



# London Borough of Croydon

## Internal Audit Report for the period

### 1 April 2018 to 31 January 2019

#### **Confidentiality and Disclosure Clause**

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Please refer to the Statement of Responsibility in Appendix 3 of this report for further information about responsibilities, limitations and confidentiality.

## Internal Audit activity

1. During the first ten months of the 2018/19 financial year the following work has been delivered:

- 78% of the 2018/19 planned audit days have been delivered
- 84 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:-
- 64 system audits commenced and/or were completed;
- 13 school audits commenced and/or were completed; and,
- 7 computer audits commenced and/or were completed.

In addition:

- 8 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 2018/19 internal audit plan was substantially informed by the risk registers. The 2018/19 internal audit plan was presented to the General Purposes and Audit Committee on 15 March 2018.
3. Work on the 2018/19 audit plan commenced in April 2018 and delivery is now well underway.
4. Table 1 details the performance for the 2018/19 audit plan against the Council's targets. At 31 January 2019 Internal Audit had delivered 78% of the planned audit days and 47% of the planned draft reports. Although the planned drafts are behind target, there are a number of audits where the reports are close to being issued. Work has either commenced, is in progress or draft stage for over 90% of the audit plan.

**Table 1: Performance against targets**

Performance Objective	Annual Target	Year to Date Target	Year to Date Actual	Performance
% of planned 2018-19 audit days delivered	100%	79%	<b>78%</b>	▼
Number of 2018-19 planned audit days delivered	1050	830	<b>823</b>	▼
% of 2018-19 planned draft reports issued	100%	65%	<b>47%</b>	▼
Number of 2018-19 planned draft reports issued	89	58	<b>42</b>	▼
% of draft reports issued within 2 weeks of exit meeting	85%	85%	<b>88%</b>	▲
2018/19 % of priority one recommendations implemented at the time of the follow up audit	90%	90%	<b>69%</b>	▼
2018/19 % of all recommendations implemented at the time of the follow up audit	80%	80%	<b>65%</b>	▼
2017/18 % of priority one recommendations implemented at the time of the follow up audit	90%	90%	<b>85%</b>	▼
2017/18 % of all recommendations implemented at the time of the follow up audit	80%	80%	<b>83%</b>	▲

Performance Objective	Annual Target	Year to Date Target	Year to Date Actual	Performance
2016/17 % of priority one recommendations implemented at the time of the follow up audit	90%	90%	<b>90%</b>	►
2016/17 % of all recommendations implemented at the time of the follow up audit	80%	80%	<b>85%</b>	▲
2015/16 % of priority one recommendations implemented at the time of the follow up audit	90%	90%	<b>91%</b>	▲
2015/16 % of priority all recommendations implemented at the time of the follow up audit	80%	80%	<b>86%</b>	▲
% of qualified staff engaged on audit	40%	40%	<b>42%</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>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. Tables 2 lists the audits for which final reports were issued from 1 April to 31 January 2019. Details of the key issues arising from these reports are shown in Appendix 1.

**Table 2: 2018/19 Final audit reports issued from 1 April 2018 to 31 January 2019:**

Audit Title	Assurance Level	Planned Year
<b>Non-school audits</b>		
GDPR in Schools	Limited	2018/19
Landlords Lettings Scheme (formerly Croylease)	Limited	2018/19
Libraries Income Collection	Limited	2018/19
Statutory Defence Against Highways and Other Claims	Substantial	2018/19
Parking CCTV	Substantial	2018/19
Discretionary Housing Payments	Substantial	2018/19
Leasehold Service Charge	Substantial	2018/19
Growth Zone	Substantial	2018/19

Audit Title	Assurance Level	Planned Year
Public Events	Substantial	2018/19
Coroner's Service	Substantial	2018/19
Leisure Contract Management	Substantial	2018/19
Capita Event Management	Substantial	2018/19
Third Party Support / Service Delivery	Substantial	2018/19
Access to IT	Substantial	2018/19
Cashiers (Cash Handling)	Full	2018/19
Audit Title	Assurance Level	Planned Year
<b>School audits</b>		
Virgo Fidelis Convent School	No	2018/19
Coulsdon C of E Primary School	Limited	2018/19
The Minster Junior School	Limited	2018/19
Regina Coeli Catholic Primary School	Limited	2018/19
Thomas More Catholic School	Limited	2018/19
Park Hill Infant School	Substantial	2018/19
Ridgeway Primary School	Substantial	2018/19

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

- During 2018/19 in response to the Council's follow-up requirements, Internal Audit has continued following-up the status of the implementation of the 2015/16, 2016/17, 2017/18 audits.
- 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. Follow-ups will continue to be carried out until all priority 1 recommendations and 80% or more of priority 2 & 3 recommendations from each audit have been implemented.

