

Homes England
One Friargate
Coventry
CV1 2GN

Reporting Accountants Report

Next Steps Accommodation Programme - Statement of Grant Usage 2022/23

We have read the funding agreement between Southend-on-Sea City Council and Homes England dated 4 March 2021.

In accordance with our engagement letter dated 18 September 2023 ('the engagement letter'), a copy of which is attached, we have examined the attached Statement of Grant Usage, each page of which we have initialled for identification purposes only, in relation to the revenue grant for the year ended 31 March 2023.

The Statement of Grant Usage has been prepared by, and is the sole responsibility of, the management of Southend-on-Sea City Council. Our responsibility, under the terms of our engagement letter is to form an opinion on the basis of the work performed and report our opinion to Southend-on-Sea City Council and Homes England.

Our work was directed to those matters which in our view materially affect the Statement of Grant Usage and was not directed to the discovery of errors or misstatements that we consider to be immaterial. Whilst we perform our work with reasonable skill and care, it should not be relied upon to disclose all misstatements, fraud or errors that might exist.

We have also examined the records of Southend-on-Sea City Council, carried out such tests as we consider necessary and received such explanations from the management of Southend-on-Sea City Council as we consider necessary to enable us to form our opinion.

Opinions:

1. On the basis of the work performed, in our opinion we 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.
2. In the course of our work nothing came to our attention that is inconsistent with the statements made in the certificate signed on behalf of Southend-on-Sea City Council which forms part of the Statement of Grant Usage.

This report is provided for the purpose of allowing Southend-on-Sea City Council to meet its reporting obligations in respect of grants receivable from Homes England and on the basis that it is for use by Southend-on-Sea City Council and Homes England only.

Signature: *SB Audit LLP*

SB Audit LLP
Tim O'Connor – Senior Statutory Auditor
12 October 2023

SB Audit LLP
820 The Crescent
Colchester Business Park
Colchester
Essex
CO4 9YQ

Form of Statement of Grant Usage

Southend-on-Sea City Council

STATEMENT OF GRANT USAGE Year ended 31 March 2023

All figures in £s

ELIGIBLE EXPENDITURE	AMOUNT & SUPPORTING DETAILS
Details and amount of expenditure	£218,000
What has this expenditure has procured?	This expenditure has procured Intensive Housing Support from Peabody for clients within the Council's Next Steps Accommodation Programme
Total	
SOURCES OF FUNDING	
Received from this grant	£122,204
This organisation's own contribution	£ 95,796
Other	-
Total	£218,000

To: Diane Takpimivbiomo Senior Housing Programmes Manager (Specialist Programmes)

To the best of my knowledge and belief:

The Eligible Expenditure shown in this Statement of Grant Usage is a complete and accurate record of the payments made exclusively for the purposes set out in the grant offer and does not include any amounts described as ineligible in the grant offer. I have also included independent external auditor/accountant sign off as required and detailed within the Homes England Grant Agreement.

OFFICIAL

Signed on behalf of the organisation's accountant/director/S151 Officer



NameJoe Chesterton.....

AddressCivic Centre, Victoria Avenue, Southend, SS2 6ER.....

.....

Qualifications

Date09/10/23.....

Telephone number 01702 215200.....

Email:joechesterton@southend.gov.uk.....

Southend-on-Sea City Council
Civic Centre
Victoria Avenue
Southend-On-Sea
Essex
United Kingdom
SS2 6ER

18/September 2023
TOC/PSS/NEWTEO

Dear Sirs

**Appointment as reporting accountants in respect of the Next Steps Accommodation Programme
– Statement of Grant Usage Financial Period 2022/23**

The purpose of this letter is to set out the basis on which SB Audit LLP are to act as your reporting accountants in relation to the above and the respective areas of responsibility of yourselves and ourselves.

The following are the pre-agreed terms of engagement under which our report will be provided.

The grant paying body, Homes England, accepts that an agreement between Southend-on-Sea City Council, its reporting accountants and Homes England on these terms is formed when the accountants sign and submit to Homes England a report as set out in Clause 3 herein.

1. Introduction

Southend-on-Sea City Council is required to submit to Homes and Communities Agency (trading as Homes England) reports as set out in Clause 3 below that are also signed by an accountant to provide independent assurance. These terms of engagement set out the basis on which the accountant (“SB Audit LLP”) will sign the report.

