

**Appendix 1 – Internal Audit plan update**  
**Internal Audit Annual Report – 2024-25**  
**Audit and Corporate Governance Committee 2 July 2025**

**1. Introduction**

This Appendix provides a summary of the 2024-25 Internal Audit Plan that was agreed by the Committee in March 2024. It shows the indicative scope as well as the status of each audit. It is included to provide Committee with assurance that the Annual Audit Plan, which is the key vehicle for providing the Committee with independent assurance, is being effectively delivered.

**2. Summary of Assurance Ratings**

The table below provides an overall summary of the assurance ratings. A detailed summary of the status and outcomes of individual audit reviews is included in the detailed plan update section further below.

No	Ref	Audit title	Assurance Rating
<i>Planned reviews where an assurance opinion was provided</i>			
1.	CS22-1	KFS: Pensions*	Substantial (the review was undertaken externally by the South West London Audit Partnership).
2.	SC23-2	HRA - Housing Voids - Allocation and Management Information *	Moderate assurance
3.	SC23-4	Tenant Management Organisation (TMO)* Abbey Road	Moderate assurance
4.	CC24-2	Housing Revenue Account (HRA) Financial Resilience*	Moderate assurance
5.	CC24-5	Modern Day Slavery	Moderate assurance
6.	SC24-2	Property Management (housing) – contract management	Limited assurance
7.	SC24-4	Concessionary Travel	No assurance
8.	CC24-3	Community Investment Programme and Disposals*	Moderate assurance
9.	AD24-6	Budget Monitoring	Moderate assurance

<i>Reviews where a management letter is usually provided</i>		
10.	SC23-5	Coroner's Court Accounts 22-23
11.	SP24-4	Supporting Families*
<i>Reviews where a management letter was considered appropriate**</i>		
12.	CS23-2	IT reviews*
13.	CS24-2	Key controls review*
14.	SC24-6	Social housing regulations/standards*
<i>Extended follow-ups where a memorandum is provided</i>		
15.	SC24-3	Landlord Duty of Care – Damp and Mould*
16.	CC24-4	Business Continuity/ Emergency Preparedness *
17.	CC24-1	Savings programme and Medium Term Financial Risk*
18.	SP24-1	Mosaic key controls review follow up*
19.	CS24-1	Key financial systems (KFS) follow up*
20.	SC24-1	Procurement- Property Management (housing)*

*\*Denotes reviews related to areas of principal risk as listed in the Council's Principal Risk Report.*

*\*\* It was considered appropriate to produce a management letter rather than an assurance report based on the nature of the work and the outcomes. Further detail on the individual review is included in the sections below.*

## 2023-24 planned reviews brought forward to 2024-25

Reference	Audit title	Indicative scope	Status – May 2025
CS22-1	<b>KFS: Pensions*</b>	Key controls testing as part of the 2022/23 KFS plan.	<p>Completed – Substantial assurance.</p> <p>A review of the Shared Pensions Service (including Camden data sets) was undertaken externally as led by the South West London Audit Partnership. The review made no specific recommendations for Camden.</p>
CS23-2	<b>IT reviews*</b>	<p>Two risk-based IT reviews, the scope of which will be agreed in year. Provisionally this may include reviews in the following areas:</p> <ol style="list-style-type: none"> <li>1) Infrastructure – The scope will be agreed in-year, pending the conclusion of the current physical data centre move project.</li> <li>2) Data Governance – The scope will be agreed in-year and will focus on the controls related to establishment of responsibilities and ownership of data sets across the Council. The review will build upon the Data Governance review completed in 22-23.</li> </ol>	<p>Completed</p> <p>As previously reported, the provisional reviews included on the audit plan did not proceed due to a revised risk assessment. The revised risk assessment, undertaken in conjunction with the senior leadership and service management, concluded that Internal Audit resource will be utilised on a review of programme assurance and data governance within the Oracle Fusion application system.</p> <p>This review was completed and observations in relation to programme assurance has been shared with management. In relation to data governance, the auditee is seeking specialist assurance in this area.</p>

