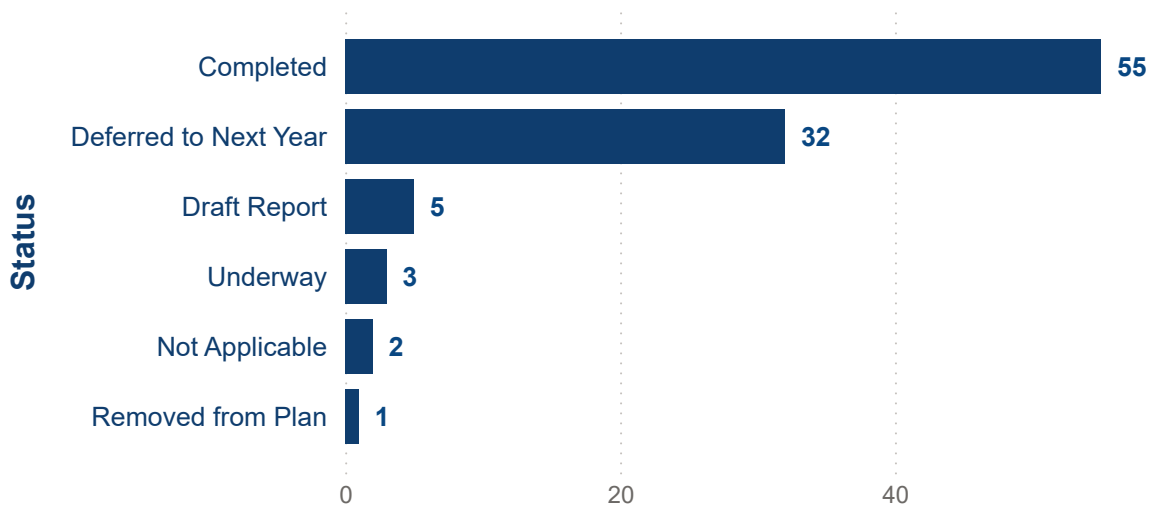
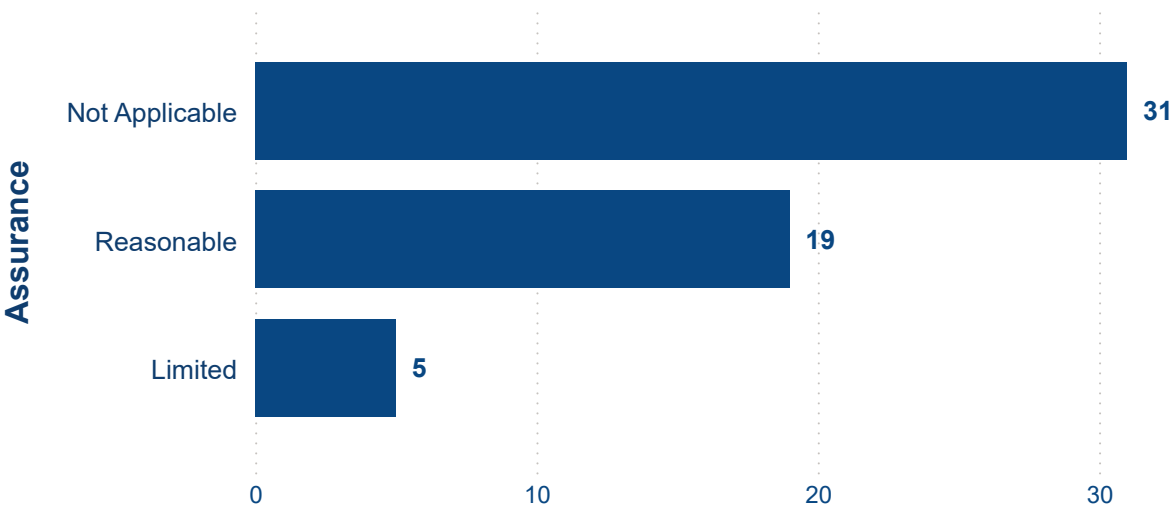


