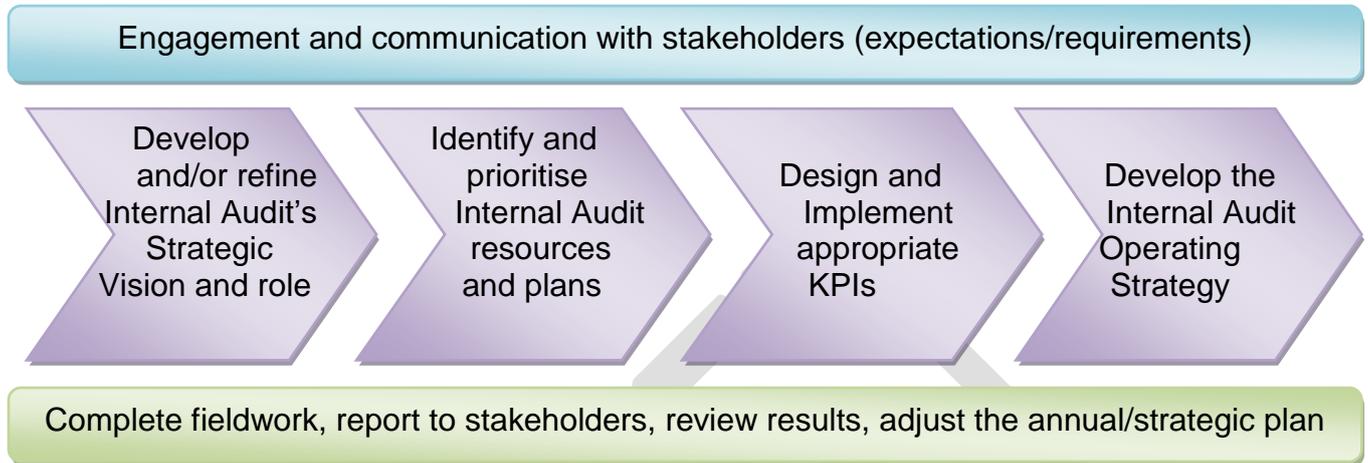


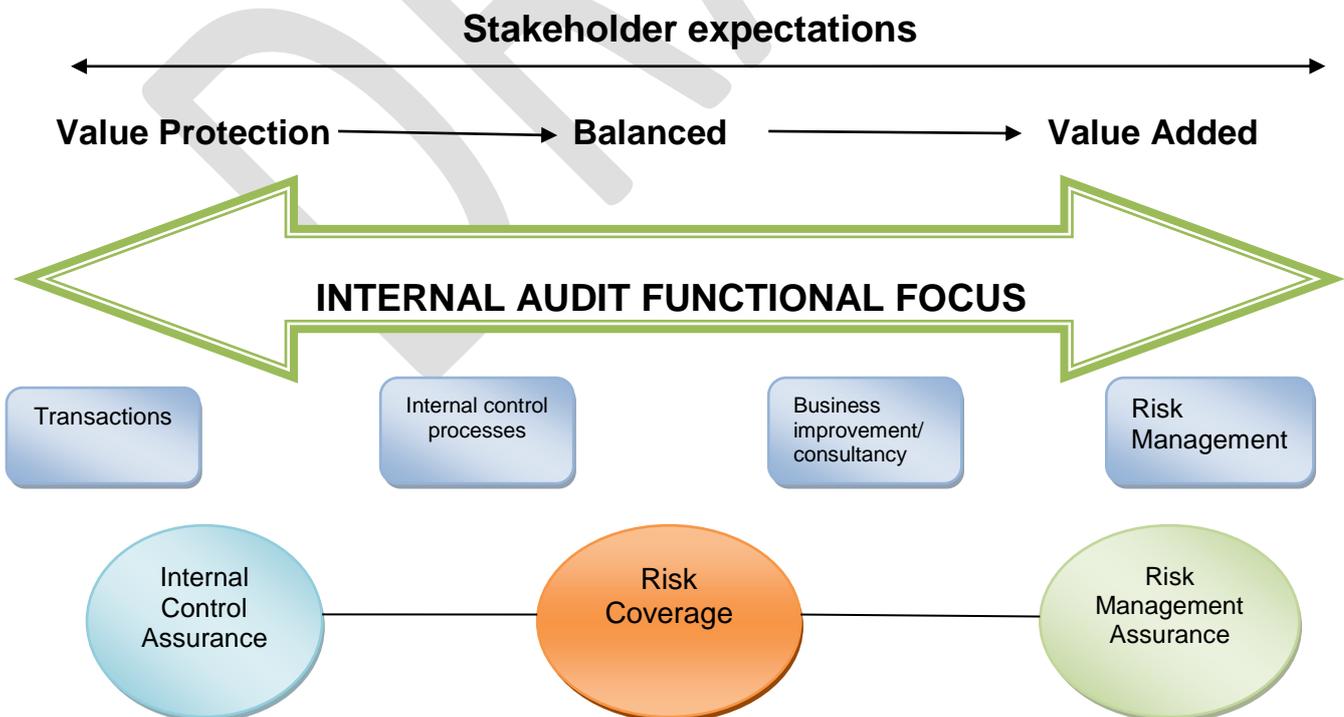
# London Borough of Haringey - Internal Audit Strategy and Annual Audit Plan

