

# London Borough of Croydon

## Internal Audit Report for the period

### 1 April 2019 to 30 November 2019

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

This report ("Report") was prepared by Mazars LLP at the request of London Borough of Croydon and terms for the preparation and scope of the Report have been agreed with them. The matters raised in this Report are only those which came to our attention during our internal audit work. Whilst every care has been taken to ensure that the information provided in this Report is as accurate as possible, Internal Audit have only been able to base findings on the information and documentation provided and consequently no complete guarantee can be given that this Report is necessarily a comprehensive statement of all the weaknesses that exist, or of all the improvements that may be required.

The Report was prepared solely for the use and benefit of London Borough of Croydon and to the fullest extent permitted by law Mazars LLP accepts no responsibility and disclaims all liability to any third party who purports to use or rely for any reason whatsoever on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification. Accordingly, any reliance placed on the Report, its contents, conclusions, any extract, reinterpretation, amendment and/or modification by any third party is entirely at their own risk.

Please refer to the Statement of Responsibility at the end of this report for further information about responsibilities, limitations and confidentiality.

## Internal Audit activity

1. During the first eight months of the 2019/20 financial year the following work has been delivered:

- 53% of the 2019/20 planned audit days have been delivered
- 59 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;
  - 14 school audits commenced and/or were completed; and,
  - 3 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 2019/20 internal audit plan was substantially informed by the risk registers. The 2019/20 internal audit plan was presented to the General Purposes and Audit Committee on 4 April 2019.
3. Work on the 2019/20 audit plan commenced in April 2019 and delivery is now well underway.
4. Table 1 details the performance for the 2019/20 audit plan against the Council's targets. At 30 November 2019 Internal Audit had delivered 53% of the planned audit days and 28% 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 64% of the audit plan.

**Table 1: Performance against targets**

Performance Objective	Annual Target	Year to Date Target	Year to Date Actual	Performance
% of planned 2019/20 audit days delivered	100%	60%	53%	▼
Number of 2019/20 planned audit days delivered	1050	630	552	▼
% of 2019/20 planned draft reports issued	100%	36%	28%	▼
Number of 2019/20 planned draft reports issued	92	33	26	▼
% of draft reports issued within 2 weeks of exit meeting	85%	85%	88%	▲
2019/20 % of priority one recommendations/issues implemented at the time of the follow up audit	90%	90%	75%	▼
2019/20 % of all recommendations/issues implemented at the time of the follow up audit	80%	80%	88%	▲
2018/19 % of priority one recommendations/issues implemented at the time of the follow up audit	90%	90%	81%	▼

Performance Objective	Annual Target	Year to Date Target	Year to Date Actual	Performance
2018/19 % of all recommendations/issues implemented at the time of the follow up audit	80%	80%	80%	►
2017/18 % of priority one recommendations/issues implemented at the time of the follow up audit	90%	90%	96%	▲
2017/18 % of all recommendations/issues implemented at the time of the follow up audit	80%	80%	88%	▲
2016/17 % of priority one recommendations implemented at the time of the follow up audit	90%	90%	100%	▲
2016/17 % of all recommendations implemented at the time of the follow up audit	80%	80%	92%	▲
2015/16 % of priority one recommendations implemented at the time of the follow up audit	90%	90%	100%	▲
2015/16 % of priority all recommendations implemented at the time of the follow up audit	80%	80%	94%	▲
% of qualified staff engaged on audit	40%	40%	39%	▼

### 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. Table 2 lists the audits for which final reports were issued from 1 April to 30 November 2019. Details of the key issues arising from these reports are shown in Appendix 1.

**Table 3: 2019/20 Final audit reports issued from 1 April 2019 to 30 November 2019:**

Audit Title	Assurance Level	Planned Year
<b>Non-school audits</b>		
Payments to In-house Foster Carers	Limited	2018/19
Health and Safety in Schools	Limited	2018/19