2. Southend-on-Sea City Council’s responsibilities

2.1 Southend-on-Sea City Council is responsible for maintaining proper records complying with the terms of any legislation or regulatory requirements and Homes England’s terms and conditions of grant (‘the grant conditions’) and providing relevant information to Homes England on a basis in accordance with the requirements of the grant conditions. Southend-on-Sea City Council is responsible for ensuring that the non-financial records can be reconciled to the financial records.

- 2.2 The management of Southend-on-Sea City Council will make available to the accountant” all records, correspondence, information and explanations that the accountant considers necessary to enable the accountant to perform the accountant’s work.
- 2.3 Southend-on-Sea City Council and Homes England accept that the ability of the accountant to perform its work effectively depends upon the grant recipient providing full and free access to the financial and other records and Southend-on-Sea City Council shall procure that any such records held by a third party are made available to the accountant.
- 2.4 The accountant accepts that, whether or not Southend-on-Sea City Council meets its obligations, the accountant remains under an obligation to Homes England to perform its work with reasonable care. The failure by Southend-on-Sea City Council to meet its obligations may cause the accountant to qualify its report or be unable to provide a report.

3. Scope of the accountant’s work

- 3.1 Southend-on-Sea City Council will provide the accountant with such information, explanations and documentation that the accountant considers necessary to carry out its responsibilities. The accountant will seek written representations from management in relation to matters for which independent corroboration is not available. The accountant will also seek confirmation that any significant matters of which the accountant should be aware have been brought to the accountant’s attention.
- 3.2 The accountant will perform the following work in relation to reports required by Homes England:
 - 3.2.1 Grant return: The accountant will carry out a limited level of assurance assignment as set out in the terms and conditions of the grant and subject to any adverse findings will produce a report in the form set out in Schedule 7 to the grant agreement. A copy of this schedule is attached to the letter.
 - 3.2.2 The level of assurance required by Homes England is set out in the appendix to this letter containing Schedule 7 referred to in point 3.2.1 above.
 - 3.2.3 For an agreed upon procedures engagement, the tests are laid out in the same appendix to this letter.
- 3.3 The accountant will not subject the information provided by Southend-on-Sea City Council to checking or verification except to the extent expressly stated. While the accountant will perform the accountant’s work with reasonable skill and care, the accountant’s work should not be relied upon to disclose all misstatements, fraud or errors that might exist.

4. Form of the accountant's report

4.1 The accountant's reports are prepared on the following bases:

- 4.1.1 the accountant's reports are prepared solely for the confidential use of Southend-on-Sea City Council and Homes England and solely for the purpose of submission to Homes England in connection with Homes England's requirements in connection with Next Steps Accommodation Programme. They may not be relied upon by Southend-on-Sea City Council, or Homes England for any other purpose;
- 4.1.2 without imposing on the accountant and without the accountant assuming (or being perceived as assuming) any duty or responsibility and without imposing or accepting any liability to anyone except Southend-on-Sea City Council and Homes England, Homes England may disclose the reports to others who demonstrate statutory rights of access to the report;
- 4.1.3 neither Southend-on-Sea City Council, Homes England may rely on any oral or draft reports the accountant provides. The accountant accepts responsibility to Southend-on-Sea City Council, Homes England for the accountant's final signed reports only;
- 4.1.4 the report will be prepared solely for the confidential use of Southend-on-Sea City Council and Homes England, and solely for the purpose of facilitating the grant claim. The report will be released to Southend-on-Sea City Council and Homes England on the basis that it shall not be copied, referred to or disclosed, in whole or in part (save as otherwise permitted by agreed written terms), without our prior written consent, except where there is a legal or statutory right of access. Without assuming or accepting any responsibility or liability in respect of the report to any party other than Southend-on-Sea City Council and Homes England, we acknowledge that Southend-on-Sea City Council and Homes England (or one of them) may be required to disclose this report to parties demonstrating a statutory right to see it, to enable such parties to exercise their statutory rights of access to this report;
- 4.1.5 to the fullest extent permitted by law, except for Southend-on-Sea City Council and Homes England, the firm of accountants, its partners and staff neither owe nor accept any duty to any person (including, without limitation, any person who may use or refer to any of the Homes England's publications) and shall not be liable for any loss, damage or expense of whatsoever nature which is caused by any person's reliance on representations in the accountant's reports.

5. Liability provisions

5.1 The accountant will perform the engagement with reasonable skill and care and accepts responsibility to Southend-on-Sea City Council, and Homes England for losses, damages, costs or expenses ('losses') caused by its breach of contract, negligence or wilful default, subject to the following provisions:

5.1.1 The accountant will not be responsible or liable if such losses are due to the provision of false, misleading or incomplete information or documentation or due to the acts or omissions of any person other than the accountant, except where, on the basis of the enquiries normally undertaken by accountants within the scope set out in these terms of engagement, it would have been reasonable for the accountant to discover such defects.