## Internal Audit Strategy – Introduction

The internal audit function is driven by an appropriate strategy, rather than as a tactical response to operational issues, to minimise the risks that key strategic issues could be overlooked. Our framework has been developed to cover both strategic and tactical considerations and ensures that internal audit resources are used to provide the appropriate assurances for the organisation at any one time, as follows:



To create an effective internal audit function, our key stakeholders will determine how the audit function delivers the desired value by focusing on e.g. risk management and control assurance; assessment of internal control effectiveness and efficiency; regulatory and corporate compliance assurance; developing awareness of risk and control across the organisation. Internal audit's resources and plans are then aligned to the Council's key business risks and operational and financial priorities as follows:



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## Internal Audit Vision and Mission

Our vision is for internal audit to be a trusted and innovative assurance provider recognised for delivering impactful insights, adopting a culture of continuous improvement, and empowering the Council to proactively address emerging challenges. Rooted in key priorities, our aim is to strengthen the council's governance, risk management, and control processes by providing independent and value-driven assurance.

Our approach is designed to enable internal audit's remit to evolve and develop as the organisation's needs change over time. As stakeholder needs evolve, internal audit can focus on creating value through assisting with improvements in operational processes. As Haringey's risk appetite changes, internal audit's strategy and functional focus can move from internal control to risk management, assurance. As such, our mission is to provide independent, risk-based assurance and proactive recommendations that empower decision-making and enhance the council's effectiveness. Our aim is to build trust and collaboration across all levels, promoting accountability, resilience, and continuous improvement while upholding the priorities.

In delivering this Mission Statement, Internal Audit will:

- Produce and deliver a Risk Based Internal Audit Plan, which is reviewed quarterly and complies with the Global Internal Audit Standards (GIAS) and UK Public Sector Internal Audit Standards Advisory Board (IASAB)) application note;
- Provide the Head of Auditor's Annual Opinion on the organisation's internal control, risk management framework and corporate governance arrangements;
- Provide progress reports to the Audit Committee that highlight any significant risk and control deficiencies or potential areas for improvement in governance, risk and control arrangements;
- Provide management and members with an independent, objective assurance and advisory activity designed to add value and improve the Council's operations;
- Support and suitably challenge key assumptions and judgments taken by management, through Internal Audit's assurance and advisory role, to ensure they are appropriate and in accordance with relevant legislation, policies and procedures, guidance and professional standards;
- Work with other internal stakeholders and customers to review and recommend improvements to internal control and governance arrangements in accordance with regulatory and statutory requirements;
- Work closely with other assurance providers to share information and provide a value for money assurance service. Where appropriate the work of other assurance providers may be taken into consideration and contribute to the Head of Audits annual opinion;
- Participate in local and national bodies and working groups to influence agendas and developments within the profession; and
- Deliver a best-practice, cost-efficient Internal Audit function that adds measurable value.

