



## London Borough of Croydon

### Internal Audit Report for the period

1 April 2014 to 30 September 2014

This report has been prepared on the basis of the limitations set out on page 16.

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## Internal Audit activity

1. During the first six months of the 2014/15 financial year the following work has been delivered:

- 44% of the 2014/15 planned audit days have been delivered
- 57 planned audits (excluding ad hoc and fraud work) commenced, either by setting up the files, attending scope meetings or by performing the audits. This was made up of:-
  - 42 system audits commenced and/or were completed;
  - 11 probity audits commenced and/or were completed; and,
  - 4 computer audits commenced and/or were completed.

In addition:

- 5 new ad hoc or fraud investigations commenced and/or were completed.

### Internal Audit Performance

2. To help ensure that the internal audit plan supported the Risk Management Framework and therefore the Council Assurance Framework, the 2014/15 internal audit plan was substantially informed by the risk registers. The 2014/15 internal audit plan was approved by the former Audit Advisory Committee on 25 March 2014.
3. Work on the 2014/15 audit plan commenced in April 2014 and is now well underway.
4. Table 1 details the performance for the 2014/15 audit plan against the Council's targets. At 30 September 2014 Internal Audit had delivered 44% of the planned audit days. While the year to date performance in terms of draft reports issued is slightly behind target, it should be recognised that this follows a similar pattern to previous years where 100% of the plan has been delivered in-year. Internal Audit is well placed to complete the Audit Plan by year end as required.

**Table 1: Quarterly performance against target**

Performance Objective	Annual Target	Year to Date Target	Year to Date Performance	Performance
% of planned 2014/15 audit days delivered	100%	42%	<b>44%</b>	▲
Number of 2014/15 planned audit days delivered	1131	475	<b>503</b>	▲
% of 2014/15 planned draft reports issued	100%	32%	<b>22%</b>	▼
Number of 2014/15 planned draft reports issued	97	31	<b>21</b>	▼
% of draft reports issued within 2 weeks of exit meeting with the Client	85%	85%	<b>100%</b>	▲
2014/15 % of priority one recommendations implemented at the time of the follow up audit	90%	90%	<b>80%</b>	▼
2014/15 % of all recommendations implemented at the time of the follow up audit	80%	80%	<b>82%</b>	▲
2013/14 % of priority one recommendations	90%	90%	<b>88%</b>	▼

Performance Objective	Annual Target	Year to Date Target	Year to Date Performance	Performance
implemented at the time of the follow up audit				
2013/14 % of all recommendations implemented at the time of the follow up audit	80%	80%	<b>84%</b>	▲
2012/13 % of priority one recommendations implemented at the time of the follow up audit	90%	90%	<b>97%</b>	▲
2012/13 % of all recommendations implemented at the time of the follow up audit	80%	80%	<b>91%</b>	▲
% of qualified staff engaged on audit	40%	40%	<b>33%</b>	▼

### **Audit Assurance**

5. Internal Audit provides four levels of assurance as follows:

<b>Full</b>	The systems of internal control are sound and achieve all systems objectives and that all controls are being consistently applied.
<b>Satisfactory / Substantial*</b>	The systems of internal control are basically sound, there are weaknesses that put some of the systems objectives at risk and/or there is evidence that the level of non-compliance with some of the controls may put some of the system objectives at risk. (*Note - Substantial assurance is provided on School audits.)
<b>Limited</b>	Weaknesses in the systems of internal control are such as to put the systems objectives at risk, and/or the level of non-compliance puts the system objectives at risk.
<b>No</b>	The system of internal control is generally weak leaving the system open to significant error or abuse and /or significant non-compliance with basic controls leaves the system open to error or abuse.

6. Table 2 lists the audits for which final reports were issued for the first four months from 1 April to 30 September 2014. Details of the key issues arising from these reports are shown in Appendix 1.