Performance Objective	Performance (to date)					
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Percentage of priority one recommendation implemented at the time of the follow up audit	100%	100%	91%	90%	85%	69%
Percentage of all recommendations implemented at the time of the follow up audit	96%	94%	86%	85%	83%	65%

The results of those for 2015/16, 2016/17, 2017/18 and 2018/19 audits that have been followed up are included in Appendixes 2, 3, 4 and 5 respectively.

- Appendix 2 shows the follow-up audits of 2015/16 audits undertaken to date and the number of recommendations raised and implemented. 86% of the total recommendations were found to have been implemented and 91% 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	Assurance Level	Summary of issues arising in priority 1 recommendations
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Audit Title	Executive Director Responsible	Assurance Level	Summary of issues arising in priority 1 recommendations
EMS Application	Jaqueline Harris-Baker	Limited	<p>A recommendation was raised due to the absence of an effective disaster recovery plan for the EMS application. The response to the follow up is that this is being worked on with Capita and a solution planned for January 2019.</p> <p><b><u>Response November 2018</u></b></p> <p>Work continues to move to a cloud-based DR solution which will deliver much improved recovery times. Much of the required infrastructure is now in place and the solution for the majority of systems should be complete by mid-July 2019, with the remainder due by mid-November 2019.</p>
ICT ~Service Delivery ITIL Framework	Jaqueline Harris-Baker	Limited	<p>A recommendation was raised as it was identified that the development of an appropriate Business Impact Review (BIR) to assist in the design of both the IT Service Disaster Recovery Plan (DRP) and the associated Business Continuity Plan (BCP) are currently at an embryonic stage and no DRP or BCP solutions have been recently tested as effective.</p> <p>The response to the follow up is that this is being worked on with Capita and a solution planned for January 2019.</p> <p><b><u>Response November 2018</u></b></p> <p>Work continues to move to a cloud-based DR solution which will deliver much improved recovery times. Much of the required infrastructure is now in place and the solution for the majority of systems should be complete by mid-July 2019, with the remainder due by mid-November 2019.</p>

10. Appendix 3 shows the 2016/17 follow-up audits undertaken to date and the number of recommendations raised and implemented. 85% of the total recommendations were found to have been implemented and 90% 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	Assurance Level	Summary of issues arising in priority 1 recommendations
Adult Care Packages	Guy Van Dichele	Limited	<p>A priority 1 recommendation was raised as in ten out of fifteen instances sampled evidence could not be provided of approval of a care package by an individual or body with the correct delegated authority.</p> <p><b><u>Response February 2019</u></b></p> <p>A Virtual Complex Care Panel is in place which is working effectively and allows for the robust monitoring of new placements is in place and cases are being presented back to Panel for review to ensure decisions around care packages are correct for the individual and are successfully being implemented.</p> <p>Amendments to the Scheme of Delegation are still in progress.</p>
Contract Formalities and Storage of Contracts	Jaqueline Harris-Baker	Limited	<p>Three priority 1 recommendations were raised because based on sample testing formal contracts were not always in place, contracts were not held in the Deeds room for all contracts and electronic, signed definitive versions of the contract are not available to contract managers.</p> <p><b><u>Response in December 2018</u></b></p> <p>A Contracts and Deeds amnesty was held in December 2018 to get officers to share any contracts and deeds that they hold so that these can be scanned and securely stored and the Tender and Contract Regulations were being updated to provide clear guidance. For new contracts awarded, the Contract Management Plan has been established which is where all the key information about a contract is stored. Also information related to the Tender and the Contract are stored on the e-sourcing system.</p>