Audit Title	Assurance Level	Planned Year
Temporary Employment	Limited	2018/19
Parking Enforcement and Tickets	Substantial	2018/19
Mortuary	Substantial	2018/19
Private Sector Landlords – Fire Safety	Substantial	2018/19
Oracle Fusion Cloud Programme	Substantial	2018/19
Alternative School Provisioning	Limited	2019/20
Food Safety – Data Quality	Limited	2019/20
Adult Social Care - Waiting Lists	Limited	2019/20
S17 Expenditure	Substantial	2019/20
Risk Management	Substantial	2019/20
Audit Title	Assurance Level	Planned Year
School audits		
Beulah Juniors	Limited	2019/20
Kenley Primary	Limited	2019/20
All Saints C of E Primary School	Substantial	2019/20
Elmwood Infant School	Substantial	2019/20

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

- During 2019/20 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 and 2018/19 audits and commenced with the 2019/20 follow up audits.
- Follow-up audits are undertaken to ensure that all the recommendations/issues raised have been successfully implemented according to the action plans agreed with the service managers. The Council's target for audit recommendations/issues implemented at the time of the follow-up audit is 80% for all priority 2 & 3 recommendations/issues and 90% for priority 1 recommendations/issues.

Performance Objective	Target	Performance (to date)					
		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Percentage of priority one recommendations/issues implemented at the time of the follow up audit	90%	100%	100%	100%	96%	81%	75%
Percentage of all recommendations/issues implemented at the time of the follow up audit	80%	94%	94%	92%	88%	80%	88%

The results of those for 2015/16, 2016/17, 2017/18, 2018/19 and 2019/20 audits that have been followed up are included in Appendixes 2, 3, 4, 5 and 6 respectively.

- Appendix 2 shows the two incomplete follow-up audits for 2015/16 audits and the number of recommendations raised and implemented. 94% of the total recommendations were found to have been implemented and 100% of the priority 1 recommendations which have been followed up have been implemented.

10. Appendix 3 shows the 2016/17 follow-up audits undertaken to date and the number of recommendations/issues raised and implemented. 92% of the total recommendations were found to have been implemented and 100% of the priority 1 recommendations which have been followed up have been implemented.
11. Appendix 4 shows the 2017/18 follow-up audits undertaken to date and the number of recommendations/issues raised and implemented. 88% of the total recommendations/issues were found to have been implemented and 96% of the priority 1 recommendations/issues which have been followed up have been implemented. The outstanding priority 1 recommendations/issues are detailed below:

Audit Title	Executive Director Responsible	Assurance Level	Summary of issues arising in priority 1 issues
Abandoned Vehicles	Shifa Mustafa	No	<p>A priority 1 issue was identified 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><u>Latest response provided in October 2019</u></b></p> <p>This is still in conversation with The Finance Category Manager and the buying team. We have established that spending this year for the AVS side of the contractual work is around £15-20k and due to be along the lines of £25k at the end of the financial year so is well below the £100k figure of upper tier spending and contract rules. Parking are also included still in the conversation about the planned contract being drawn up.</p> <p>This is currently sitting with the Buying Team for advice / decision making.</p>
Brokerage	Jaqueline Harris-Baker	Limited	<p>A priority 1 issue was identified 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><u>Response received November 2019:</u></b></p> <p>As stated on the 13 of August the Dynamic Purching system 1, which will cover the CQC registered and unregistered domiciliary care providers, is set for full implementation in 2020. This will provide all suppliers the opportunity to become a contracted provider. Although we are on track to produce the OJEU notice in December of this year our latest projection has all providers being contracted by the end of February 2020.</p>

12. Appendix 5 shows the 2018/19 follow-up audits undertaken to date and the number of recommendations/issues raised and implemented. 80% of the total recommendations/issues were found to have been implemented and 81% of the priority 1 recommendations/issues which have been followed up have been implemented. The outstanding priority 1 recommendations/issues are detailed below:

Audit Title	Executive Director Responsible	Assurance Level	Summary of recommendations/issues arising in priority 1 recommendations/issues
Payments Against Orders	Robert Henderson	Limited	<p>A priority 1 issue was identified as means tests were not on file for 60% of the sample of adoption allowances tested.</p> <p><b><u>Response provided October 2019:</u></b></p> <p>At the time these were done – they were from the teams and not CPH so we could not produce evidence. One was ours 2016 – human error. Moving forward all on CRS and SharePoint.</p> <p>Confirmation has been requested by Internal Audit that these are now all CRS and Sharepoint.</p>
Health and Safety in Schools	Robert Henderson	Limited	<p>A priority 1 issue was identified as procedure manuals were not in existence for the Education and Youth Engagement team.</p> <p><b><u>Response provided December 2019:</u></b></p> <p>A draft procedure for monitoring health and safety compliance in community school is currently being drafted and will be circulated to Homes and Schools Improvement Team and Facilities Management for input. A flow chart has been produced and will be circulated for comments / sign off.</p>