SC23-2	<b>HRA - Housing Voids - Allocation and Management Information *</b>	A continuation of the assurance work provided in 2022/23. The 2023/24 review will focus on the design and operation of controls relating to advertisement and allocation of properties and the management information/reporting. The review will also include a follow up of recommendations made in 2022/23.	<p>Completed – Moderate assurance</p> <p>One high priority and three medium priority recommendations were identified in relation to the following areas:</p> <ul style="list-style-type: none"> <li>- Development of reporting to support the identification of delays in the commissioning and completion of works;</li> <li>- Setting and reporting of targets for void turnaround time;</li> <li>- Review of common causes of delays in repairs turnaround;</li> <li>- Monitoring of vacant housing assets and the cost of repairs.</li> </ul>
SC23-4	<b>Tenant Management Organisation (TMO)*</b>	Risk based review to evaluate the effectiveness of the governance framework and key controls in place at one TMO, to ensure that the Council and the TMO are discharging their responsibilities in-line with the MMA. Scope to include a review of the TMO's financial management arrangements, to ensure that funds are managed and spend appropriately and in a way that delivers value-for-money for residents.	<p>Completed – Moderate assurance (Abbey Road TMO)</p> <p>Four medium priority recommendations were raised in relation to the following areas:</p> <ul style="list-style-type: none"> <li>- Payment;</li> <li>- Asset management;</li> <li>- Pre-employment checks;</li> <li>- Management committee minutes.</li> </ul>
SC23-5	<b>Coroner's Court Accounts 22-23</b>	Annual certification of accounts, to include follow up of recommendations made during the 22-23 review.	<p>Completed</p> <p>A management letter was issued.</p>

## 2024-25 Internal Audit plan update

### A. Cross cutting reviews (including programmes)

Reference	Audit title	Indicative Scope	Status – May 2025
CC24-1	<b>Savings programme and Medium Term Financial Risk*</b>	An on-going programme of assurance against this area of principal risk. The scope will focus on key programme risks and will also include a follow up of previous audit recommendations.	<p>Completed</p> <p>At the request of the service, this review focussed on the implementation of all previously agreed recommendations. At the time of review, the current MTFS savings programme has not yet concluded therefore it is not possible to implement previously agreed actions. Agreed to undertake a second follow-up in Q2 2025-26.</p>
CC24-2	<b>Housing Revenue Account (HRA) Financial Resilience*</b>	A risk-based review. Scope to be agreed in-year.	<p>Moderate assurance. The report is at draft stage awaiting management responses. Six medium priority recommendations were made in relation to:</p> <ul style="list-style-type: none"> <li>- Budget setting and re-forecasting process notes;</li> <li>- Savings plans and monitoring;</li> <li>- Use of zero based budgeting;</li> <li>- Reserves target definition;</li> <li>- Data quality and use of systems;</li> <li>- Monitoring mechanisms and action tracking.</li> </ul>

CC24-3	<b>Community Investment Programme and Disposals *</b>	An on-going programme of assurance against this area of principal risk. The scope will be considered in-year and will include a follow up of previous audit recommendations.	<p>Moderate assurance. The report is at draft state awaiting management responses. Two medium priority recommendations were made in relation to:</p> <ul style="list-style-type: none"> <li>- Standardisation of performance monitoring; and</li> <li>- Framework for continuous improvement.</li> </ul>
CC24-4	<b>Business Continuity/ Emergency Preparedness *</b>	An extended follow up review to assess the level of implementation of audit recommendations made in 2023-24.	Fieldwork for the extended follow up has been completed, with good progress made in implementing audit recommendations. This has been shared with the auditee and finalisation is anticipated in June 2025.
CC24-5	<b>Modern Day Slavery</b>	A review of joint working, governance and oversight arrangements relating to modern day slavery. The audit will also look at staff training and communications with residents.	<p>Moderate assurance. The report is at draft stage awaiting management responses.</p> <p>One high priority recommendation and five medium priority recommendations were made in relation to:</p> <ul style="list-style-type: none"> <li>- Controls to prevent modern slavery on the supply chain;</li> <li>- Co-ordination of activities across the Council;</li> <li>- Strategy and delivery plan;</li> <li>- Use of data;</li> <li>- Training;</li> <li>- Review of information on external and internal websites.</li> </ul>

