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Compliance Audit

Programme Partnering Agreement

GLA Final Audit Report

Audit Year 2015-16

Lead Provider Name	Hexagon Housing Association Ltd
Lead Provider Code	L1538
Partnership(s)	11486 Hexagon HA Ltd AHP 2011/15 3863 Hexagon HA
Independent auditor	Trimmer CS Ltd St Clements House 27 Clements Lane London EC4N 7AE 020 7283 5741
Date of audit visit	28/09/2015
List of audited schemes	Scheme no. / Scheme name 08-590926 Parker Road, Croydon 08-622401 Park View Road, Bexley 08-637509 28 William Blake House, SE15 5DE
Name of GLA Lead	Eleanor Byrne, Area Manager
Date GLA report issued	November 2015
Overall audit rating	Requirement met

A	LEAD PROVIDER OVERALL FINAL ASSESSMENT

A.1 Overall procedural assessment

No breaches of funding conditions and no issues.

A.2 Overall administration assessment

Rating	Audit administration comments
Good administration	Hexagon met all deadlines and responded to comments and queries on time during the Compliance Audit procedure.

B	PARTNERSHIP FINDINGS

B. 1 Procedural assessment: breaches of funding conditions & recommendations

Partnership Name	Hexagon HA Ltd AHP 2011/15
Partnership Code	**11486**
Scheme address	Park View Road, Bexley
IMS number	08-622401
Type of breach reported	Grant claiming
Breach explanation	**Audit Question:** Item 5 – Practical completion certificate issued or independent certification of completion confirmed by date of final grant claim? **Auditors Finding:** The PC certificate is dated 31 March 2015 and the Final Cost Payment date on IMS is 25 March 2015. However, there was an entry on IMS which confirms this as follows: "Claim being logged on the 23 March at the request of the GLA to better manage claims at year end. Suitable comfort from the contractor and

	waivers from the GLA is provided to allow the claim not to contravene funding conditions". IMS has an entry specifically showing GLA approval. **Providers Response (if any):** Early submission of GLA grant claim for PC was specifically requested by the GLA to enable better resource planning for end of year claims and was subsequently approved on IMS.
Breach severity	Not a breach.
GLA recommendations	The GLA note that we instructed this, therefore is not a breach of funding conditions or grant claim.

Partnership Name	Hexagon HA Ltd AHP 2011/15
Partnership Code	**11486**
Scheme address	Park View Road, Bexley
IMS number	08-622401
Type of breach reported	Grant claiming
Breach explanation	**Audit Question:** Item 10 – Are the rent figures input to IMS the same as the actual rents charged? **Auditors Finding:** Hexagon takes the view that the recording of rents on first letting is not required for shared ownership schemes. **Providers Response (if any):** This audit question refers to tenancies, not leases, and ultimately determines if the rent levels set accord with that on IMS. As a shared ownership scheme this question is not applicable.
Breach severity	Not a breach.
GLA recommendations	The GLA note this exception was agreed within the funding conditions and is not a breach.

Partnership Name	Hexagon HA Ltd AHP 2011/15
Partnership Code	**11486**
Scheme address	Park View Road, Bexley
IMS number	08-622401

Type of breach reported	Standards
Breach explanation	**Audit Question:** Item 24 – Has the percentage of shared ownership sales been updated with actual percentages? **Auditors Finding:** Not all properties had been sold at the date of the audit, but for those properties which had been sold the percentages of the initial tranche sold had been entered onto IMS. **Providers Response (if any):** As reflected in the audit report, those that have been sold have been accurately recorded on IMS. Hexagon will continue to record the percentages sold on IMS as they occur.
Breach severity	Not a breach.
GLA recommendations	The GLA notes the ongoing work, and note this is not a breach.

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C	GLA SIGNATURE

This report is confidential between the Greater London Authority and the audited organisation. The information contained in this report has been compiled purely to assist the Greater London Authority in its statutory duty in relation to the payment of grant to registered providers. The Greater London Authority accepts no liability whatsoever for the accuracy or completeness of any information or assessment contained herewith.

Signature	*22/12/2015* *Date*
Eleanor Byrne *Print name*	*Area Manager, South London* *Position*

D	LEAD RP SIGNATURE

The breaches identified in this report have been noted and accepted. Remedial action will be taken in accordance with the above recommendations to ensure that there is no recurrence.

Signature	*Date*
Print name	*Position*

E	PURPOSE OF COMPLIANCE AUDIT

The purpose of GLA compliance audits is to ensure that the GLA's policies, funding conditions and procedures have been correctly followed. If you have any queries on this report, please the GLA lead person named on the front page.