2024/25 Audit Plan Outturn Report - Systems, Schools & Early Years

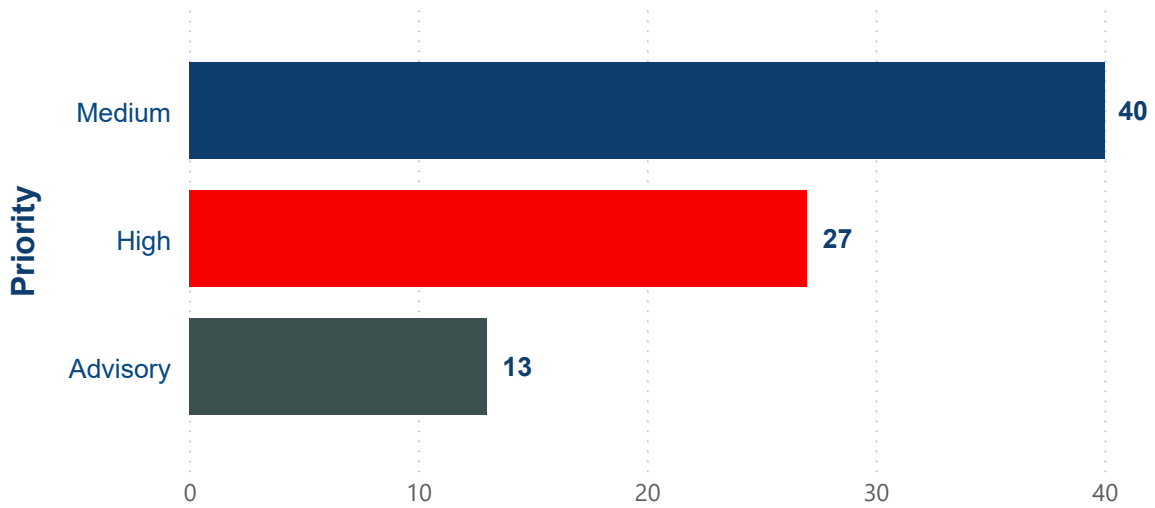
Audits by Status



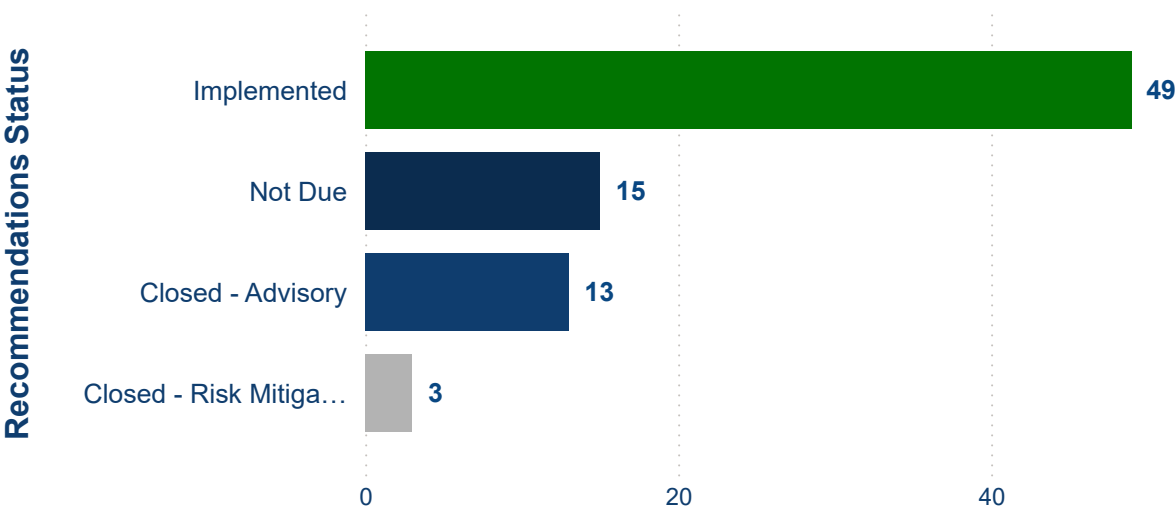
Audits by Assurance



Recommendations by Priority



Recommendations by Status



2024/25 Audit Plan Outturn Report - Systems, Schools & Early Years

Status of Recommendations by Priority

High Recommendations

Status	Number
Not Due	11
Implemented	14
Closed - Risk Mitigated	2
Total	27

Medium Recommendations

Status	Number
Not Due	4
Implemented	35
Closed - Risk Mitigated	1
Total	40

Advisory Recommendations

Status	Number
Closed - Advisory	13
Total	13

Assurance by Audit Type

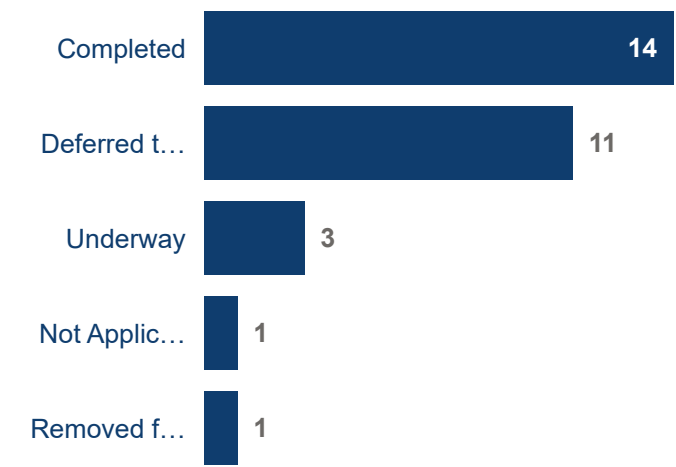
Type	Assurance	Number of Audits
Triennial	Limited	1
Systems	Reasonable	3
Systems	Limited	4
Systems	Not Applicable	7
Triennial	Reasonable	8
Health Check	Reasonable	9
EY Audit	Not Applicable	25
Total		57

Status of Recommendations by Audit

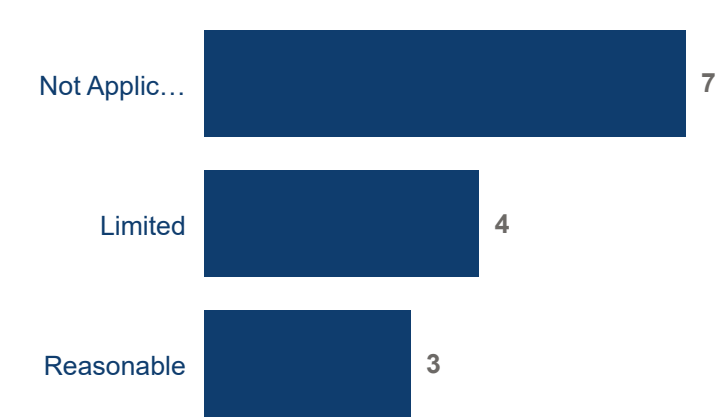
Type	Closed - Advisory	Implemented	Not Due	Total
Triennial	7	8		15
Systems		22	14	36
Health Check	6	19	1	26
Total	13	49	15	77

