

**Internal Audit
Quarter 3 Internal Audit Report
2014/15
London Borough of Haringey**

Mazars Public Sector Internal Audit Ltd.
December 2014

Contents

	Page
Executive Summary	1
Audit Progress and Detailed Summaries.....	3
Detailed Progress Report – Outstanding Recommendations 2012/13.....	.14
Follow Up of 2013/14 Audit Work.....	16
Statement of Responsibility	21

Executive Summary

Introduction

This is our third quarter report to the Corporate Committee for the 2014/15 financial year including details of all reports which are now at final stage. The report provides information on those areas which have achieved full or substantial assurance 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 service areas and the Council which have been identified during the course of our internal audits. A more detailed summary of the limited assurance audit findings is included for information. The report draws together the summary information which is provided on a monthly basis to Members of the Corporate Committee. Members of the Committee will also be provided with full copies of our audit reports 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 3 2014/15 – Final Reports issued:

2013/14 Internal Audits finalised in the quarter:

- Children remanded into Custody and Care.

2014/15 Internal Audits finalised in the quarter:

- Highways Income;
- Private Sector Leasing;
- M3PP Environmental Enforcement Application;
- eBenefits Application – Follow-up;
- ePay Application;
- Data Quality; and

- BSF ICT Managed Services.

Delivery of 2013/14 Internal Audit Plan

The 2013/14 Internal Audit Plan has been fully delivered.

Delivery of 2014/15 Internal Audit Plan

As part of the delivery of the 2014/15 Internal Audit Plan, we have also issued draft reports for the following audits:

- Debt Collection; and
- Safeguarding Adults Prevention Strategy.

Follow Up of Prior Years' Recommendations

The results of our follow-up work are as follows:

2012/13

Three recommendations remain outstanding; work is ongoing to address these.

2013/14

To date we have followed up 41 recommendations raised in 2013/14 and the results of our work are as follows:

- Implemented – 33 (80.5 %);
- Partly Implemented – 5 (12.0 %);
- Not Implemented – 1 (2.5 %); and
- Not Applicable – 2 (5.0 %).

Audit Progress and Detailed Summaries

The following table sets out the audits finalised in Quarter 3 of 2014/15 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.

Detailed summaries of all audits which do not receive 'Full' or 'Substantial' assurance ratings are also provided for Members' information.

Audit Title	Date of audit	Date of Final Report	Assurance Level	Direction of Travel	Number of Recommendations (Priority)		
					1	2	3
2013/14							
Children Remanded into Custody & Care	Jan'14	15.12.14	Limited	N/A	2	5	0
2014/15							
Highways Income	June'14	20.10.14	Limited	N/A	5	1	1
Private Sector Leasing	Aug'14	10.10.14	Substantial	N/A	0	0	3
M3PP Environmental Enforcement Application	Sept'14	12.11.14	Substantial	N/A	0	7	6
eBenefits Application – Follow-up	Oct'14	08.12.14	N/A	N/A	0	2	1
ePay Application	Oct'14	19.12.14	Substantial	N/A	0	1	3
Data Quality and Performance Indicators	Oct'14	22.12.14	Substantial	↔	0	2	0
BSF ICT Managed Services	Nov'14	19.12.14	Substantial	N/A	0	0	1

As part of the 2014/15 Internal Audit Plan we have visited the following schools, completed a probity audit and during Quarter 3 issued a final report.

School	Date of Audit	Report Date	Assurance Level	Number of Recommendations (Priority)		
				1	2	3
Bruce Grove Primary School	Jun'14	01/10/14	Limited	5	10	1
St Paul's Catholic School	Jun'14	27/10/14	Limited	1	12	2
St Martin of Porres RC Primary School	Oct'14	09/12/14	Limited	1	15	1

As part of the 2014/15 Internal Audit Plan we have also visited the following schools, completed a follow-up of the recommendations raised in 2013/14 and during Quarter 3 issued a formal follow-up report. The results of our follow-up work are summarised in the table below.