**Table 2: Final audit reports issued from 1 April to 30 September 2014**

Audit Title	Risk Level	Assurance Level	Planned Year
<b>Non-school audits</b>			
Abandoned Vehicles	High	Satisfactory	2014/15
<b>School audits</b>			
Monks Orchard	Medium	Limited	2014/15
Park Hill Junior	Medium	Limited	2014/15
Phil Edwards PRU	Medium	Limited	2014/15
Coningsby PRU	Medium	Limited	2014/15
Moving On PRU	Medium	Limited	2014/15
Cotelands Centre PRU	Medium	Limited	2014/15

Audit Title	Risk Level	Assurance Level	Planned Year
Heavers Farm Primary	Medium	Substantial	2014/15

### **Follow-up audits – effective implementation of recommendations**

7. During 2014/15, in response to the Council's follow-up requirements, Internal Audit has continued following-up the status of the implementation of the 2010/11, 2012/13 and 2013/14. Follow ups on 2014/15 school audits have also commenced.
8. Follow-up audits are undertaken to ensure that all the recommendations raised have been successfully implemented according to the action plans agreed with the service managers. The Council's target for audit recommendations implemented at the time of the follow-up audit is 80% for all priority 2 & 3 recommendations and 90% for priority 1 recommendations, (the target for Priority 1 recommendations was increased from 85% to 90% at the June 2014 General Purposes and Audit Committee meeting).

Performance Objective	Target	Performance (to date*)				
		2010/11	2011/12	2012/13	2013/14	2014/15
Percentage of priority one recommendation implemented at the time of the follow up audit	90%	93%	100%	97%	88%	82%
Percentage of all recommendations implemented at the time of the follow up audit	80%	88%	93%	92%	84%	80%

\* The follow ups for 2011/12 are now complete with one audit for 2010/11 (appendix 2) where implementation is in-progress. The results of those 2012/13, 2013/14 and 2014/15 audits that have been followed up are included in Appendixes 3, 4 and 5.

9. Appendix 2 shows a summary of the outstanding follow-up audit of 2010/11 and the number of recommendations raised and implemented on the audits undertaken. 88% of the total recommendations were found to have been implemented and 93% of the priority 1 recommendations which have been followed up have been implemented. The outstanding priority 1 recommendation is detailed below:

Audit Title	Executive Director Responsible	Risk Level	Assurance Level	Summary of priority 1 recommendation
Stubbs Mead Depot	Jo Negrini	High	Limited	<p>The recommendation was that, through liaison with the Corporate Security Manager, appropriate site security, including CCTV, should be implemented</p> <p>A copy of the works order and programme of works (to commence 6 October and to be completed by 27 October 2014) has been provided for the installation of the lighting at Stubbs Mead. Once the lighting has been completed the subsequent CCTV, ground works and drainage works can be progressed.</p> <p>A copy of the meeting agenda, which includes agreement of the next steps / overall program of works, to be held with the contractor and relevant Council staff on 6 October 2014, has also been provided.</p>

Audit Title	Executive Director Responsible	Risk Level	Assurance Level	Summary of priority 1 recommendation
				The November 2014 deadline detailed in the June 2014 response from the auditee, based on the above, appears to on target.

10. Appendix 3 shows the follow-up audits of 2012/13 audits undertaken to date and the number of recommendations raised and implemented. 92% of the total recommendations were found to have been implemented and 97% of the priority 1 recommendations which have been followed up have been implemented. The outstanding priority 1 recommendation is detailed below:

Audit Title	Executive Director Responsible	Risk Level	Assurance Level	Summary of priority 1 recommendations
St Mary's Catholic High School	Paul Greenhalgh	Medium	Limited	A recommendation was raised as increments were noted to the Head Teachers pay that did not appear to be in accordance with the Teachers Pay and Conditions document. The School has not yet demonstrated that this is satisfactorily resolved. It should; however, be noted that a new head teacher has subsequently been appointed at the School, who has requested that the School be audited. This audit has been scheduled for the 8 October 2014.

