

**Internal Audit
Quarter 2 Internal Audit Report
2018/19
London Borough of Haringey**

November 2018

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Executive Summary

Introduction

This is our second report to the Corporate Committee for the 2018/19 financial year including details of all reports, which have reached final stage since our last report. The report provides information on assurance opinions on areas we have reviewed and gives an indication of the direction of travel for key systems work, which will provide members with information on how risks are being managed over time. The format of this report is also designed to highlight the key risks facing individual departments and the Council, which have been identified during the course of our internal audits. A more detailed summary of the limited assurance areas is included for information where appropriate. Full copies of our audit reports will be provided upon request.

All recommendations are agreed with Council officers, and any disputes are discussed prior to the final report being issued. All recommendations to address any control weaknesses highlighted within this report have been agreed. Officers' actions to address the recommendations, including the responsible officer and the deadline for completion, are fully detailed in the individual final audit reports.

The attached tables reflect the status of the systems at the time of the audit, and recommendations may already have been implemented by Council officers by the time the final report is issued and reported to the Corporate Committee.

As a reminder, our recommendations are prioritised according to the following categories:

- Priority 1* - major issues for the attention of senior management
- Priority 2* - other recommendations for local management action
- Priority 3* - minor matters and/or best practice recommendations

Key Highlights/Summary of Quarter 2 2018/19:

2018/19 Internal Audit Reports finalised in the Quarter:

- High Needs Block Funding
- High Cost Placements – Children
- Schools Admissions
- Mental Capacity Assessments
- Osborne Grove Nursing Home

2018/19 Schools Audit Reports Finalised the Quarter



- Devonshire Hill Primary School
- Earlsmead Primary School
- Highgate Primary School
- Risley Avenue Primary
- St Francis De Sale Primary School

2018/19 Draft Internal Audit Reports issued this quarter

- Grievance Management
- Procurement Portal
- Amey Contract Management
- Housing Benefits Overpayments

Audit Progress and Detailed Summaries

The following table sets out the audits finalised in Quarter 2 of 2018/19 financial year and the status of the systems at the time of the audit. It must be noted that the recommendations may already have been implemented by Council officers by the time the final report is issued and reported to the Corporate Committee.

Audit Title	Date of Audit	Date of Final Report	Assurance Level	Direction of Travel	Number of Recommendations (Priority)		
					1	2	3
2018/19							
High Needs Block Funding	April 18	Sept 18	Substantial	N/A	0	3	0
Looked After Children – High Cost Placements	April 18	Aug 18	Substantial	N/A	0	3	1
Schools Admissions	May 18	Aug 18	Substantial	N/A	0	1	1
Mental Capacity Assessments	June 18	Oct 18	Substantial		0	2	1
Osborne Grove	Aug 18	Oct 18	Substantial		0	3	1

As part of the 2018/19 Internal Audit Plan we have visited the following schools, completed a probity audit and during Quarter 2 issued a final report.

School	Date of Audit	Date of Final Report	Assurance Level	Number of Recommendations (Priority)		
				1	2	3
2018/19						
Devonshire Hill Primary School	June 2018	Oct 2018	Substantial	0	1	2
Earlsmead Primary School	June 2018	Oct 2018	Substantial	0	3	2
Risley Lane Primary School	July 2018	Oct 2018	Limited	1	15	5
Highgate Primary School	June 2018	Oct 2018	Substantial	0	4	8
St Francis de Sale Primary School	May 2018	Oct 2018	Substantial	0	3	5

Statement of Responsibility

We take responsibility to the London Borough of Haringey for this report which is prepared on the basis of the limitations set out below.

The responsibility for designing and maintaining a sound system of internal control and the prevention and detection of fraud and other irregularities rests with management, with internal audit providing a service to management to enable them to achieve this objective. Specifically, we assess the adequacy and effectiveness of the system of internal control arrangements implemented by management and perform sample testing on those controls in the period under review with a view to providing an opinion on the extent to which risks in this area are managed.

We plan our work in order to ensure that we have a reasonable expectation of detecting significant control weaknesses. However, our procedures alone should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify any circumstances of fraud or irregularity. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud. The matters raised in this report are only those which came to our attention during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Recommendations for improvements should be assessed by you for their full impact before they are implemented. The performance of our work is not and should not be taken as a substitute for management's responsibilities for the application of sound management practices.

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Mazars LLP
London
October 2018

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