Audit Title	Executive Director Responsible	Assurance Level	Summary of recommendations/issues arising in priority 1 recommendations/issues
			<p>A priority 1 issue was identified as certain premises health and safety legislation is not checked for compliance, and no evidence was available to show that recommendations raised from the inspections / certificates were followed up.</p> <p><b>Response provided December 2019:</b></p> <p>Work has started on reviewing and updating the Croydon School Property Handbook.</p> <p>The Handbook will also include other necessary information e.g. the need for schools to commission competent contractor to carry out work and the necessary certificates / warranties received on completion of work.</p> <p>The draft Handbook will be circulated to HSI Delivery colleagues and the Health and Safety colleagues ahead of meeting to discuss/agree its content.</p> <p>The plan is for the final draft of the handbook to be signed off and circulated to schools in the new year.</p>
SEN to include Ombudsman upheld complaints	Robert Henderson	Limited	<p>A priority 1 issue was identified as, during the last academic year, the percentage of Education and Health Care Plans (EHCPs) completed within the statutory 20 week period was 78%.</p> <p><b>Response provided December 2019:</b></p> <p>This has formed part of our overall service plan and regular updates are sought at every 1:1.</p> <p>EHCP Assistants have revised their working practice to speed up the Assessment Process and Stage 2 of the process is initiated immediately after the Stage 1 Panel.</p> <p>From January 2019 to October 2019 the percentage of plans that met the 20 week deadline was 75% (191 out of 256 were within timescales)</p> <p>Coordinators continue to monitor the 16 week timescale for issuing the draft EHC Plan but as yet we do not have a formal report to show it (we were waiting for the new database).</p>
Voluntary Sector Commissioning Adult Social Care	Jacqueline Harris Baker	No	<p>A priority 1 issue was identified as copies of agreements or contracts were not available for the partnership/joint funding with the CCG / NHS Croydon or for most of the services directly paid for by the Council from MIND.</p> <p><b>Response provided November 2019:</b></p> <p>Alternative arrangements have been put in place for the Mental Health Programme Board attended by senior members of the NHS Croydon CCG, the Council and One Croydon. This decision making meeting is held monthly. A new project manager this programme has been appointed and a Delivery Group formed with first meeting in late November. Commissioning and Procurement are working closely with this the CCG to review all current contracts and develop new joint funding arrangements. This process will be completed by March 2020 and will be overseen by the Director Commissioning and Procurement for Croydon Council who is also the Director of Commissioning Croydon CCG.</p>
Temporary Employment	Jacqueline Harris Baker	Limited	<p>A priority 1 issue was raised as seven of the sample of 30 orders tested were originally placed for more than the required policy maximum of 24 weeks. Furthermore, 26 of these continued for longer than the duration as specified in the original order for an average of an extra 27 weeks.</p> <p>A priority 1 issue was raised as seven of the sample of 30 orders that were tested were not evidenced as appropriately authorised.</p> <p><b>Response provided November 2019:</b></p> <p>Updated policies have been drafted and awaiting sign off from senior management to ensure this has proper sign off and sponsorship.</p> <p>New deadline suggested: 1<sup>st</sup> December 2019</p>
Asbestos Management	Shifa Mustafa	Limited	<p>A priority 1 issue was identified as there are some 7,762 housing assets, assets for which there was no identifier of whether asbestos was either identified, strongly presumed, presumed or was not found. Discussion established that this number included assets such as</p>

Audit Title	Executive Director Responsible	Assurance Level	Summary of recommendations/issues arising in priority 1 recommendations/issues
			roads; however, examination of the listing noted that there were also general rent dwellings, service tenancies and garages included <b>Response provided December 2019:</b> Asbestos policy and management plan now agreed. Awaiting final sign off. Workshops will take place on receipt of final sign off.

