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Planning

## External Audit Services

Southern Housing

UK2: Preliminary market engagement notice - Procurement Act 2023 - [view information about notice types](#)

Notice identifier: 2025/S 000-075860

Procurement identifier (OCID): ocds-h6vhtk-05e5ee ([view related notices](#))

Published 20 November 2025, 7:43pm

## Scope

### Description

Southern Housing are seeking to procure External Audit Services to undertake an independent audit of Southern Housing and its related subsidiaries.

Southern Housing was formed in December 2022 following the merger of Optivo and Southern Housing Group. Our history stretches back to the early 20th century and over 120 years later our social purpose of helping those in housing need remains. Southern Housing now owns over 80,000 homes and serves 167,000 residents across London, the South East, the Midlands and the Isle of Wight. Our merger has enabled us to deepen ties in our key communities.

There are two PIE entities within the Group - Southern Housing and Optivo Finance PLC. The group is also working on consolidating the group structure.

Current subsidiaries include:

1. Optivo Finance PLC – bond issuing vehicle
2. Southern Home Ownership Ltd – Non-charitable Registered Provider - develops, sells and manages home ownership properties T/O £154m

3. Optivo Development Services Ltd – Private Limited Company - design and build T/o - £108m4. Southern Housing Construction Limited - Private Limited Company - operates in London and throughout Southeast England providing a construction service to the companies within Southern Housing T/O £2.7m
4. Lamborn Estates Limited – Private Limited Company - developing and selling for Open Market Sale, only 1 live scheme currently, possibly close before this audit, T/o £2m
5. Crystal Palace Housing Association – Non-charitable Registered Provider - 262 units all historic shared ownership homes T/0 £1m
6. Amicus Group – Charitable Registered Provider - 1 home (holds cash and loans back to parent)
7. Spruce Homes Limited – Private Limited Company - market rent T/O £1.3m
8. Middlesex First Ltd – Community Benefit Society - provides accommodation at 3 student halls T/O £7m
9. Fresh Visions People Ltd – charity, income £0.3m
10. Linked Charities × 5
  - a. Samuel Lewis Foundation – Charity, 340 homes, T/o £2m
  - b. The Fellowship Houses Trust – Charitable Registered Provider - 58 homes T/O £420k
  - c. Hewitt Homes – Charitable Registered Provider - 49 homes T/O £380k
  - d. Charity of Julia Spicer Almshouse – Charitable Registered Provider - 14 homes T/O £79k
  - e. Eason Gruaz Homes – Charity - 8 homes T/O £30k
11. Southern Space Ltd - Private Limited Company - The Company holds a one third interest in Triathlon Homes LLP which owns and manages the social housing units within the East Village in Stratford, East London - Triathlon Homes LLP – 33% partnership via Southern Space Ltd – not part of the tender.
12. Affinity Housing Services (Reading) and Affinity Reading Holdings Ltd – 50% JV with Abri Group – not part of the tender
13. Optivo Enterprises Ltd – Dormant

14. Optivo Homes Ltd – will be closed before this audit

## PROPOSED SCOPE OF SERVICES

We require an independent audit of Southern Housing and its related subsidiaries and JVs, carried out in accordance with International Standards on Auditing (UK) (ISAs (UK)).

The scope of the contract will include:

- a) External audit annual planning meeting and development of an audit strategy for each year end beginning with the year ending 31st March 2027 with a planned approach to key audit risks and analysis of previous findings/ recommendations
- b) Meeting to discuss and agree accounting policies pre year end
- c) Conducting the interim audit – expect part to be carried out on site
- d) Attendance at pre year end Audit & Risk Committee (ARC) meeting to present annual audit approach and plan (anticipating March)
- e) Conducting year end fieldwork
- f) Undertaking an audit of all entities in the corporate structure (entities to be confirmed annually) including group consolidation, excluding Triathlon Homes LLP and Affinity Reading in compliance with legal and accounting guidance/best practice.
- g) Undertaking an annual audit of our Euro Medium Term Note (EMTN) programme
- h) Liaising with Southern Housing's Director of Internal Audit and consideration of reports produced to understand their scope of works and any significant findings, their view on and contribution to the overall control environment
- i) Audit of annual covenant certificates for lenders
- j) Attendance at final clearance meeting
- k) Attendance at post year end ARC (anticipating July) meeting to present completion report
- l) Annual meeting with the Chair of ARC, with potential need for ad hoc calls during the year
- m) Ad hoc meetings / calls as required by ARC / Executive / Financial Services

The scope of the contract specifically excludes:

- a) Grant audits
- b) Service charge audit.