11. Appendix 4 shows the 2017/18 follow-up audits undertaken to date and the number of recommendations raised and implemented. 83% of the total recommendations were found to have

been implemented and 85% 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	Assurance Level	Summary of issues arising in priority 1 recommendations
Abandoned Vehicles	Shifa Mustafa	No	<p>A priority 1 issue was raised as the records of reported abandoned vehicles on the Access 2003 database was incomplete, with images, links to '7 day' notices and the dates removed and outcomes not always being recorded.</p> <p>A priority 1 issue was raised as although the estimated contract value for abandoned vehicle removal is over £160k, there has been no tendering for this service and there is no contract in place between Tran-Support and the Council.</p> <p><b>Response provided in March 2019</b></p> <p>The first phase of system development for a replacement system provided by IDOX UNIFORM is complete and user acceptance testing is being undertaken, with the aim to roll out Phase 1 to officers in Late Summer 2019. An Excel based system is being used in the interim.</p> <p>The Service aims to have the specification for a procurement exercise finalised and market tested within the next 4-8 weeks.</p>
Pay and Display Meter Maintenance and Income Collection	Shifa Mustafa	Limited	<p>A priority 1 issue was raised the contract between NSL and the Council expired in 2015.</p> <p><b>Response provided in February 2019</b></p> <p>This is with Procurement with the tender due to be published imminently.</p>
Health Visiting	Guy Van Dichele	Limited	<p>A priority 1 issue was raised as while the Council receives monthly detailed reports on key performance indicators and has conducted a recent extensive six month Health Visiting Services Review, appropriate contract monitoring processes were not in place to obtain assurance of the general conditions in the S75 Agreement and the actual processes undertaken by CHS, including those for safeguarding.</p> <p><b>Response provided November 2018:</b></p> <p>The Service will be seeking this assurance at the S75 meeting, which will be minuted.</p>
Brokerage	Jaqueline Harris-Baker	Limited	<p>A priority 1 issue was raised as it was confirmed that providers outside of the signed Integrated Framework Agreement (IFA) were being used regularly for care provision of clients.</p> <p><b>Response provided November 2018:</b></p> <p>The IFA is being refreshed, which will address the issue of legacy provision.</p>

12. Appendix 4 shows the 2018/19 follow-up audits undertaken to date and the number of recommendations raised and implemented. 65% of the total recommendations were found to have been implemented and 69% 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	Assurance Level	Summary of issues arising in priority 1 recommendations
Virgo Fidelis Convent School	Robert Henderson	No	<p>Priority 1 recommendations were raised because, the 'Financial Policies and Procedures Manual' had not been reviewed as required, the School's School Financial Value Standard self-assessment for 2017/18 was not properly approved and was not in line with the findings of this audit, some purchase orders were not available or were not properly authorised, and the Head Teacher did not have any oversight of lettings and copies of the lettings diary, any letting application forms and accompanying indemnity insurance evidence were not available at the time of audit.</p> <p><b>Response provided in March 2019</b></p> <p>A number of items have been to the Resources Committee, which are to be ratified by the full Governing Body. The issue regarding lettings has been discussed at Resources Committee, but has not yet been resolved.</p>

## Appendix 1: Key issues from 2018/19 finalised audits

Audit Title	Assurance Level & Number of Issues	Summary of key issues raised.
<b>Non School Audits</b>		
GDPR in Schools	Limited (Eight priority 2 issues)	No priority 1 issues
Landlords lettings Scheme (formerly Croylease)	Limited (Two priority 1, five priority 2 and one priority 3 issue)	A priority 1 issue was raised as current lease agreements were not in place for 5 of the 10 Croylease properties sampled. A priority 1 issue was raised as sample testing of 10 Croylease properties was unable in some cases to evidence the required gas safety or electrical inspections or fire safety certificates.
Libraries Income Collection	Limited (Two priority 1, two priority 2 and one priority 3 issue)	Two priority 1 issues were raised, one relating to the approval and control over the waiver of fines and the other relating to the lack of reconciliations between income collected and income banked and coded to Oracle ledger codes.
Statutory Defence Against Highways and Other Claims	Substantial (Three priority 2 and one priority 3 issue)	No priority 1 issues
Parking CCTV	Substantial (One priority 2 issue)	No priority 1 issues
Discretionary Housing Payments	Substantial (One priority 2 and two priority 3 issues)	No priority 1 issues
Leasehold Service Charges	Substantial (Two priority 3 issues)	No priority 1 issues
Growth Zone	Substantial (Three priority 2 issues)	No priority 1 issues
Public Events	Substantial (Four priority 2 and three priority 3 issues)	No priority 1 issues
Coroner's Service	Substantial (Three priority 2 issues)	No priority 1 issues
Leisure Centre Contract Management	Substantial (Two priority 2 issues.)	No priority 1 issues
Capita Event Management	Substantial (Three priority 2 issues)	No priority 1 issues
Third Party Support / Service Delivery	Substantial (One priority 2 issue)	No priority 1 issues
Access to IT	Substantial (Three priority 2 issues)	No priority 1 issues
Cashiers (Cash Handling)	Full (One priority 3 issue)	No priority 1 issues