## B. CORPORATE SERVICES

Reference	Audit title	Indicative Scope	Status – May 2025
CS24-1	<b>Key financial systems (KFS) follow up*</b>	Follow up of remaining open audit recommendations from KFS reviews conducted in 22-23 (the follow ups included VAT (input and partial exemption) and Land and Buildings – Asset Data).	Completed VAT Input tax - good progress VAT Partial Exemption - good progress Land and Buildings Asset Data - moderate progress, a further follow-up will be undertaken in Q2 2025-25.
CS24-2	<b>Key controls review*</b>	An overarching key controls review to assess the design of key controls. Audit activity will primarily consist of walkthroughs.	The review focussed on the design of key controls within the general ledger and bank reconciliation processes. A management letter was issued and is awaiting management's responses.
CS24-3	<b>Staff expenses</b>	A risk based review focussed on key controls related to staff expenses.	Fieldwork has been completed and findings shared with the auditee for comment. It was anticipated that the review would be finalised in Q4 2024-25 however owing to resource pressures this has been revised to July 2025.
CS24-4	<b>IT review*</b>	A risk-based IT review, the scope of which will be agreed in year.	This resource was not utilised in 2024-25. As reported to the Committee in 24-25 Interim Internal Audit Report, the 23-24 audit was concluding (per CS23-2 above), following which a scoping meeting to agree the 2024-25 audit would be held. In discussion with the auditee, it was agreed that the 2024-25 audit

			plan would include an IT application review of the NEC housing system (CS24-5 below).
CS24-5	<b>IT review – Northgate*</b>	A risk based review focussed on permission and access controls in Northgate, including contractor access and interfaces with Rocc and Oracle.	The Terms of Reference, encompassing an IT application review of the NEC housing system has been drafted and was discussed at a scoping meeting with the auditee. It was agreed with the auditee that the fieldwork would take place in Q3 2025-26 to accommodate the auditee's approach of quarterly forward planning.
CS24-6	<b>IT audit follow up</b>	Follow up of previous audit recommendations.	n/a
CS24-7	<b>Voluntary Sector Organisations (VSO)</b>	A risk based review focussing on key controls at one voluntary sector organisation. The organisation will be selected in-year based on a joint risk assessment with the service.	Completed Internal Audit team provided support for key controls at one organisation and d in ongoing dialogue with the VSO team to extend support to additional organisations throughout the year.
AD24-1	<b>Budget Monitoring*</b>	A risk based review focussed on key controls surrounding the Council's budget monitoring framework.	Moderate assurance. A draft report has been issued and is awaiting the finalisation of management responses. Two medium priority recommendations were raised in relation to: <ul style="list-style-type: none"> <li>• Challenge of variances;</li> <li>• Guidance on budget monitoring process.</li> </ul>



## C. SUPPORTING COMMUNITIES

Reference	Audit title	Indicative Scope	Status – May 2025
SC24-1	<b>Procurement- Property Management (housing)*</b>	An extended follow up review to assess the level of implementation of recommendations made in 23-24.	Completed.  The follow-up review reported a good level of implementation. Seven recommendations have been fully implemented, with one recommendation partially implemented. Revised actions and implementation dates have been agreed for the remaining open actions.
SC24-2	<b>Property Management (housing) – contract management*</b>	A risk based reviewed focussed on contract management and including payment processes (raising of purchasing orders and approval of invoices).	Limited Assurance. The report is at draft stage awaiting management responses. High priority recommendations are included at Appendix 2.
SC24-3	<b>Landlord Duty of Care – Damp and Mould*</b>	An extended follow up review to assess the level of implementation of recommendations made in 23-24.	The draft follow-up memorandum was issued and has been discussed with management. At the direction of the Executive Director - Supporting Communities, the memorandum is now awaiting review and approval by the Housing Regulatory Board. In the original audit report, three high priority and three medium priority recommendations were made. The extended follow up review noted a moderate level of progress as follows:

			<ul style="list-style-type: none"> <li>- one high priority recommendation has been implemented;</li> <li>- two high priority and three medium priority recommendations have been partially implemented.</li> </ul>
SC24-4	<b>Concessionary Travel</b>	Risk-based review of the design and operation of key controls.	No assurance. The report is in draft stage awaiting management responses. High priority recommendations are included at Appendix 2
SC24-5	<b>Breakdown in community cohesion*</b>	Risk based review focused on actions to mitigate existing and emerging risks. The review will include a follow up of previous open audit recommendations.	The fieldwork has been completed and the report is being drafted. Anticipated completion June 2025.
SC24-6	<b>Social housing regulations/ standards*</b>	Following completion of a self-assessment, an advisory review of compliance with new social housing regulations/ standards.	<p>A management letter was issued and is awaiting management's response. Key observations made are in relation to ensuring that:</p> <ul style="list-style-type: none"> <li>- actions required to demonstrate compliance are recorded in programme planning and are effectively tracked;</li> <li>- evidence of work undertaken to achieve compliance and to continually improve services is maintained;</li> <li>- Corporate and political leadership are informed of the outcomes of improvement activities.</li> </ul>