2024/2025 Audit Plan Monitoring - Systems

Audits by Status



Audits by Assurance

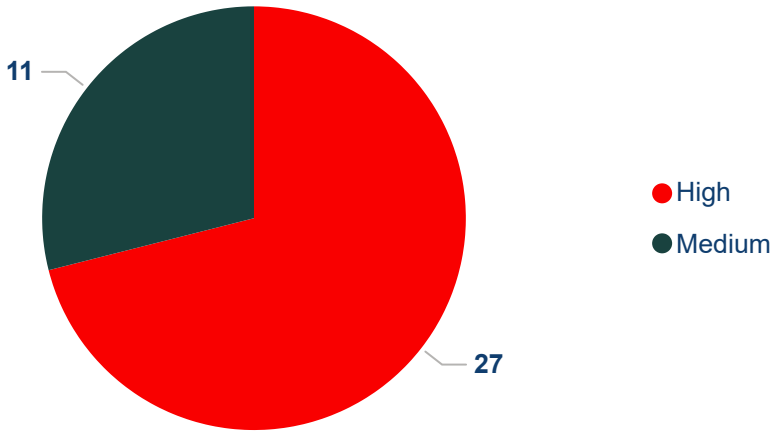


Title	Status	Assurance
Court of Protection: Deputyship and Appointeeships	Completed	Limited
Engagement of Consultants via Matrix - Governance & Compliance Culture (Phase 1)	Completed	Limited
Engagement of Consultants via Matrix Follow Up	Completed	Reasonable
Highways - Phase 1 Advisory	Completed	Not Applicable
Mayors Appeal Fund	Completed	Not Applicable
Procurement Processes	Completed	Limited
Supported Families	Completed	Reasonable
Supported Families (Q1)	Completed	Not Applicable
Supported Families (Q2)	Completed	Not Applicable
Supported Families (Q3)	Completed	Not Applicable
Supported Families (Q4) inc End of Year Report	Completed	Not Applicable
Temporary Accomodation - Phase 1 Advisory	Completed	Not Applicable
Tenant Management Organisations	Completed	Limited
Waivers Follow Up	Completed	Reasonable
Asset Management - Corporate Landlord	Deferred to Next Year	
Complaints	Deferred to Next Year	
Contract Management - Waste	Deferred to Next Year	
Contracts	Deferred to Next Year	
Council Tax (Empty Property Charges)	Deferred to Next Year	
Governance and Compliance Culture	Deferred to Next Year	
High Income Areas	Deferred to Next Year	
Highways	Deferred to Next Year	
Learning Disabilites and Supported Living Payments	Deferred to Next Year	
Starting Well	Deferred to Next Year	
Voids (Tenant Rechargeable Repairs)	Deferred to Next Year	
Data Protection - legacy contracts	Removed from Plan	
Community Leasing	Underway	
Financial Assessment and Benefits	Underway	
Procurement Processes Follow Up	Underway	

2024/2025 Audit Recommendations Progress - Systems

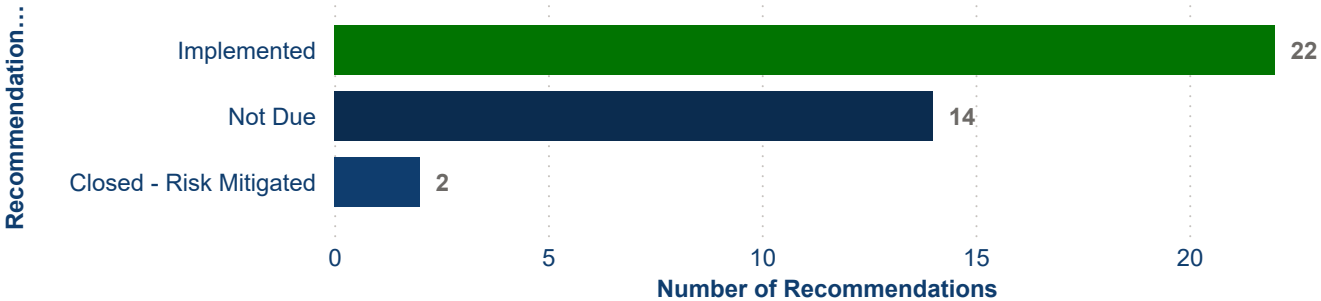
Internal Audit follows up all audit recommendations with management when the deadlines for implementation are due. There is a rolling programme of follow up work, with each auditor taking responsibility for tracking the implementation of recommendations made in their audit reports. The implementation of audit recommendations, in systems where limited assurance was provided, is verified through a follow up audit review. This work is of high importance given that the Council’s risk exposure remains unchanged if management fail to implement the recommendations raised in respect of areas of control weakness. A key element of the Audit Committee’s role is to monitor the extent to which recommendations are implemented as agreed and within a reasonable timescale, with particular focus applied to any high risk recommendations.

Recommendations Raised in 2024/25 by Priority



Audit Title	Number of Open Recommendations	Medium	High
Tenant Management Organisations	10	2	8
Court of Protection: Deputyship and Appointeeships	3	1	2
Procurement Processes	1	0	1
Total	14	3	11

Recommendations by Status



There are currently no high priority recommendations that are overdue

2024/2025 Recommendations - Systems (High Only)

