LONDON BOROUGH OF HARINGEY
Audit Committee – September 2025
Forvis Mazars Internal Audit Progress Report

Date Prepared: September 2025

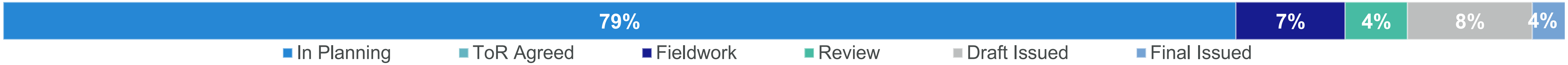
Strictly private and confidential

forv/s mazars

Contents

01. Snapshot of Internal Audit Activity

Below is a snapshot of the current position of the delivery of the 2025/26 Internal Audit Plan



Audit Committee decision needed

Note the progress being reported and consider final reports included separately in the paper pack. An outline of the High and Medium recommendations raised is included in the Progress Report Detail, which is provided separately in the pack.

RAG status of delivery of plan to timetable — **On Track**

Key updates

Fieldwork for all reviews included in the 2024/25 Internal Audit Plan was completed by **31 March 2025**. However, management responses to the draft reports for Birchtree and Sickness Management remain outstanding.

Throughout our work, we have identified early warning signs and common themes, which are summarised in **Section 02.** These include recurring issues such as the use of data and business intelligence, and statutory non-compliance.

The **2025/26 Plan** is underway, with the Use of Data and BI and Virtual Schools reports finalised. An overview of the 2025/26 Internal Audit Plans is provided in **Section 03.**

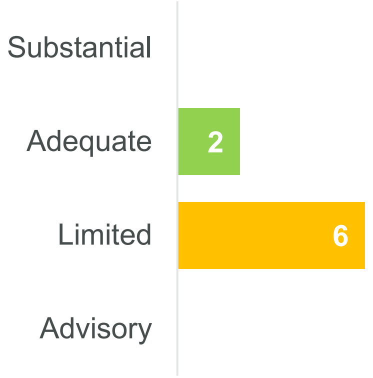
Performance against agreed Key Performance Indicators (KPIs) is reported in **Section 05.**

Finally, **Section 06** includes our thought leadership pieces, covering emerging topics such as AI and Data Governance and Risk Velocity in the Public Sector.

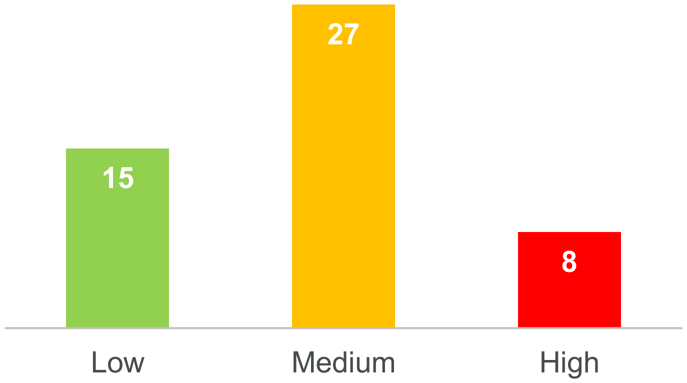
A summary of the latest reports issued, and their key findings is also included at the end of this document (**Appendix A1**).

We continue to meet with the Head of Internal Audit and Deputy Head of Internal Audit on a bi-weekly and monthly basis, with the last meeting held on **16 October 2025**.

Assurance opinions in reporting period



Recommendations in reporting period



02. Early warning and common themes

In this section we highlight any early warning signs and common themes arising from our work.

It is important to highlight to Members and Senior Management any issues identified through our fieldwork and in draft reports, as these may be relevant to the overall assurance position. The Audit Committee should note that these matters may change as further information becomes available. The findings below have not yet been subject to full management agreement. Our comments are based on draft findings and further evidence, including management comments, may change our view.

We draw attention to two key matters:

- **Contract management and procurement** continue to expose the Council to increased risk. This includes limitations in systems, governance, and operational support from the Strategic Procurement team. Further, the Council does not have complete oversight of the contracts it has in place or how these are being managed.
- The Council is behind on the **delivery of its planned savings.** We have also identified errors in the savings data previously reported to the Corporate Leadership Team. There was no evidence of reconciliation between the raw data and the figures presented.

