

London Borough of Croydon

Internal Audit Report to 31 January 2021

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.

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Please refer to the Statement of Responsibility in Appendix 6 of this report for further information about responsibilities, limitations and confidentiality.

1. Internal Audit Performance

- 1.1 Due to the Covid-19 pandemic lockdown the 2019/20 annual internal audit plan (plan) was not delivered by 31 March 2020, with some internal audits still being progressed. With the easing of the lockdown restrictions in the summer, work on delivering the 2019/20 plan resumed and these are now well underway with the intention of completing these by the end of the current year.
- 1.2 For the 2020/21 plan, to help ensure that the annual internal audit plan supported the Risk Management Framework and therefore the Council Assurance Framework, the 2020/21 plan was substantially informed by the risk registers. The 2020/21 plan was presented to the General Purposes and Audit Committee on 17 March 2020.
- 1.4 Work on the 2020/21 plan is well underway.
- 1.5 The table below details the performance for the 2020/21 plan as well as the 2019/20 plan against the Council's targets. At 31 January 2021, for the 2020/21 plan Internal Audit had delivered 41% of the planned days, with 8 draft reports and 4 final reports issued. However it should be borne in mind the significant disruption due to Covid-19 with Internal Audit work pausing for a number of months including completion of 2019/20. In addition to significant progress on 2019/20, work for 2020/21 is progressing well with 61 of the audits commenced.

Performance Objective	Annual Target	Year to Date Target	Year to Date Actual	Performance
% of planned 2020/21 plan days delivered	100%	80%	41%	▼
Number of 2020/21 planned days delivered	959	768	397	▼
% of 2020/21 planned draft reports issued	100%	60%	11%	▼
Number of 2020/21 planned draft reports issued	74	44	8	▼
% of planned 2019/20 plan days delivered	100%	100%	93%	▼
Number of 2019/20 planned days delivered	1011	1011	942	▼
% of 2019/20 planned draft reports issued	100%	100%	75%	▼
Number of 2019/20 planned draft reports issued	87	87	65	▼
% of draft reports issued within 2 weeks of exit meeting	85%	85%	88%	▲
% of qualified staff engaged on audit	40%	40%	29%	▼

2. Audit Assurance

2.1 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.
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.

2.2 The table below lists the internal audits for which final reports were issued from the date of the last annual report to 31 January 2021. Details of the key issues arising from these reports are shown in Appendix 1.

Internal Audit Title	Assurance Level
Azure Backup Application Audit	Full
Contract Management – Street Lighting PFI	Full
Debt Recovery In-house	Substantial
Parks Health and Safety	Limited
Age Assessment Judicial Reviews	Limited
Fairfield Halls Delivery (BXB Management)	No
School Audits	Assurance Level
Greenvale Primary School	Substantial
Winterbourne Nursery and Infant School	Substantial
Tunstall Nursery	Substantial
Thornton Health Nursery	No

3. Follow-up audits – effective resolution of recommendations/issues

3.1 During 2020/21 in response to the Council's follow-up requirements, Internal Audit has continued following-up the status of the implementation of agreed actions for audits carried out during 2015/16, 2016/17, 2017/18, 2018/19 and 2019/20.

3.2 Follow-up audits are undertaken to ensure that all the recommendations/issues raised have been successfully resolved according to the action plans agreed

with the service managers. The Council's target for internal audit recommendations/issues to be resolved 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 actions implemented at the time of the follow up audit	90%	100%	98%	100%	89%	87%
Percentage of all actions implemented at the time of the follow up audit	80%	94%	93%	91%	86%	88%

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

3.4 Appendix 2 shows the incomplete 2016/17 follow-up audits undertaken to date and the number of recommendations/issues raised and implemented. 93% of the total recommendations were found to have been implemented and 98% of the priority 1 recommendations which have been followed up have been implemented. The outstanding priority 1 recommendation is detailed below:

