

London Borough of Croydon

Internal Audit Report for the period

1 April 2019 to 31 January 2020

Confidentiality and Disclosure Clause

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Please refer to the Statement of Responsibility in Appendix 7 of this report for further information about responsibilities, limitations and confidentiality.

Internal Audit activity

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

- 66% of the 2019/20 planned audit days have been delivered
- 74 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:-
 - 57 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:

- 6 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 66% of the planned audit days and 39% 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 at reporting stage for over 81% 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%	80%	68%	▼
Number of 2019/20 planned audit days delivered	1050	840	717	▼
% of 2019/20 planned draft reports issued	100%	60%	42%	▼
Number of 2019/20 planned draft reports issued	90	54	38	▼
% of draft reports issued within 2 weeks of exit meeting	85%	85%	86%	▲
% of qualified staff engaged on audits	40%	40%	38%	▼

Audit Assurance

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

Full	The systems of internal control are sound and achieve all systems objectives and that all controls are being consistently applied.
Substantial	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.)
Limited	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.
No	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 2019 to 31 January 2020. Details of the key issues arising from these reports are shown in Appendix 1.

Table 3: Final audit reports issued from 1 April 2019 to 31 January 2020:

Audit Title	Assurance Level	Planned Year
Non-school audits		
Payments to In-house Foster Carers	Limited	2018/19
Health and Safety in Schools	Limited	2018/19
Temporary Employment	Limited	2018/19
PMI General Maintenance	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
Expenses and Overtime Payments to Staff	No	2019/20
Alternative School Provisioning	Limited	2019/20
Adult Social Care - Waiting Lists	Limited	2019/20
Care Market Failure	Limited	2019/20
Food Safety – Data Quality	Limited	2019/20
Community Equipment Service (Wheelchair service)	Limited	2019/20
S17 Expenditure	Substantial	2019/20
Highways Contract Management	Substantial	2019/20
Risk Management	Substantial	2019/20
Uniform Application	Substantial	2019/20
Pay & Display Maintenance and Income Collection	Substantial	2019/20

Audit Title	Assurance Level	Planned Year
Northgate iWorld Application	Substantial	2019/20
Treasury Management	Full	2019/20
School audits		
Winterbourne Nursery and Infants	No	2019/20
Beulah Juniors	Limited	2019/20
Kenley Primary	Limited	2019/20
Norbury Manor Primary School	Limited	2019/20
All Saints C of E Primary School	Substantial	2019/20
Elmwood Infant School	Substantial	2019/20
Heavers Farm School	Substantial	2019/20

Follow-up audits – effective implementation of agreed actions

7. 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 and 2019/20 follow up audits.
8. 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 agreed actions 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)				
		2015/16	2016/17	2017/18	2018/19	2019/20
Percentage of priority one agreed actions implemented at the time of the follow up audit	90%	100%	93%	96%	81%	100%
Percentage of all agreed actions implemented at the time of the follow up audit	80%	94%	91%	90%	81%	93%

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.

9. Appendix 2 shows the incomplete follow-up audit for 2015/16 audits and the number of actions agreed and implemented. 94% of the total actions were found to have been implemented and 100% of the priority 1 actions 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 actions agreed and implemented. 91% of the total actions were found to have been implemented and 93% of the priority 1 actions which have been followed up have been implemented. The outstanding priority 1 actions are detailed below:

Audit Title	Executive Director Responsible	Assurance Level	Priority 1 Issues/Actions
Contract Monitoring and Management – Streets Division	Shifa Mustafa	Limited	Priority 1 recommendations were raised that: <ul style="list-style-type: none"> Staff should endeavour to locate the original full definitive signed contract with City Suburban Tree Surgeons.

