



Compliance Audit Report – 2020/21

37UG – Newark and Sherwood District Council

Provider Code	37UG
Provider Name	Newark and Sherwood District Council
Final Grade	Amber - Some failure to meet requirements
Independent Auditor	Beever and Struthers

Report Objectives and Purpose

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' in this report. Breaches are used as the basis for recommendations and final grades for Providers. Grades of green, amber or red are awarded; definitions are provided at the end of this document.

Further information is available at: <https://www.gov.uk/guidance/compliance-audit>.

Confidentiality

The information contained within this report has been compiled purely to assist Homes England in its statutory duty relating to the payment of grant to the Provider. Homes England accepts no liability for the accuracy or completeness of any information contained within this report. This report is confidential between Homes England and the Provider and no third party can place any reliance upon it.



Compliance Audit Grade and Judgement

Final Grade	Amber - Some failure to meet requirements
Judgement Summary	On review of the evidence provided, the outcome of the audit has shown the provider has failed to comply with some of the programme requirements and guidance. An AMBER grade has been assigned. The audit has identified one medium breach and one low breach with no risk of misapplication of public funds. The breaches relate to the rents that have been charged does not accord with IMS and the scheme file cost data does not match with IMS. The provider is responsible for ensuring remedial action is taken in accordance with the recommendations listed in the Compliance Audit system to ensure further breaches of this nature do not reoccur in the future.

Audit Results

Number of Schemes/Completions Audited	1
Number of Breaches Assigned	2
Number of High Severity Breaches	0
Number of Medium Severity Breaches	1
Number of Low Severity Breaches	1

Scheme/Completions details

Scheme ID/ Completion ID	Address/Site ID	Scheme type
882572	ID151 Westhorpe,NG25 0NB	Rent



Details of Breaches by Scheme/Completion

Where there are breaches identified, remedial action must be taken in accordance with recommendations listed in the Compliance Audit Module to mitigate the potential for re-occurrence.

Breach 1

ID	882572
Address/Site ID	ID151 Westhorpe,NG25 0NB
Breach Type	General
Breach Text	8. Incorrect IMS data has been entered but there are no value for money implications. Examples might include typographical errors, or a failure to update the system with revised information
Breach Comment	The cost data held on IMS does not match the cost data held on the scheme file. The scheme costs on IMS were not consistent with the costs on the scheme file.
Recommendation	It is recommended that the provider carries out a review of their processes and procedures for updating the scheme details, specifically costs and carries out checks to ensure all existing scheme details accord to those held on file.
Recommendation Deadline	



Breach 2

ID	882572
Address/Site ID	ID151 Westhorpe,NG25 0NB
Breach Type	Post-development
Breach Text	27. Affordable and Social Rent Rents charged do not match those in IMS
Breach Comment	The audit has identified that the rents charged do not accord with the data held in IMS.
Recommendation	The provider should undertake a review their procedure for updating the actual rent figures within IMS and carry out any corrective action as required. The provider should also carry out a review of all their existing schemes within IMS to ensure the rent figures are correct.
Recommendation Deadline	



Provider's Acknowledgement of Report

The contents of this report should be acknowledged by your Board's Chair or equivalent. Confirmation of this acknowledgement should be recorded in the IMS Compliance Audit Module by your CA Provider Lead on behalf of your Board's Chair. Online acknowledgement should be completed within one calendar month of the report email notification being sent.

Report acknowledged by:

Date:

Compliance Grade Definitions

Green Grade	The Provider meets requirements: Through identifying no high or medium breaches, the Compliance Audit Report will show that the Provider has a satisfactory overall performance, but may identify areas where minor improvements are required.
Grade Amber	There is some failure of the Provider to meet requirements: Through identifying one or more high or medium breaches, the Compliance Audit Report will show that the Provider fails to meet some requirements, but has not misapplied public money. The Provider will be expected to correct identified problem(s) in future schemes and current developments.
Grade Red	There is serious failure of the Provider to meet requirements: Through identifying one or more high level breaches, the Compliance Audit Report will show that the Provider fails to meet some requirements and there is a risk of misuse of public funds. The Provider will be expected to correct identified problem(s) in future schemes and current developments.