Audit Title	Assurance Level	Priority 1 recommendations
Contract Monitoring and management – Streets Division	Limited	<p>Priority 1 recommendation was that staff should endeavour to locate the original full definitive signed contract with City Suburban Tree Surgeons. Where the agreement cannot be located, consideration should be given to requesting this from the contractor.</p> <p><u>Response September 2020:</u></p> <p>An initial response was provided detailing that the City Suburban Tree Surgeons contract could not be located. A formal contract is currently being procured through an extension document, which is with Procurement awaiting Cabinet and sign off.</p>

3.5 Appendix 3 shows the incomplete 2017/18 follow-up audits undertaken to date and the number of recommendations/issues raised and implemented. 91% of the total recommendations/issues were found to have been implemented and 100% of the priority 1 recommendations/issues which have been followed up have been implemented.

3.6 Appendix 4 shows the 2018/19 follow-up audits undertaken to date and the number of recommendations/issues raised and implemented. 86% of the total recommendations/issues were found to have been implemented and 89% 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	Assurance Level	Summary of recommendations/issues arising in priority 1 recommendations/issues
Payments Against Orders	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>Response provided October 2020:</p> <p>The completion, monitoring and compliance remains poor and needs checking on all cases by the CPH on completing the financial assessments and raise any issues with the Head of Service.</p>
SEN to include Ombudsman upheld complaints	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>Response provided December 2019:</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>
Temporary Employment	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>Update March 2020:</p> <p>Section 6.2 of the draft policy states 3 exceptions to this 13-week rule. This policy is now with HR to agree as they now oversee the operational delivery of the service. Policy update and file to be added.</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>Update March 2020:</p> <p>This policy is now with HR to agree as they now oversee the operational delivery of the service.</p>
Asbestos Management	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>Response November 2020:</p> <p>The provision of staff training has been delayed due to the Covid-19 pandemic and staff working from home.</p> <p>We are investigating the possibility of carrying out asbestos awareness training virtually whilst taking account of the financial situation at LBC.</p>

3.7 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 87% 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	Assurance Level	Summary of recommendations/issues arising in priority 1 recommendations/issues
Lettings Allocations and Assessments	Limited	<p>A priority 1 issue was raised as the application forms (on line and in hardcopy) in use were not compliant with the Data Protection Act 2018 or the General Data Protection Regulation.</p> <p>Response provided December: 2020:</p> <p>Again no handover or discussion. I will speak to digital and information services as well as interim operational manager to find out where we are with this and update with my findings and hopefully sign off.</p>

Audit Title	Assurance Level	Summary of recommendations/issues arising in priority 1 recommendations/issues
Occupational Therapy	Limited	<p>A priority 1 issue was raised as the apportionment of costs, including any over or underspends, for the Adult Community Occupational Therapy Service between the Croydon Clinical Commission Group and the Council was not formally agreed.</p> <p><u>Response provided February 2021:</u></p> <p>The local authority is reviewing and re-negotiating risk share for the period of notice. The Sprint sessions are now completed and the service specification is being worked on to be put into a section 75 agreement. Work in progress to be completed by end March.</p> <p>A priority 1 issue was raised as the 'Waiting List Report' as at 18 September 2019 detailed that there were 197 waiting clients, 180 of whom had been on the waiting list more than 3 months.</p> <p><u>Response provided February 2021:</u></p> <p>Waiting lists remain high due to increase in demand, Covid and staff shortage, although interim arrangements have helped reduce waiting lists. We have gone to spend control panel for recruitment for OTs been agreed for permeant and for locums while permeant recruitment is completed. This will help with reduction on waiting lists.</p>
Food Safety – Data Quality	Limited	<p>A priority 1 issued was raised as the reports of inspections due generated from the UNIFORM system were not accurate.</p> <p><u>Response provided November 2020:</u></p> <p>Issues remain, call with IT to identify reasons.</p>
Parks Health and Safety	Limited	<p>A priority 1 issue was raised as fire risk assessments for most of the parks and greenspaces (where applicable) required review and, where appropriate, update.</p> <p><u>Update December 2020:</u></p> <p>The FRA programme started prior to Covid-19 Lockdown and has been continued as guidance and capacity has allowed. Access to buildings is being granted through Grounds Maintenance and on-site risk assessments were programmed with the aim to have them completed by the end of December 2020. Unfortunately due to staffing issues, these will now be completed before the end of January 2021 and uploaded onto SharePoint.</p> <p>The completed FRAs will be available in this SharePoint folder.</p>
Wheelchair Service – Community Equipment Service	Limited	<p>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.</p> <p><u>Response provided February 2021:</u></p> <p>CES have been working with the Treasury section for a new payment solution. This is all set up and just awaiting Treasury section to update the permissions on Bankline, so that final testing can be conducted and the system can go live.</p>
Fairfield Hall Delivery (BxB Management)	No	<p>A priority 1 issue was raised as the licence for access to carry out works in respect of property at Fairfield, College Green issued to BXB did not include specific contract conditions relating to quality or deadline for delivery.</p>

