



Appendix B

London Borough of Haringey Mazars 2021/22 Summary Appendix

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Date: July 2022

mazars

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Disclaimer

This report ("Report") was prepared by Mazars LLP at the request of London Borough of Haringey and terms for the preparation and scope of the Report have been agreed with them. The matters raised in this Report are only those which came to our attention during our internal audit work. Whilst every care has been taken to ensure that the information provided in this Report is as accurate as possible, Internal Audit have only been able to base findings on the information and documentation provided and consequently no complete guarantee can be given that this Report is necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

The Report was prepared solely for the use and benefit of the London Borough of Haringey and to the fullest extent permitted by law Mazars LLP accepts no responsibility and disclaims all liability to any third party who purports to use or rely for any reason whatsoever on the Report, its contents, conclusions, any extract, re-interpretation, amendment and/or modification. Accordingly, any reliance placed on the Report, its contents, conclusions, any extract, re-interpretation, amendment and/or modification by any third party is entirely at their own risk. Please refer to the Statement of Responsibility in this report for further information about responsibilities, limitations and confidentiality.





01 Summary of the 2021/22 Internal Audit Plan

The table below lists the 2021/22 Internal Audit Plan and a status summary for all the reviews undertaken by Mazars.

| Audit | Days | Date of Final Report | Assurance Level | Direction of Travel | Total | Findings by Priority | | |
|--|------|----------------------|-----------------|---------------------|-------|----------------------|---|---|
| | | | | | | 1 | 2 | 3 |
| Performance Indicators (Veolia) | | July 2022 | Substantial | N/A | 2 | - | - | 2 |
| Housing Development Programme | | July 2022 | Substantial | ➡ | 1 | - | 1 | - |
| Looked after Children (LAC) | | July 2022 | Substantial | N/A | 1 | - | - | 1 |
| IT Capability Management | | November 2021 | Adequate | N/A | 7 | - | 4 | 3 |
| Acquisitions and Disposal of Assets | | Draft Report | Adequate | ➡ | 2 | - | 2 | - |
| Accounts Receivable | | February 2022 | Adequate | ⬅ | 6 | - | 3 | 3 |
| Accounts Payable (Creditors) | | July 2022 | Adequate | ⬅ | 2 | 1 | - | 1 |
| Capital Schemes | | July 2022 | Adequate | ↔ | 5 | - | 3 | 2 |
| Allegations against Professionals (LADO) | | Draft Report | Adequate | N/A | 5 | - | 4 | 1 |
| Direct Payments | | June 2022 | Adequate | ↔ | 5 | - | 2 | 3 |
| Appointeeships and Deputyships | | April 2022 | Adequate | N/A | 2 | - | 1 | 1 |
| Accounting and General Ledger | | Draft Report | Adequate | ⬅ | 2 | - | 1 | 1 |
| Deprivation of Liberty | | Draft Report | Limited | ↔ | 2 | 2 | - | - |
| The Use and Control of CCTV | | Draft Report | Limited | N/A | 4 | 2 | 2 | - |



01 Summary of the 2021/22 Internal Audit Plan (cont)

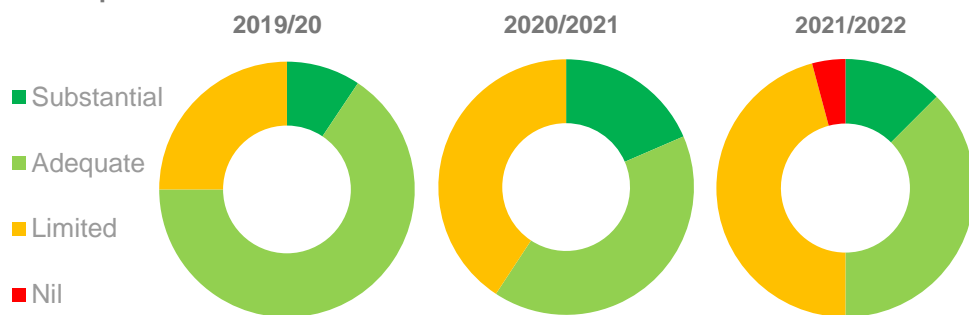
| Audit | Days | Date of Final Report | Assurance Level | Direction of Travel | Total | Findings by Priority | | |
|--|------|----------------------|-----------------|---------------------|------------|----------------------|-----------|-----------|
| | | | | | | 1 | 2 | 3 |
| Building Compliance (Corporate and Schools) | | March 2022 | Limited | N/A | 8 | 4 | 2 | 2 |
| ICO Accountability Framework | | April 2021 | Limited | N/A | 13 | 1 | 8 | 4 |
| Cyber Security | | June 2022 | Limited | ↔ | 15 | 2 | 11 | 2 |
| Payroll | | January 2022 | Limited | ↔ | 4 | 2 | 2 | - |
| Contract Management | | July 2022 | Limited | ← | 4 | 1 | 2 | 1 |
| Elective Home Education | | March 2022 | Limited | N/A | 7 | 1 | 6 | - |
| Mental Health Assessments | | July 2022 | Limited | N/A | 5 | 1 | 3 | 1 |
| Recruitment (Temporary Agency Workers) | | Draft Report | Limited | N/A | 7 | 1 | 4 | 2 |
| Council Tax | | Draft Report | Limited | ← | 3 | 1 | 2 | - |
| New River Leisure Centre | | July 2022 | Nil | N/A | 1 | 1 | - | - |
| Performance Management (Corporate and Directorate) | | Draft Report | Advisory | N/A | 7 | - | 4 | 3 |
| Strategic and Directorate Planning | | Draft Report | Advisory | N/A | 4 | - | 4 | - |
| IT Infrastructure Resilience Follow Up | | June 2022 | | | N/A | | | |
| IT Disaster Recovery Follow Up | | June 2022 | | | N/A | | | |
| | | | | Total | 124 | 20 | 71 | 33 |



