved** the internal audit plan request to be circulated in between meetings and approved the external audit plan.

[Jim Sherval joined the meeting at 5.30pm]

6. Approve – Treasury Report - David Rider & Aoife Mannion, LINKGroup Treasury Services and Group Director of Finance and Business Support

6.1 The scope was outlined to the Board based on the Association's annual budget, five-year development, five-year strategic and 30 years financial plans.

6.2 Harbour have taken the decision to pause the development programme and this has been reflected in the latest business plan. Taking this decision has had a positive effect on our covenants.

6.3 In response to a question regarding the description of "Santander B Fixed under total variable" (page 2 of report)?

6.4 This is a typing error and will be amended.

NN

6.5 In response to a question what is "adopting the assets of golden rules"?

6.6 These are high level rules that express the views of the Board and how the business should be run.

6.7 Management assured the Board; quarterly forecast checks are carried out to ensure our covenants are met.

6.8 It was agreed we are consistent with the policy/actuals. This will be reviewed at a future date should Harbour wish to borrow funds.

NN

6.9 The Board **approved** the report.

[Aoife Mannion and David Rider left the meeting at 5.55pm]

7. Review – Outstanding Audit Actions - Group Director of Finance and Business Support

7.1 **Procurement & Contract Management** – This has been on-going since 2019. This will be investigated and clarified at the next meeting.

NN/HK

7.2 **Training Plan** – A trainer is now in post and working on a new training schedule.

7.3 **Mould & Damp** – This will be documented in the tenant's handbook in the next print run (date to be confirmed).

Action

- 7.4 The Board **discussed and reviewed** the actions.
- 8. Review – Treasury Report - Group Director of Finance and Business Support**
- 8.1 Due to the completion of the final development works we are anticipating our cash to drop to £15million. Cashflow tests are passed indicating sufficient liquidity. This is expected to improve in the future.
- 8.2 The Board **reviewed** the report.
- 9. Review – RSL Risk Register - Group Director of Finance and Business Support**
- 9.1 Discussion took place around various points on the register.
- 9.2 S2 (cost of living increase) & S9 (UK inflation) – clearer narrative to be provided and review to see if these should be separate risks or combined. **NN**
- 9.3 S7 (cyber attack) – narrative to reflect the implications this would have for the organisation and staff if an attack happened. **NN**
- 9.4 The Board **reviewed** the register.
- 10. Note – Any Suspected Frauds Since the Last Meeting (verbal) - Group Director of Finance and Business Support**
- 10.1 Since the February meeting one fraud was reported that involved but did not result in a loss to HMT. An RSL that Harbour Multi-Trades (HMT) carry out work for received a fake e-mail from HMT notifying a change of bank account. The RSL did not check the details and the money owed to HMT by the RSL was paid into the fake account to the value of £660k. The RSL notified the police and recovered to date 80% of the money.
- 10.2 The Board **noted** the fraud.
- 11. Agree – Any items to bring to the Harbour Homes Board (verbal) - Chair**
- 11.1 External Audit Plan and Treasury Report
- 11.2 The Board **agreed** the above items.
- 12. Any Other Business (verbal) - CEO**
- 12.1 None

13. Date of Next Meetings

- 13.1
- Joint Board Away Day – Friday 26 April 2024, Leith Dockers Club
 - Board Meeting - Thursday 18 July 2024, Boardroom, 108 Constitution Street.

The meeting closed at 6.25pm.