## Service Delivery 2026/27

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The internal audit service will be delivered by using externally procured services under the direction of the Council's Head of Audit and Risk Management, supported by an in-house Corporate Anti-Fraud Team. During this period, the internal audit service will consider and where advantageous, look to recruit an internal auditor with the appropriate skills and experience to complement delivery by the external provider.

The resources available in 2026/27 to deliver the internal audit and counter-fraud function have been assessed; existing resources are a challenge by the demands of services but are adequate to fulfil the requirements of the GIAS and ensure that the key risks of the Council are subject to an appropriate level of independent audit review. There is pressure on the level of assurance needed from the internal audit service and the resources available. The Head of Audit and Risk Management will continue to monitor the current plan and report back to the Committee where assurances cannot be assigned.

## Strategic Objectives

### Internal Audit will:

- Provide Strategic and Independent Assurance - The internal audit service will continue to deliver objective assurance to Members, the Senior Officers and the Corporate Director of Finance and Resources, supporting them in discharging their S151 responsibilities under the Local Government Act 1972;
- Strengthen Collaboration and Governance Excellence - Partnerships with stakeholders and other assurance providers will be further developed to ensure cohesive and impactful insights;
- Promote a Risk-Aware and Performance-Driven Culture - The service will actively contribute to embedding a culture of risk awareness and operational excellence across the Council;
- Develop Competencies to Address Evolving Challenges - The service will prioritise continuous professional development, address skills gaps, and enhance capabilities to meet the increasing complexity of governance and control environments;
- Leverage Technology for Enhanced Efficiency - The internal audit service will incorporate advanced technology and tools to strengthen the quality and efficiency of its work.
- Drive Internal Audit Excellence - The service will maintain and enhance its reputation as a high-performing assurance provider.

## Internal Audit Planning

Audit planning will be undertaken on an annual basis and audit coverage will be based on the following:

- The Corporate Delivery Plan and Corporate / Directorate Risk Registers;
- Risk identified by Directorate Management Teams;
- Discussions regarding assurance needs with the Council's senior management, statutory officers and Priority Owners;
- Outputs already available from other independent assurance providers; and
- Risks emerging from implementation of processes designed to support organisational efforts to set a balanced budget from 2026/27.

# London Borough of Haringey - Internal Audit Strategy and Annual Audit Plan

The Annual Internal Audit Plan is composed of the following:

- **Corporate Delivery Plan/Priority and Business Area Risk Based Audits:** Audits of systems, processes or tasks where the internal controls are identified, evaluated and confirmed through risk assessment process. The internal controls depending on the risk assessment are tested to confirm that they are operating correctly. The selection of work in this category is driven by internal audit's and senior managers' risk assessment and may also include work in areas where the Council services are delivered in partnership with or by other organisations.
- **Key Financial Systems:** Audits of the Council's key financial systems on a continuous basis;
- **Probity Audit (schools/other establishments):** Audit of a single establishment. Compliance with legislation, regulation, policies, procedures or best practice is confirmed;
- **Computer Audit:** The review of ICT infrastructure and associated systems, software and hardware;
- **Contract and Procurement Audit:** Audits of the Council's procedures and processes for the letting and monitoring of contracts, including reviews of completed and current contracts;
- **Counter-Fraud and Ad-Hoc Work:** The in-house Corporate Anti-Fraud Team undertakes a programme of pro-active and reactive counter-fraud investigations. A contingency of audit days is also included in the annual audit plan to cover any additional work due to changes or issues arising in-year;
- **Advisory:** Supporting management with advice and guidance regarding new systems and processes and how an efficient and effective control environment to manager risk can be implemented. Our mix of in house and outsourced resources, enables us to provide this added value service without conflicts of interest arising; and
- The organisational goal to ensure the organisation is able to set a balanced budget without any government support.