Appendix 1: Summary from finalised audits of Key (Priority 1) issues

Internal Audit Title	Assurance Level & Number of Issues	Summary of Key Issues Raised
Azure Backup Application Audit	Full Assurance	No priority 1 issues raised.
Contract Management – Street Lighting PFI	Full Assurance	No priority 1 issues raised.
Debt Recovery – In House	Substantial Assurance (One priority 2 issue)	No priority 1 issues raised.
Parks Health and Safety	Limited Assurance (Three Priority 1, four Priority 2 and a Priority 3 issue)	Priority 1 issues were identified that: <ul style="list-style-type: none"> • A Parks Strategy was not in place; • Weekly reports of playground visual inspections were missing in a number of instances, and <p>Fire risk assessments for most of the parks and greenspaces (where applicable) required review and, where appropriate, update.</p>
Age Assessment Judicial Reviews	Limited Assurance (Two priority 1, four priority 2 issues)	Priority 1 issues: <ul style="list-style-type: none"> • The 2018/19 recharge for 50% of the legal costs incurred for age assessment judicial reviews to the UK Border Agency was overstated; and <p>There was a lack of monitoring and reporting of appropriate statistics on the outcomes or costs of age assessment judicial review cases.</p>
Fairfield Hall Delivery (BxB Management)	No Assurance (Three Priority 1 issues)	Priority 1 issues were identified that <ul style="list-style-type: none"> • The licence for access to carry out works in respect of property at Fairfield, College Green issued to BXB did not include specific contract conditions relating to quality or deadline for delivery. • The conditional sale of the Fairfield Car Park agreement was still in draft at the time of the substantive internal audit fieldwork in February 2020. • The Executive Director Place, a director of BXB, was the chair of the Fairfield Board meetings which is a conflict of interests.
Greenvale Primary School	Substantial Assurance (Six priority 2 and four primary 3 recommendations)	No priority 1 recommendations
Winterbourne Nursery and Infant School	Substantial Assurance (Two priority 2 and three primary 3 recommendations)	No priority 1 recommendations
Tunstall Nursey School	Substantial Assurance	No priority 1 recommendations

Internal Audit Title	Assurance Level & Number of Issues	Summary of Key Issues Raised
	(One priority 2 and two primary 3 recommendations)	
Thornton Heath Nursery School	No Assurance (Two Priority 1, ten Priority 2 and two Priority 3 issues)	<p>Priority 1 issues were identified that:</p> <ul style="list-style-type: none"> • The Governing body did not hold the minimum required three meetings during the 2019/20 school year. • None of the sampled 13 transactions had been evidenced as approved for payment. <p>The responses received from the school gave no assurance that the issues identified would be addressed.</p>

Appendix 2 - Follow-up of 2016/17 audits (Incomplete follow ups only)

Financial Year	Audit Followed-up	Department	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
Non School Internal Audits						
2016/17	Contract Monitoring and Management - Streets Division	Place	Limited (2 nd follow up in progress)	6	4	67%
				One priority 1 recommendation not implemented		
Recommendations and implementation from internal audits that have had responses				421	392	93%
Priority 1 Recommendations from internal audits that have had responses				45	44	98%

Appendix 3 - Follow-up of 2017-18 audits (incomplete follow up only)