11. Appendix 4 shows the follow-up audits of 2013/14 audits undertaken to date and the number of recommendations raised and implemented. 84% of the total recommendations were found to have been implemented and 88% of the priority 1 recommendations which have been followed up have been implemented. The outstanding priority 1 recommendations are detailed below:

Audit Title	Executive Director Responsible	Risk Level	Assurance Level	Summary of priority 1 recommendations
Non Comensura Interims and Consultants	Nathan Elvery	High	Limited	A recommendation was raised as interim contracts and contract extensions were not consistently retained by the Human Resources division and the terms of engagement for each of these were those of the respective suppliers. This recommendation, which is agreed, is still in the process of being implemented, with the Director Human Resources and others working on controls to ensure that Human Resources are aware of any new engagements.
Brokerage	Hannah Miller	High	Limited	A recommendation was raised as the process of selecting service users to visit had not been formalised and a number of these visits were outstanding. While the follow up process has confirmed that outstanding visits have been conducted, the process of selection for future visits to conduct, is still being resolved.
Kensington Avenue Primary School	Paul Greenhalgh	Medium	No	A recommendation was raised as the results of audit testing highlighted instances where the audit findings were contrary to the Schools completed School Financial Value Standard (SFVS) assessment. This along with three recommendations, relating to amendment and approval of the Financial Policies and Procedures Manual, the schools substantial meal debts and the maintenance of a ledger for the school fund, are still in the process of being implemented.

Audit Title	Executive Director Responsible	Risk Level	Assurance Level	Summary of priority 1 recommendations
Virgo Fidelis	Paul Greenhalgh	Medium	Limited	<p>A recommendation was raised as there was no evidence of a health clearance check on the personnel files for two new starters. The response received to the follow up stated that ‘...the School has continued to ensure all new members of staff complete Health questionnaires and are referred to OHS as required’. A copy of the health check clearances has been requested by Internal Audit, but not yet provided.</p> <p>A recommendation was raised relating to DBS checks for staff and, although the response received stated ‘Both these individuals have been chased up and their original DBS certificates presented to the school for inclusion in the records.’, the numbers of the relevant DBS checks requested by Internal Audit as part of the follow up process and assurance of implementation have not yet been provided.</p> <p>A recommendation was raised as instances had been identified where petty cash expenditure was not in line with the ‘Guidance for schools relating to the acceptable use of school (public) monies’. The response received stated, “Any petty cash used for expenditure that should be paid for from private funds will be reimbursed immediately”. Confirmation that funds have been reimbursed has been sought by Internal Audit, but not yet provided.</p>

- Appendix 5 shows the follow-up audits of 2014/15 audits undertaken to date and the number of recommendations raised and implemented. 82% of the total recommendations were found to have been implemented and 80% of the priority 1 recommendations which have been followed up have been implemented.

## Appendix 1 - Key issues from 2014/15 finalised audits

Audit Title	Risk Level	Assurance Level & Number of Issues	Summary of key issues raised.
<b>Non School Audits</b>			
Abandoned Vehicles	High	Satisfactory  (Two Priority 2 recommendations raised)	No priority 1 recommendations raised.
<b>School Audits</b>			
Monks Orchard	Medium	Limited (Three Priority 1, three Priority 2 and five Priority 3 recommendations)	A priority 1 recommendation was raised due to instances where DBS checks were more than three years old. (It was highlighted by the School that the application process had been delayed as Strictly Education had run out of forms). A priority 1 recommendation was raised relating to tendering for building work. A further priority 1 recommendation was raised as the school's laptops had not been encrypted to safeguard data.
Park Hill Junior	Medium	Limited (Two Priority 1, four Priority 2 and three Priority 3 recommendations)	Priority 1 recommendations were raised due to sample testing identifying that for a number of the transactions tested purchase orders had been raised subsequent to the receipt of the respective invoices and that goods/services received checks were not always evidenced.
Phil Edwards PRU	Medium	Limited (One Priority 1, three Priority 2 and seven Priority 3 recommendations)	A priority 1 recommendation was raised due to sample testing identifying for a number of the transactions tested that a goods/services received checks were not always evidenced.
Coningsby PRU	Medium	Limited (One Priority 1, four Priority 2 and seven Priority 3 recommendations)	A priority 1 recommendation was raised due to sample testing identifying that a number of purchase orders did not have a goods/services received check evidenced.
Moving On PRU	Medium	Limited (One Priority 1, seven Priority 2 and five Priority 3 recommendations)	A priority 1 recommendation was raised as two references had not been obtained for two of the new starters sampled prior to their start dates.
Cotelands Centre PRU	Medium	Limited (One Priority 1, eleven Priority 3 and five Priority 3 recommendations)	A priority 1 recommendation was raised as the School's laptops had not been encrypted to safeguard data.
Heavers Farm Primary	Medium	Substantial (Four Priority 2 and three Priority 3 recommendations)	No Priority 1 recommendations were raised.