School	Assurance Level	Recommendations											
		Category				Implemented				Partly Impl.	Not Impl.	N/A	Priority 1 Recs. Outstanding
		1	2	3	Total	1	2	3	Total				
Northumberland Park Community School	Limited	6	6	1	13	4	5	1	10	3	0	0	2
Highgate Wood Secondary School	Limited	7	12	1	20	4	5	1	10	6	4	0	3
Hornsey School for Girls	Substantial	1	5	1	7	1	0	0	1	5	0	1	0
Alexandra Primary School	Substantial	0	7	1	8	0	4	1	5	2	1	0	0
Bounds Green Primary School	Substantial	0	1	5	6	0	1	5	6	0	0	0	0
Coldfall Primary School	Substantial	0	8	1	9	0	5	1	6	2	1	0	0
Earlham Primary School	Nil	13	17	0	30	3	4	0	7	9	11	3	9

School	Assurance Level	Recommendations											
		Category				Implemented				Partly Impl.	Not Impl.	N/A	Priority 1 Recs. Outstanding
		1	2	3	Total	1	2	3	Total				
Ferry Lane Primary School	Limited	5	11	0	16	3	5	0	8	3	4	1	1
Lancasterian Primary School	Substantial	2	3	3	8	1	2	3	6	2	0	0	1
Rhodes Avenue Primary School	Substantial	0	6	4	10	0	5	4	9	1	0	0	0
St James CE Primary School	Substantial	2	10	1	13	2	4	1	7	4	2	0	0
Stamford Hill Primary School	Limited	4	10	4	18	3	5	4	12	5	1	0	3
Stroud Green Primary School	Limited	5	14	2	21	2	4	2	8	7	6	0	3
Tiverton Primary School	Limited	3	16	0	19	0	7	0	7	11	0	1	3
Welbourne Primary School	Substantial	1	10	1	12	1	7	1	9	3	0	0	0
Seven Sisters Primary School *	Limited	9	1	0	10	4	0	0	4	4	0	2	3

* Follow-up of outstanding 2012/13 recommendations

DETAILED SUMMARIES:

Audit area	Scope	Status/key findings	Assurance
ENVIRONMENTAL SERVICES & COMMUNITY SAFETY			
Highways Income 2014/15	Audit work was undertaken to cover the following areas: <ul style="list-style-type: none"> • Compliance with Statutory and Local Requirements (including the Council's financial procedure rules); • Income Collection and Receipting; • Banking and Reconciliation; • Allocation Processes; and • Monitoring and Reporting. 	Weaknesses in the system of internal controls are such as to put the client's objectives at risk. The key findings are as follows: <ul style="list-style-type: none"> • Licences are applied for using specific licence request application forms available from Harinet, and fees are payable in advance. Where licences are due to be renewed, a reminder letter is sent requesting further payment. We sampled three renewals and found that in all cases the letter had been sent prior to the licence expiry date, although in one case this was sent only two days prior to expiry. • Deposits are fully refundable in all cases after works have been completed, providing the site has not been damaged and is in the same condition as at the start of the works. • We sampled 15 licences and in one instance, the inspection fee had not been collected as part of the total licence fee for a Scaffold License (No. 3038/SCA). • The deposit taken for granting a licence is calculated manually using a simple formula for all licence types except for crane licenses where a flat rate of £200 is required to be paid. • Deposits received for mobile crane licences are not banked but are held in a safe and cheques are then discarded when the licences have expired. • Utility companies are invoiced for street works undertaken, with the invoice comprising a number of smaller invoice amounts in order to avoid higher costs related to issuing individual invoices for each of the works completed. • Utility companies agree to the works charges prior to the invoice being raised so that payment is not delayed due to disputes relating to individual works. For a sample of four utility companies, a total of 22 invoices totalling £53,393.30 	Limited

Audit area	Scope	Status/key findings	Assurance
		<p>were not paid within 30 days, and had still not been paid at the time of the audit. Discussions with the System Co-ordinator established that responsibility for recovery action lies with the Council’s debt recovery team. As this area is covered as part of other audits, we have not followed up on the recovery actions and no recommendations have been raised in this area.</p> <ul style="list-style-type: none"> • Although banking of income collected is required to be undertaken on a weekly basis in line with procedures, in the 14 week period between the end of February and end of May 2014, only six bankings each for licenses and vehicle crossovers were prepared. • Income is collected and banked by BDI - Securities, an external security company. Receipts are required to be retained. For the 12 bankings in the period identified above, receipts could not be located in four instances. • Examination of banking records for a 14 week period from March to May 2004 identified weaknesses, including incomplete paying-in slips and receipts from BDI Securities not being retained. • Reconciliations between amounts banked and amounts posted on SAP as banked have not been completed since October 2013 for licence income, and have not been completed at all for vehicle crossovers. In addition, the reconciliations that had been completed were not subject to review by a senior officer. • The year-end reconciliation between the Highways Access database and SAP has not been completed for the 2013/14 financial year. Furthermore, the 2012/13 reconciliation had not been fully completed, and there was no recorded evidence of review and sign off by a senior officer. • Monthly budget monitoring reports are produced by a lead revenue officer and presented at monthly management meetings where Highways Income is discussed. The budget 	