13. Appendix 5 shows the 2019/20 follow-up audits undertaken to date and the number of recommendations/issues raised and implemented 88% of the total recommendations/issues were found to have been implemented and 75%% of the priority 1 recommendations/issues which have been followed up have been implemented. The outstanding priority 1 recommendation/issue is detailed below:

Audit Title	Executive Director Responsible	Assurance Level	Summary of recommendations/issues arising in priority 1 recommendations/issues
Food Safety – Data Quality	Shifa Mustafa	Limited	A priority 1 issue was identified as the reports of inspections due generated from the UNIFORM system were not accurate. <b>The response provided December 2019:</b> First review of the action has taken place, and the 4 anomalies have been investigated. Further investigation shows that these differences have occurred due to a system update, thus different data is being compared. Further data extracts are now being completed, to check and validate. From this validation we will be able to ensure that the Enterprise tasks are correct and then we will be able to proceed solely with this system. We have met with the IDOX consultant (27.11.19) to help develop this process, and another has been scheduled for February 2020. This will be used as another opportunity to ensure that the data is accurate and amended as necessary.

## Appendix 1: Summary from finalised audits of Priority 1 issues / recommendations

Audit Title	Assurance Level & Number of Issues	Summary of key issues raised.
<b>Non School Audits</b>		
Payments to In-house Foster Carers	Limited (One priority 1 and three priority 2 issues)	A priority 1 issue was identified as the Fostering Services Regulations 2011 Foster Carer Agreements' in use did not properly cater for the requirements of the Data Protection Act 2018 or the General Data Protection Regulation. Furthermore, signed agreements were not held for two of the five foster carers sampled.
Health and Safety in Schools	Limited (Two priority 1 and four priority 2 issues)	A priority 1 issue was identified as procedure manuals were not in existence for the Education and Youth Engagement team A priority 1 issue was identified as certain premises health and safety legislation is not checked for compliance, and no evidence was available to show that recommendations raised from the inspections / certificates were followed up.
Temporary Employment	Limited (Three priority 1 and 13 priority 2 issues)	A priority 1 issue was identified as it was identified for 13 (or 20%) of the IR35 Assessments examined that there was no contract or Statement of Works retained. A priority 1 issue was identified as seven of the sample of 30 orders tested (for 32 assignments) were originally placed for more than the required policy maximum of 24 weeks. Furthermore, 26 of these continued for longer than the duration as specified in the original order for an average of an extra 27 weeks. A priority 1 issue was identified as seven of the sample of 30 orders that were tested were not evidenced as appropriately authorised.
Alternative School Provisioning	Limited (Two priority 1 and four priority 2 issues)	A priority 1 issue was identified as the 'notification of exclusion forms' in use did not include a privacy notice in line with the requirements of the General Data Protection Regulation (GDPR) and the Data Protection Act (DPA) 2018. A priority 1 issue was identified as pupils' personalised plans and objectives were not set out in writing in accordance with statutory guidance.
Food Safety	Limited (One priority 1, three priority 2 and one priority 3 issues)	A priority 1 issue was identified as as the reports of inspections due generated from the UNIFORM system were not accurate.
Adult Social Care – Waiting Lists	Limited (One priority 1, three priority 2 and one priority 3 issues)	Priority 1 issues were identified that: <ul style="list-style-type: none"> <li>the Front Door call statistics for up to the week commencing 12 August 2019 identified that 1 in 5 calls (21%) are lost and that the average call wait time was 4.05 minutes and</li> <li>the 'All Team Waiting List' dated 18 August 2019 detailed that there were 609 cases (with 221 of these relating to prior years), whereas the 'ASC Front Door and Localities Review Q2' report detailed that as at 19 August 2019 the wait list was 505</li> </ul>
Audit Title	Assurance Level & Number of Recommendations	Summary of key recommendations raised.
<b>School Audits</b>		
Beulah Juniors	Limited (Five priority 1, three priority 2 and six priority 6 recommendations)	Priority 1 recommendations were raised as: <ul style="list-style-type: none"> <li>the School's 2018-19 SFVS (School Financial Value Standard) self-assessment was not evidenced as discussed or agreed by the full Governing Body as required</li> <li>sample testing of the documentation held for three new starters could not locate any references for two of the starters and only one reference for the third starter</li> <li>appropriate approval for five high value expenditure items, in line with the School's 'Financial Policies and Procedures Manual', was not evidenced</li> <li>Quotation and tender limits were not specified out in the</li> </ul>

		<p>School's 'Financial Policies and Procedures Manual</p> <ul style="list-style-type: none"><li>• The School's bank mandate still included a former member of staff as an authorised signatory.</li></ul>
Kenley Primary School	Limited (One priority 1, six priority 2 and four priority 3 recommendations)	A priority 1 recommendation was raised as transactions were identified where payments were made to an individual for services and there was no evidence of their employment status for tax purposes being checked.