Financial Year	Audit Followed-up	Department	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
Non School Internal Audits						
2017-18	Development Management No response received	Place	Substantial (1st follow up in progress)	5	-	-
2017-18	Gifts and Hospitality	Resources	Substantial (4th follow up in progress)	4	3	75%
2017-18	Admitted Bodies	Resources	Substantial (2nd follow up in progress)	4	1	25%
2017-18	One Croydon Alliance Programme	HWA	Substantial (3rd follow up in progress)	7	3	43%
Recommendations and implementation from internal audits that have had responses				419	383	91%
Priority 1 Recommendations from internal audits that have had responses				47	47	100%

Appendix 4 - Follow-up of 2018/19 audits

Financial Year	Audit Followed-up	Department	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
Non School Internal Audits						
2018/19	Voluntary Sector Commissioning Adult Social Care	Resources	No Assurance (No further follow up)	8	8	100%
2018/19	Housing Repairs	HWA	Limited (No further follow up)	2	2	100%
2018/19	Pensions Administration	Resources	Limited (No further follow up)	5	4	80%
2018/19	Children and Families System Support Team (ContrOCC)	CFE	Limited (3rd follow up in progress)	13	10	77%
2018/19	Payments to In House Foster Carers	CFE	Limited (No further follow up)	4	4	100%
2018/19	Payments Against Orders	CFE	Limited (2nd follow up in progress)	10	3	30%
					One priority 1 issue not yet resolved	
2018/19	SEN to include Ombudsman upheld complaints	CFE	Limited (3rd follow up in progress)	5	2	40%
					One priority 1 issue not yet resolved	
2018/19	GDPR in Schools	CFE	Limited (No further follow up)	8	8	100%
2018/19	Health and Safety in Schools	CFE	Limited (No further follow up)	6	6	100%
2018/19	Air Quality Strategy, Implementation and Review	Place	Limited (1 st follow up in progress)	8	-	-
2018/19	Allotments	Place	Limited (No further follow up)	5	4	80%
2018/19	Live Well – Active Lifestyle Team	Place	Limited (No further follow up)	7	7	100%
2018/19	No Recourse to Public Funds (NRPF)	HWA	Limited (No further follow up)	4	4	100%
2018/19	Croylease (Landlord letting Scheme)	HWA	Limited (No further follow up)	8	8	100%

Financial Year	Audit Followed-up	Department	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
2018/19	Libraries Income Collection	Place	Limited (No further follow up)	5	5	100%
2018/19	Election Accounts and Claims	Resources	Limited (No further follow up)	7	6	86%
2018/19	Temporary Employment	Resources	Limited (3 rd follow up in progress)	16	5	31%
					2 priority 1 issues not yet resolved	
2018/19	Asbestos Management (Beyond the Corporate Campus)	Place	Limited (3 rd follow up in progress)	12	9	75%
					One priority 1 issue not yet resolved	
2018/19	Education Monitoring Tracking for LAC	CFE	Limited (No further follow up)	11	11	100%
2018/19	PMI General Building Works Service	Place	Limited (No further follow up)	6	5	83%
2018/19	Parking Enforcement and Tickets	Place	Substantial (No further follow up)	5	5	100%
2018/19	School Deficits and Surpluses (Conversion to Academy)	CFE	Substantial (3 rd follow up in progress)	4	3	75%
2018/19	Highways Statutory Defence	Place	Substantial (No further follow up)	4	4	100%
2018/19	Discretionary Housing Payments	HWA	Substantial (No further follow up)	3	3	100%
2018/19	Leasehold Service Charges	HWA	Substantial (No further follow up)	2	2	100%
2018/19	Public Events	Place	Substantial (No further follow up)	7	6	86%
2018/19	South London Work and Health Partnership(SLWHP)	Place	Substantial (No further follow up)	3	3	100%
2018/19	Parking CCTV	Place	Substantial (No further follow up)	1	1	100%
2018/19	Mortuary	Resources	Substantial (4 th follow up in progress)	4	3	75%