Audit area	Scope	Status/key findings	Assurance
		<p>monitoring reports compare actual income collected to budget.</p> <ul style="list-style-type: none"> • Income collected is allocated to specific income codes on SAP. There are two WBS income codes for licence income received, depending on whether the work is carried out in the East or the West of the borough. For deposit income, a unique WBS code was requested from Central Finance and all such income was coded and reflected on SAP. For vehicle crossover income, this is allocated to a separate profit centre. • We sampled 13 banking transactions and identified one instance where the total amount banked of £20,239.81 in April 2014, which was recorded on Cash Return number 409043, was found to still be in the holding account on SAP and had yet to be allocated to the relevant cost centres. • An annual uplift of 3% is usually applied to licence fees and costs. However, this was not applied in 2014/15. We were informed that, as this decision was made and agreed corporately, the service would not have minutes of that decision making. We would however advise management to continue liaising with Corporate Finance to obtain a copy of the minutes, as evidence of the decision. <p>As a result of our audit work we have raised five Priority 1 recommendations, one Priority 2 recommendation and one Priority 1 recommendation, which should assist in improving the control environment.</p> <p>The Priority 1 recommendations are as follows:</p> <ul style="list-style-type: none"> • All income collected on behalf of the Council (including deposits) should be appropriately recorded, banked intact and in a timely manner, and where appropriate, refunded in accordance with the Council's normal refund process. • Reconciliations between amounts banked and amounts posted onto SAP as banked should be undertaken on at least a monthly basis for both licenses issued as well as vehicle crossovers. Furthermore, all income and banking reconciliations completed 	

Audit area	Scope	Status/key findings	Assurance
		<p>by the Service should be checked and signed off as complete and accurate by a senior member of staff.</p> <ul style="list-style-type: none"> • Staff involved in the banking process should be formally reminded of the requirement to maintain detailed and complete records of income banked. This should include but not be limited to the following: <ul style="list-style-type: none"> ➢ Paying-in slips completed in full to show the individual amounts being banked as well as the total; ➢ Paying-in slips completed and retained for all bankings; ➢ Retention of receipts received from BDI for the collection of income to be banked; and ➢ Cash return records being updated fully to show the corresponding bag number of the banking transaction these relate to. • Management should formally remind all staff involved in the collection and banking of income of the need to bank all income received in a timely manner, in accordance with local procedures. It is also advised that controls are tightened to ensure banking is prepared on a weekly basis. In addition to this, the safe insurance limit should be identified and made known to staff, and a safe income record should be created so that the cumulative amounts stored are known to help identify when banking is required to be undertaken. • The year-end reconciliation of the Highways Access database and SAP for the financial year should be completed as a matter of urgency. Thereafter, the reconciliation should be completed in full on an annual basis as soon as possible after the financial year end. The completed reconciliation should be signed by the preparer and independently reviewed and signed off by a senior officer to evidence checking of accuracy and completeness. Evidence of sign off should be recorded. All reconciliations should also be supported by appropriate documentation and any discrepancies should be explained, investigated, and cleared, with all details noted on the face of the reconciliation. <p>The Priority 2 recommendation is as follows:</p>	

