



# LONDON BOROUGH OF HARINGEY

## Audit Committee – January 2026

### Forvis Mazars Internal Audit Progress Report

Date Prepared: December 2025

Strictly private and confidential

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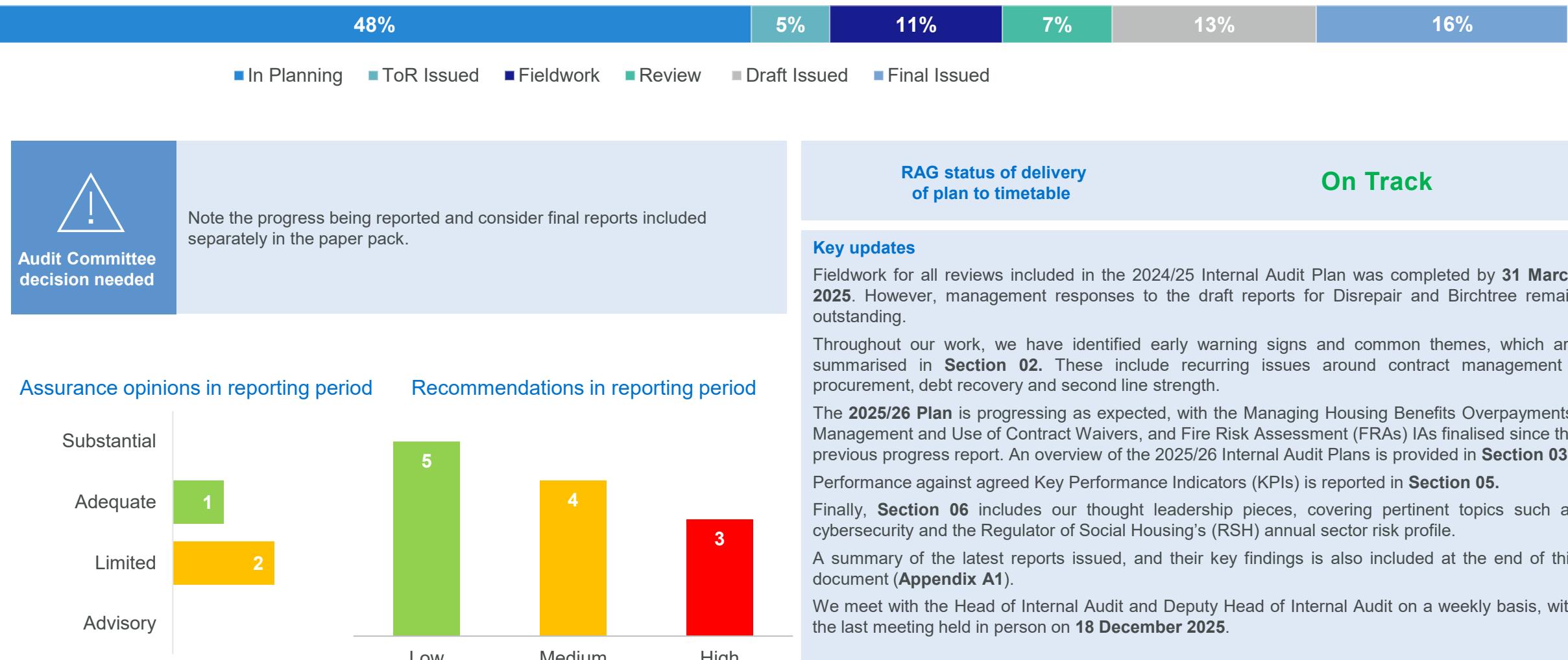
### Disclaimer

This report ("Report") was prepared by Forvis Mazars LLP at the request of the London Borough of Haringey (LBH) 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 LBH and to the fullest extent permitted by law Forvis 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, reinterpretation, amendment and/or modification. Accordingly, any reliance placed on the Report, its contents, conclusions, any extract, reinterpretation, 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. Snapshot of Internal Audit Activity

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



## 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. This is a consistent issue raised across a significant number of IA reports issued, including the **Fire Risk Assessments** report where it was found that signed contracts were not in place for the key fire safety contractor.
- **Debt recovery** and receipt of all income due is an emerging issue, as noted in the **Council Tax and HB Overpayment** IA reports. There are systemic challenges in debt recovery processes. This highlights the need for a strategic, coordinated approach to address long-standing arrears.
- We are seeing the impact of second line functions not being strong enough, for example in relation to the delivery of savings, controls are established for first line (departmental / directorate level) but the checks and assurance that is expected from second line functions is not robustly delivered. This may be due to a focus on core, operational responsibilities rather than risk management and assurance activities.

