

PUBLIC MINUTES

of the Homes England Audit & Risk Committee meeting
held at 9.00am on Thursday 21 June 2018 at
Windsor House, London

Present:

Stephen Bell Chairman
Teresa O'Neill
Simon Dow
Keith House

In attendance:

Gordon More Chief Investments Officer
Chantal Geall Chief Risk Officer
Maria Craig Head of Internal Audit
Bayo Dosunmu Executive Director of the Homes England Development
Programme
Isabella Freeman General Counsel
Jane Castor General Manager, Finance & Performance
Paul Scott Deputy Head of Internal Audit
Liz Butler Regulation Committee Observer (by phone)
Sid Sidhu Engagement Director, National Audit Office
Philip Wherry Lead Auditor, National Audit Office (by phone)
Eleanor Cannell Deputy Director ALB Sponsorship, MHCLG
Hannah Forster Financial Reporting & Control Division, MHCLG

Rory Smith Assistant Board Secretary

Before the meeting, a private session was held between members

Welcomes and apologies

56/06/18 There were apologies from Nick Walkley, Chief Executive Officer.

57/06/18 The Chair requested that in light of the delay in the NAO's completion of their audit that an additional teleconference be organised in July to consider the NAO Completion Report and approve the accounts to the Board. The Committee confirmed that after the teleconference, and on the proviso that the outcome of the Completion Report was positive, they were content for the Chair to write to the Board recommending the accounts for approval.

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Item 1 Amendments made to the Agency's 2017/18 Annual Report and Financial Statements

58/06/18 The General Manager, Finance & Performance presented the paper which illustrated the amendments made to the Agency's 2017/18 Annual Report and Financial Statements since the last meeting on 12 June 2018.

59/06/18 The General Manager, Finance & Performance informed Members that at this stage normally Finance would have been sighted on an Audit Completion Report and been able to include adjustments to the accounts arising from NAO's findings and management's response to unadjusted errors. She reported that although Finance had not been sighted on the errors, discussions with the NAO indicated that, to the date of the report, the errors were few and not material.

60/06/18 The General Manager, Finance & Performance informed the Committee that the £400 million fund from the government to remove and replace dangerous cladding for councils and housing associations had been disclosed in the accounts.

61/06/18 The Committee **NOTED** the paper.

Item 2 NAO Audit Update Report

62/06/18 The Engagement Director, National Audit Office presented the report. As discussed in the Audit & Risk meeting on 12 June, the NAO's audit work had highlighted an increased level of risk regarding the year end cut-off affecting grants paid under the affordable homes programme. The NAO needed to carry out additional work to obtain sufficient assurance in this area. He informed the Committee this would lead to a delay in the completion of our audit, but subject to successful completion of said work, the NAO anticipated being able to complete the audit prior to the summer Parliamentary recess.

66/06/18 The Committee agreed that they would present the accounts to the Board at today's meeting, explaining the situation and recommending them subject to the NAO completing their audit.

67/06/18 The Committee **NOTED** the report.

Item 3 Annual Fraud and Error Report

68/06/18 The Committee **NOTED** the report.

Item 4 ARC Self- Assessment

69/06/18 The Head of Internal Audit presented the paper. The Audit and Risk Committee carried out an annual self-assessment in accordance with good governance practices. This took the form of a survey of Committee members, Non-Executive Directors, Homes England staff and external attendees.

70/06/18 The Committee **NOTED** the ARC Self-assessment. The results would be shared with MHCLG.

Item 5 ARC Annual Report to the Board

71/06/18 The Chair presented the draft Audit & Risk Committee Annual Report to the Board.

72/06/18 The Committee **ENDORSED** the draft annual report to the Board.

Item 6 Any Other Business

73/06/18 There was no other business.

WITHDRAWN