Audit area	Scope	Status/key findings	Assurance
		<ul style="list-style-type: none"> Records of income banked should be reviewed by a second officer to ensure that amounts are allocated correctly onto SAP in a complete and timely manner. This review should be recorded as completed on the Cash Return records once undertaken. Furthermore, the amount banked in April 2014 of £20,239.81 should be reallocated from the holding account on SAP to the relevant cost centres as a matter of urgency. <p>The Priority 3 recommendation is as follows:</p> <ul style="list-style-type: none"> The <i>Highway Licensing - Fees and Requirements</i> summary document on the Council’s website should be updated to reflect the 2014/15 charges. Furthermore, the document should be updated in a timely manner annually to reflect the 3% increase applied to licence charges each year. 	
CHILDREN’S SERVICE			
<p>Children Remanded into Custody and Care 2013/14</p>	<p>Audit work was undertaken to cover the following areas:</p> <ul style="list-style-type: none"> Strategy and guidance; Services Provided to Children Remanded in Custody; Budgetary control; Management Reporting and Performance Monitoring (Including Monitoring of Outcomes); and Benchmarking. 	<p>Weaknesses in the system of internal controls are such as to put the client’s objectives at risk. The key findings are as follows:</p> <ul style="list-style-type: none"> Circular 2012/16 issued in November 2012 by the Ministry of Justice represents a major change in services offered to children remanded into custody. The Children and Young People’s Service (CYPS) have policies and guidance notes for looked after children (LAC) that are accessible through the Council’s website. However, it was established that procedures are not reviewed and updated periodically to reflect any changes to legislative requirements. The procedures were last reviewed in 2008. A Service Level Agreement (SLA) between Haringey Youth Court and the Youth Offending Service (YOS) to identify children who are likely to be remanded is in place. The agreement specifies that the agreement is to be reviewed annually, but there is no evidence that it has been reviewed since its inception. We were informed that the agreement is still active. Quarterly YOS Partnership Board meetings are held with external agencies to discuss performance monitoring. 	Limited

Audit area	Scope	Status/key findings	Assurance
		<ul style="list-style-type: none"> • Monthly Risk Management Panel meetings are held to discuss cases and identify actions, as required. • The Data Analyst for the YOS has been provided with new mapping software to allow more targeted analysis for the future. • We sampled 10 cases and identified three cases documentary records for the initial sentence/remand plan could not be found on Framework-I; We sampled 10 placements and found that in seven cases a healthcare assessment was not applicable, in two cases and assessment was not conducted and in one case, although an opt-out form was completed, this could not be located on Framework-i. • We sampled 10 young persons remanded in custody and established that in six cases, a Pathway Plan was not applicable, in two cases a plan was created, in one case a plan was created when the child was 16 years and five months and in one case a plan was not created. • The practice in Haringey of retaining a qualified social worker for a young person in all cases rather than a Personal Advisor up until they are 18 has not been formally defined within Haringey’s local procedures. • The YOS and Community Integrated Care (CIC) hold a weekly YDA meeting during which all cases are reviewed in order to identify whether services can be provided in order to enable bail to be granted with a view to reducing the number of demands. • The YOS Bail/remand worker attends the Children Service Resource Panel to discuss remand cases and identify alternative actions. <p>As a result of our audit work we have raised two Priority 1 recommendations and five Priority 2 recommendations. The Priority 1 recommendations are as follows:</p> <ul style="list-style-type: none"> • A process should be developed and implemented for ensuring that a fully documented initial sentence/remand plan is held in 	

Audit area	Scope	Status/key findings	Assurance
		<p>all applicable cases. This process may include a regular random check by an independent officer of records held on Framework-I to help identify instances of non-compliance. Where non-compliance is identified, appropriate corrective actions should be taken by management.</p> <ul style="list-style-type: none"> • A Healthcare Assessment should be undertaken for every looked after child. Where the young person is of an appropriate age to opt out of medical services, a waiver form should be obtained and kept on record. <p>The Priority 2 recommendations are as follows:</p> <ul style="list-style-type: none"> • The YOS procedure notes should be periodically reviewed and updated to reflect changes to statutory and/or local requirements. Delegated responsibility should also be assigned for review and update of local policies and procedures. A formal review process should be introduced for the review and updating of all policies and procedures. Version control should also be introduced. • The SLA for the provision of identifying children remanded in custody should be reviewed and updated annually as stipulated in the agreement. • A Pathway Plan should be set up for children leaving care, where applicable, in line with the relevant timeframe. The Pathway Plan should be in place within 3 months of the individuals becoming eligible and, wherever possible, a Pathway Plan will be in place by the young person's 16th birthday'. Where management policy dictates otherwise, local procedures should be updated to reflect local requirements and should be communicated to staff. • Haringey's local procedures should be amended to reflect the agreed current practice of retaining a qualified social worker in all cases rather than a PA up until the young persons are 18. The updated procedures should be communicated to all relevant staff. Furthermore, the procedures should state whether personal advisors are assigned to children and at what 	

Audit area	Scope	Status/key findings	Assurance
		<p>stage this should be.</p> <ul style="list-style-type: none"> The Council should compare its services against other statistical neighbours to identify areas of good practices and areas where improvement is needed. Results should be analysed and an action plan developed, where necessary, to monitor progress and improvements. 	