Common themes

We have identified the following recurring themes in our work this year:

Use of Data and BI

Data and BI are not yet embedded within the wider Council framework in a way that supports operational efficiency or enables effective performance measurement.

We have raised findings in relation to use of Data and BI in the Data and BI and the Virtual Schools reviews.

Statutory non-compliance

We have identified instances of non-compliance with statutory requirements, notably in the Virtual Schools and Regulatory and Enforcement services reviews. These findings present both statutory and reputational risks for the Council.

03. Overview of Internal Audit Plan 2025/26

The table below lists the status of all reviews within the 2025/26 Plan that have a status of draft terms of reference (ToR) issued or beyond.

Review	Audit Sponsor	Status	Start Date	Date Finalised	Audit Committee	Assurance Level	Total	High	Medium	Low
Use of Business Intelligence Reports	Director of Finance	Draft Report	May 2025	July 2025	November 2025	**Limited**	3	1	1	1
Managing Housing Benefit Overpayments	Delivery Director Tackling Inequality (interim)	Draft Report	May 2025							
Virtual Schools	Director of Children's Services	Final Report	June 2025	September 2025	November 2025	**Limited**	11	1	5	5
Compliance with Cost Management Measures (Spend Controls)	Director of Finance	Draft Report	June 2025							
Management and Use of Contract Waivers	Director of Finance	Draft Report	July 2025							
Bankline	Director of Finance	Fieldwork	August 2025							
Street Light Contract Management	Director of Environment and Resident Experience	Fieldwork	August 2025							
Corporate Arrangements for Commissioning	Director of Adult's Social Services Director of Children's Social Services	Fieldwork	August 2025							
Governance over Delivery of Savings	Director of Finance	Fieldwork	September 2025							
Council Tax Billing, Collection and Administration	Delivery Director Tackling Inequality (interim)	Fieldwork	September 2025							

03. Overview of Internal Audit Plan 2025/26 (continued)

Review	Audit Sponsor	Status	Start Date	Date Finalised	Audit Committee	Assurance Level	Total	High	Medium	Low
Management of Leisure Services	Director of Environment and Resident Experience	Fieldwork	September 2025							
						Total	**14**	**2**	**6**	**6**

04. Overview of Internal Audit Plan 2024/25

The table below lists the status of all reviews within the 2024/25 Plan that were finalised in 2025/26.

Review	Audit Sponsor	Status	Start Date	Date Finalised	Audit Committee	Assurance Level	Total	High	Medium	Low
Cyber Governance and Risk Management	Chief Digital and Innovation Officer	Final	February 2025	June 2025	November 2025	Adequate	3	0	3	0
Regulatory and Enforcement Services	Director of Environment	Final	February 2025	June 2025	November 2025	Adequate	7	0	2	5
Arrangements for Monitoring Contracts within Housing Services	Director of Housing	Final	February 2025	July 2025	November 2025	Limited	7	1	4	2
Management, Monitoring and Collection of Income	Director of Finance	Final	September 2024	June 2025	November 2025	Limited	5	3	2	0
Management of Green Haringey	Director of Environment and Experience	Final	November 2025	June 2025	November 2025	Limited	7	1	6	0
Responsive Repairs	Director of Housing	Final	January 2025	May 2025	November 2025	Limited	7	1	6	0
Lettings Fact Finding	Head of Audit and Risk Management	Final	July 2024	May 2025	November 2025	N/A	N/A	N/A	N/A	N/A
Birchtree	Director of Culture, Strategy and Engagement	Draft Report	August 2024							
Sickness Management	Chief People Officer	Draft Report	March 2025							
Disrepairs	Director of Housing	Draft Report	March 2025							
Noel Park Pods Fact Finding	Head of Audit and Risk Management	Draft Report	May 2025							
						Total	**36**	**6**	**23**	**7**

05. Key Performance Indicators

A summary of the internal audit reporting performance timescales for 2025/26 is included below.