Audit Title	Executive Director Responsible	Assurance Level	Priority 1 Issues/Actions
			<p>Where the agreement cannot be located, consideration should be given to requesting this from the contractor.</p> <ul style="list-style-type: none"> Inspection, rectification and default process across all four contracts should be reviewed by management. In particular, staff should determine and document under which circumstances rectification notices will be raised, and to what extent the raising of rectification notices is discretionary. <p>A master record of all inspections to be undertaken should be maintained. The record should include information on: (a) inspections undertaken; (b) results of inspections; (c) the source of the inspection (i.e. complaint or service schedule); (d) rectification notices raised, and (e) default notices raised.</p> <p>Documentation relating to inspections, rectifications and defaults should be held in a location accessible by contract management staff.</p> <ul style="list-style-type: none"> Key Performance Indicators (KPI) schedules should be located and/or requested from the contractor and used as a basis for contract performance monitoring. <p>Staff should be reminded of the need to document discussion and conclusion relating to performance against KPIs.</p> <p>Performance monitoring meetings should occur on a regular basis and be minuted.</p> <p>Performance monitoring meeting minutes should be stored in a location accessible by contract management staff.</p> <p>Regular reports regarding contract management performance should be made internally to senior management.</p> <p><u>Response January 2020:</u> An initial response was provided detailing that:</p> <ul style="list-style-type: none"> The with City Suburban Tree Surgeons contract could not be located. An inspection and re-rectification regime was in place, but did not provide assurance the the specific issues highlighted by the audit had been remedied. That Key Performance Indicators (KPIs) and performance monitoring were in place, but did not provide assurance the the specific issues highlighted by the audit had been remedied.

11. Appendix 4 shows the 2017/18 follow-up audits undertaken to date and the number of actions agreed and implemented. 90% of the total actions were found to have been implemented and 96% of the priority 1 actions which have been followed up have been implemented. The outstanding priority 1 actions/issues are detailed below:

Audit Title	Executive Director Responsible	Assurance Level	Summary of priority 1 issues/actions
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><u>Response provided January 2020</u> Neighbourhood Operation Manager (Interim) and the Enforcement Manager Parking services have provided all of our contractual requirements to the buying team and as far as I'm aware the procurement process should be underway or should be about to start to invite businesses to apply to become the approved contractor for the council.</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><u>Response received November 2019:</u> As stated on the 13 of August the Dynamic Purchasing 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</p>

Audit Title	Executive Director Responsible	Assurance Level	Summary of priority 1 issues/actions
			<p>of this year our latest projection has all providers being contracted by the end of February 2020.</p> <p>Audit comment:</p> <p>Public Notice of a Key Decision, 17 January 2020, relating to the Dynamic Purchasing System (DPS) provides further assurance that this is in progress.</p>

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

Audit Title	Executive Director Responsible	Assurance Level	Summary of priority 1 issues/actions
Payments Against Orders	Robert Henderson	Limited	<p>A priority 1 issue was identified as means tests were not on file for six out of the sample of 10 adoption allowances tested.</p> <p><u>Response provided October 2019:</u></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.</p> <p>Moving forward all on 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><u>Response provided December 2019:</u></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> <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><u>Response provided December 2019:</u></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><u>Response provided December 2019:</u></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><u>Response provided January 2020:</u></p>

Audit Title	Executive Director Responsible	Assurance Level	Summary of priority 1 issues/actions
			The CCG and LBC are reviewing all contracts to set up new agreements by April 2020.
Temporary Employment	Jacqueline Harris Baker	Limited	<p>A priority 1 issue was raised 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.</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><u>Response provided November 2019:</u></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: 1st 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 roads; however, examination of the listing noted that there were also general rent dwellings, service tenancies and garages included</p> <p><u>Response provided December 2019:</u></p> <p>Asbestos policy and management plan now agreed. Awaiting final sign off. Workshops will take place on receipt of final sign off.</p>

13. Appendix 5 shows the 2019/20 follow-up audits undertaken to date and the number of actions agreed and implemented 93% of the total actions were found to have been implemented and 100% of the priority 1 actions/issues which have been followed up so far have been implemented.