Financial Year	Audit Followed-up	Department	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
2018/19	Growth Zone – High Level Review	Place	Substantial (No further follow up)	3	3	100%
2018/19	GDPR	Resources	Substantial (2nd follow up in progress)	2	0	0
2018/19	New Legal Services Model	Resources	Substantial (1 st follow up in progress)	7	4	57%
2018/19	Council Investment and Operational Properties – Income Maximisation	Resources	Substantial (3 rd follow up in progress)	4	2	50%
2018/19	Access to IT Server	Resources	Substantial (No further follow up)	3	3	100%
2018/19	Capita Event Management	Resources	Substantial (No further follow up)	3	3	100%
2018/19	Third party – Service Delivery	Resources	Substantial (No further follow up)	1	1	100%
2018/19	Cashiers (Cash Handling)	Resources	Full (No further follow up)	1	1	100%
Non-School Internal Audits Sub Total: Recommendations and implementation from internal audits that have had responses				199	158	79%
Non-School Internal Audits Sub Total: Priority 1 Recommendations from internal audits that have had responses				27	22	81%
School Internal Audits						
2018/19	Virgo Fidelis Convent School	CFE	No (No further follow up)	27	27	100%
2018/19	Coulston C of E Primary School	CFE	Limited (No further follow up)	8	7	88%
2018/19	The Mister Junior School	CFE	Limited (No further follow up)	11	9	82%
2018/19	Winterbourne Junior Girls School	CFE	Limited (No further follow up)	12	12	100%
2018/19	Regina Coeli Catholic Primary School	CFE	Limited (No further follow up)	10	10	100%

Financial Year	Audit Followed-up	Department	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
2018/19	St Andrews C of E VA High School	CFE	Limited (No further follow up)	5	5	100%
2018/19	Thomas More Catholic School	CFE	Limited (No further follow up)	18	17	94%
2018/19	Christchurch C of E Primary School	CFE	Substantial (No further follow up)	10	10	100%
2018/19	Orchard Way Primary School	CFE	Substantial (No further follow up)	8	8	100%
2018/19	Park Hill Infant School	CFE	Substantial (No further follow up)	6	6	100%
2018/19	Ridgeway Primary School	CFE	Substantial (No further follow up)	7	6	86%
2018/19	The Hayes Primary School	CFE	Substantial (No further follow up)	7	7	100%
2018/19	St Mary's Catholic High School	CFE	Substantial (1 st follow up in progress)	12	11	91%
2018/19	Bensham Manor School	CFE	Substantial (No further follow up)	9	8	89%
School Internal Audits Sub Total:						
Recommendations and implementation from internal audits that have had responses				150	143	95%
School Internal Audits Sub Total:						
Priority 1 Recommendations from internal audits that have had responses				19	19	100%
Recommendations and implementation from internal audits that have had responses				349	301	86%
Priority 1 Recommendations from internal audits that have had responses				46	41	89%

Appendix 5 - Follow-up of 2019/20 audits

Financial Year	Audit Followed-up	Executive Director Responsible	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
Non School Internal Audits						
2019/20	Housing Rent (Reduced Scope)	HWA	Limited (No further follow up)	3	3	100%
	Age Assessment Judicial Review	HWA	Limited (No further follow up in)	6	6	100%
2019/20	Alternative School provisioning	CFE	Limited (No further follow up)	6	6	100%
2019/20	Partnership Governance – Children and Families	CFE	Limited (1st follow up in progress No priority 1 issues)	5	-	-
2019/20	Lettings Allocations and Assessments	HWA	Limited (3rd follow up in progress)	3	1	67%
				One priority 1 issue not yet resolved		
2019/20	Placements in Private Housing Accommodation	HWA	Limited (2 nd follow up in progress)	4	2	50%
	Adult Social Care (ASC) Waiting Lists	HWA	Limited (No further follow up)	4	4	100%
	Care Market Failure	Resources / HWA	Limited (No further follow up)	10	10	100%
	Financial Planning and Forecasting Adult's Services <u>Response received and being reviewed</u>	HWA	Limited (1 st follow up in progress)	6	-	-
2019/20	Occupational Therapy	HWA	Limited (2nd follow up in progress)	4	2	50%
				2 priority 1 issues not yet resolved		
2019/20	Bringing Services in-house – Parks Services	Place	Limited (No further follow up)	8	8	100%
2019/20	External Funding	Place	Limited (No further follow up)	3	3	100%
2019/20	Food Safety – Data Quality	Place	Limited	5	2	40%