Audit Title	Assurance Level & Number of Issues	Summary of key issues raised.
<b>School Audits</b>		
Virgo Fidelis Convent School	No (Eleven priority 1, thirteen priority 2 and three priority 3 recommendations)	Priority 1 recommendations were raised because a number of signed Governing Body minutes and accompanying papers were not available, the 'Financial Policies and Procedures Manual' had not been reviewed as required, the School's School Financial Value Standard self-assessment for 2017/18 was not properly approved and was not in line with the findings of this audit, the School did not have a plan in place to eliminate its deficit of £1.24m, two references were not obtained for all new starters, some governors were not included in the School's Single Central Record and DBS renewal checks were overdue for a number of staff, some purchase orders were not available or were not properly authorised, goods received checks were not always properly evidenced, invoices were not always evidenced as appropriately authorised, off-payroll payments had been made to an individual who would be deemed by HMRC to be an employee and the Head Teacher did not have any oversight of lettings and copies of the lettings diary, any letting application forms and accompanying indemnity insurance evidence were not available at the time of audit.
Coulsdon C of E Primary School	Limited (One priority 1, two priority 2 and five priority 3 recommendations)	A priority 1 recommendation was raised as examination of the School's central single record found that this did not include a newly appointed governor (appointed on 10 July 2018) and thus there was no evidence that their DBS check had been completed as required.
The Mister Junior School	Limited (One priority 1, five priority 2 and five priority 3 recommendations)	A priority 1 recommendation was raised as purchase orders for 7 of the sample of 15 transactions tested were raised subsequent to the invoices being received and one purchase order was not available. In addition, two of these showed no evidence of approval.
Regina Coeli Catholic Primary School	Limited (Two priority 1, two priority 2 and six priority 3 recommendations)	A priority 1 recommendation was raised as four governors were found to have out of date DBS checks. A priority 1 recommendation was raised as 10 out of 15 purchases selected for testing had purchase orders raised retrospectively to the receipt of the corresponding invoices.
Thomas More Catholic School	Limited (Fourteen priority 2 and four priority 3 recommendations)	No priority 1 recommendations
Park Hill Infant School	Substantial (Three priority 2 and three priority 3 recommendations)	No priority 1 recommendations
Ridgeway Primary School	Substantial (One priority 2 and six priority 3 recommendations)	No priority 1 recommendations



## Appendix 2 - Follow-up of 2015/16 audits (Incomplete follow ups only)

Financial Year	Audit Followed-up	Executive Director Responsible	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
Non School Audits						
2015/16	Performance Monitoring Adult Social Care	Guy Van Dichele	Limited (2 <sup>nd</sup> follow up in progress)	9	3	33%
2015/16	EMS Application	Jaqueline Harris-Baker	Limited (6 <sup>th</sup> follow up in progress)	4	1	25%
2015/16	ICT Service Delivery ITIL Framework	Jaqueline Harris-Baker	Limited (4 <sup>th</sup> follow up in progress)	2	1	50%
2015/16	Looked After Children (placed in another LA area)	Robert Henderson	Substantial (3 <sup>rd</sup> follow up in progress)	6	4	66%
2015/16	Connected Croydon – Programme and Project Management	Shifa Mustafa	Substantial (2 <sup>nd</sup> follow up in progress)	4	2	50%
2015/16	Waste Recycling	Shifa Mustafa	Substantial (5 <sup>th</sup> follow up in progress)	3	1	33%
2015/16	Internal Network	Jaqueline Harris-Baker	Substantial (3 <sup>rd</sup> follow up in progress)	2	1	50%
2015/16	EU Procurement Directives	Jaqueline Harris-Baker	Substantial (4 <sup>th</sup> follow up in progress)	2	1	50%
Recommendations and implementation from audits that have had responses				285	245	86%
Priority 1 Recommendations from audits that have had responses				22	20	91%