5.1.2 The accountant accepts liability without limit for the consequences of its own fraud and for any other liability which it is not permitted by law to limit or exclude.

5.1.3 Subject to the previous paragraph (5.1.2), the total aggregate liability of the accountant whether in contract, tort (including negligence) or otherwise, to Southend-on-Sea City Council and Homes England, arising from or in connection with the work which is the subject of these terms (including any addition or variation to the work), shall not exceed the amount of £122,204.

5.2 Southend-on-Sea City Council and Homes England agree that they will not bring any claims or proceedings against any individual partners, members, directors or employees of the accountant. This clause is intended to benefit such partners, members, directors and employees who may enforce this clause pursuant to the Contracts (Rights of Third Parties) Act 1999 ('the Act'). Notwithstanding any benefits or rights conferred by this agreement on any third party by virtue of the Act, the parties to this agreement may agree to vary or rescind this agreement without any third party's consent. Other than as expressly provided in these terms, the Act is excluded.

5.3 Any claims, whether in contract, negligence or otherwise, must be formally commenced within three years after the party bringing the claim becomes aware (or ought reasonably to have become aware) of the facts which give rise to the action and in any event no later than six years after the relevant report was issued (or, if no report was issued, when the accountant accepted the engagement in writing). This expressly overrides any statutory provision which would otherwise apply.

5.4 This engagement is separate from and unrelated to the accountant's audit work on the financial statements of Southend-on-Sea City Council or its subsidiaries for the purposes of any applicable statutory or regulatory or other auditing framework and nothing herein creates obligations or liabilities regarding the accountant's audit work, which would not otherwise exist.

6. Fees

The accountant's fees, together with VAT and out-of-pocket expenses, will be agreed with and billed to Southend-on-Sea City Council. Homes England is not liable to pay the accountant's fees.

7. Quality of service

The accountant will investigate all complaints. Homes England or Southend-on-Sea City Council have the right to take any complaint to the ICAEW. Homes England or Southend-on-Sea City Council may obtain an explanation of the mechanisms that operate in respect of a complaint to the ICAEW at www.icaew.co.uk/complaints or by writing to the ICAEW at the ICAEW Professional Standards Office, Metropolitan House, 321 Avebury Boulevard, Milton Keynes MK9 2FZ UK.

8. Providing services to other parties

The accountant will not be prevented or restricted by virtue of the accountant's relationship with Southend-on-Sea City Council and Homes England, including anything in these terms of engagement, from providing services to other clients. The accountant's standard internal procedures are designed to ensure that confidential information communicated to the accountant during the course of an assignment will be maintained confidentially.

9. Applicable law and jurisdiction

9.1 This agreement shall be governed by, and interpreted and construed in accordance with the laws of England and Wales.

9.2 Southend-on-Sea City Council, Homes England and the accountant irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute (including claims for set-off and counterclaims) which may arise on any basis in connection with the validity, effect, interpretation or performance of, or the legal relationship established by this agreement or otherwise arising in connection with this agreement.

10. Alteration to terms

All additions, amendments and variations to these terms of engagement shall be binding only if in writing and signed by the duly authorised representatives of the parties. These terms supersede any previous agreements and representations (unless based on fraud) between the parties in respect of the scope of the accountant's work and the accountant's report or the obligations of any of the parties relating thereto (whether oral or written) and represents the entire agreement and understanding between the parties. These terms do not affect any separate agreement in writing between Southend-on-Sea City Council and the accountant.

**Agreement of terms**

The attached Terms of Business form a part of this letter of engagement. Once it has been agreed, this letter will remain effective until it is replaced or repealed. You or we may agree to vary or terminate our authority to act on your behalf at any time without penalty.

The terms set out in this letter shall take effect immediately upon you countersigning and returning the letter to us. If we are instructed to start work prior to receiving a signed copy of this letter we will treat that as acceptance of all the terms of this engagement letter.

We shall be grateful if you could confirm in writing your agreement to these terms by signing and returning the enclosed copy of this letter, or let us know if they are not in accordance with your understanding of our terms of engagement.

Yours faithfully

SB Audit LLP

SB Audit LLP

Contents noted and agreed:

Signed: 

Name: Tim Holland

Date: 29/09/2023