Detailed Progress Report – Outstanding Recommendations 2012/13

Ref	Recommendation	Priority	Original Implementation Deadline	Progress/Status
KEY FINANCIAL SYSTEMS				
Accounting & General Ledger				
1	<p>Procedure notes should be reviewed and updated on a regularly basis and version control should be introduced to evidence the review.</p> <p>Upon review of the procedures, specifically the SAP Procedure Notes, these should be updated to reflect the requirement for approval of journals over £50,000.</p>	2	December 2013	<p>Internal Audit findings April 2014</p> <p>There are 23 policies, as well as Haringey Core Systems Team Procedures on the intranet. The date of creation or last review of the procedures ranged from 26 November 2002 through to 24 November 2004, which indicates that procedures are not all subject to periodic review and update, where necessary.</p> <p>Management Response August 2014:</p> <p>Agreed – these will be reviewed over the course of the ONESAP implementation phase to reflect any changes in business processes arising from that project.</p> <p><i>Responsible Officer: Financial Systems Team Manager</i></p> <p><i>Deadline: January 2015</i></p>
Strategic Financial Management & Budgetary Control				
2	<p>Budget guidance for the setting and monitoring the 2015/16 budget should be developed, and once produced, published on the intranet and circulated to all managers.</p> <p>The budget guidance produced should include the following:</p> <ul style="list-style-type: none"> • The requirement that individual budgets are agreed by the relevant manager; • Guidance as to the level of materiality of budget variances to be investigated; and 	2	March 2013	<p>Internal Audit findings April 2014</p> <p>While budget preparation guidance has been produced and is available on the intranet, examination established that it relates to the 2011/12 budget.</p> <p>There was no guidance produced for setting and monitoring the 2013/14 budget; hence the inclusion of guidance on recording comments within SAP and materiality of budget variances, as previously recommended, has not been addressed.</p> <p>Management Response April 2014:</p> <p>Revised budget management arrangements are being reviewed and, where necessary, revised as part of the ONESAP project including</p>

Ref	Recommendation	Priority	Original Implementation Deadline	Progress/Status
	<ul style="list-style-type: none"> Guidance as to the requirement to record meaningful budget comments within SAP. 			for the setting and monitoring of budgets. <i>Responsible Officer: Head of Finance BAS</i> <i>Deadline: November 2014</i>
Payroll				
3	Policies and procedures should be reviewed periodically to reflect changes in processes and local policy, as well as, any changes in current legislation. The date of the last review should be recorded on all documents, even where changes are made.	2	Ongoing	<i>Internal Audit findings May 2014:</i> Procedures are still not reviewed and updated. <i>Management Response May 2014:</i> Agreed. The complete HR process is currently under review and one of the outcomes will include having up to date procedural guides. <i>Responsible Officer: Pay Control Manager</i> <i>Deadline: March 2015</i>

Follow Up Table – 2013/14 Audit Work

AUDIT AREA	Assurance Level	Recommendations												Priority 1 Recs. Outstanding
		Category				Implemented								
	1	2	3	Total	1	2	3	Total	N/A	Not Imp.	In Progress	Not due		
Key Financial Systems														
Accounts Receivable	Substantial	0	1	1	2	0	1	1	2	0	0	0	0	0
Procurement Audits														
Temporary Accommodation	Substantial	0	2	0	2	0	2	0	2	0	0	0	0	0
Corporate Purchase Cards	Substantial	0	1	0	1	0	1	0	1	0	0	0	0	0
IT Audits														
Framework-I Application	Substantial	0	1	3	4	0	1	3	4	0	0	0	0	0
eBenefits Application	Limited	0	9	1	10	0	7	0	7	0	0	3	0	0
Children's Service														
14-19 Provision	Limited	4	4	0	8	4	3	0	7	0	0	1	0	0
Adult Social Services														
Residential and Community Care Charges	Substantial	0	2	1	3	0	1	1	2	0	1	0	0	0
Pan-London (Major) Equipment Service	Substantial	1	2	0	3	1	0	0	1	1	0	1	0	0
Pan-London (Minor) Equipment Service	Substantial	0	3	0	3	0	2	0	2	1	0	0	0	0
Customer Services														
Social Fund	Substantial	0	0	3	3	0	0	3	3	0	0	0	0	0
Policy and Business Management														
Data Quality	Substantial	0	1	1	2	0	1	1	2	0	0	0	0	0
Total		5	26	10	41	5	19	9	33	2	1	5	0	0