### 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	Final Report	May 2025	July 2025	November 2025	Limited	3	1	1	1
Managing Housing Benefit Overpayments	Delivery Director Tackling Inequality (interim)	Final Report	May 2025	December 2025	January 2026	Limited	3	1	1	1
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	Final Report	July 2025	November 2025	January 2025	Limited	6	2	2	2
Bankline	Director of Finance	Draft Report	August 2025							
Street Light Contract Management	Director of Environment and Resident Experience	Draft Report	August 2025							
Corporate Arrangements for Commissioning	Director of Adult's Social Services Director of Children's Social Services	Fieldwork	September 2025*							
Governance over Delivery of Savings	Director of Finance	Draft Report	September 2025							
Council Tax Billing, Collection and Administration	Delivery Director Tackling Inequality (interim)	Draft Report	September 2025							
Management of Leisure Services	Director of Environment and Resident Experience	Draft Report	September 2025							

All draft reports in this table are outstanding, and responses have been chased from management.

\* Delivery of this review was split across several months from the start date, expected completion date is December 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
Fire Risk Assessments (FRAs)	Operational Director – Hsg & Build Safety	Final Report	September 2025	November 2025	January 2026	Adequate	3	0	1	2
Efficient and Effective use of Temporary Accommodation	Operational Director – Hsg & Build Safety	Review	September 2025							
SEN Transport	Director of Children's Services	Fieldwork	October 2025							
HCBS – Contract Management	Operational Director – Hsg & Build Safety	Draft Report	November 2025							
IT Audit Needs Assessment	Director of Finance and Resources	Review	November 2025							
HCBS – Property Management	Operational Director – Hsg & Build Safety	Fieldwork	November 2025							
Digital Transformation Assurance – Residence Connect Project	Director of Finance and Resources	Fieldwork	November 2025							
Business Rates Billing, Collection and Administration	Director of Resident and Engagement	Fieldwork	November 2025							
Management of Garages	Director of Finance and Resources	Fieldwork	December 2025							
Review of Parking Operations (PCN and Pay and Display)	Director of Resident and Engagement	Draft ToR	December 2025							
Cybersecurity – Insider Threat Risk Management	Director of Finance and Resources	Draft ToR	January 2026							

All draft reports in this table are outstanding, and responses have been chased from management.

Total 25 5 9 11

## 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	December 2025	January 2026	Adequate	5	0	2	3	
Disrepairs	Director of Housing	Draft Report	March 2025								
Noel Park Pods Fact Finding	Head of Audit and Risk Management	Final Report	May 2025	December 2025	January 2026	N/A	N/A	N/A	N/A	N/A	
							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	18 days*
Management responses received within 10 working days from draft report	10 working days	26 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

\* Number of days slightly above target due to the sudden long-term absence of the lead Assistant Manager responsible for operational delivery of plan. Capacity was restored quickly and handovers took place, however the sudden absence did have a short-term impact on timeliness.

## 06. Thought Leadership – Navigating cyber risks: How LAs can build resilience against emerging threats

The recent cyber-attack on local authorities in November 2025 serves as a stark reminder of the evolving threats facing the public sector. As cyber risks grow in scale and sophistication, councils must adopt robust cybersecurity practices to safeguard essential services and sensitive data.

### Key Cyber Risks Facing Local Authorities

#### Third Party Vulnerabilities:

Many councils rely on shared IT services or external suppliers. A breach in one area can quickly escalate, disrupting services across multiple authorities. Therefore, supply chain security is no longer optional, but it's essential.

#### Ransomware and phishing attacks:

Local authorities are prime targets for ransomware and phishing campaigns. These attacks can lead to service outages, data breaches, and significant financial losses.