## Follow-up

Internal Audit will evaluate the Council's progress in implementing audit recommendations against agreed targets for implementation. Progress will be reported to management and to the Audit Committee on a quarterly basis. Where progress is unsatisfactory or management fail to provide a satisfactory response to follow up requests, Internal Audit will implement the escalation procedure as agreed with management.

## Reporting

Internal audit reports the findings of its work in detail to local management at the conclusion of each piece of audit work and at the follow up stage. The appropriate officers to receive the report at the draft and final reporting stage of the audit will be determined at the planning stage of the work and reviewed at the end of the fieldwork period to ensure completeness. Summaries of findings are reported to the Audit Committee as part of the quarterly reports and within the Head of Internal Audit's annual report which contributes to the assurances underpinning the statutory Annual Governance Statement of the Council.

## Internal Audit Plan 2026/27

# London Borough of Haringey - Internal Audit Strategy and Annual Audit Plan

The annual internal audit plan has been discussed and is being agreed with the Senior Leadership Team; Statutory Officers and nominated stakeholders. The plan and strategy are submitted to the Audit Committee for final approval and any significant changes to the annual internal audit plan and/or the internal audit strategy will be reported during the year to the Audit Committee for formal approval. Any change to the plan will also be reported to the committee on a regular basis.

The table below sets out the internal audit work to be completed by the external contractor. The total number of days to be delivered excludes audit work that will be completed as part of the corporate anti-fraud team's work.

The work planned aims to provide coverage across the value protection and value added requirements of the Council. The internal audit service has focused its annual plan to align it with the identified key risks within the Corporate Delivery Plan in order to provide assurance across the directorates.

<b>Audit Area</b>	<b>Audit Sponsor</b>	<b>Days</b>
<b>Corporate/Cross Cutting Risk Audits</b>		
Review of the Outline Business Case for SAP Replacement	Corporate Director of Finance and Resources	15
Advisory audit for Board Governance	Corporate Director of Finance and Resources	10
Arrangements to Manage Organisational Change	Corporate Director Culture Strategy and Comm	15
Regularity Audit of Payments over £1k	Corporate Director of Finance and Resources	10
Organisational Culture	Chief Executive	15
<b>Sub-total – Corporate Risk Audits</b>		<b>65</b>
<b>Children's Services</b>		
Commissioning Processes over High Cost Placements	Corporate Director of Children's Services	13
Direct Payments	Corporate Director of Children's Services	12
Coombes Croft Library (Children's) - Regularity Audit	Corporate Director of Children's Services	8
Controls over Early Years Payments	Corporate Director of Children's Services	10
Stonecroft Day Nursery - Compliance Review	Corporate Director of Children's Services	10

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Audit Area	Audit Sponsor		Days
<b>Sub-total</b>			<b>53</b>
<b>Adults, Housing and Health</b>			
Arrangements to Manage Transitions	Corporate Director of Adults, Housing and Health		10
Supply, Demand and Utilisation of Day Services	Corporate Director of Adults, Housing and Health		12
Commissioning Social Care Services	Corporate Director of Adults, Housing and Health		15
Implementation of Recommendations from CQC	Corporate Director of Adults, Housing and Health		10
Management of Care Act Assessments	Corporate Director of Adults, Housing and Health		12
<b>Sub-total</b>			<b>59</b>
<b>Housing</b>			
Management and Operation of Partnering Contracts	Director of Housing / Corporate Director of Adults, Housing and Health		12
Leasehold Charges including Major Works	Director of Housing / Corporate Director of Adults, Housing and Health		10
Governance over Implementation of Recommendations from HQN report	Director of Housing / Corporate Director of Adults, Housing and Health		15
Housing Voids Management	Director of Housing / Corporate Director of Adults, Housing and Health		15
Homelessness	Director of Housing / Corporate Director of Adults, Housing and Health		10
Legionella Inspection and Management	Director of Housing / Corporate Director of Adults, Housing and Health		10
Asset Management / Data Integrity / Stock Condition	Director of Housing / Corporate Director of Adults, Housing and Health		15
<b>Sub-total</b>			<b>87</b>