## 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
<b>Non School Audits</b>						
2015/16	EMS Application	Jaqueline Harris-Baker	Limited (6 <sup>th</sup> follow up in progress)	4	1	25%
2015/16	Waste Recycling	Shifa Mustafa	Substantial (6 <sup>th</sup> follow up in progress)	3	2	66%
<b>Recommendations and implementation from all audits that have had responses</b>				<b>270</b>	<b>254</b>	<b>94%</b>
<b>Priority 1 Recommendations from audits that have had responses</b>				<b>22</b>	<b>22</b>	<b>100%</b>

## 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
<b>Non School Audits</b>						
2016/17	Contract Monitoring and Management - Streets Division	Shifa Mustafa	Limited (1 <sup>st</sup> follow up in progress)	6	-	-
2016/17	Anti-Social Behaviour	Shifa Mustafa	Substantial (6 <sup>th</sup> follow up in progress)	9	6	67%
2016/17	Clinical Governance	Guy Van Dichele	Substantial (5 <sup>th</sup> follow up in progress)	3	1	33%
<b>Recommendations and implementation from audits that have had responses</b>				<b>418</b>	<b>386</b>	<b>92%</b>
<b>Priority 1 Recommendations from audits that have had responses</b>				<b>42</b>	<b>42</b>	<b>100%</b>

## Appendix 4 - Follow-up of 2017-18 audits (incomplete follow up only)

Financial Year	Audit Followed-up	Executive Director Responsible	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
<b>Non School Audits</b>						
2017/18	Abandoned Vehicles	Shifa Mustafa	No (7 <sup>th</sup> follow up in progress)	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	Brokerage	Jaqueline Harris-Baker	Limited (5 <sup>th</sup> follow up in progress)	10	9	90%
2017/18	Parking Enforcement and Income	Shifa Mustafa	Substantial (2 <sup>nd</sup> follow up in progress)	5	1	20%
2017-18	Development Management	Shifa Mustafa	Substantial (1 <sup>st</sup> follow up in progress)	5	-	-
2017-18	Gifts and Hospitality	Jaqueline Harris-Baker	Substantial (3 <sup>rd</sup> follow up in progress)	4	3	75%
2017/18	Admitted Bodies	Jaqueline Harris-Baker	Substantial (2 <sup>nd</sup> follow up in progress)	4	1	25%
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 (3 <sup>rd</sup> follow up in progress)	5	2	40%
2017/18	One Croydon Alliance Programme	Guy Van Dechele	Substantial (3 <sup>rd</sup> follow up in progress)	7	3	43%
<b>Recommendations and implementation from audits that have had responses</b>				<b>429</b>	<b>379</b>	<b>88%</b>
<b>Priority 1 Recommendations from audits that have had responses</b>				<b>48</b>	<b>46</b>	<b>96%</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
<b>Non School Audits</b>						
2018/19	Voluntary Sector Commissioning Adult Social Care	Jaqueline Harris-Baker	No Assurance (3rd follow up in progress)	8	6	75%
2018/19	Housing Repairs	Hazel Simmonds	Limited (No further follow up)	2	2	100%
2018/19	Pensions Administration	Jaqueline Harris-Baker	Limited (5th follow up in progress)	5	3	60%
2018/19	Children and Families System Support Team (ControCC)	Robert Henderson	Limited (2nd follow up in progress)	13	8	62%
2018/19	Payments Against Orders	Robert Henderson	Limited (2nd follow up in progress)	10	3	30%
2018/19	SEN to include Ombudsman upheld complaints	Robert Henderson	Limited (2nd follow up in progress)	5	0	0%
2018/19	GDPR in Schools	Robert Henderson	Limited (No further follow up)	8	8	100%
2018/19	Health and Safety in Schools	Robert Henderson	Limited (2nd follow up in progress)	6	0	0
2018/19	Air Quality Strategy, Implementation and Review	Shifa Mustafa	Limited (1st follow up in progress)	8	-	-
2018/19	Allotments	Shifa Mustafa	Limited (No further follow up)	5	4	80%
2018/19	Live Well – Active Lifestyle Team	Shifa Mustafa	Limited (No further follow up)	7	7	100%
2018/19	No Recourse to Public Funds (NRPF)	Hazel Simmonds	Limited (No further follow up)	4	4	100%
2018/19	Croylease (Landlord letting Scheme)	Hazel Simmonds	Limited (No further follow up)	8	8	100%
2018/19	Libraries Income Collection	Shifa Mustafa	Limited (No further follow up)	5	5	100%
2018/19	Election Accounts and Claims	Jaqueline Harris-Baker	Limited (No further follow up)	7	6	86%
2018/19	Temporary Employment	Jaqueline Harris-Baker	Limited (2nd follow up in progress)	16	4	25%
2018/19	Asbestos Management (Beyond the Corporate Campus)	Shifa Mustafa	Limited (3rd follow up in progress)	12	9	75%
2018/19	Payments to Schools	Jaqueline Harris-Baker	Substantial (2nd follow up in progress)	2	1	50%
2018/19	School Deficits and Surpluses (Conversion to Academy)	Robert Henderson	Substantial (1st follow up in progress)	4	-	-
2018/19	Leisure Contract Management	Shifa Mustafa	Substantial (2nd follow up in progress)	2	1	50%
2018/19	South West London Partnership (SWLP) Governance	Shifa Mustafa	Substantial (1st follow up in progress)	3	-	-