Measure	Target	Current Average
Draft report issued within 15 working days from debrief meeting / last evidence received	15 working days	**13 days**
Management responses received within 10 working days from draft report	10 working days	**14.5 days**
Final report issued within 5 working days of management responses	5 working days	**3 days**
Satisfaction survey results – overall audit satisfaction *(n.b. surveys are only issued to schools)*	All surveys to be ‘Good’ or ‘Very Good’	**N/A – two issued none received**

06. Thought Leadership – AI and Data Governance

While artificial intelligence (AI) has existed since the 1950s, the last three years have seen a dramatic acceleration in its accessibility and impact. AI's user base has broadened from deeply technical professions such as data scientists and engineers to more generalist workforces. **AI without good data governance is putting the cart before the horse.**

Key Components of Effective AI and Data Governance

Data Cataloguing: Map data lineage (and keep it up to date) for better decision-making and faster investigation

AI Inventory: Know what technologies you're using, and assess the associated risk

Transparency and Documentation: Keep key information organised so it's easy to find and action when needed

Data Quality and Assurance: QA isn't just a best practice; it's imperative to compliance

Bias Detection and Mitigation: Implement systemic solutions to avoid biased outcomes

Data Privacy: In leveraging data for AI, privacy and security must remain central concerns

Audits and Assessments: Compliance is not a one-time event

Cyber Resilience: Extend governance frameworks to include incident response and cyber excellence

Human Oversight: Be proactive about defining how AI is managed and reviewed

The Challenge

Technology has swiftly developed from assistive AI to generative AI and now agentic AI, allowing complex infrastructures and programmes to operate largely autonomously and make decisions with far less need for human interference.

However, the same data-hungry algorithms that unlock new efficiencies can also amplify bias, erode privacy, and expose organisations to costly legal action. And without good data governance practices in place, the output of AI programmes can be useless at best, or incredibly risky at worst.

This risk can only be effectively mitigated by taking a risk-based approach to data governance to begin with, serving as a solid foundation for implementing anything from basic automation to complex, sophisticated agentic AI.

Why Invest in Governance ?

Organisations that invest early in comprehensive governance frameworks will build AI systems that are more accurate, more scalable, and more trusted by users. In the race to harness agentic AI, the winners will be those who govern their data first and innovate second.

Read full report here

06. Thought Leadership: Let’s talk risk: Embracing risk velocity in public sector risk management

In the risk management landscape, public and social sector organisations increasingly recognise the need to adapt their strategies to address emerging challenges. One of these challenges is **risk velocity**, a relatively unused term in most organisations which assesses the speed at which risks can impact an organisation. We have explored this topic in more detail, looking at the importance of risk velocity, how it differs from traditional risk assessment, and why public sector organisations should integrate it into their risk management practices.

Click here for the full article

A1. Latest Reports Issued – Summary of Findings 2025/26

Since our last update, we have issued our final report relating to our review of **Use of Data and BI** from the 2025/26 Plan. A summary of our most significant findings and the root cause(s) of issues is included below.

Audit Objective: To assess the extent to which the Council effectively utilises data and business intelligence (BI) to inform decision-making, planning, and service delivery.

Why the Audit is in your 2025/26 Plan	Your Strategic Risk	Your Strategic / Tactical Objective
Review the organisational practice/culture of using insight provided by the Data and BI team whilst also examining some of resources made available to facilitate this by the Data and BI team.	Dashboards and insight are not used in the Council to address concerning trends and to deliver and action improvements.	Data Strategy vision and roadmap – recognise the value of data and insights.

Summary of our opinion

Limited Assurance See Appendix A1 for definitions			
		X	

Priority 1 (High)	1
Priority 2 (Medium)	1
Priority 3 (Low)	1

Actions agreed by you	**100%**
Priority 1 completion	December 2025
Overall completion	February 2026

Summary of findings

Examples of good practice

- ✓ Dashboards developed by the Data and BI team utilised standardised Power BI templates to enhance accuracy and consistency.
- ✓ Dashboards included visualisations and export functions to support user trend analysis.
- ✓ BI development was prioritised based on urgency, resource availability, and potential cost savings, as outlined in the draft Service Offer

Highest Priority Findings

- Gaps in BI adoption and engagement, including inconsistent adoption of BI tools, and limited collaboration with the Data and BI team.