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

Audit Title	Assurance Level & Number of Issues	Summary of key issues raised.
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 for 13 (or 20%) of the IR35 Assessments examined 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.
PMI General Maintenance	Limited (Three priority 1 and three priority 3 issues)	A priority 1 issue was identified as the PMI contract had not been financially managed in accordance with the contractual provisions for quarterly KPI reporting and the service delivery aspirations for at least three years. Management resolution of the data issues, meaningful and calculable KPI substitutions, and evidence based variable profit calculations was outstanding. A priority 1 issue was identified as it was established that the Core/Commercial/Partnering meetings as originally envisaged had been restructured. These changing terms of reference and arrangements had not been formalised via a contract variation or other mechanism leaving the governance arrangements undefined three years into the contract. Partnering Team meetings have been held irregularly but evidence of Commercial and Core Group meetings was not provided. A priority 1 issue was identified as, whilst there is a standing agenda item to discuss 'Capital Delivery Highlight Reports' at the Housing Assets Capital Investment Board, the minutes for June 2019 noted, 'No highlight reports provided at this time.' and the minutes for July 2019 noted, 'No highlight reports provided at this time.' Although a detailed works forecast spreadsheet exists and an example was provided, there is no evidence that this or any other budgetary control report is being used to monitor the budget position by senior management on a systematic basis.
Expenses and Overtime Payments to Staff	No (Five Priority 1 and three priority 2 issues)	Priority 1 issues was raised as <ul style="list-style-type: none"> • Testing of a sample of 20 approved expenses established five instances where the expenses were incorrectly categorised and, in some instances, should not have been claimed. Examination of a report of all expenses claimed 1 April to 18 October 2019 confirmed that the above were not isolated examples. This despite users being required, prior to submitting expenses claims, to acknowledge that they have read and understood the Council's Expenses Management Policy. • Sample testing identified expense claims that were being authorised outside of the 90 day eligibility timeframe as defined in the Expenses Management Policy. Examination of a report of all expenses claimed 1 April to 18 October 2019 confirmed that the above were not isolated examples. • Examination of a report of all expenses claimed 1 April to 18 October 2019 identified two instances where payments to an individual had been claimed as expenses by a staff

Audit Title	Assurance Level & Number of Issues	Summary of key issues raised.
		<p>employee. In both these instances it is held that HMRC would deem the individual to be an employee; however, no NI or PAYE deductions had been made. Furthermore, in line with the Council's Expenses Management Policy, these should not have been claimed as expenses.</p> <ul style="list-style-type: none"> Examination of a sample of expense claims from a report of all expenses claimed 1 April to 18 October 2019 identified that these had not been properly recorded and therefore there was a lack of record to demonstrate that these expenses were actually incurred for business purposes. Examination of the documentation held for a sample of 15 staff on the car allowance scheme identified that corresponding Compulsory Car Allowance User forms were not available for 10 of these staff.
Alternative School Provisioning	Limited (Two priority 1 and four priority 2 issues)	<p>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.</p> <p>A priority 1 issue was identified as pupils' personalised plans and objectives were not set out in writing in accordance with statutory guidance.</p>
Adult Social Care – Waiting Lists	Limited (Two priority 1, three priority 2 and one priority 3 issues)	<p>Priority 1 issues were identified as:</p> <ul style="list-style-type: none"> 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 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.
Care Market Failure	Limited (Two priority 1, seven priority 2 and 1 priority 3 issues)	<p>A priority 1 issue was raised as formal contracts were not available for care home providers, although it was explained that a Dynamic Purchasing System was being established, which is anticipated will start from April 2020.</p> <p>A priority 1 issue was raised as the spreadsheet used to monitor quality monitoring visits showed that about 70 out of 134 care homes were overdue a monitoring visit.</p>
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.
Community Equipment Service (Wheelchair service)	Limited (One priority 1 and two priority 2 issues)	A priority 1 issue was raised as the follow up of the recommendations raised in the 2017 ad hoc report identified that the recommendation relating to the BACs files being open to amendment had still not been implemented, meaning that any of the BACs payments during the last 2 years may have been manipulated. As about £1m of payments is made per month, this is a significant issue.
School Audits		
School	Assurance Level & Number of Issues	Summary of Key Recommendations
Winterbourne Nursery and Infant School	No (Eight priority 1, ten priority 2 and four priority 3 recommendations)	<p>Priority 1 recommendations were raised as:</p> <ul style="list-style-type: none"> at the end of quarter 1 the School had forecast a year end deficit budget of -£202k but at the time of audit had not yet agreed a formal budget deficit plan with the local authority for one of the sample of three new starter records examined, two references were not held, no panel notes were retained and there was no evidence that the role was advertised an appraisal of the Head Teacher had not been completed by December 31st 2018 due to the fact that he was not at the School for an extended period of time due to illness. An appraisal had still not been carried out at the time of audit in October 2019