## Appendix 2 - Follow-up of 2010/11 audits (with outstanding recommendations only)

Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
<b>Non School Audits</b>							
2010/11	Stubbs Mead Depot	Jo Negrini	High	Limited (Follow ups still in progress). See commentary at report paragraph 9.	2	0	0%
<b>Non School Audits Sub Total: Recommendations and implementation from audits that have had responses</b>					<b>282</b>	<b>265</b>	<b>94%</b>
<b>Non School Audits Sub Total: Priority 1 Recommendations from audits that have had responses</b>					<b>7</b>	<b>6</b>	<b>86%</b>
<b>School Audits</b>							
<b>School Audits Sub Total: Recommendations and implementation from audits that have had responses</b>					<b>532</b>	<b>451</b>	<b>85%</b>
<b>School Audits Sub Total: Priority 1 Recommendations from audits that have had responses</b>					<b>8</b>	<b>8</b>	<b>100%</b>
<b>Recommendations and implementation from audits that have had responses</b>					<b>814</b>	<b>716</b>	<b>88%</b>
<b>Priority 1 Recommendations from audits that have had responses</b>					<b>15</b>	<b>14</b>	<b>93%</b>



## Appendix 3 - Follow-up of 2012/13 audits (with outstanding recommendations only)

Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
<b>Non School Audits</b>							
2012/13	LGfI2 Fronter	Nathan Elvery	High	Limited (2 <sup>nd</sup> follow up in progress)	7	3	57%
2012/13	Building Control	Jo Negrini	High	Satisfactory (2 <sup>nd</sup> follow up in progress)	2	1	50%
2012/13	Highways	Jo Negrini	High	Satisfactory (2 <sup>nd</sup> follow up in progress)	4	3	75%
2012/13	E-GENDA Application	Nathan Elvery	High	Satisfactory (3 <sup>rd</sup> follow up in progress)	5	2	40%
2012/13	Contender Windows Operating System (computer audit)	Nathan Elvery	High	Satisfactory (2 <sup>nd</sup> follow up in progress)	4	3	75%
<b>Non School Audits Sub Total: Recommendations and implementation from audits that have had responses</b>					<b>240</b>	<b>221</b>	<b>92%</b>
<b>Non School Audits Sub Total: Priority 1 Recommendations from audits that have had responses</b>					<b>19</b>	<b>19</b>	<b>100%</b>
<b>School Audits</b>							
2012/13	St Mary's Catholic High School	Paul Greenhalgh	Medium	Limited (4 <sup>th</sup> follow up in progress) See commentary at report paragraph 10.	22	17	78%
<b>School Audits Sub Total: Recommendations and implementation from audits that have had responses</b>					<b>314</b>	<b>286</b>	<b>91%</b>
<b>School Audits Sub Total: Priority 1 Recommendations from audits that have had responses</b>					<b>18</b>	<b>17</b>	<b>95%</b>
<b>Recommendations and implementation from audits that have had responses</b>					<b>554</b>	<b>507</b>	<b>92%</b>
<b>Priority 1 Recommendations from audits that have had responses</b>					<b>37</b>	<b>36</b>	<b>97%</b>

