

Meeting: Audit Committee
Date: 10 January 2024
Classification: Part 1
Key Decision: No
Title of Report: **Next Steps Accommodation Programme - Homes England Compliance Audit report 2022/23**

Executive Director: Alan Richards: Executive Director (Environment & Place)
Report Author: Andrew Barnes: Head of Internal Audit and Counter Fraud
Executive Councillor: Cllr Cox: Leader (Cabinet Member for Special Educational Needs & Disability)

1. Executive Summary

1.1 The purpose of this report is to present the findings from the Homes England Compliance Audit work for 2022/23 to the Audit Committee.

2. Recommendations

2.1 **That 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 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 SB Audit LLP to undertake that work.

3.2 The Compliance Audit checks 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 as 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 SB Audit LLP at Appendix 1, they have obtained sufficient and appropriate evidence that the Statement of Grant usage, in all material respects, fairly reflects the Eligible Expenditure in accordance with the definition of Eligible Expenditure set out in the funding agreement between Southend-on-Sea City Council and Homes England, during the year ended 31 March 2023.

4. Reason for decision

4.1 **Compliance Audit provides assurance to assist the Audit Committee to effectively discharge its responsibilities as per its Terms of Reference.**

5. Other options

5.1 None.

6. Financial implications

6.1 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.

7. Legal implications

7.1 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 discharge.

8. Policy context

8.1 None.

9. Carbon impact

9.1 None.

10. Equalities

10.1 None.

11. Consultation

11.1 None.

12. Contribution to the Council's aims and objectives

12.1 Audit work provides assurance and identifies opportunities for improvement that contribute to the delivery of all Corporate Plan objectives.

13. Risk assessment

13.1 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.

14. Value for money

14.1 None.

15. Report Authorisation

This report has been approved for publication by:		
	Name:	Date:
S151 Officer	Joe Chesterton	29/12/2023
Monitoring Officer	Kim Sawyer	2/1/2024
Executive Director	Alan Richards	2/1/2024
Relevant Cabinet Member	Leader – Cllr Tony Cox	2/1/2024

16. Appendices

16.1 **Appendix 1: Homes England Compliance Audit Report 2022/23**