Financial Year	Audit Followed-up	Executive Director Responsible	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
2018/19	Highways Statutory Defence	Shifa Mustafa	Substantial (No further follow up)	4	4	100%
2018/19	Discretionary Housing Payments	Hazel Simmonds	Substantial (No further follow up)	3	3	100%
2018/19	Leasehold Service Charges	Hazel Simmonds	Substantial (No further follow up)	2	2	100%
2018/19	Public Events	Shifa Mustafa	Substantial (2 <sup>nd</sup> follow up in progress)	7	5	71%
2018/19	South London Work and Health Partnership( SLWHP)	Shifa Mustafa	Substantial (No further follow up)	3	3	100%
2018/19	Parking CCTV	Shifa Mustafa	Substantial (No further follow up)	1	1	100%
2018/19	Mortuary	Jaqueline Harris-Baker	Substantial (1 <sup>st</sup> follow up in progress)	4	-	-
2018/19	Growth Zone – High Level Review	Shifa Mustafa	Substantial (No further follow up)	3	3	100%
2018/19	GDPR	Jaqueline Harris-Baker	Substantial (2 <sup>nd</sup> follow up in progress)	2	0	0
2018/19	Council Investment and Operational Properties – Income Maximisation	Jaqueline Harris-Baker	Substantial (1 <sup>st</sup> follow up in progress)	4	-	-
2018/19	Access to IT Server	Jaqueline Harris-Baker	Substantial (3 <sup>rd</sup> follow up in progress)	3	1	33%
2018/19	Capita Event Management	Jaqueline Harris-Baker	Substantial (No further follow up )	3	3	100%
2018/19	Third party – Service Delivery	Jaqueline Harris-Baker	Substantial (1 <sup>st</sup> follow up in progress)	1	-	-
2018/19	Cashiers (Cash Handling)	Jaqueline Harris-Baker	Full (No further follow up)	1	1	100%
<b>Non-School Audits Sub Total: Recommendations and implementation from audits that have had responses</b>				<b>157</b>	<b>105</b>	<b>66%</b>
<b>Non-School Audits Sub Total: Priority 1 Recommendations from audits that have had responses</b>				<b>23</b>	<b>15</b>	<b>65%</b>
<b>School Audits</b>						
2018/19	Virgo Fidelis Convent School	Robert Henderson	No (No further follow up)	27	27	100%
2018/19	Coulsdon C of E Primary School	Robert Henderson	Limited (No further follow up)	8	7	88%
2018/19	The Mister Junior School	Robert Henderson	Limited (No further follow up)	11	9	82%
2018/19	Winterbourne Junior Girls School	Robert Henderson	Limited (No further follow up)	12	12	100%
2018/19	Regina Coeli Catholic Primary School	Robert Henderson	Limited (No further follow up)	10	10	100%
2018/19	St Andrews C of E VA High School	Robert Henderson	Limited (No further follow up)	5	5	100%
2018/19	Thomas More Catholic School	Robert Henderson	Limited (No further follow up)	18	17	94%