Audit Title	Recommendation	Rec Status ▲	Rec Priority	Due Date	Progress Update
Engagement of Consultants via Matrix - Governance & Compliance Culture (Phase 1)	Clarification should be sought as to when vetting checks are applied, how checks are measured and how the outcome of these checks will be reported / notified to Council Officers. Guidance should be updated to ensure officers are aware of the outcome of these discussions and where necessary training should be provided.	Closed - Risk Mitigated	High	01 February 2025	<p>The Pan London Collaborative procurement has been completed. There was a specific Lot allocated to Statement of Works and a Cabinet Paper is being drafted to Award to an alternative provider. The paper is due to go to January 2025 meeting and will bolster the current process and mitigate risk as the terms and specification is specific to statement of works with a central oversight model being recommended.</p> <p>No further work will be undertaken to address the issues highlighted in relation to the contract, as the risks will be mitigated by the upcoming changes.</p>
Engagement of Consultants via Matrix - Governance & Compliance Culture (Phase 1)	Clarification should be sought should be sought that any content / process within the contract that currently only refers to agencies or candidates (SCM) will also be applied to consultants / providers (MMM), going forward, and where necessary, any distinctions between these two areas are clearly established. This should include appropriate contract management arrangements and the establishment of Key Performance Indicators.	Closed - Risk Mitigated	High	01 February 2025	<p>The Pan London Collaborative procurement has been completed. There was a specific Lot allocated to Statement of Works and a Cabinet Paper is being drafted to Award to an alternative provider. The paper is due to go to January 2025 meeting and will bolster the current process and mitigate risk as the terms and specification is specific to statement of works with a central oversight model being recommended.</p> <p>No further work will be undertaken to address the issues highlighted in relation to the contract, as the risks will be mitigated by the upcoming changes.</p>

2024/2025 Recommendations - Systems

Audit Title	Recommendation	Rec Status ▲	Rec Priority	Due Date	Progress Update
Engagement of Consultants via Matrix - Governance & Compliance Culture (Phase 1)	In order to ensure that MMM is being used in a compliant manner, the current Contract Procedures Rules' reference to consultancy and professional services should be expanded to clearly define these terms.	Implemented	High	01 February 2025	<p>February Update: A paper was approved at January 2025 Cabinet to award the contingent labour contract to Adecco from the end of July 2025. Statement of Works was not covered by this and a separate paper is going to Cabinet in April 2025 to award to Constellia and replace Matrix MM from July 2025 or before if implementation allows. This will be reflected in the CPR redraft and will set out ALL requirements are to be conducted through competition, and direct awards will only be allowed with the approval by the Head of Procurement</p> <p>June Update: This recommendation has now been closed. Whilst the draft CPRs are still to be approved, sufficient clarification has been made to the definition of a consultant to support implementation of this recommendation.</p>
Engagement of Consultants via Matrix - Governance & Compliance Culture (Phase 1)	It should be established whether the Council's internal procurement rules, set out in the Councils Constitution and associated documents, should be applied, such as the requirement for a competitive process above a specified value.	Implemented	High	01 February 2025	A decision was made by the Director of Resources that all engagements via MMM were subject to the Executive Decision process. Additionally, the Council implemented an expenditure panel, so all engagements via MMM are required to be presented to the panel.

2024/2025 Recommendations - Systems

Audit Title ▲	Recommendation	Rec Status	Rec Priority	Due Date	Progress Update
Court of Protection: Deputyship and Appointeeships	Accounts are managed in accordance with OPG standards.	Implemented	High		
Court of Protection: Deputyship and Appointeeships	Compliance with legislative and local requirements, including procurement; with robust audit trails.	Not Due	High	01 October 2025	A follow up review is currently underway.
Court of Protection: Deputyship and Appointeeships	Management oversight and scrutiny of accounts, ensuring transparency and a clear separation of duties.	Not Due	High	01 October 2025	A follow up review is currently underway.
Procurement Processes	<p>A control process should be established to ensure that all procurements are subject to appropriate governance (sufficient control, transparency, scrutiny, visibility and challenge) and that there are sufficient mechanisms in place to prevent and detect non-compliance with these expectations.</p> <p>This should include:</p> <ul style="list-style-type: none"> • Introduce a golden thread (similar to that provided by the original introduction of i-Decision) to streamline the process, reduce administrative / resources costs, ensure compliance with legal & local requirements and support delivery of the Councils statutory obligations. • Ensure that any processes capturing information (such as i-Decision) is visible to all interested parties. • That the composition of any groups includes all relevant stakeholders (such as the representation of IT at GRG). 	Not Due	High	01 October 2025	

2024/2025 Recommendations - Systems

Audit Title	Recommendation	Rec Status ▲	Rec Priority	Due Date	Progress Update
Procurement Processes	A decision should be made as to whether non-compliance with any of the governance processes referred to in this report, would be deemed unacceptable and if so, how will non-compliance be reported and addressed. This should also include consideration as to whether the Council can meet its statutory obligations through the current processes.	Implemented	High	01 October 2024	Significant cases of non compliance will be reported by Procurement to the Executive Leadership Team.
Procurement Processes	The Council's intranet, oneSource intranet and any other applicable sources of information / documents should be updated to incorporate any changes or additional information gathered and documented as part of this review. This should include any supporting documents and should clearly signpost users to other applicable governance processes. Consideration should also be given as to the clarity of guidance available to officers and if there is a risk that this is left open to interpretation.	Implemented	High	01 October 2024	This recommendation will be closed down as implemented given that the new Intranet is up and running. Any further work will be undertaken as part of the implementation of the new procurement regs.
Tenant Management Organisations	Conduct training sessions for estate managers and board members on MMA obligations and council policies. Regular compliance checks to be implemented.	Implemented	High	01 August 2025	Monitored regularly with TMO managers. Training sheet held on file for Betra and Delta and managers working towards related qualification. Ongoing support got Petra but deadline missed
Tenant Management Organisations	Create a clear responsibilities framework and ensure estate managers receive training and guidance materials.	Implemented	High	01 August 2025	Training completed and held on file for Betra Delta have partially met requirements Manager has stated this is completed but no evidence supplied for Petra to support completion.
Tenant Management Organisations	Develop and implement a strategic business plan, aligning with council objectives and MMAs.	Implemented	High	01 August 2025	Business Plans now in place for Betra and Delta - held at site Petra have missed deadline and are being supported by the service