Financial Year	Audit Followed-up	Executive Director Responsible	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
			(3rd follow up in progress)	One priority 1 issue not yet resolved		
2019/20	Parks Health and Safety	Place	Limited (3rd follow up in progress)	8	5	62%
				One priority 1 issue not yet resolved		
2019/20	Wheelchair Service – Community Equipment Service	Resources	Limited (3rd follow up in progress)	3	2	67%
				One priority 1 issue not yet resolved		
2019/20	Fairfield Hall Delivery (BxB Management)	Place	Limited (1st follow up in progress)	3	2 (imp at final report stage)	66%
				One priority 1 issue not yet resolved		
2019/20	Business Rates	Resources	Substantial (No further follow up)	1	1	100%
2019/20	Housing Benefit	Resources	Substantial (No further follow up)	2	2	100%
2019/20	Pensions	Resources	Substantial (2nd follow up in progress)	2	1	50%
2019/20	Pay and Display Meter Maintenance	Place	Substantial (No further follow up)	4	4	100%
2019/20	Section 17 payments	HWA	Substantial (No further follow up)	5	5	100%
2019/20	Sheltered Accommodation (Extra Care Service)	HWA	Substantial (1st follow up in progress)	3	-	-
2019/20	Fire Safety (Housing Stock)	Place	Substantial (3rd follow up in progress)	1	0	0
2019/20	Growth Zone – Performance Manager	Place	Substantial (2nd follow up in progress)	4	2	50%

Financial Year	Audit Followed-up	Executive Director Responsible	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
2019/20	Highways Contract Management	Place	Substantial (No further follow up)	4	4	100%
2019/20	Risk Management	Resources	Substantial (No further follow up)	4	4	100%
2019/20	Uniform IT Application	Resources	Substantial (3 rd follow up in progress)	4	2	50%
2019/20	Northgate iWorld Application	Resources	Substantial (No further follow up)	1	1	100%
Non-School Internal Audits Sub Total:				102	82	80%
Recommendations and implementation from internal audits that have had responses						
Non-School Internal Audits Sub Total:				25	18	72%
Priority 1 Recommendations from internal audits that have had responses						
School Internal Audits						
2019/20	Winterbourne Nursery and Infant School		No (No further follow up)	22	22	100%
2019/20	Beulah Junior School		Limited (No further follow up)	14	13	93%
2019/20	Kenley Primary School		Limited (No further follow up)	11	10	91%
2019/20	Margaret Roper Catholic Primary School		Limited (No further follow up)	11	10	91%
2019/20	Minster Infant School		Limited (No further follow up)	16	13	81%
2019/20	Norbury Manor Primary School		Limited (No further follow up)	13	13	100%
2019/20	St Joseph's Federation		Limited (No further follow up)	14	13	93%
2019/20	Virgo Fidelis Convent Senior School		Limited (No further follow up)	19	19	100%
2019/20	Crosfield Nursery and Selhurst Early Years		Substantial (No further follow up)	8	7	87%

Financial Year	Audit Followed-up	Executive Director Responsible	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
2019/20	All Saints C of E Primary School		Substantial (No further follow up)	12	12	100%
2019/20	Elmwood Infant School		Substantial (No further follow up)	6	6	100%
2019/20	Heavers Farm School		Substantial (No further follow up)	13	13	100%
School Internal Audits Sub Total:						
Recommendations and implementation from internal audits that have had responses				159	149	94%
School Internal Audits Sub Total:						
Priority 1 Recommendations from internal audits that have had responses				31	31	100%
Recommendations and implementation from internal audits that have had responses				261	231	88%
Priority 1 Recommendations from internal audits that have had responses				56	49	87%

Appendix 6 - Statement of Responsibility

We take responsibility to the London Borough of Croydon for this report which is prepared on the basis

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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