02 Benchmarking

This section compares the Assurance Levels and categorisation of recommendations made in the audits in 2019/20, 2020/21 and 2021/22.

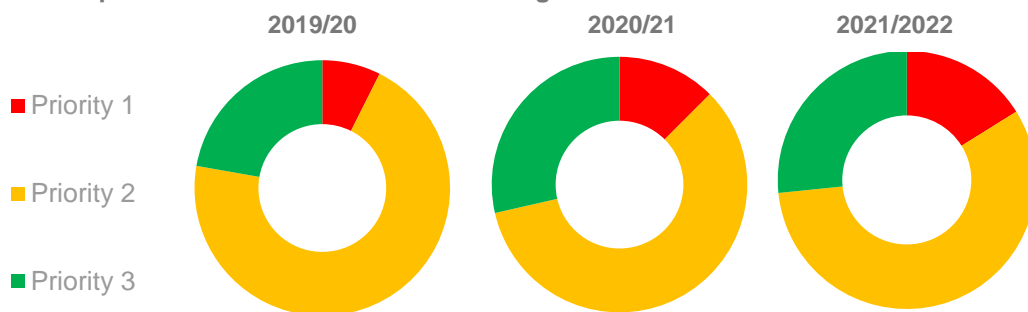
Comparison of Assurance Levels



Of the 24 completed audits in 2021/22, where an assurance rating was given. Three audits received 'Substantial' assurance, nine received 'Adequate' assurance, 11 received 'Limited' assurance and one received 'Nil' assurance. We also completed two advisory reviews.

In 2020/21, 27 audits providing assurance were completed. Of the 27, five received 'Substantial' assurance, 11 received 'Adequate' assurance and 11 received 'Limited' assurance.

Comparison of Recommendation Gradings



The total number of recommendations made in the year was 124. This represents an increase of 12 from the prior year (112).

The proportion of Priority 1 recommendations has increased from 12% to 16% of total recommendations raised.



03 Follow-up on 2020/21 Audits

During the year we have assessed the implementation of recommendations raised in 2020/21. A summary of the results of the follow up work are included below.

| Follow up of 2020/21 audits | Assurance | Recommendations raised | | | | Recommendations Implemented (Impl) | | | | Partly Impl. | Not Impl. | Not yet due | Propose to Close |
|---------------------------------------|-------------|------------------------|---|---|-------|------------------------------------|---|---|-------|--------------|-----------|-------------|------------------|
| | | 1 | 2 | 3 | Total | 1 | 2 | 3 | Total | | | | |
| No Recourse to Public Funds | Substantial | - | 1 | 1 | 2 | - | 1 | 1 | 2 | - | - | - | - |
| Adaptations | Substantial | - | - | 2 | 2 | - | - | 1 | 1 | 1 | - | - | - |
| Pest Control Fees and Charges | Substantial | - | 1 | 2 | 3 | - | 1 | 1 | 2 | 1 | - | - | - |
| Accounting for Pay and Display Income | Substantial | - | - | 6 | 6 | - | - | - | - | - | 6 | - | - |
| Accounts Payable | Substantial | - | - | 1 | 1 | - | - | - | - | - | - | - | 1 |
| Buyback of Right to Buy (RtB) | Adequate | - | 2 | 2 | 4 | - | 2 | 2 | 4 | - | - | - | - |
| Community Infrastructure Levy (CIL) | Adequate | - | 1 | 2 | 3 | - | 1 | 2 | 3 | - | - | - | - |
| Insourcing | Adequate | - | 3 | - | 3 | - | 2 | - | 2 | - | - | - | 1 |
| Capital Schemes | Adequate | - | 3 | 1 | 4 | - | 1 | - | 1 | - | - | - | 3 |
| London Construction Programme | Adequate | - | 2 | 2 | 4 | - | 1 | 2 | 3 | - | - | 1 | - |
| Risk Based Verification | Adequate | - | 1 | - | 1 | - | 1 | - | 1 | - | - | - | - |
| IT Infrastructure Resilience | Adequate | - | 3 | 1 | 4 | - | 3 | 1 | 4 | - | - | - | - |
| Revenue Assurance | Adequate | - | 1 | - | 1 | - | 1 | - | 1 | - | - | - | - |