2024/2025 Recommendations - Systems

Audit Title	Recommendation	Rec Status ▲	Rec Priority	Due Date	Progress Update
Tenant Management Organisations	Establish a procurement process requiring a minimum of three quotes for works above £2,000.	Implemented	High	01 August 2025	Policy has been updated and held on file at Betra office
Tenant Management Organisations	Implement a document retention policy and centralised digital filing system. Conduct periodic audits to ensure compliance.	Implemented	High	01 August 2025	Procedure files written and held on site for Betra and Delta. Not completed for Petra
Tenant Management Organisations	Implement a procurement policy mandating competitive quotes before contract approvals.	Implemented	High	01 August 2025	Policy completed and held on file at TMO office
Tenant Management Organisations	Introduce a structured reconciliation process, ensuring purchase card spend is accurately tracked.	Implemented	High	01 August 2025	Completed and held on file at TMO office
Tenant Management Organisations	Require approval forms and supporting documentation for all purchases above a set threshold.	Implemented	High	01 August 2025	Completed and held on file at TMO office
Tenant Management Organisations	Review and streamline invoice processing. Implement automated reminders for overdue payments.	Implemented	High	01 August 2025	Procedure file completed and held by Betra, Delta staff have been informed and procedure file being written. Petra manager has stated this is done but no evidence has been supplied
Tenant Management Organisations	Conduct a contract review and ensure written agreements are in place for all ongoing services.	Not Due	High	01 August 2025	TMO manager has missed deadline to provide evidence
Tenant Management Organisations	Ensure TMOs have dedicated procurement accounts with proper controls in place.	Not Due	High	01 August 2025	Partially complete as Betra wait for results of external audit of accounts

2024/2025 Recommendations - Systems

Audit Title	Recommendation	Rec Status ▲	Rec Priority	Due Date	Progress Update
Tenant Management Organisations	Introduce a structured reconciliation process, ensuring purchase card spend is accurately tracked.	Implemented	High	01 August 2025	Completed and held on file at TMO office
Tenant Management Organisations	Establish proper financial governance, develop a formal financial management policy outline budgeting, spending and reporting procedure. Train staff & Board members on handling finances. Implement regular budget reviews, maintain clear documentation (ensure all financial transactions are recorded. Invoices files and receipts kept. Improve transparency by sharing financial updates with board members.	Not Due	High	01 August 2025	TMO manager has missed deadline to provide evidence
Tenant Management Organisations	Implement a formal financial policy that explicitly stated that personal funds should not be used for TMO expenses. Ensure all staff and board members are aware of this policy through training and written guidelines. Implement strict budget controls, implement an emergency fund. Ensure all expenses are made directly from the TMO'S official bank account using corporate debit/credit cards for approved purchase orders. Ensure the TMO board actively monitor financial transactions, regular audits accounts and provide regular financial reporting to board to ensued transparency.	Not Due	High	01 August 2025	TMO manger has stated this is no longer happening but no evidence has been provided
Tenant Management Organisations	Implement and remove signatories that are no longer living on the Petra Estate. Review the multiple accounts and confirm some new signatories. Implement or show a procedure for signatories at the Petra TMO.	Not Due	High	01 August 2025	TMO manager has missed deadline to provide evidence
Tenant Management Organisations	Provide clear guidance on repair and maintenance responsibilities and ensure TMOs follow insurance claim protocols.	Not Due	High	01 August 2025	Partially complete, awaiting information to be supplied by the TMO manager
Tenant Management Organisations	Review and update financial limits in consultation with the council.	Not Due	High	01 August 2025	Betra manager to discuss at next board meeting

Introduction - Schools Programme

There are currently 40 borough maintained schools within Havering. Of these, 27 schools will have received a triennial audit between the financial years 2022/23 – 2024/25. The remaining 13 maintained schools were assessed on the assurance given at their last triennial audit and considered to be low risk; therefore, a triennial audit was not delivered as part of the three year rolling programme.

Eight of these schools have received at least one health check since their last triennial visit, the remaining five schools are scheduled to be reviewed as part of the 2024/25 audit plan.

In addition to assessing the implementation of recommendations raised following the previous audit, the Health Check also reviews the perceived high risk areas, including those common themes outlined below.

Assurance opinions are given for each school report. Currently, nine schools that were due to be audited in 2024/25 have received a Triennial audit, eight of which were given a Reasonable Assurance, and one a Limited Assurance. Two schools, which form a federation have deferred their audit to 25/26 due to time constraints.

Recommendations raised during the 2024/25 audits identified some common themes across multiple schools, in the following areas;

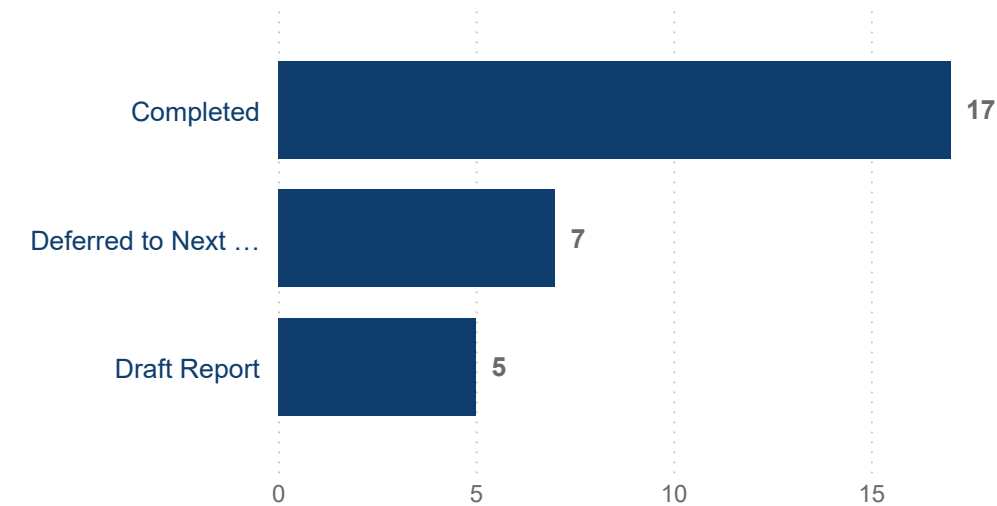
- Expenditure;
- Financial Management; and
- Strategic Planning.