Financial Year	Audit Followed-up	Executive Director Responsible	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
2018/19	Christchurch CofE Primary School	Robert Henderson	Substantial (No further follow up)	10	10	100%
2018/19	Orchard Way Primary School	Robert Henderson	Substantial (No further follow up)	8	8	100%
2018/19	Park Hill Infant School	Robert Henderson	Substantial (No further follow up)	6	6	100%
2018/19	Ridgeway Primary School	Robert Henderson	Substantial (No further follow up)	7	6	86%
2018/19	The Hayes Primary School	Robert Henderson	Substantial (No further follow up)	7	7	100%
2018/19	St Mary's Catholic High School	Robert Henderson	Substantial (1 <sup>st</sup> follow up in progress)	12	11	91%
2018/19	Bensham Manor School	Robert Henderson	Substantial (No further follow up)	9	8	89%
<b>School Audits Sub Total: Recommendations and implementation from audits that have had responses</b>				<b>150</b>	<b>143</b>	<b>95%</b>
<b>School Audits Sub Total: Priority 1 Recommendations from audits that have had responses</b>				<b>19</b>	<b>19</b>	<b>100%</b>
<b>Recommendations and implementation from audits that have had responses</b>				<b>307</b>	<b>248</b>	<b>80%</b>
<b>Priority 1 Recommendations from audits that have had responses</b>				<b>42</b>	<b>34</b>	<b>81%</b>

## Appendix 6 - Follow-up of 2019/20 audits

Financial Year	Audit Followed-up	Executive Director Responsible	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
<b>Non School Audits</b>						
2019/20	Alternative School provisioning	Robert Henderson	Limited (No further follow up)	6	6	100%
2019/20	Food Safety – Data Quality	Shifa Mustafa	Limited (2 <sup>nd</sup> follow up in progress)	5	2	40%
<b>Non-School Audits Sub Total: Recommendations and implementation from audits that have had responses</b>				<b>11</b>	<b>8</b>	<b>73%</b>
<b>Non-School Audits Sub Total: Priority 1 Recommendations from audits that have had responses</b>				<b>3</b>	<b>2</b>	<b>67%</b>
<b>School Audits</b>						
2019/20	Beulah Juniors	Robert Henderson	Limited (1 <sup>st</sup> follow up in progress)	14	-	-
2019/20	Kenley Primary School	Robert Henderson	Limited (No further follow up)	11	10	91%
2019/20	All Saints C of E Primary School	Robert Henderson	Substantial (No further follow up)	12	12	100%
2019/20	Elmwood Infant School	Robert Henderson	Substantial (1 <sup>st</sup> follow up in progress)	6	-	-
<b>School Audits Sub Total: Recommendations and implementation from audits that have had responses</b>				<b>23</b>	<b>22</b>	<b>95%</b>
<b>School Audits Sub Total: Priority 1 Recommendations from audits that have had responses</b>				<b>1</b>	<b>1</b>	<b>100%</b>
<b>Recommendations and implementation from audits that have had responses</b>				<b>34</b>	<b>30</b>	<b>88%</b>
<b>Priority 1 Recommendations from audits that have had responses</b>				<b>4</b>	<b>3</b>	<b>75%</b>

## 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.

This report is confidential and must not be disclosed to any third party or reproduced in whole or in part without our prior written consent. To the fullest extent permitted by law Mazars LLP accepts no responsibility and disclaims all liability to any third party who purports to use or rely for any reason whatsoever on the Report, its contents, conclusions, any extract, reinterpretation amendment and/or modification by any third party is entirely at their own risk.

Registered office: Tower Bridge House, St Katharine's Way, London E1W 1DD, United Kingdom.  
Registered in England and Wales No 0C308299.