Implemented – officers has indicated through self-certification the progress of recommendations. We have verified a sample of responses.

N/A – the recommendation is no longer applicable due to changes in the system, or alternative action has been taken to address the risk.

Not implemented – the recommendation has not been addressed, alternative action has not been taken.

In Progress – officers have started implementation of recommendations

Detailed Progress Report – Outstanding Recommendations 2013/14

Ref	Recommendation	Priority	Original Implementation Deadline	Progress/Status
IT AUDIT				
eBenefits Application				
1	<p>Management should address the following issues identified during this audit:</p> <ul style="list-style-type: none"> A formally defined procedure should be established to update and align housing benefit and council tax thresholds with the iWorld application; Management should request that Northgate configure the eBenefits application to reject non-alpha characters when entering a claimant's surname; Management should request that Northgate configure the eBenefits application to enable the ability to export and print the Unexported Claims report; and Management should review the licensing arrangements for the eBenefits application. 	3	<p>Completed</p> <p>N/A</p> <p>Completed</p> <p>January 2014</p>	<p>Status: Partly Implemented</p> <p>The pre annual billing spreadsheet detailed the process of aligning eBenefit parameters with Council Tax and iWorld as part of the annual parameter changes. Application of this could not be evidenced as the system is in dormant state and no parameter changes were applied for 2014/15 financial year.</p> <p>The call log 1812954 with Northgate noted rejection of non alpha character and ability to export unexported issues were raised. In response Northgate have rejected the request on non alpha character as only alpha and numeric character is permitted and therefore cost does not outweigh the benefit to make the change.</p> <p>An additional call log 1864122 confirmed the function to export unexported was always there and now working as required.</p> <p>It was confirmed by the Principal Supplier Manager that the current Licence agreement has expired and have requested a current agreement from vendor Northgate.</p> <p>Further action required: Management should ensure the licensing agreement for the eBenefits application is current, valid and adequate for the number of users.</p> <p>Management Response December 2014:</p> <p>A new eBenefits contract has been requested by IT Supplier Management from Northgate. The contract will state that licenses are perpetual and include the number of users or sites it applies to. Awaiting feedback from Northgate.</p> <p><i>Revised Deadline: 31/3/2015</i></p>

Ref	Recommendation	Priority	Original Implementation Deadline	Progress/Status
2	Management should configure the eBenefits application to enforce strong logical access controls that are aligned to the Council's Access Control Policy.	2	Completed	<p>Status: Partly Implemented</p> <p>The call log 1812954 and the Enhancement request have been logged with vendor Northgate to improve logical security of the system. However, although the request has been accepted no date of implementation has been provided.</p> <p>Further action required: The risk remains until vendor implementation of recommendation.</p> <p>Management Response December 2014:</p> <p>The call log 1812954 and the Enhancement request have been logged with vendor Northgate to improve logical security of the system. However, although the request has been accepted no date of implementation has been provided.</p> <p>Awaiting Northgate response.</p> <p><i>Revised Deadline: 31/3/2015</i></p>
3	<p>Management should request that Northgate configure the audit trail for the eBenefits application to record:</p> <ul style="list-style-type: none"> • Changes that have been made to master held within the Application; • Changes that have been made to a user's account; and • Failed or unauthorised access attempts to the Application. 	2	November 2013	<p>Status: Partly Implemented</p> <p>The call log 1812954 and the Enhancement request have been logged with vendor Northgate to establish audit trail for the system. However, although the request has been accepted no date of implementation has been provided.</p> <p>Further action required: The risk remains until vendor implementation of recommendation.</p> <p>Management Response December 2014:</p> <p>The call log 1812954 and the Enhancement request have been logged with vendor Northgate to establish audit trail for the system. However, although the request has been accepted no date of implementation has been provided.</p> <p>Awaiting Northgate response.</p> <p><i>Revised Deadline: 31/3/2015</i></p>