## Appendix 3 - Follow-up of 2016/17 audits (Incomplete follow ups only)

Financial Year	Audit Followed-up	Executive Director Responsible	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
Non School Audits						
2016/17	Adult Care Packages	Guy Van Dichele	Limited (3 <sup>rd</sup> follow up in progress)	7	6	86%
2016/17	Contract Monitoring and Management - Streets Division	Shifa Mustafa	Limited (1 <sup>st</sup> follow up in progress)	6	-	-
2016-17	Contract Formalities and Storage of Contracts	Jaqueline Harris-Baker	Limited (2 <sup>nd</sup> follow up in progress)	4	0	0
2016-17	Contract and Tender Regulation Compliance	Jaqueline Harris-Baker	Limited (2 <sup>nd</sup> follow up in progress)	8	6	75%
2016/17	HMRC Compliance	Jaqueline Harris-Baker	Substantial (4 <sup>th</sup> follow up in progress)	5	3	60%
2016/17	Anti-Social Behaviour	Shifa Mustafa	Substantial (5 <sup>th</sup> follow up in progress)	9	6	67%
2016/17	Licensing Income	Shifa Mustafa	Substantial (5 <sup>th</sup> follow up in progress)	2	1	50%
2016/17	Clinical Governance	Guy Van Dichele	Substantial (4 <sup>th</sup> follow up in progress)	3	1	33%
Recommendations and implementation from audits that have had responses				445	380	85%
Priority 1 Recommendations from audits that have had responses				40	36	90%

## Appendix 4 - Follow-up of 2017-18 audits

Financial Year	Audit Followed-up	Executive Director Responsible	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
Non School Audits						
2017/18	Mayors Charity	Jaqueline Harris-Baker	No (No further follow up)	13	11	85%
2017/18	Abandoned Vehicles	Shifa Mustafa	No (3 <sup>rd</sup> follow up in progress)	10	7	70%
2017/18	Budget Management - People	Robert Henderson	Limited (1 <sup>st</sup> follow up in progress)	2	-	-
2017/18	Appointeeships	Hazel Simmons	Limited (No further follow up)	7	6	86%
2017/18	Health Visiting	Guy Van Dichele	Limited (2 <sup>nd</sup> follow up in progress)	2	0	0%
2017/18	Direct Payments	Guy Van Dichele	Limited (No further follow up)	4	4	100%
2017/18	No Recourse to Public Funds	Hazel Simmonds	Limited (1 <sup>st</sup> follow up in progress)	3	-	-
2017/18	Special Sheltered Housing	Jaqueline Harris-Baker	Limited (No further follow up)	10	9	90%
2017/18	Unaccompanied Asylum Seeking Children	Robert Henderson	Limited (2 <sup>nd</sup> follow up in progress)	2	1	50%
2017/18	Croydon Enterprise Loan Fund	Shifa Mustafa	Limited (no further follow up)	5	5	100%
2017/18	Brokerage	Jaqueline Harris-Baker	Limited (3 <sup>rd</sup> follow up in progress)	10	9	90%
2017/18	Deprivation of Liberty Safeguards	Guy Van Dichele	Limited (No further follow up)	4	4	100%
2017/18	Registrars	Hazel Simmons	Limited (No further follow up)	6	5	83%
2017/18	Food Safety	Shifa Mustafa	Limited (No further follow up)	11	9	82%
2017/18	Pay and Display Meter Maintenance and Income Collection	Shifa Mustafa	Limited (4th follow up in progress)	4	3	75%
2017/18	Tree Root Inspections	Shifa Mustafa	Limited (No further follow up)	6	5	83%
2017/18	ICT Capita Contract	Jaqueline Harris-Baker	Limited (No further follow up)	1	1	100%
2017/18	SekChek Active Directory System Security	Jaqueline Harris-Baker	Limited (2 <sup>nd</sup> follow up in progress)	10	4	40%
2017/18	MyAccount and MyApplication	Jaqueline Harris-Baker	Limited (No further follow up)	5	5	100%
2017/18	Parking Enforcement and Income	Shifa Mustafa	Substantial (1 <sup>st</sup> follow up in progress)	5	-	-
2017/18	CALAT Income Collection	Shifa Mustafa	Substantial (No further follow up)	6	6	100%