## Appendix 4 - Follow-up of 2013/14 audits

Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
<b>Non School Audits</b>							
2013/14	Creditors	Nathan Elvery	High	Limited (2 <sup>nd</sup> follow up in progress)	4	3	75%
2013/14	Community Care Payments	Hannah Miller	High	Limited (No further follow ups planned)	2	2	100%
2013/14	Parking Enforcement	Jo Negrini	High	Limited (1 <sup>st</sup> follow up in progress)	9	-	-
2013/14	Non Comensura Interims & Consultants	Nathan Elvery	High	Limited (2 <sup>nd</sup> follow up in progress)	6	2	33%
2013/14	Academies Conversion	Paul Greenhalgh	High	Limited (No further follow ups planned)	11	11	100%
2013/14	Unaccompanied Minors (Asylum Seekers)	Paul Greenhalgh	High	Limited (No further follow ups planned)	17	15	89%
2013/14	Brokerage	Hannah Miller	High	Limited (4 <sup>th</sup> follow up in progress)	8	6	75%
2013/14	Vehicle Removals	Jo Negrini	High	Limited (No further follow ups planned)	6	5	83%
2013/14	Pay and Display Cash Collections	Jo Negrini	High	Limited (No further follow ups planned)	10	10	100%
2013/14	Environmental Enforcement	Jo Negrini	High	Limited (No further follow ups planned)	4	4	100%
2013/14	Fuel Management	Jo Negrini	High	Limited (No further follow ups planned)	8	7	88%
2013/14	Waste Collection	Jo Negrini	High	Limited (No further follow ups planned)	6	5	84%
2013/14	Facilities Management	Nathan Elvery	High	Limited (No further follow ups planned)	3	3	100%
2013/14	Reroofing Monks Orchard Primary School	Jo Negrini	High	Limited (No further follow ups planned)	5	4	80%
2013/14	Biking the Borough	Jo Negrini	High	Limited (1 <sup>st</sup> follow up in progress)	4	-	-
2013/14	Cash and Banking	Nathan Elvery	High	Satisfactory (No further follow ups planned)	4	4	100%

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Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
<b>Non School Audits</b>							
2013/14	Creditors	Nathan Elvery	High	Limited (2 <sup>nd</sup> follow up in progress)	4	3	75%
2013/14	Housing Benefits	Nathan Elvery	High	Satisfactory (No further follow ups planned)	4	4	100%
2013/14	Main Accounting	Nathan Elvery	High	Satisfactory (1 <sup>st</sup> follow up in progress)	3	-	-
2013/14	Pensions	Nathan Elvery	High	Satisfactory (No further follow ups planned)	2	2	100%
2013/14	Payments to Schools	Nathan Elvery	High	Satisfactory (No further follow ups planned)	3	3	100%
2013/14	Payroll	Nathan Elvery	High	Satisfactory (No further follow ups planned)	4	4	100%
2013/14	Programme and Project Management	Nathan Elvery	High	Satisfactory (2 <sup>nd</sup> follow up in progress)	5	1	20%
2013/14	Towards a Tipping Point	Nathan Elvery	High	Satisfactory (No further follow ups planned)	1	1	100%
2013/14	Corporate Governance	Nathan Elvery	High	Satisfactory (1 <sup>st</sup> follow up in progress)	3	-	-
2013/14	Information Management	Nathan Elvery	High	Satisfactory (2 <sup>nd</sup> follow up in progress)	3	1	33%
2013/14	Programme and Project Management	Nathan Elvery	High	Satisfactory (3 <sup>rd</sup> follow up in progress)	5	1	20%
2013/14	Recharging	Nathan Elvery	High	Satisfactory (1 <sup>st</sup> follow up in progress)	3	-	-
2013/14	Red File Scheme	Nathan Elvery	High	Satisfactory (No further follow ups planned)	7	7	100%
2013/14	Gifts and Hospitality	Nathan Elvery	High	Satisfactory (1 <sup>st</sup> follow up in progress)	5	-	-
2013/14	School Places – Prediction and Management	Paul Greenhalgh	High	Satisfactory (No further follow ups planned)	4	4	100%
2013/14	Data Quality – DASHH - Social Care	Hannah Miller	High	Satisfactory (1 <sup>st</sup> follow up in progress)	7	-	-
2013/14	Housing Tenancy	Hannah Miller	High	Satisfactory (No further follow ups planned)	4	4	100%