Key root causes

- Absence of a structured engagement model between the Data and BI team and service departments and limited awareness or access to BI capabilities and tools.

A1. Latest Reports Issued – Summary of Findings 2025/26

Since our last update, we have issued our final report relating to our review of **Virtual Schools** from the 2025/26 Plan. A summary of our most significant findings and the root cause(s) of issues is included below.

Audit Objective: To assess the design and effectiveness of the control framework for managing the Virtual School.

Why the Audit is in your 2025/26 Plan	**Your Strategic Risk**	**Your Strategic / Tactical Objective**
Review the organisational practice/culture of using insight provided by the Data and BI team whilst also examining some of resources made available to facilitate this by the Data and BI team.	Dashboards and insight are not used in the Council to address concerning trends and to deliver and action improvements.	Data Strategy vision and roadmap – recognise the value of data and insights.

Summary of our opinion

Limited Assurance See Appendix A1 for definitions			
		X	

Priority 1 (High)	1
Priority 2 (Medium)	5
Priority 3 (Low)	5

Actions agreed by you	**100%**
Priority 1 completion	September 2025
Overall completion	December 2025

Summary of findings

Examples of good practice

- ✓ Templates were in place for Personal Education Plans (PEPs).
- ✓ Roles and responsibilities were defined in job descriptions for members of the Virtual School team.
- ✓ A PEP Quality Assurance Audit was competed by the Head of Virtual School in Summer 2024 and Autmn 2025.

Highest Priority Findings

- PEPs were not initiated in a timely manner.

Key root causes

- While there was clear guidance in PEP procedure to initiate PEPs in ten working days, there was a gap between the guidance and what was happening in practice..

A1. Latest Reports Issued – Summary of Findings 2024/25

Since our last update, we have issued our final report relating to our review of **Cyber Governance and Risk Management** from the 2024/25 Plan. A summary of our most significant findings and the root cause(s) of issues is included below.

Audit Objective: Assess whether the London Borough of Haringey (LBH) has in place key controls covering Cyber Security Governance, IT risk management and training and awareness.

Audit rationale

Why the Audit is in your 2024/25 Plan

To assess the adequacy of the Council's cyber governance and risk management controls to help protect against security threats relevant to their IT infrastructure..

Your Strategic Risk

Risk of cyber security attacks.

Your Strategic / Tactical Objective

Develop a Digital Strategy to outline the principles and guidelines governing the use of digital technologies. (Source: Corporate Delivery Plan 2024-2026).

Summary of our opinion

Adequate Assurance
See Appendix A1 for definitions

	x		

Priority 1 (High)	-
Priority 2 (Medium)	3
Priority 3 (Low)	-

Actions agreed by you	**100%**
Priority 1 completion	N/A
Overall completion	October 2025

Summary of findings

Examples of good practice

- ✓ A quarterly review process ensures timely assessment and updates of identified risks. While most risks remain static, new and evolving risks are evaluated and managed as they arise among Digital Services leadership team. Residual risk is adjusted to reflect the effectiveness of risk treatment actions, with the risk rating being defined and updated based on the mitigating controls that have been implemented.
- ✓ The Council has achieved ISO 27001 certification, demonstrating commitment to maintaining the good standards of information security management.

Highest Priority Findings

- Cybersecurity risk management processes lack formal documentation and key performance indicators (KPIs) to track the effectiveness of risk treatment actions.
- The Council's "Security & Technology Roadmap" has not been formally reviewed and approved by the Strategic Cyber Security Board, and lacks sufficient detail, such as the breakdown of initiatives, key milestones, and timelines for implementation.
- Cybersecurity training program has several gaps.

Key root causes

- An oversight by management in establishing a comprehensive risk management framework.
- Limited awareness of the importance of a comprehensive roadmap, combined with budget constraints and a shortage of personnel/resources.
- Lack of clear policy guidance and management oversight on cybersecurity training and awareness requirements.

06. Latest Reports Issued – Summary of Findings 2024/25

Since our last update, we have issued our final report relating to our review of **Regulatory and Enforcement Services** from the 2024/25 Plan. A summary of our most significant findings and the root cause(s) of issues is included below.

Audit Objective: Assess the design and effectiveness of the control framework for managing Regulatory and Enforcement services within London Borough of Haringey.