Financial Year	Audit Followed-up	Executive Director Responsible	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
2017-18	Open Book Accounting (Axis Europe plc)	Shifa Mustafa	Substantial (No further follow up)	3	3	100%
2017-18	Temporary Accommodation Occupancy Checks	Hazel Simmons	Substantial (No further follow up)	3	3	100%
2017/18	Youth Offending service	Robert Henderson	Substantial (No further follow up)	3	3	100%
2017-18	Development Management	Shifa Mustafa	Substantial (1 <sup>st</sup> follow up in progress)	5	-	-
2017/18	Place Review Panel	Shifa Mustafa	Substantial (No further follow up)	3	3	100%
2017/18	Croydon Equipment Solutions	Jaqueline Harris-Baker	Substantial (No further follow up)	7	7	100%
2017/18	Street Trading Income Collection	Shifa Mustafa	Substantial (No further follow up)	9	8	89%
2017-18	Transport Fleet Management	Jaqueline Harris-Baker	Substantial (1 <sup>st</sup> follow up in progress)	3	-	-
2017-18	Gifts and Hospitality	Jaqueline Harris-Baker	Substantial (1 <sup>st</sup> follow up in progress)	4	-	-
2017/18	Admitted Bodies	Jaqueline Harris-Baker	Substantial (2 <sup>nd</sup> follow up in progress)	4	1	25%
2017/18	Unix (Linux) Operating System Security	Jaqueline Harris-Baker	Substantial (2 <sup>nd</sup> follow up in progress)	3	0	0
2017/18	Design of New Back up and Disaster Recovery Solution	Jaqueline Harris-Baker	Substantial (2 <sup>nd</sup> follow up in progress)	2	1	50%
2017/18	GIS Application	Jaqueline Harris-Baker	Substantial (2 <sup>nd</sup> follow up in progress)	5	2	40%
2017/18	Smitham 2016 School Heating Works	Shifa Mustafa	Substantial (1 <sup>st</sup> follow up in progress)	3	-	-
2017/18	Windows OS Security	Jaqueline Harris-Baker	Full (no further follow up planned)	2	2	100%
<b>Non-School Audits Sub Total: Recommendations and implementation from audits that have had responses</b>				<b>160</b>	<b>127</b>	<b>79%</b>
<b>Non-School Audits Sub Total: Priority 1 Recommendations from audits that have had responses</b>				<b>28</b>	<b>23</b>	<b>82%</b>
<b>School Audits</b>						
2017/18	Beulah Juniors	Robert Henderson	Limited (No further follow up)	13	11	84%
2017/18	Elmwood Infants School	Robert Henderson	Limited (No further follow up)	14	14	100%
2017/18	The Minster Nursery and Infant School	Robert Henderson	Limited (No further follow up)	17	15	89%
2017/18	Norbury Manor	Robert Henderson	Limited (No further follow up)	12	8	67%
2017/18	St Joseph's Federation	Robert Henderson	Limited (3rd follow up in progress)	25	9	36%