#### Regulatory Compliance:

The Cyber Security and Resilience Bill (2025) requires councils to demonstrate resilience and report incidents promptly. Whilst the Bill is still progressing, aligning with its principles now will help future-proof your organisation.

#### Legacy Infrastructure:

Outdated systems are often harder to patch, lack modern security controls, and can serve as easy entry points for attackers. Many local authorities still rely on older technology that may no longer be supported by vendors, increasing exposure to exploits. While cloud adoption grows, many critical services and data still reside on-premises. Poorly secured on-premises systems can become a single point of failure.

### Why cyber security matters for local authorities?

Local authorities manage critical services - from housing and social care to education and public safety. A successful cyber-attack can disrupt these services, compromise citizen data and erode public trust. With the Cyber Security and Resilience Bill (2025) introducing stricter requirements for incident reporting and resilience planning, now is the time to strengthen your cyber posture.

### Best practices to mitigate risks:

- Modernise legacy systems;
- Incident response planning;
- Staff training and awareness
- Multi-Factor authentication (MFA);
- Patch Management;
- Data backup and recovery; and
- Collaboration with peers

For full explanations, please read the full article [here](#).

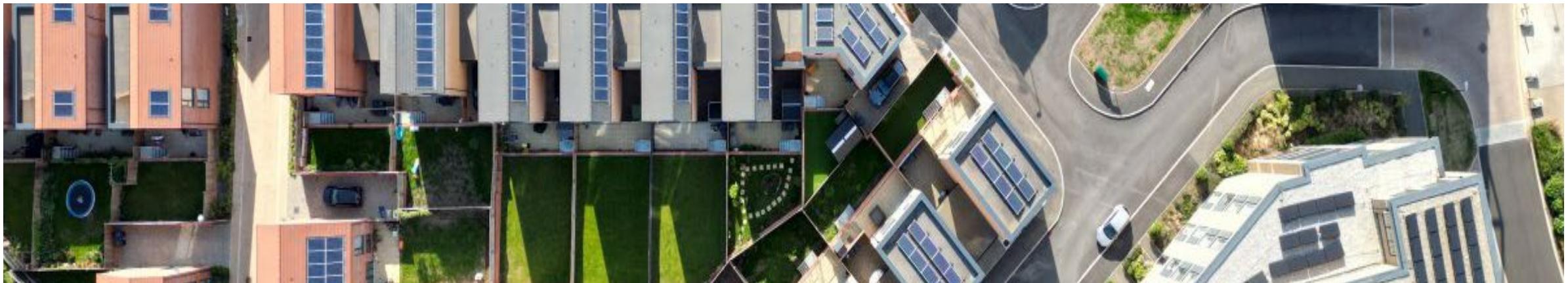
## 06. Thought Leadership: Regulator of Social Housing - Annual Sector Risk Profile

In November 2025, the Regulator of Social Housing (RSH) published its annual sector risk profile. Local authorities with housing stock should be mindful of the findings, and consider these as part of their risk identification/benchmarking and risk management arrangements.

In particular, the RSH highlights the importance of governance. In this respect, the RSH's requirements apply to private registered providers only, though the report notes the relevance of these principles to Local Authorities, such as in relation to councillors' oversight of consumer standards, risk management, and comprehensive data used to make strategic decisions about tenant services and repairs.

Some risk area highlights reflect new/evolving risks (e.g. the phased extensions of Awaab's Law) while others reflect longstanding, and still significant, areas of risk and control. We have highlighted this report for the Councils' awareness and for consideration in the course of continuous risk management.

[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 **Managing Housing Benefit Overpayments** 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 housing benefit overpayments at the Council.