During 2024/25, the service delivered eleven Health Checks for maintained schools, four of which were deferred from 2023/24, and four health checks have been deferred to 2025/26 as requested by the schools. Two academies bought into the service, and a total revenue for 2024/25 of £12,980 was generated.

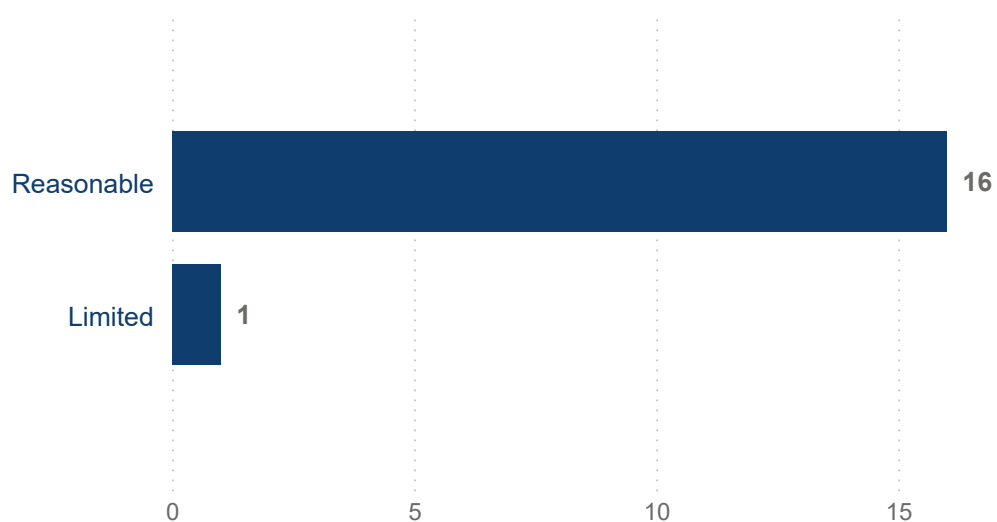
The Schools Financial Value Standard (SFVS) is designed to assist schools in managing their finances and to give assurance that they have secure financial management in place. As Governing bodies have formal responsibility for the financial management of their schools, the standard is aimed primarily at governors. The SFVS returns are used to inform the risk based internal audit programme. All schools within Havering completed and submitted their copies of the SFVS to the LA within the agreed timescales.

2024/2025 Audit Plan Monitoring - Schools

Audits by Status



Audits by Assurance

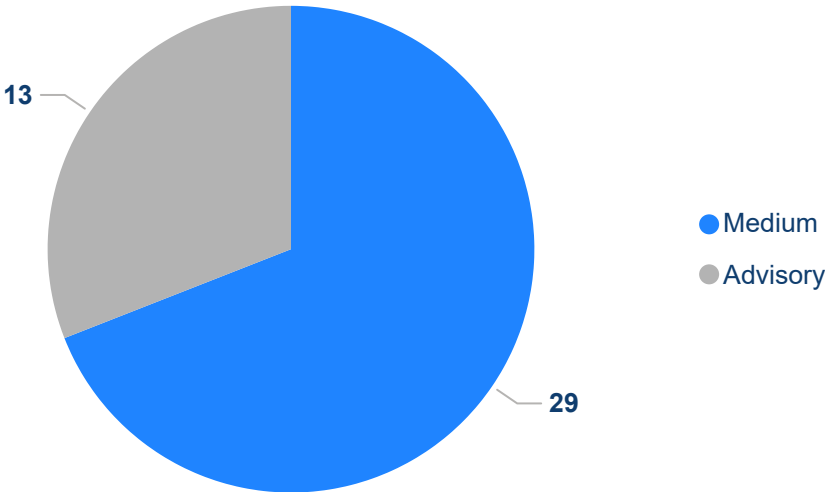


Title	Status	Assurance
Brady (TR)	Completed	Reasonable
Crownfield Infants (HC)	Completed	Reasonable
Emerson Park Academy (HC)	Completed	Reasonable
Engayne Primary (HC)	Completed	Reasonable
Harold Court Primary (TR)	Completed	Reasonable
Harold Wood Primary (TR)	Completed	Reasonable
Hilldene Primary (TR)	Completed	Reasonable
La Salette Catholic Primary (HC)	Completed	Reasonable
La Salette RC Primary (HC)	Completed	Reasonable
Shaw Primary Academy (HC)	Completed	Reasonable
St Albans Catholic Primary (HC)	Completed	Reasonable
St Edwards Church of England Primary (HC)	Completed	Reasonable
St Marys Catholic Primary (TR)	Completed	Reasonable
St Patricks Roman Catholic Primary (HC)	Completed	Reasonable
Suttons (TR)	Completed	Reasonable
The Growing Together Federation (TR)	Completed	Reasonable
The Towers Federation (TR)	Completed	Limited
Clockhouse Primary (HC)	Deferred to Next Year	
Squirrels Heath Infants (TR)	Deferred to Next Year	
St Josephs - (HC)	Deferred to Next Year	
St Josephs Catholic Primary (HC)	Deferred to Next Year	
St Josephs Catholic Primary (TR)	Deferred to Next Year	
The Learning and Achievement Federation (TR)	Deferred to Next Year	
The Towers Federation (HC)	Deferred to Next Year	
Corbets Tey Primary (HC)	Draft Report	
James Oglethorpe (HC)	Draft Report	
Rainham Village Primary (HC)	Draft Report	
St Peters Catholic Primary (TR)	Draft Report	Reasonable
The Aspire Learning Federation (HC)	Draft Report	