Financial Year	Audit Followed-up	Executive Director Responsible	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
2017/18	Winterbourne Nursery and Infants	Robert Henderson	Limited (No further follow up)	18	16	89%
2017/18	St Mary's High School	Robert Henderson	Limited (No further follow up)	16	14	87%
2017/18	Crosfield Nursery and Selhurst Early Years	Robert Henderson	Substantial (No further follow up)	2	2	100%
2017/18	Purley Nursery	Robert Henderson	Substantial (No further follow up)	4	4	100%
2017/18	Tunstall Nursery	Robert Henderson	Substantial (No further follow up)	4	4	100%
2017/18	Thornton Heath Early Years Centre	Robert Henderson	Substantial (No further follow up)	7	6	86%
2017/18	All Saints C of E Primary	Robert Henderson	Substantial (No further follow up)	8	7	87%
2017/18	Elmwood Junior	Robert Henderson	Substantial (No further follow up)	3	3	100%
2017/18	Heavers Farm	Robert Henderson	Substantial (No further follow up)	10	10	100%
2017/18	Howard Primary	Robert Henderson	Substantial (No further follow up)	13	13	100%
2017/18	Margaret Roper	Robert Henderson	Substantial (No further follow up)	16	13	81%
2017/18	Purley Oaks Primary	Robert Henderson	Substantial (No further follow up)	7	7	100%
2017/18	Rockmount Primary	Robert Henderson	Substantial (No further follow up)	6	5	83%
2017/18	Selsdon Primary	Robert Henderson	Substantial (No further follow up)	9	9	100%
2017/18	Woodcote Primary	Robert Henderson	Substantial (No further follow up)	7	7	100%
2017/18	Coloma Convent Girls' School	Robert Henderson	Substantial (3rd follow up in progress)	14	11	78%
2017/18	Saffron Valley	Robert Henderson	Substantial (No further follow up)	6	6	100%
2017/18	Priory	Robert Henderson	Substantial (No further follow up)	6	6	100%
2017/18	Beaumont Primary	Robert Henderson	Full (No further follow up)	3	3	100%
2017/18	Archbishop Tenison	Robert Henderson	Full (No further follow up)	1	1	100%
<b>School Audits Sub Total: Recommendations and implementation from audits that have had responses</b>				<b>241</b>	<b>204</b>	<b>85%</b>
<b>School Audits Sub Total: Priority 1 Recommendations from audits that have had responses</b>				<b>5</b>	<b>5</b>	<b>100%</b>
<b>Recommendations and implementation from audits that have had responses</b>				<b>401</b>	<b>331</b>	<b>83%</b>
<b>Priority 1 Recommendations from audits that have had responses</b>				<b>33</b>	<b>28</b>	<b>85%</b>

## Appendix 5 - Follow-up of 2018/19 audits

Financial Year	Audit Followed-up	Executive Director Responsible	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
Non School Audits						
2018/19	GDPR in Schools	Robert Henderson	Limited (1 <sup>st</sup> follow up in progress)	8	-	-
2018/19	Landlord Lettings Scheme (formerly Croylease)	Hazel Simmonds	Limited (1 <sup>st</sup> follow up in progress)	8	-	-
2018/19	Libraries Income Collection	Shifa Mustafa	Limited (No further follow up)	5	4	80%
2018/19	Parking CCTV	Shifa Mustafa	Substantial (No further follow up)	1	1	100%
2018/19	Discretionary Housing Payments	Hazel Simmonds	Substantial (No further follow up)	3	3	100%
2018/19	Cashiers	Jaqueline Harris-Baker	Full (No further follow up)	1	1	100%
Non-School Audits Sub Total: Recommendations and implementation from audits that have had responses				10	9	90%
Non-School Audits Sub Total: Priority 1 Recommendations from audits that have had responses				2	2	100%
School Audits						
2018/19	Virgo Fidelis Convent School	Robert Henderson	No (2 <sup>nd</sup> follow up in progress)	27	15	56%
2018/19	Coulsdon C of E Primary School	Robert Henderson	Limited (1 <sup>st</sup> follow up in progress)	8	-	-
2018/19	The Mister Junior School	Robert Henderson	Limited (1 <sup>st</sup> follow up in progress)	11	-	
2018/19	Regina Coeli Catholic Primary School	Robert Henderson	Limited (1 <sup>st</sup> follow up in progress)	10	-	-
2018/19	Thomas More Catholic School	Robert Henderson	Limited (1 <sup>st</sup> follow up in progress)	18	-	-
2018/19	Park Hill Infant School	Robert Henderson	Substantial (1 <sup>st</sup> follow up in progress)	6	-	-
2018/19	Ridgeway Primary School	Robert Henderson	Substantial (1 <sup>st</sup> follow up in progress)	7	-	-
School Audits Sub Total: Recommendations and implementation from audits that have had responses				27	15	56%
School Audits Sub Total: Priority 1 Recommendations from audits that have had responses				11	7	63%
Recommendations and implementation from audits that have had responses				37	24	65%
Priority 1 Recommendations from audits that have had responses				13	9	69%

## Statement of Responsibility

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

The responsibility for designing and maintaining a sound system of internal control and the prevention and detection of fraud and other irregularities rests with management, with internal audit providing a service to management to enable them to achieve this objective. Specifically, we assess the adequacy and effectiveness of the system of internal control arrangements implemented by management and perform sample testing on those controls in the period under review with a view to providing an opinion on the extent to which risks in this area are managed.

We plan our work in order to ensure that we have a reasonable expectation of detecting significant control weaknesses. However, our procedures alone should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify any 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.

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.

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