Audit Title	Assurance Level & Number of Issues	Summary of key issues raised.
		<ul style="list-style-type: none"> • evidence of a DBS (Disclosure Barring Service) check was not held for one governor and the DBS checks for another governor and two staff members were overdue renewal • sample testing identified payments to two separate individuals, where NI and PAYE deductions were not made and HMRC Employment Status Service tool checks had not been conducted • goods received checks were not evidenced for eight of the sample of 11 transactions where documentation was available • seven of the invoices from the sample of eleven transactions where documentation was available were not evidenced as appropriately authorised • a number of gaps in the School's information governance arrangements were found
Beulah Juniors	<p>Limited (Five priority 1, three priority 2 and six priority 3 recommendations)</p>	<p>Priority 1 recommendations were raised as:</p> <ul style="list-style-type: none"> • 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 • 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 • appropriate approval for five high value expenditure items, in line with the School's 'Financial Policies and Procedures Manual', was not evidenced • Quotation and tender limits were not specified out in the School's 'Financial Policies and Procedures Manual' • the School's bank mandate still included a former member of staff as an authorised signatory.
Kenley Primary School	<p>Limited (One priority 1, six priority 2 and four priority 3 recommendations)</p>	<p>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.</p>
Norbury Manor Primary School	<p>Limited (Three priority 1, eight priority 2 and two priority 3 recommendations)</p>	<p>A priority 1 recommendation was raised as for one new starter, only one reference was obtained and for another (who was an apprentice) no references had been obtained.</p> <p>A priority 1 recommendation was raised as right to work checks had not been properly evidenced for any of the sample of the three starters tested.</p> <p>A priority 1 recommendation was raised as the HMRC Employment Status Service tool had not been used to check the status of an individual that payments (without NI or PAYE deductions) were being made to</p>

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	Waste Recycling	Shifa Mustafa	Substantial (6 th follow up in progress)	3	2	66%
Recommendations and implementation from all audits that have had responses				270	254	94%
Priority 1 Recommendations from audits that have had responses				22	22	100%

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	Contract Monitoring and Management - Streets Division	Shifa Mustafa	Limited (2 nd follow up in progress)	6	0	0
2016/17	Anti-Social Behaviour	Shifa Mustafa	Substantial (6 th follow up in progress)	9	6	67%
2016/17	Clinical Governance	Guy Van Dichele	Substantial (5 th follow up in progress)	3	1	33%
Recommendations and implementation from audits that have had responses				424	386	91%
Priority 1 Recommendations from audits that have had responses				45	42	93%

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
Non School Audits						
2017/18	Abandoned Vehicles	Shifa Mustafa	No (7 th follow up in progress)	10	9	90%
2017/18	Unaccompanied Asylum Seeking Children	Robert Henderson	Limited (2 nd follow up in progress)	2	1	50%
2017/18	Brokerage	Jaqueline Harris-Baker	Limited (5 th follow up in progress)	10	9	90%
2017/18	Development Management	Shifa Mustafa	Substantial (1 st follow up in progress)	5	-	-
2017/18	Gifts and Hospitality	Jaqueline Harris-Baker	Substantial (4 th follow up in progress)	4	3	75%
2017/18	Admitted Bodies	Jaqueline Harris-Baker	Substantial (2 nd follow up in progress)	4	1	25%
2017/18	Design of New Back up and Disaster Recovery Solution	Jaqueline Harris-Baker	Substantial (2 nd follow up in progress)	2	1	50%
2017/18	GIS Application	Jaqueline Harris-Baker	Substantial (3 rd follow up in progress)	5	2	40%
2017/18	One Croydon Alliance Programme	Guy Van Dechele	Substantial (3 rd follow up in progress)	7	3	43%
2017/18	Contract Management Mechanical Works (Heating)	Shifa Mustafa	Substantial 1st follow up in progress)	4	1	25%
Recommendations and implementation from audits that have had responses				429	384	90%
Priority 1 Recommendations from audits that have had responses				49	47	96%