Ref	Recommendation	Priority	Original Implementation Deadline	Progress/Status
CHILDREN'S SERVICES				
14-19 Provision				
4	<p>The RPA Team structure should be formally agreed and presented to the Project Management Group for review and approval. Evidence of this should be documented in the relevant meeting minutes.</p> <p><i>Responsibility: 14-19 Development Officer</i></p>	2	March 2014	<p>Status: Partly Implemented</p> <p>Management update October 2014:</p> <p>The situation is currently the same as the progress report i.e. the Raising the Participation Age (RPA) team is not fully implemented. This is due to ongoing reviews of the post16/RPA/Youth Service space. A review of this area has taken place by the Corporate Development Unit which will inform the resources for this area. It is anticipated that a decision is to be made no later than December 2014.</p> <p>Management update October 2014:</p> <p>The function of the RPA/Post 16 Team is forming part of the wider corporate consultation and over arching restructures. It is expected a new structure to address RPA issues will be in place by April 2015.</p> <p><i>Revised Deadline: April 2015</i></p>
ADULT SOCIAL SERVICES				
Residential and Community Care Charges				
5	<p>Management should identify the reasons for missing the targets and an action plan should be developed to help financial assessment officers in the achievement of set objectives.</p> <p>In addition, the reasonableness of the targets set should be considered and new ones should be set if the current targets are deemed unachievable.</p> <p><i>Responsibility: Acting Finance Manager, IMPBS Team</i></p>	2	31 March 2014	<p>Status: Not Implemented</p> <p>Management Update October 2014:</p> <p>Implementation of this recommendation has been delayed. It is difficult to implement due to system limitations. The current system cannot provide accurate data to confirm how long it takes to complete financial assessments. This will be reviewed when the charging module is moved into Framework-i.</p> <p>Management Update December 2014:</p> <p>As per above. As part of the Care Act, there is a plan to move the current charging system (OCC) into FWi.</p> <p><i>Revised Deadline: November 2015(anticipated and at the earliest – but could be delayed further).</i></p>

Ref	Recommendation	Priority	Original Implementation Deadline	Progress/Status
Pan London (Major) Equipment Service				
6	<p>Management should ensure that a formal Service Level Agreement is put in place, signed by both the Council and the NHS, which details the basis of the agreed recharges to be paid by the NHS. The SLA should clearly identify the type of equipment which is eligible for a recharge.</p> <p><i>Responsibility: Head of Adaptations Service</i></p>	2	31 March 2014	<p>Status: Partly Implemented</p> <p><i>Management update October 2014:</i> Copy of the SLA is still with Haringey Clinical Commissioning Group (CCG) and there will be an indication by end of October 2014 as to when this is likely to be signed.</p> <p><i>Management Update December 2014:</i> Still awaiting the CCG to sign the Access Agreement.</p> <p><i>Revised Deadline: 31/3/15.</i></p>

Statement of Responsibility

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

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. We emphasise that the responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management and work performed by us should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify all 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. Our procedures are designed to focus on areas as identified by management as being of greatest risk and significance and as such we rely on management to provide us full access to their accounting records and transactions for the purposes of our work and to ensure the authenticity of such material. Effective and timely implementation of our recommendations by management is important for the maintenance of a reliable internal control system.

Mazars Public Sector Internal Audit Limited

London

December 2014

This document is confidential and prepared solely for your information. Therefore you should not, without our prior written consent, refer to or use our name or this document for any other purpose, disclose them or refer to them in any prospectus or other document, or make them available or communicate them to any other party. No other party is entitled to rely on our document for any purpose whatsoever and thus we accept no liability to any other party who is shown or gains access to this document.

In this document references to Mazars are references to Mazars Public Sector Internal Audit Limited.

Registered office: Tower Bridge House, St Katharine's Way, London E1W 1DD, United Kingdom. Registered in England and Wales No 4585162.

Mazars Public Sector Internal Audit Limited is a subsidiary of Mazars LLP. Mazars LLP is the UK firm of Mazars, an international advisory and accountancy group. Mazars LLP is registered by the Institute of Chartered Accountants in England and Wales to carry out company audit work.