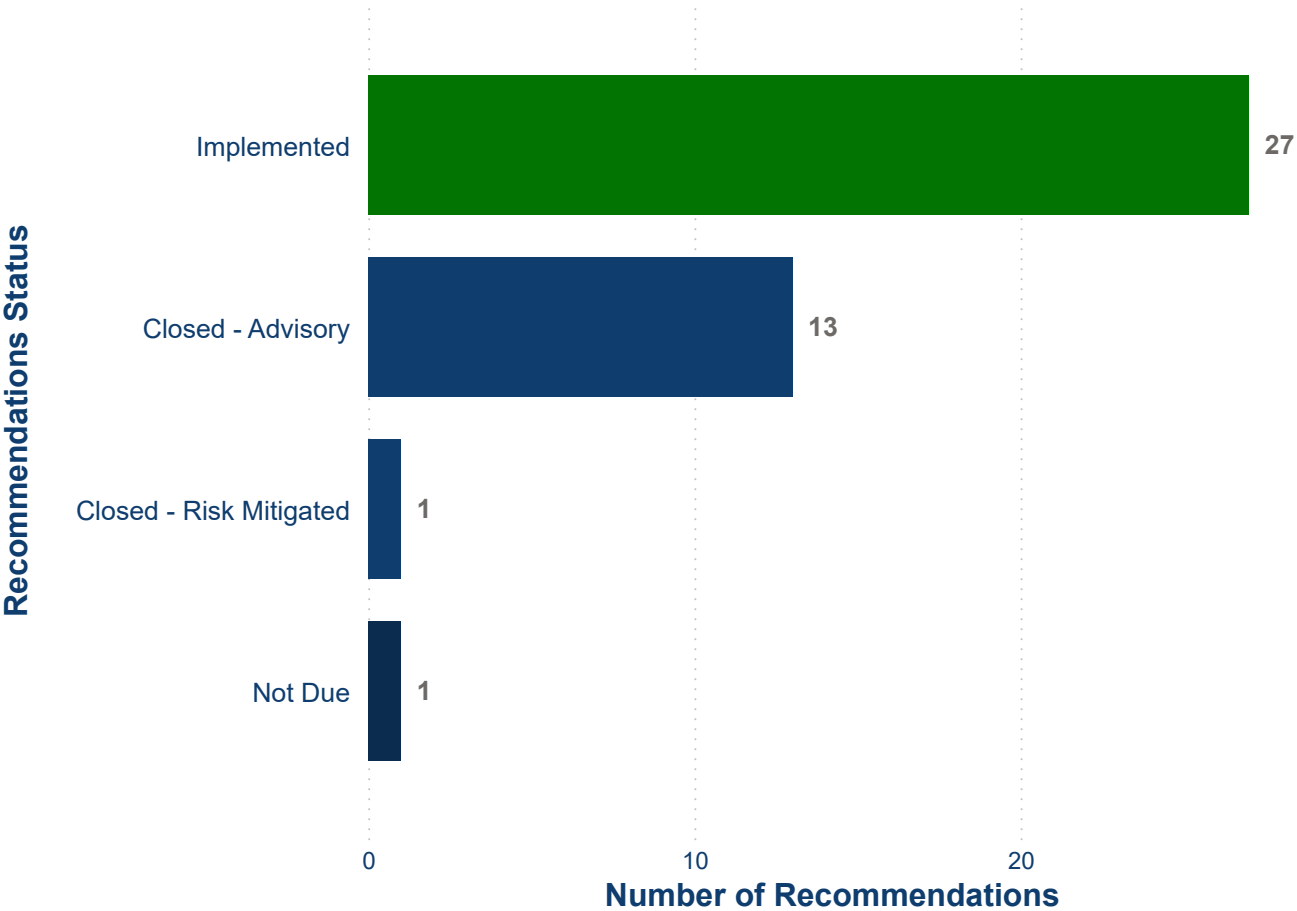
2024/2025 Audit Recommendations Progress - Schools

Similarly to systems audit recommendations, Internal Audit follows up all audit recommendations when the deadlines for implementation are due. Where schools buy in an annual Health Check, the scope would include following up on the implementation of recommendations raised during the previous audit.