Why the Audit is in your 2025/26 Plan		Your Strategic Risk							
It is an area of high financial exposure for the Council.		FR0001 – unable to set a balanced budget for 2025/26 and beyond. FIN0005 – cash flow, running out of cash/not being able to make payments.							
Summary of our opinion									
<b>Limited Assurance</b> See Appendix A1 for definitions		<table><thead><tr><th>Priority 1 (High)</th><th>1</th></tr></thead><tbody><tr><td>Priority 2 (Medium)</td><td>1</td></tr><tr><td>Priority 3 (Low)</td><td>1</td></tr></tbody></table>		Priority 1 (High)	1	Priority 2 (Medium)	1	Priority 3 (Low)	1
Priority 1 (High)	1								
Priority 2 (Medium)	1								
Priority 3 (Low)	1								
		<table><thead><tr><th>Actions agreed by you</th><th>100%</th></tr></thead><tbody><tr><td>Priority 1 completion</td><td>31/01/2026</td></tr><tr><td>Overall completion</td><td>31/01/2026</td></tr></tbody></table>		Actions agreed by you	100%	Priority 1 completion	31/01/2026	Overall completion	31/01/2026
Actions agreed by you	100%								
Priority 1 completion	31/01/2026								
Overall completion	31/01/2026								
Summary of findings									
<b>Examples of good practice</b> <ul style="list-style-type: none"><li>✓ Sample of 15 overpayments found that claimants were notified of the overpayment via letter.</li><li>✓ Management was informed of invoiced debt performance monthly.</li></ul>		<b>Highest Priority Findings</b> <ul style="list-style-type: none"><li>• There was no clear prioritisation of debt, and the target Housing Benefit Overpayment balance was not being met.</li></ul>							
		<b>Key root causes</b> <ul style="list-style-type: none"><li>• A lack of clear prioritisation of debt levels and focus on action to clear debts.</li></ul>							

## A1. Latest Reports Issued – Summary of Findings 2025/26 (continued)

Since our last update, we have issued our final report relating to our review of **Management and use of Contract Waivers** 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 controls and processes in place for managing and using contract waivers.

Why the Audit is in your 2025/26 Plan		Your Strategic Risk	
To assess the controls, compliance and processes in place for the management and utilisation of contract waivers following the introduction of the new process in April 2025.		Failure to comply with procurement regulations due to inappropriate waiver use which results in legal penalties.	
Summary of our opinion			
<b>Limited Assurance</b> See Appendix A1 for definitions		<b>Priority 1 (High)</b> 2	<b>Actions agreed by you</b> <span style="background-color: #90EE90; color: black; padding: 2px 10px;">100%</span>
		<b>Priority 2 (Medium)</b> 2	<b>Priority 1 completion</b> 31/01/2026
		<b>Priority 3 (Low)</b> 2	<b>Overall completion</b> 31/01/2026
Summary of findings			
<b>Examples of good practice</b> <ul style="list-style-type: none"><li>✓ We confirmed that the Strategic Procurement team held monthly drop-in sessions for Council staff to support the transition to the new Contract Standing Orders.</li><li>✓ The CSOs outlined the scheme of delegation, specifying the required approvals from the Director, Cabinet, or CPO, depending on the contract value.</li></ul>		<b>Highest Priority Findings</b> <ul style="list-style-type: none"><li>• Weakness in waiver request governance and record-keeping.</li><li>• Lack of formal monitoring and reporting of waiver activity.</li></ul>	
		<b>Key root causes</b> <ul style="list-style-type: none"><li>• Inconsistencies in application due to the new contract waivers process being introduced in April 2025.</li><li>• With the CSOs introduced in April 2025 and the Procurement Board established in February 2025, monitoring and reporting have been overlooked.</li></ul>	

## A1. Latest Reports Issued – Summary of Findings 2025/26 (continued)

Since our last update, we have issued our final report relating to our review of **Fire Risk Assessments (FRAs)** 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 housing benefit overpayments at the Council.