Audit rationale

Why the Audit is in your 2024/25 Plan	Your Strategic Risk	Your Strategic / Tactical Objective
To ascertain if LBH has appropriate controls and processes to deliver its regulatory and enforcement services..	Regulatory and enforcement requirements are not met increasing legislative and reputational risks.	Positive resident experience..

Summary of our opinion

Adequate Assurance
See Appendix A1 for definitions

	x		

Priority 1 (High)	-
Priority 2 (Medium)	2
Priority 3 (Low)	5

Actions agreed by you	**100%**
Priority 1 completion	N/A
Overall completion	January 2026

Summary of findings

Examples of good practice

- ✓ 2025/26 Environment Department Service Plan included a list of priorities, resources needed, risks and target timescales for all service areas.
- ✓ From a sample of five cases from each of the services we sampled, supporting documentation was stored for audit trail purposes.
- ✓ A suite of performance reporting occurs monthly, and the reported data matched the raw data for a sample of metrics.

Highest Priority Findings

- Food inspections not completed within statutory timeframes outlined by the Food Law Code of Practice.
- KPIs were not in place for all sampled Regulatory and Enforcement services.

Key root causes

- Significant large number of newly registered business (and manual systems for logging business creates bottle necks and delays. Delayed logging and high volume of new premises. Common occurrence around all London boroughs.
- Training needs across staff identified and minimum standards not set and /or policies out of date.

A1. Latest Reports Issued – Summary of Findings 2024/25

Since our last update, we have issued our final report relating to our review of the **Arrangements for Managing Contracts within Housing** from the 2024/25 Plan. A summary of our most significant findings and the root cause(s) of issues is included below.

Audit Objective: To ascertain the key controls to manage asset management contracts within Housing Services. The audit focused on oversight of let contracts, use of contract waivers and contract novation.

Audit rationale

Why the Audit is in your 2024/25 Plan	Your Highest Risk	Your Strategic / Tactical Objective
Concerns around fragmentation of approach within the directorate and the risks this poses.	• Failure to procure and manage contracts successfully.	Reliable, customer-focused resident housing services..

Summary of our opinion

Limited Assurance See Appendix A1 for definitions			
		X	

Priority 1 (High)	1
Priority 2 (Medium)	4
Priority 3 (Low)	2

Actions agreed by you	**100%**
Priority 1 completion	30 September 2025
Overall completion	30 September 2026

Summary of findings

Highest Priority Findings

- The Asset Management Team did not hold an accurate comprehensive, or up to date log of asset management contracts within Housing Services to support effective contract management.
- Inconsistent approach to contract management training.
- Contracts were not managed in line with their risk or the Procurement Code of Practice.
- Risks, issues and further actions identified via contractor meetings were not documented.
- Lack of evidence of financial monitoring and Capital Board reports missing spend versus budget comparisons.

Key root causes

- HCPS is a financial system which is not used for contract management.
- Storage of contract management documents locally rather than in an agreed central location.
- Reliance on self-identification of training needs and lack of monitoring.
- The Asset Management team has not formally determined their risk-based approach to contract management.
- There is a lack of central oversight of contract management processes used by local Project Managers.
- Management had felt that the current detail of reporting is sufficient and do not yet have system functionality to provide effective oversight.

A1. Latest Reports Issued – Summary of Findings 2024/25

Since our last update, we have issued our final report relating to our review of **Management, Monitoring and Collection of Income** from the 2024/25 Plan. A summary of our most significant findings and the root cause(s) of issues is included below.

Audit Objective: Assess the design of the control framework for the management, monitoring, and collection of income for key income streams.

Audit rationale

Why the Audit is in your 2024/25 Plan	Your Strategic Risk	Your Strategic / Tactical Objective
There are concerns over the Council's level of income collection.	The Councils fails to timely and/or accurately collect income..	Maximise income collection rates to deliver a balanced budget.