The chosen supplier will be an established, high-quality firm that not only provides an audit opinion on Southern Housing but also offers a professional and informed sounding board to question existing practices and offers external perspectives. It will also provide proactive support to the Audit & Risk Committee on the sector as a whole and keep management abreast of relevant changes in accounting and auditing standards which could impact the organisation.

## CONTRACT PERIOD

The contract will be for a maximum period of 5 years for the years ending 31 March 2027, 2028, 2029, 2030 and 2031. The contract will be subject to the annual re-appointment of the external auditors by the Southern Housing Board.

## PROCUREMENT ROUTE

Southern Housing will be conducting the Procurement Process through Open Procedure in accordance with the Procurement Act 2023. The form of contract will be the Southern Housing standard form of services contract with amendments.

## PROCUREMENT TIMETABLE

We are seeking to publish the tender by 18 December 2025 and are targeting to award the contract by 31 March 2026.

## **Total value (estimated)**

- £3,125,000 excluding VAT
- £3,750,000 including VAT

Above the relevant threshold

## **Contract dates (estimated)**

- 1 April 2026 to 28 March 2031
- 4 years, 11 months, 28 days

## **Main procurement category**

Services

## **CPV classifications**

- 79212100 - Financial auditing services
- 79212300 - Statutory audit services

## **Contract locations**

- UKI - London
- UKJ - South East (England)

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## **Engagement**

### **Engagement deadline**

4 December 2025

### **Engagement process description**

This notice is not an invitation for formal expressions of interest. The purpose of this Preliminary Market Engagement Notice and the questionnaire that we are asking you to

complete is to gain some early insight and feedback from the market in relation to this exciting opportunity.

Potential future bidders will not be prejudiced by any response or failure to respond to this Pre Market Engagement Notice. The procurement of the contracts by Southern Housing will be carried out strictly in accordance with the Procurement Act 2023.

This process is being undertaken to share some headline information about the opportunity and also gather knowledge, feedback and insight in the following areas:

- Capacity and resources
- Interest and possible barriers
- Scope and requirements
- Pricing and commercial considerations
- Procurement process and timelines
- Compliance or regulatory factors.

The information gathered will be used:

- to inform the procurement process
- to inform and influence the structure and content of the tender documents and
- to provide feedback in relation to the appetite of the market together with information that will allow the exercise to be shaped to elicit a positive response from providers.

The benefits to your organisation in participating in this process include:

- the chance to assess whether the opportunity will be suitable and of interest to you
- ensuring that the approach is realistic and market-focused
- the chance to raise any risks, concerns or issues regarding the potential opportunity

Your responses will assist us in creating a process which is well-framed, focused, feasible and likely to be of interest to the market.

There is no commercial advantage or disadvantage to your organisation as a result of being involved in this exercise. This process focuses on the market as a whole, rather

than on the merits of individual suppliers. It involves no element of supplier selection or bid evaluation.

Finally, please be assured that any commercially sensitive information provided to us as part of this process will be treated in confidence, used only for the purposes of this market engagement exercise, and will not be disclosed to any other organisation, subject to the provisions of the Freedom of Information Act 2000.

Interested companies are to complete the online questionnaire at <https://forms.office.com/e/3CQ1y8SJ1q> by the engagement deadline.

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## **Participation**

### **Particular suitability**

Small and medium-sized enterprises (SME)

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## **Submission**

### **Publication date of tender notice (estimated)**

16 December 2025

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## **Contracting authority**

### **Southern Housing**

- Public Procurement Organisation Number: PXJP-9994-BJBR

59-61 Clerkenwell Road

London

EC1M 5LA

United Kingdom

Contact name: Kim Newman

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Website: <http://www.southernhousing.org.uk>

Region: UKI43 - Haringey and Islington

Organisation type: Public authority - sub-central government