Why the Audit is in your 2025/26 Plan		Your Strategic Risk							
Key landlord health and safety risk area with regulatory focus and tenant safety implications. A new system, C365, is used to schedule inspections.		CORP005 - Failure to meet Housing / Achieve full regulatory compliance for Council Housing Stock standards.							
Summary of our opinion									
<b>Adequate Assurance</b> See Appendix A1 for definitions		<table><thead><tr><th>Priority 1 (High)</th><th>-</th></tr></thead><tbody><tr><td>Priority 2 (Medium)</td><td>1</td></tr><tr><td>Priority 3 (Low)</td><td>2</td></tr></tbody></table>		Priority 1 (High)	-	Priority 2 (Medium)	1	Priority 3 (Low)	2
Priority 1 (High)	-								
Priority 2 (Medium)	1								
Priority 3 (Low)	2								
		<table><thead><tr><th>Actions agreed by you</th><th>100%</th></tr></thead><tbody><tr><td>Priority 2 completion</td><td>28/02/2026</td></tr><tr><td>Overall completion</td><td>31/03/2026</td></tr></tbody></table>		Actions agreed by you	100%	Priority 2 completion	28/02/2026	Overall completion	31/03/2026
Actions agreed by you	100%								
Priority 2 completion	28/02/2026								
Overall completion	31/03/2026								
Summary of findings									
<b>Examples of good practice</b> <ul style="list-style-type: none"><li>✓ Through a review of dates listed in the FRA programme data, there were no overdue properties at the time of the audit.</li><li>✓ Monthly KPI reports are presented at Building Safety Compliance (BSC) Board meetings, including FRA completion rates and a breakdown of overdue remedial actions by priority level.</li><li>✓ Monthly reconciliations between the asset management report and the FRA programme were completed between June and August 2025.</li></ul>		<b>Highest Priority Findings</b> <ul style="list-style-type: none"><li>• Signed contract not in place with the key fire safety contractor responsible for completion of FRAs. Other contracts in place with contractors responsible for completion of remedial actions are not accessible to Fire Safety team.</li></ul>							
		<b>Key root causes</b> <ul style="list-style-type: none"><li>• Delays with legal progressing the contract process with FFT (the FRA contractor).</li><li>• Contracts in place with contractors responsible for completion of remedials and FRAs are not currently accessible to relevant staff, meaning it is unclear what service standards have been agreed.</li></ul>							

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

Since our last update, we have issued our final report relating to our review of **Sickness Absence 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:** To establish the controls and processes in place for managing short- and long-term sickness.

Why the Audit is in your 2025/26 Plan		Your Strategic Risk							
To review the controls and processes in place for managing short- and long-term sickness absences given the significant impact it can have on business operations.		Inappropriate or unauthorised use of sickness payment which results in substantial financial costs for the Council.							
Summary of our opinion									
<b>Adequate Assurance</b> See Appendix A1 for definitions		<table><tbody><tr><td>Priority 1 (High)</td><td>-</td></tr><tr><td>Priority 2 (Medium)</td><td>2</td></tr><tr><td>Priority 3 (Low)</td><td>3</td></tr></tbody></table>		Priority 1 (High)	-	Priority 2 (Medium)	2	Priority 3 (Low)	3
Priority 1 (High)	-								
Priority 2 (Medium)	2								
Priority 3 (Low)	3								
		<table><tbody><tr><td><b>Actions agreed by you</b></td><td><b>60%</b></td></tr><tr><td>Priority 1 completion</td><td>N/A</td></tr><tr><td>Overall completion</td><td>2029</td></tr></tbody></table>		<b>Actions agreed by you</b>	<b>60%</b>	Priority 1 completion	N/A	Overall completion	2029
<b>Actions agreed by you</b>	<b>60%</b>								
Priority 1 completion	N/A								
Overall completion	2029								
Summary of findings									
<b>Examples of good practice</b> <ul style="list-style-type: none"><li>✓ From our sample of five long-term sickness cases, the two applicable cases were referred to Occupational Health within two weeks of becoming a long-term sickness case.</li><li>✓ Sickness data was reported to the Directorate Management Team monthly.</li><li>✓ Key details of sickness absences were recorded in SAP for our sample of ten sickness absences e.g. start and end dates, sickness reasoning on SAP.</li></ul>		<b>Highest Priority Findings</b> <ul style="list-style-type: none"><li>• Sickness Absence Policy training was not mandatory for recently promoted line managers and some line managers had not attended the relevant training.</li><li>• Return to work forms were not completed on the employees first day back and were not stored in a central location.</li></ul>							
		<b>Key root causes</b> <ul style="list-style-type: none"><li>• Responsibility for signing up to the training sits with line managers as opposed to HR.</li><li>• No process to monitor return to work meetings/form completion dates.</li><li>• No central accessible location to store sickness related documents.</li><li>• There is a lack of centralised system preventing a better control environment to manage sickness absences.</li></ul>							

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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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