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Audit Area	Audit Sponsor	Days
<b>Culture, Strategy &amp; Communities</b>		
Preparedness for the London Borough of Culture	Corporate Director Culture Strategy and Comm	15
Placemaking Tottenham	Corporate Director Culture Strategy and Comm	15
Dealing with Complaints, Particularly at Stage 2	Corporate Director Culture Strategy and Comm	10
<b>Sub-total</b>		<b>40</b>
<b>Environment &amp; Resident Experience</b>		
Management of risks in respect of the North London Waste Authority	Corporate Director of Env & Resident Exp	10
Management and Control of Residential Parking Permits	Corporate Director of Env & Resident Exp	12
Trading Standards	Corporate Director of Env & Resident Exp	10
Debt Recovery	Corporate Director of Env & Resident Exp	10
<b>Sub-total</b>		<b>42</b>
<b>Finance and Resources</b>		
Delivery of the Corporate Landlord Model	Corporate Director of Finance and Resources	15
Transformation of the Civic Centre - Contract Audit	Corporate Director of Finance and Resources	15
Budget Monitoring	Corporate Director of Finance and Resources	12
Capital Programme Governance - General Fund	Corporate Director of Finance and Resources	15
Cost Control over the Housing Delivery Programme	Corporate Director of Finance and Resources	10
<b>Sub-total</b>		<b>67</b>
<b>Corporate Information Technology Audits</b>		
Business Continuity and Disaster Recovery	Corporate Director of Finance and Resources	15
Cybersecurity Controls and Resilience	Corporate Director of Finance and Resources	15

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<b>Audit Area</b>	<b>Audit Sponsor</b>		<b>Days</b>
Follow up on Prior Year Audit Recommendations	Corporate Director of Finance and Resources		5
Digital Transformation and Change	Corporate Director of Finance and Resources		10
<b>Corporate ICT Audits</b>			<b>45</b>
<b>Contract and Procurement Audit</b>			
Application review of HCPS (Procurement System)	Corporate Director of Finance and Resources		10
Commissioning Arrangements - Corporate	Corporate Director of Finance and Resources		15
Arrangements to secure VFM from contracts	Corporate Director of Finance and Resources		15
Supplier Selection and Resilience	Corporate Director of Finance and Resources		10
<b>Sub-total</b>			<b>50</b>
<b>Risk Based Audits of Key Financial Systems</b>			
Accounts Payable (Creditors)	Corporate Director of Finance and Resources		12
Payroll	Corporate Director Culture Strategy and Comm		10
Management of the Housing Benefit service	Corporate Director Culture Strategy and Comm		12
Treasury and Cashflow Management	Corporate Director of Finance and Resources		12
Accounting & General Ledger	Corporate Director of Finance and Resources		10
<b>Sub-total – Key Financial Systems</b>			<b>56</b>
<b>School Audits Risk Based Programme</b>			
Alexandra Primary School	Corporate Director of Children's Service		8
Bounds Green - Infants and Juniors School	Corporate Director of Children's Service		8
Coleridge Primary School	Corporate Director of Children's Service		8
(The) Devonshire Hill & Nursery	Corporate Director of Children's Service		8
Earlham Primary School	Corporate Director of Children's		8

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Audit Area	Audit Sponsor	Days
	Service	
Highgate Primary School	Corporate Director of Children's Service	8
Rhodes Avenue Primary School	Corporate Director of Children's Service	8
St James CE School	Corporate Director of Children's Service	8
St Mary's CE Primary	Corporate Director of Children's Service	8
The Willows Primary School	Corporate Director of Children's Service	8
Fortismere Secondary School	Corporate Director of Children's Service	8
Pembury House Infants School	Corporate Director of Children's Service	8
Management and follow-up of 2025/26 Schools' Audit Recs	Corporate Director of Children's Services	10
<b>Sub-total – School Audits</b>		<b>106</b>
Follow up of Audit Recommendations		30
Admin and Management		40
Risk Management		10
Homes for Haringey		20
Haringey Community Based Society		20
Contingency		20
<b>Total</b>		<b>810</b>