03 Follow-up on 2020/21 Audits (continued)

| Follow up of 2020/21 audits | Assurance | Recommendations raised | | | | Recommendations Implemented (Impl) | | | | Partly Impl. | Not Impl. | Not yet due | Propose to Close |
|--|-----------|------------------------|-----------|-----------|------------|------------------------------------|-----------|-----------|-----------|--------------|-----------|-------------|------------------|
| | | 1 | 2 | 3 | Total | 1 | 2 | 3 | Total | | | | |
| | | Total | Total | Total | Total | Total | | | | | | | |
| Administration of Concessionary Travel | Adequate | - | 1 | 1 | 2 | - | 1 | 1 | 2 | - | - | - | - |
| Management and Control of Carers Service | Adequate | - | 3 | 1 | 4 | - | - | - | - | - | 4 | - | - |
| Quality of Practice | Adequate | - | 3 | 1 | 4 | - | 2 | - | 2 | - | 1 | 1 | - |
| Brokerage (Adults) | Limited | - | 5 | 1 | 6 | - | 4 | - | 4 | 1 | - | - | 1 |
| Brokerage (Childrens) | Limited | 1 | 2 | - | 3 | - | 1 | - | 1 | 2 | - | - | - |
| IT Disaster Recovery | Limited | - | 4 | - | 4 | - | - | - | - | 3 | 1 | - | - |
| Declarations of Interest | Limited | 1 | 2 | 3 | 6 | - | - | 1 | 1 | 2 | 2 | - | 1 |
| Arrangements for Letting Contracts | Limited | 2 | 4 | - | 6 | - | - | - | - | - | 6* | - | - |
| Contract Management of Contracts | Limited | 1 | 5 | - | 6 | - | - | - | - | - | 6* | - | - |
| Purchase Cards | Limited | 1 | 4 | - | 5 | - | 1 | - | 1 | 1 | 2 | - | 1 |
| Management of Cyber Risks | Limited | 2 | 8 | 3 | 13 | - | 1 | - | 1 | - | - | - | 12** |
| Contract Waivers | Limited | 3 | 2 | - | 5 | - | - | - | - | - | 5* | - | - |
| Health and Safety | Limited | 1 | 4 | - | 5 | - | 2 | 1 | 3 | 2 | - | - | - |
| Safeguarding | Limited | 2 | 1 | 2 | 5 | 1 | 1 | 1 | 3 | 2 | - | - | - |
| Overall Total | | 14 | 66 | 32 | 112 | 1 | 27 | 14 | 42 | 15 | 33 | 2 | 20 |

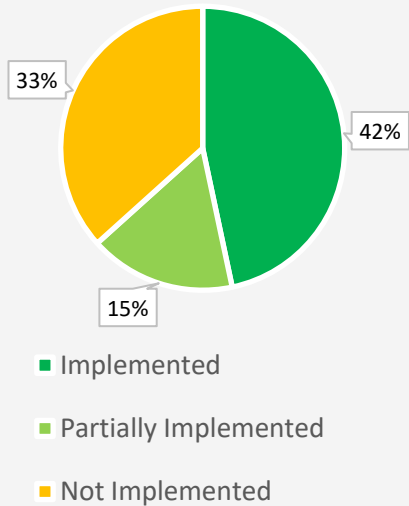
* The three contract audits were planned to be followed up in 2021/22, however, we were informed that progress with the new technologies had not been made.

** In relation to the 2020/21 Management of Cyber Risks audit, a new Cyber Security audit was completed as part of the 2021/22 audit plan. The new recommendations have replaced those raised in the 2020/21 audit which have therefore been closed.

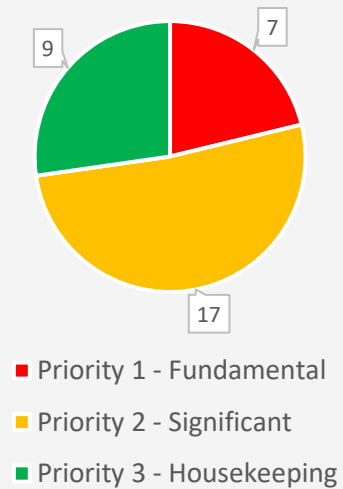


03 Follow-up on 2020/21 Audits (continued)

Analysis of follow up



Priority of recommendations not implemented



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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