



**PUBLIC MINUTES**  
**of the Audit and Risk Assurance Committee (ARAC) meeting**  
**on Monday 17 November 2025 at 09:30**  
**Hybrid meeting**

**8 Remote and virtual participation**

- 8.1 Any member may validly participate in a meeting through the medium of conference telephone, video conferencing or similar form of communication equipment, provided that all persons participating in the meeting are able to hear and speak to each other throughout such meeting, or relevant part thereof. A member so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and entitled to vote.
- 8.2 A meeting shall be deemed to take place where the largest group of those members participating is assembled or, if there is no group which is larger than any other group, where the Chair of the meeting is.

**Members**

|                         |         |
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| John Liver (JL)         | Chair   |
| Kalpesh Brahmbhatt (KB) | On-line |
| David Cassidy (DC)      | On-line |

**In attendance**

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|--------------------------|--|
| Shane Coulson (SC)       | MHCLG Policy Lead: Affordable Housing, Regulation and Investment |
| James Dunbar (JD)        | Head of Finance  |
| Lisa Harvey (LH)         | Audit Manager, Government Internal Audit Agency (GIAA)           |
| Paul Hewitson (PH)       | Director Financial Audit (NAO)                                   |
| Fiona MacGregor (FM)     | Chief Executive and Accounting Officer                           |
| Yvonne Nkata-Woods (YNW) | NAO  |
| Jenny Obee (JO)          | Engagement Lead, Government Internal Audit Agency (GIAA)         |
| Richard Smith (RS)       | NAO, Engagement Manager  |
| Emma Tarran (ERT)        | Senior Assistant Director Head of Legal and Company Secretary    |
| Jonathan Walters (JW)    | Deputy Chief Executive   |

**Minutes**

Simon Turner

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| <b>1</b> | <b>Welcome and apologies</b>   |  |
| 01/11/25 | The Chair welcomed everyone to the meeting. There were no apologies from members. There were apologies from the Director of Finance and Corporate Services, Richard Peden. |  |
| <b>2</b> | <b>Declarations of Interest</b>  |  |
| 02/11/25 | There were no new declarations of interest.  |  |
| <b>3</b> | <b>Minutes of the last meeting</b>   |  |
| 03/11/25 | The minutes from 20 October 2025 were APPROVED, subject to one very minor amendment.   |  |

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| <b>4</b> | <b>Matters Arising</b>  |               |
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| 04/11/25 | The matters arising were considered and updated. 25/04/25 had been consolidated into the action against 04 & 31-15 of 10/25. The following items had been completed and were closed:  |               |
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|          | <i>08/10/25 Internal audit:</i> GIAA to confirm that they will build space into their reports for notes from management on changing deadlines. LH confirmed this will be actioned by GIAA going forward.<br><b>ACTION COMPLETED</b>   |               |
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|          | <i>10/10/25 GIAA risk report.</i> GIAA to confirm that their risk report has been shared with members. LH confirmed this was shared with ARAC members in the week commencing 10 November 2025.<br><b>ACTION COMPLETED</b>   |               |
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|          | <i>10/10/25, 20/10/25 &amp; 27/10/25 updates to forward planner.</i><br><b>ACTION COMPLETED</b>   |               |
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|          | <i>16/07/25 Discussion with the NAO following their fieldwork on information from pension scheme actuaries.</i> PH gave an update on this later in this meeting.<br><b>ACTION COMPLETED</b>   |               |
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|          | <i>23/02/25 Strategic Risk Register:</i> it was noted that was an item on the November 2025 Board meeting agenda.<br><b>ACTION COMPLETED</b>  |               |
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| <b>5</b> | <b>Forward Planner</b>  |               |
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| 05/11/25 | ERT explained that the Forward Planner had been updated for this meeting. Members NOTED the updated Forward Planner.  |               |
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| <b>6</b> | <b>NAO Audit Completion Report on the 2024-2025 Financial Statements Audit</b>  |               |
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| 06/11/25 | PH introduced the item. The paper sets out the results of the audit. The broad picture is that it was a quiet audit, and a smooth process, with good engagement from the Finance team. Work was completed on a timely basis. The paper was written at a point in time. Most of the review points are now cleared. The current status is that there are a few small points to finalise but this should not take too long.  | <b>NAO</b>    |
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| 07/11/25 | RS updated ARAC on other matters in the NAO Audit Completion Report. NAO had considered the risk of 'management override and control', as mandated by auditing standards. NAO conducted an analysis of journal population to check for erroneous journals or missed postings. Nothing problematic was found. There was only one recommendation – due to the small finance function – in terms of hierarchy of sign off – management has responded. JD has made a proposal to review a proportion of journals to check for entries, and confirmed the approach is an appropriate control measure. PH added that the NAO sees this frequently. For small finance teams it is not practical to have a fully hierarchical approach and it's necessary to balance risk vs effort required for mitigation. The key aspect of the retrospective review is to be systematic and | <b>JD/NAO</b> |

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|          | keep an audit trail. JD will report to the January 2026 meeting with a proposal for the measures to address this issue. FM confirmed that as Accounting Officer she considers the arrangements planned are proportionate and this has been discussed amongst the relevant senior officers and PH.   |  |
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| 08/11/25 | RS addressed the risk considered about the defined pension scheme, which was the area of most technical complexity in the accounts. Although there were some adjustments required, the adjustments actually net off to nil, so this means there is no net impact on the accounts. The NAO obtained information from all schemes and considered audit points from actuarial experts. The RSH has applied reasonable assumptions. The NAO is content with the methodology.  |  |
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| 09/11/25 | RS thirdly addressed the risk arising from the major change to the funding of RSH in 2024-2025 – the move to the fully funded regime. The NAO found no issues with the new system. There was one minor unadjusted error of £17,000 in relation to a lease liability. The adjustments in relation to the pension schemes net off. This meant that overall, there were no adjustments to financial statements.  |  |
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| 10/11/25 | JL commended the work of JD and the Finance team and members NOTED the Audit Completion Report.   |  |
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| <b>7</b> | <b>Letter of representation</b>   |  |
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| 11/11/25 | JL was content with the letter of representation. FM confirmed she was happy to approve the letter as drafted – she confirmed that the format was in line with previous years. After the Board meeting of 18/11/25 she will work with JD to check there are no further issues that have arisen and not need to make further changes. RS: Noted he had no issues with the letter. He needs to check in with JD regarding the publication date. Members NOTED the letter of representation.   |  |
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| <b>8</b> | <b>2024-25 Annual Report and Accounts</b>   |  |
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| 12/11/25 | JD had circulated the Annual Report and Accounts. Members have had an opportunity to review these and are all content with these. Members NOTED the Annual Report and Accounts.   |  |
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| <b>9</b> | <b>ARAC Annual Report to the Board (Page 169)</b>   |  |
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| 13/11/25 | JL and members of ARAC had read and reviewed the report to the Board. JL and members were happy to confirm that ARAC had exercised its responsibilities appropriately and given appropriate challenge and support to the Accounting Officer in her work for the regulator. JL had asked to add to the report to reflect the best practice recommendation from the GIAA and the fact that we will be doing a gap analysis against the new audit requirements. As Accounting Officer FM was content with the report. Members NOTED the ARAC Annual Report to Board. |  |
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| <b>10</b> | <b>Any other business</b>  |  |
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| 14/11/25  | None were raised. JL thanked everyone for their input to the discussions and closed the meeting. |  |
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|           | <b><i>Date of next meeting: 19 January 2026</i></b>  |  |