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	Voluntary Sector Commissioning Adult Social Care	Jaqueline Harris-Baker	No Assurance (3rd follow up in progress)	8	6	75%
2018/19	Housing Repairs	Shifa Mustafa	Limited (No further follow up)	2	2	100%
2018/19	Pensions Administration	Jaqueline Harris-Baker	Limited (No further follow up)	5	4	80%
2018/19	Children and Families System Support Team (ControCC)	Robert Henderson	Limited (2nd follow up in progress)	13	8	62%
2018/19	Payments to In House Foster Carers	Robert Henderson	Limited (1st follow up in Progress)	4	-	-
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 (3rd follow up in progress)	5	2	40%
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)	Guy Van Dichele	Limited (No further follow up)	4	4	100%
2018/19	Croylease (Landlord Letting Scheme)	Guy Van Dichele	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	PMI General Building Works Service	Shifa Mustafa	Limited (1st follow up in progress)	6	-	-
2018/19	Parking Enforcement and Tickets	Shifa Mustafa	Substantial (1st follow up in progress)	5	-	-
2018/19	Payments to Schools	Jaqueline Harris-Baker	Substantial (2nd follow up in progress)	2	1	50%

Financial Year	Audit Followed-up	Executive Director Responsible	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
2018/19	School Deficits and Surpluses (Conversion to Academy)	Robert Henderson	Substantial (2 nd follow up in progress)	4	3	75%
2018/19	Leisure Contract Management	Shifa Mustafa	Substantial (2 nd follow up in progress)	2	1	50%
2018/19	South West London Partnership (SWLP) Governance	Shifa Mustafa	Substantial (1 st follow up in progress)	3	-	-
2018/19	Highways Statutory Defence	Shifa Mustafa	Substantial (No further follow up)	4	4	100%
2018/19	Discretionary Housing Payments	Guy Van Dichele	Substantial (No further follow up)	3	3	100%
2018/19	Leasehold Service Charges	Guy Van Dichele	Substantial (No further follow up)	2	2	100%
2018/19	Public Events	Shifa Mustafa	Substantial (3 rd 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 (2 nd follow up in progress)	4	2	50%
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 nd follow up in progress)	2	0	0
2018/19	Council Investment and Operational Properties – Income Maximisation	Jaqueline Harris-Baker	Substantial (1 st follow up in progress)	4	-	-
2018/19	Access to IT Server	Jaqueline Harris-Baker	Substantial (3 rd 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 st follow up in progress)	1	-	-
2018/19	Cashiers (Cash Handling)	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				165	113	68%
Non-School Audits Sub Total: Priority 1 Recommendations from audits that have had responses				23	15	65%
School Audits						
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%

Financial Year	Audit Followed-up	Executive Director Responsible	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
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%
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 st follow up in progress)	12	11	91%
2018/19	Bensham Manor School	Robert Henderson	Substantial (No further follow up)	9	8	89%
School Audits Sub Total: Recommendations and implementation from audits that have had responses				150	143	95%
School Audits Sub Total: Priority 1 Recommendations from audits that have had responses				19	19	100%
Recommendations and implementation from audits that have had responses				315	256	81%
Priority 1 Recommendations from audits that have had responses				42	34	81%

Appendix 6 - Follow-up of 2019/20 audits

Financial Year	Audit Followed-up	Executive Director Responsible	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
Non School Audits						
2019/20	Alternative School provisioning	Robert Henderson	Limited (No further follow up)	6	6	100%
2019/20	Adult Social Care (ASC) Waiting Lists	Guy Van Dichele	Limited (1 st follow up in progress)	4	-	-
2019/20	Care Market Failure	Jacqueline Harris-Baker / Guy Van Dichele	Limited (1 st follow up in progress)	10	-	-
2019/20	Food Safety – Data Quality	Shifa Mustafa	Limited (3 rd follow up in progress)	5	3	60%
Non-School Audits Sub Total: Recommendations and implementation from audits that have had responses				11	9	81%
Non-School Audits Sub Total: Priority 1 Recommendations from audits that have had responses				3	3	100%
School Audits						
2019/20	Winterbourne Nursery and Infant School	Robert Henderson	No (1 st follow up in progress)	22	-	-
2019/20	Beulah Juniors	Robert Henderson	Limited (1 st follow up in progress)	14	-	-
2019/20	Kenley Primary School	Robert Henderson	Limited (No further follow up)	11	10	91%
2019/20	Norbury Manor Primary School	Robert Henderson	Limited (1 st follow up in progress)	13	-	-
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 st follow up in progress)	6	6	100%
School Audits Sub Total: Recommendations and implementation from audits that have had responses				29	28	97%
School Audits Sub Total: Priority 1 Recommendations from audits that have had responses				1	1	100%
Recommendations and implementation from audits that have had responses				40	37	93%
Priority 1 Recommendations from audits that have had responses				4	4	100%

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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