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Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
<b>Non School Audits</b>							
2013/14	Creditors	Nathan Elvery	High	Limited (2 <sup>nd</sup> follow up in progress)	4	3	75%
2013/14	Public Health Transition of Financial Management	Hannah Miller	High	Satisfactory (No further follow ups planned)	6	6	100%
2013/14	Waste Disposal (Contract Management)	Jo Negrini	High	Satisfactory (No further follow ups planned)	3	3	100%
2013/14	Community Infrastructure Levy	Jo Negrini	High	Satisfactory (No further follow ups planned)	2	2	100%
2013/14	Social Fund Reform	Nathan Elvery	High	Satisfactory (No further follow ups planned)	4	4	100%
2013/14	E-mail	Nathan Elvery	High	Satisfactory (1 <sup>st</sup> follow up in progress)	2	-	-
2013/14	LiquidLogic Pre-Implementation Review	Paul Greenhalgh	High	Satisfactory (3 <sup>rd</sup> follow up in progress)	10	6	60%
2013/14	Metacompliance Application	Nathan Elvery	High	Satisfactory (No further follow ups planned)	5	4	80%
2013/14	Microsoft Office 2010 Upgrade Project	Nathan Elvery	High	Full (No further follow ups planned)	3	3	100%
2013/14	Procurement – Strategy, Governance and Communication	Nathan Elvery	High	Satisfactory (2 <sup>nd</sup> follow up in progress)	3	0	0
2013/14	South Norwood Country Park	Jo Negrini	High	Satisfactory (1 <sup>st</sup> follow up in progress)	7	-	-
2013/14	Public Services (Social Value) Act 2012	Nathan Elvery	High	Satisfactory (No further follow ups planned)	1	1	100%
<b>Non School Audits Sub Total: Recommendations and implementation from audits that have had responses</b>					<b>173</b>	<b>142</b>	<b>82%</b>
<b>Non School Audits Sub Total: Priority 1 Recommendations from audits that have had responses</b>					<b>27</b>	<b>25</b>	<b>93%</b>
Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
<b>School Audits</b>							
2013/14	Thornton Heath Children's Centre	Paul Greenhalgh	Medium	No (No further follow ups planned)	24	23	96%
2013/14	Kensington Avenue Primary	Paul Greenhalgh	Medium	No (3 <sup>rd</sup> follow up in progress)	38	25	66%
2013/14	Edenham High School	Paul Greenhalgh	Medium	No	33	32	98%

