



ASHFORD  
BOROUGH COUNCIL

**Agenda Item No.** 9

**Report to:** Audit Committee

**Date of Meeting:** 21<sup>st</sup> June 2018

**Report Title:** Homes England – Compliance Audit Annual Report 2017-18 for Ashford Borough Council

**Report Author & Job title:** Mark James, Development Partnership Manager

**Portfolio Holder:** Gerald White

**Summary:** The attached report from Homes England advises Members of the outcome of the Compliance Audit carried out on a sample of the Homes England funded housing schemes. The purpose of the Compliance Audit is to confirm that the provider has complied with Homes England's policies, procedures and funding conditions.

**Key Decision:** No

**Recommendations:** The Audit Committee is recommended to note the contents of the report. The Chair is asked to confirm that he has signed the report.

**Policy Overview:** N/A

**Finance Risk Assessment:** N/A

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## **Agenda Item No. 9**

### **Report Title: Homes England – Compliance Audit Annual Report 2017-18 for Ashford Borough Council**

#### **Introduction and Background**

1. Each year Homes England (formerly the Homes and Communities Agency) carries out Compliance Audits on housing providers who are in receipt of Homes England funding under the Affordable Housing Programme or other funding programmes. Sample schemes are selected and checks are made to ensure that the provider has complied with Homes England's policies, procedures and funding conditions.
2. Providers are required to appoint an independent auditor to carry out these checks. The auditor then reports their findings to Homes England.
3. Following the independent auditor's findings, Homes England will issue a report to the provider advising them of the grade they have been given. These are:
  - Green, if they meet requirements
  - Amber, if there is some failure to meet requirements
  - Red, if there is a serious failure to meet requirements
4. It is important, given the scale of the council's affordable homes delivery programme and the need to be seen as an efficient deliverer of projects, that we continue to meet the requirements set out by Homes England. Reputationally this has considerable merit for the authority as well.
5. Indeed, failure to comply will not only jeopardise the council's reputation but put at risk future phases of the council's affordable homes delivery programme, and the positive perception that the council has worked hard to build with central government and its agencies.

#### **2017-18 Compliance Audit**

1. In 2017-18 Ashford Borough Council was selected for a Compliance Audit. The scheme selected was a new build scheme at Beecholme Drive, Kennington. The scheme consists of 2 x 3-bedroom houses, which were still under construction at the time of the audit. Ashford Borough Council received £40,000 of funding through the Affordable Housing Programme to assist it in delivering this scheme.
2. The independent auditor appointed was Jonathon Hudson of Ibis Ltd. Following his audit, Ashford Borough Council was advised of the outcome in May 2018.
3. The attached report from Homes England confirms that the council was pleasingly awarded a Green Grade with no breaches of funding conditions or recommendations for improvement. Ashford Borough Council has had three Compliance Audits since 2014 and in each audit has been awarded a Green Grade.

## **Recommendations**

1. Members are asked to note the contents of the Homes England Compliance Report for the 2017-18 financial year.
2. The Chair is asked to confirm that he has signed the report.

## **Contact and E-Mail**

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