



Homes & Communities Agency

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Date: 15th December 2015

Chair of Audit and Governance
Committee Councillor John Buckley
Thanet District Council
Cecil Street
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cc.Chief Executive TDC Madeline Homer
Interim Head of Housing Mr Bob Porter

Dear John,

SPECIAL AUDIT for HCA by Grant Thornton on Thanet DC HCA funded programme

Further to the Special Audit Report of Thanet DC (TDC) by Grant Thornton issued to the HCA on the 11th of November, of HCA funded schemes, we note the findings of the audit report and the proposed Action Plan contained within.

Having reviewed this audit report and proposals to be implemented, the HCA, in principle, is now minded to lift the moratorium on future funding to TDC, subject to completion of the actions in the action plan and the items listed below;

- An internal TDC Programme Steering Group is set up to oversee HCA funded schemes, with minutes kept as a record of monitoring against the agreed Action Plan in Grant Thornton's audit report and specific requirements set out below. Copies of these minutes are to be provided to the HCA at regular HCA review meetings, commencing early 2016.
- Designation of Head of Housing as responsible Officer for all matters relating to HCA funded schemes
- Separation of IMS functions to different TDC Officers, before any grant submission and no later than the 29th of January 2016, as follows;
 1. Submission of grant claim by Officer in Finance Dept. the responsible Officer being the Accountant (Sarah Hills) but delegation can be made within the Finance Dept. to the External Funding Officer (Clive Bowen), the proposed person as per Minutes 'Paused Programme Review' with HCA dated 16th November 2015
 2. Authorisation of grant claim by Head of Housing Dept., (Bob Porter), or delegated to the Strategic Housing Manager (Lauren Hemsley) or Strategic Housing Officer (Lyn Forester).
 3. Data input for scheme grant claim by Project Delivery Officer (Annette Claudel), or other Officers in Housing Dept.

4. At present Lyn Forester (Strategic Housing Officer) has every IMS permission, these needs to be amended so this Officer does not have permission to 'submit' grant claims on IMS. Lauren Hemsley has IMS permission to 'submit' grant claims, these needs to be amended so the Officer cannot 'submit' grant claims. Sarah Hills (Finance Dept. Accountant) has every IMS permission, these needs to be amended to permit IMS 'submission' of grant claim only. It is assumed that the Project Delivery Officer, Annette Claudel will have IMS permission to input data, but not IMS 'authorisation' or 'submission'. It is assumed that the Head of Housing (Bob Porter) will have IMS permission to authorise grant claims, but not IMS permission to 'submit' grant claims.

5. Bob Porter Interim Head of Housing is to be given IMS permission for data input and authorisation, as is Ashley Stacey. They are not to have permission to submit grant claims.

- Before any grant claim is 'authorised' on IMS the responsible TDC Officer for HCA funded scheme, the Head of Housing, is to have verified that all contract obligations have been satisfied. TDC propose to use a checklist to record this process of verification. These checklists are to be stored in readiness for future audit and as a record the work process has been undertaken.
- Before any 'submission' of grant claim on IMS by the responsible TDC Officer, Finance Dept. Accountant, they will not proceed with the grant submission until they have received written confirmation from the Head of Housing that all HCA funding conditions have been complied with and a note of this is kept on file for future audit and record purposes.
- Periodic audit review meetings with the HCA are to be held where TDC will provide evidence that the action plan and measures above have been implemented.
- Repayment of grant that was over claimed as set out in the Grant Thornton Audit report of £91,242, once complete TDC are to email confirmation to the HCA Lead Auditor. Repayment is to be concluded by the 29th of January 2016.
- Training on IMS is to be provided by the HCA for key staff using IMS, this is being organised by Heather Stoner and Donna Setchell.

Having liaised with TDC prior to issue of this letter, it is assumed its contents are understood, however should you have any queries please do not hesitate to contact myself. All that is now required in the short term is confirmation that you have received this letter and are in agreement with the measures set out above. Please can you confirm back by the 15th of January or if a grant claim is proposed before this. Then in approximately six months' time we will wish to hold a review meeting to check the audit processes are in place, and then again in at some point/s in the future.

Thank you for the work you have done to set this up and will be doing in the future in relation to complying with the HCA funding contract and audit requirements.

A copy of this letter and report has been sent to the organisations Chief Executive, and others, for information.

Yours sincerely,



Lesley Banfield

Lead Auditor & Design Manager
For and on behalf of the
Homes and Communities Agency