SC24-7	<b>Tenant Management Organisation (TMO)*</b>	Risk based review to evaluate the effectiveness of the governance framework and key controls in place at one TMO, to ensure that the Council and the TMO are discharging their responsibilities in-line with the MMA. Scope to include a review of the TMO's financial management arrangements, to ensure that funds are managed and spend appropriately and in a way that delivers value-for-money for residents.	<p>Completed.</p> <p>A risk assessment related to rolling assurance of TMOs was conducted and it was agreed that the 24-25 audit resource will be utilised on an extended follow up of Chalk Farm TMO. A second follow-up was completed in June 2024 and a moderate level of progress was noted. The third follow-up has now been completed which found that all recommendations have been implemented.</p>
SC24-8	<b>Coroner's Court Accounts 23/24</b>	Annual certification of accounts, to include follow up of recommendations made during the 23-24 review.	Fieldwork has been completed and the draft report is currently being prepared. Anticipated completion June 2025.
SC24-9	<b>Bus Service Operators Grant</b>	Review and sign off of claims.	<p>Completed</p> <p>The Department for Transport pays the BSOG to Camden for the provision of community transport services. Internal Audit reviewed the claim to confirm that expenditure meets the requirements of the grant.</p>

## D. SUPPORTING PEOPLE

Reference	Audit title	Indicative Scope	Status – May 2025
SP24-1	<b>Mosaic key controls review follow up*</b>	Extended follow up of recommendations made in 22-23.	<p>Completed.</p> <p>The follow-up review reported a good level of implementation. 15 recommendations have been fully implemented, with two recommendations partially implemented. Revised action and implementation dates have been agreed for the remaining open actions.</p>
SP24-2	<b>Schools – establishments reviews*</b>	Risk-based review of seven schools.	<ul style="list-style-type: none"> <li>i. <b>Haverstock Secondary School</b> Completed – moderate assurance</li> <li>ii. <b>Kingsgate Primary</b> Completed – moderate assurance</li> <li>iii. <b>Edith Neville Primary</b> Completed – moderate assurance</li> <li>iv. <b>Richard Cobden Primary</b> The auditee requested a deferral owing to resource constraints. Fieldwork is scheduled for Q3 2025-26.</li> <li>v. <b>St Patricks Primary</b> Completed – limited assurance</li> <li>vi. <b>La Sainte Union</b> The auditee requested deferral owing to resource constraints. Fieldwork is scheduled for Q3 2025-26.</li> <li>vii. <b>Primrose Hill Primary</b></li> </ul>

			The auditee requested a deferral owing to resource constraints. Fieldwork scheduled for Q3 2025-26.
SP24-3	<b>Schools' Financial Values Statement</b>	Review and sign off of 2022/23 statements produced by schools.	Completed The Council is required to submit an assurance statement to the Department for Education each year confirming that a system is in place for the audit for schools, which provides assurance over the standards of financial management.
SP24-4	<b>Supporting Families*</b>	A review to provide assurance that the service retains a robust level of scrutiny and oversight in light of Earned Autonomy.	Completed. Grant funding certification (Single Children's and Families Grant) was undertaken and a management letter was issued.

## 5. Additions and deferrals

This section outlines additions and deferrals that were made to the plan as approved by the Committee in March 2024.

### 5.1 Additions

Five additional reviews have been undertaken in the 2024-25 year as follows:

1. Complaints
2. Family hub grant
3. Legal disrepair
4. Libraries cash management review
5. Housing - review of tools policy
6. Budget monitoring

## 5.2 Deferrals

The following deferrals were made from 24/25 at the request of auditees as outlined above. The audit reviews will proceed in 25/26:

**i) Corporate Services**

- 1) CS25-5 - IT application review – Northgate/NEC Housing system

**ii) Schools – establishment reviews**

- 2) SP24-2d – Richard Cobden Primary
- 3) SP24-2f – Le Sainte Union
- 4) SP24-2g – Primrose Hill Primary

**End**