Summary of our opinion

Limited Assurance
See Appendix A1 for definitions

		X	

Priority 1 (High)	3
Priority 2 (Medium)	-
Priority 3 (Low)	2

Actions agreed by you	**100%**
Priority 1 completion	31 March 2026
Overall completion	31 March 2026

Summary of findings

Examples of good practice

- ✓ Monthly income monitoring for Council Tax and Business Rates are in place to identify and address instances of inappropriate discounts being offered.
- ✓ Quarterly income reporting is in place for housing through Housing Services Management team.

Highest Priority Findings

- No single income report is produced and a lack of scrutiny from the Council Leadership Team (CLT).
- Absence of an automated interface / reconciliation between SAP and feeder systems.
- Lack of proactiveness in chasing debt.

Key root causes

- Lack of cultural focus on income collection.
- Finance team's role in carrying out data validation has not been defined or communicated.
- Lack of synergies and limited functionality for automation between feeder systems and SAP.
- Poor debt management culture.

A1. Latest Reports Issued – Summary of Findings 2024/25

Since our last update, we have issued our final report relating to our review of **Management of Green Haringey** from the 2024/25 Plan. A summary of our most significant findings and the root cause(s) of issues is included below.

Audit Objective: Assess the design and effectiveness of the control framework for managing parks and green spaces..

Audit rationale

Why the Audit is in your 2024/25 Plan	Your Strategic Risk	Your Strategic / Tactical Objective
To review the processes in place to manage the operational delivery of the Parks and Greenspaces team..	Failing to maintain parks and green spaces in the Borough.	Responding to the climate emergency: A greener Haringey.

Summary of our opinion

Limited Assurance
See Appendix A1 for definitions

		X	

Priority 1 (High)	1
Priority 2 (Medium)	6
Priority 3 (Low)	-

Actions agreed by you	**100%**
Priority 1 completion	January 2026 / July 2026
Overall completion	July 2026

Summary of findings

Examples of good practice

- ✓ Roles and responsibilities for the service were defined within job descriptions and the Service Responsibility Procedure, which were accessible to staff via the intranet.
- ✓ A Parks and Greenspaces Strategy (July 2023) was in place. This set out the vision and priorities for Haringey's Parks and Greenspaces for the next 15 years between 2023-2038. It was accessible to staff via the intranet.
- ✓ Channels were available to residents to voice concerns e.g., via the Council's website and via the Love Clean Streets mobile application.

Highest Priority Findings

- No record of the maintenance activities required for each park or greenspace in the Borough.

Key root causes

- Lack of skills to keep the GIS map up to date and there is no guidance for staff to document and update maintenance activities and timescales.

A1. Latest Reports Issued – Summary of Findings 2024/25

Since our last update, we have issued our final report relating to our review of **Responsive Repairs** from the 2024/25 Plan. A summary of our most significant findings and the root cause(s) of issues is included below.

Audit Objective: Assess the design and effectiveness of the control framework for managing responsive repairs at London Borough of Haringey and to follow up on items raised in previous reviews in this audit area which received a 'limited' assurance grading.

Audit rationale

Why the Audit is in your 2024/25 Plan	Your Strategic Risk	Your Strategic / Tactical Objective
Key area of housing service with some issues with performance in recent years..	Failure to deliver quality services to residents.	Reliable, customer-focused resident housing services.

Summary of our opinion

Limited Assurance
See Appendix A1 for definitions

		X	

Priority 1 (High)	1
Priority 2 (Medium)	6
Priority 3 (Low)	-

Actions agreed by you	**100%**
Priority 1 completion	January 2026 / July 2026
Overall completion	July 2026

Summary of findings

Highest Priority Findings

- Lack of evidence to support KPI reporting and high number of open responsive repairs cases.
- Lack of standard and documented process for contract management.
- Timescales in the Responsive Repairs Policy and Service Connect are not aligned.
- Insufficient narratives recorded for jobs within SAP.
- Inconsistent approach taken to photos for post inspections.
- Updates required for scripts in Repair Finder.

Key root causes

- Longstanding repairs backlog due to diagnosis and scheduling issues.
- Vacancy for Contracts Manager open for over a year. As the Commercial Team is newly formed, processes and procedures are being formulated.
- Configuration of the repairs system, when creating the
- Responsive Repairs Policy or lack of subsequent revision of timings within the repairs system.
- Lack of internal IT expertise on Service Connect.

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Statement of Responsibility

We take responsibility to 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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