Recommendations Raised in 2024/25 by Priority

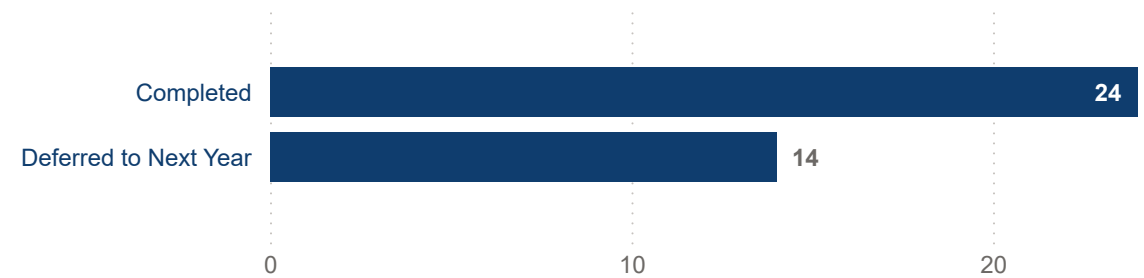


Recommendations by Status



2024/2025 Audit Plan Monitoring - Early Years

Audits by Status



Title	Status
▼	
Towers Infant School	Deferred to Next Year
Tiddlywinks Playgroup Ltd	Deferred to Next Year
The Railway Children Gidea Park Nursery	Deferred to Next Year
Star Bright Day Nursery	Deferred to Next Year
Playdays 2 Preschool (Betty Strathern Centre)	Deferred to Next Year
Playdays 1 Preschool (Harold Hill Community Centre)	Deferred to Next Year
Gidea Park Preparatory School and Nursery	Deferred to Next Year
Forget-me-Not Day Nursery	Deferred to Next Year
Fledgelings Day Nursery (Hornchurch)	Deferred to Next Year
Fairy Tales Playgroup	Deferred to Next Year
Essex After Schools Club Ltd - Drapers Pyrgo Priory	Deferred to Next Year
Drapers' Pyrgo Priory School	Deferred to Next Year
Childminder - EW	Deferred to Next Year
Bretons Preschool	Deferred to Next Year

Title	Status
▼	
Wingle-Tye Preschool Ltd 1 (Nelmes School)	Completed
Truly Scrumptious Early Years (Romford) Day Nursery	Completed
Topsy Turvy Preschool	Completed
Toddle-Inn Day Nursery	Completed
Rise Park Infants' School	Completed
Playways Preschool	Completed
Playhouse Preschool	Completed
Mead Primary Nursery	Completed
Lottie and Ollie Day Nursery	Completed
Kerry Church - Childminder	Completed
Immanuel School	Completed
Elm Park Baptist Church Playgroup	Completed
Edenberries Day Nursery And Preschool	Completed
Early Years - End of Year Report	Completed
Creative Kids Day Nursery (Gidea Park)	Completed
Clockhouse Primary School	Completed
Childminder - SS	Completed
Childminder - KB	Completed
Childminder - JL	Completed
Childminder - DL	Completed
Childminder - BK	Completed
Childminder - AP	Completed
Childminder - AI	Completed
Chatterbugs Day Nursery	Completed

2024/2025 Counter Fraud Audit Work

The counter fraud service is continuing to follow up, fraud referrals, desk-based intelligence checks and investigations with doorstep visits and Interviews under Caution where necessary. The Council take a zero tolerance approach to tenancy fraud and currently have 84 open investigations.

One non-housing referral was brought forward from the previous period and is still under investigation.

During the period 01/04/2024 to 31/03/2025, 27 non-housing referrals were also received; four of which were Whistleblowing referrals. Fifteen cases have been investigated and concluded and 12 referrals are currently being investigated.

Proactive Counter Fraud Investigations

Proactive work undertaken between 01/04/2024 and 31/03/2025

Area	Description	Number Recieved
Advice to Other Local Authorities	All Data Protection Act requests via Local Authorities, Police etc.	52
National Fraud Initiative	The NFI is an exercise that matches electronic data within and between public and private sector bodies to prevent and detect fraud and is conducted every two years.	Matches have been released and are now being investigated.

Reactive Investigation Cases

One referral was brought forward from the previous period and is still under investigation.

During 01/04/2024 to 31/03/2025 27 referrals were received; four of which, information was provided by Whistle-blowers:

- 15 cases have been investigated and concluded; and
- 12 referrals are under investigation.

2024/2025 Counter Fraud Audit Work

Housing Cases

The following table illustrates the work undertaken in relation to housing fraud and right to buy (RTB) applications:

Description	2023/24	2024/25
Number of referrals for investigation	127	110
Properties recovered	14	7
RTB stopped	3	50
Notional Saving	383820	6820000
Notional Saving *	588000	294000
RTB referred and reviewed	94	333
Total Notional Saving	971820	7114000

* Notional saving revised from 2022/23 figures as recommended method uses a standard formula to arrive at an average national cost to the taxpayer per detected tenancy fraud of £42,000

Mutual Exchanges and Successions

Housing Services refer Mutual Exchanges and Succession to the Counter Fraud Team to review. A total of 35 Mutual Exchanges and 44 Successions have been referred and reviewed.

Three Mutual Exchanges and eight Successions were denied.

Housing Cases

The following table illustrates the breakdown of cases:

Description	2024/25
Awaiting Court Hearing	0
Awaiting Eviction	1
Closed - Fraud Detected	3
Housing Application Cancelled	1
NFA / No Offence	15
Notice To Quit (NTQ) issued	4
Number of completed / closed investigations	26
Number of new referrals retained for investigation *	26
Number of referrals brought forward	84
Number of referrals currently under investigation	84
Open Investigations	71
Passed to Legal Services for Criminal / Civil Proceedings	7
Pending bailiff action / Eviction	1
Properties Recovered	7
RTB stopped **	0

Key:

** Total number of referrals received and triaged was 128. Only 26 are being investigated as the remaining referrals do not get investigated by the Counter Fraud Team, e.g. Housing Benefit, other LA's.

*** Total number of RTB's referred and reviewed was 333. Fifty RTB cases were stopped by Counter Fraud at the initial review stage and therefore are not counted as investigations.

Four RTB applications are under investigation.

NB: From the 21/11/2024 the maximum RTB discount dropped from £136,400 to £38,000 this has resulted in the large increase in applications submitted and reviewed.