

Southend-on-Sea City Council

Agenda
Item No.

Report of the Deputy Chief Executive and Executive
Director (Finance and Resources)

To

Audit Committee

On

11 January 2023

Report prepared by: Andrew Barnes (Head of Internal Audit
and Counter Fraud)

Homes England Compliance Audit report 2022/23

A Part 1 Public Agenda Item

1. Purpose of Report

- 1.1 To present the findings from the Homes England Compliance Audit work for 2022/23 to the Audit Committee.

2. Recommendation

- 2.1 The Audit Committee notes the findings from the Homes England Compliance Audit work for 2022/23.**

3. Background

- 3.1 The Compliance Audit programme provides assurance to Homes England that organisations receiving grant (providers) have met all of Homes England's requirements, funding conditions, and have properly exercised their responsibilities. Homes England have produced standardised assurance procedures and the Council is required to appoint its own reporting accountants to undertake that work. Southend have appointed Marstan BDB to undertake that work.
- 3.2 Compliance Audits check provider compliance with Homes England's policies, procedures and funding conditions. Standardised checks are made by Independent Auditors on an agreed sample of Homes England schemes funded under affordable housing programmes. Any findings, which may be a result of checks not being applicable to the scheme or an indication of procedural deficiency, are reported by the Independent Auditor to both the provider and Homes England concurrently. The Homes England Lead Auditor reviews the findings and records those determined to be 'breaches'. Breaches are used as the basis for recommendations and final grades for providers.
- 3.3 As confirmed by the report from Homes England at Appendix 1, one low level breach was identified by the work and the Council has been graded as 'Green – Meets requirements' by Homes England.

4. Corporate Implications

4.1 Contribution to the Corporate Plan and Southend 2050 Road Map

Audit work provides assurance and identifies opportunities for improvements that contribute to the delivery of all Southend 2050 outcomes.

4.2 Financial Implications

The Council receives significant funding from external funders, and giving them the assurance they require that their funds have been used in accordance with their expectations gives confidence in the Council's use of their funding provided and to be provided in the future.

4.3 Legal Implications

The Council is required to provide independent assurance from a reporting accountant to Homes England utilising their assurance procedures. By considering this report, the Committee can satisfy itself that this requirement is being discharged.

4.4 People Implications

None.

4.5 Property Implications

None.

4.6 Consultation

None.

4.7 Equalities and Diversity Implications

None.

4.8 Risk Assessment

The Council receives significant funding streams that require reporting accountants to provide assurance that the funding has been used in accordance with the funders' expectations. This funding would be at risk if the reporting accountants were not able to provide that assurance.

4.9 Value for Money

None.

4.10 Community Safety Implications

None.

4.11 Environmental Impact

None.

5. Background Papers

Homes England: Compliance Audit Overview

6. Appendix 1: Homes England Compliance Audit Report 2022/23