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Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
<b>Non School Audits</b>							
2013/14	Creditors	Nathan Elvery	High	Limited (2 <sup>nd</sup> follow up in progress)	4	3	75%
				(No further follow ups planned)			
2013/14	All Saints' C of E High School	Paul Greenhalgh	Medium	Limited (No further follow ups planned)	18	17	95%
2013/14	Greenvale Primary	Paul Greenhalgh	Medium	Limited (No further follow ups planned)	26	21	81%
2013/14	Regina Coeli	Paul Greenhalgh	Medium	Limited (No further follow ups planned)	27	23	86%
2013/14	Archbishop Tension's C of E High School	Paul Greenhalgh	Medium	Limited (No further follow ups planned)	21	19	91%
2013/14	Bensham Manor	Paul Greenhalgh	Medium	Limited (No further follow ups planned)	26	23	89%
2013/14	Virgo Fidelis Convent Senior School	Paul Greenhalgh	Medium	Limited (2 <sup>nd</sup> follow up in progress)	17	6	36%
2013/14	St Aidan's Catholic Primary	Paul Greenhalgh	Medium	Limited (No further follow ups planned)	16	14	88%
2013/14	St Chad's	Paul Greenhalgh	Medium	Limited (No further follow ups planned)	11	10	91%
2013/14	St Giles'	Paul Greenhalgh	Medium	Limited (No further follow ups planned)	16	16	100%
2013/14	Gresham Primary	Paul Greenhalgh	Medium	Substantial (No further follow ups planned)	10	8	80%
2013/14	Forestdale Primary	Paul Greenhalgh	Medium	Substantial (No further follow ups planned)	20	20	100%
2013/14	Rowdown Primary	Paul Greenhalgh	Medium	Substantial (No further follow ups planned)	19	18	95%
2013/14	Selsdon Primary and Nursery	Paul Greenhalgh	Medium	Substantial (1 <sup>st</sup> follow up in progress)	13	-	-
2013/14	St Joseph's Federation	Paul Greenhalgh	Medium	Substantial (2 <sup>nd</sup> follow up in progress)	12	6	50%
2013/14	St Peter's Primary School	Paul Greenhalgh	Medium	Substantial (No further follow ups planned)	18	15	84%
2013/14	Woodside Primary School and Children's Centre	Paul Greenhalgh	Medium	Substantial	8	8	100%

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Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
<b>Non School Audits</b>							
2013/14	Creditors	Nathan Elvery	High	Limited (2 <sup>nd</sup> follow up in progress)	4	3	75%
				(No further follow ups planned)			
2013/14	Beckmead	Paul Greenhalgh	Medium	Substantial (No further follow ups planned)	9	9	100%
2013/14	St Nicholas	Paul Greenhalgh	Medium	Substantial (No further follow ups planned)	14	13	93%
2013/14	Red Gates School	Paul Greenhalgh	Medium	Substantial (No further follow ups planned)	5	5	100%
<b>School Audits Sub Total: Recommendations and implementation from audits that have had responses</b>					<b>388</b>	<b>331</b>	<b>85%</b>
<b>School Audits Sub Total: Priority 1 Recommendations from audits that have had responses</b>					<b>45</b>	<b>38</b>	<b>84%</b>
<b>Recommendations and implementation from audits that have had responses</b>					<b>561</b>	<b>473</b>	<b>84%</b>
<b>Priority 1 Recommendations from audits that have had responses</b>					<b>72</b>	<b>63</b>	<b>88%</b>

## Appendix 5 - Follow-up of 2014/15 audits

Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
<b>Non School Audits</b>							
No Non School Audit follow ups are due to be issued.							
Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
<b>School Audits</b>							
2014/15	Monks Orchard	Paul Greenhalgh	Medium	Limited (2nd follow up in progress)	11	6	55%
2014/15	Park Hill Junior	Paul Greenhalgh	Medium	Limited (1st follow up in progress)	9	-	-
2014/15	Cotelands	Paul Greenhalgh	Medium	Limited (No further follow ups planned)	10	10	100%
2014/15	Moving On Pru	Paul Greenhalgh	Medium	Limited (No further follow ups planned)	13	12	93%
2014/15	Phil Edwards Pru	Paul Greenhalgh	Medium	Limited (1st follow up in progress)	11	-	-
2014/15	Coningsby Pru	Paul Greenhalgh	Medium	Limited (1 <sup>st</sup> follow up in progress)	12	-	-
<b>School Audits Sub Total: Recommendations and implementation from audits that have had responses</b>					<b>34</b>	<b>28</b>	<b>82%</b>
<b>School Audits Sub Total: Priority 1 Recommendations from audits that have had responses</b>					<b>5</b>	<b>4</b>	<b>80%</b>
<b>Recommendations and implementation from audits that have had responses</b>					<b>34</b>	<b>28</b>	<b>82%</b>
<b>Priority 1 Recommendations from audits that have had responses</b>					<b>5</b>	<b>4</b>	<b>80%</b>

## 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**

#### **October 2014**

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