

London Borough of Croydon

Internal Audit Annual Report for the year ended 31 March 2024

31 August 2024

DRAFT

Confidentiality and Disclosure Clause

This report ("Report") was prepared by the Head of Internal Audit of London Borough of Croydon based on the internal audit work undertaken by Forvis Mazars LLP. The matters raised in this Report are only those which came to our attention during the 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.

Contents
Page

1. Executive Summary	3
2. 2023/24 Year Opinion	7
3. Detailed Report	9
Appendix 1 – Summary of Internal Audit reports for 2023/24	13
Appendix 2 - Follow-up of 2019/20 audits (incomplete only)	16
Appendix 3 - Follow-up of 2020/21 audits (incomplete only)	17
Appendix 4 - Follow-up of 2021/22 audits incomplete only	18
Appendix 5 - Follow-up of 2022/23 audits incomplete only	19
Appendix 6 - Follow-up of 2023/24 audits	21

1. Executive Summary

Introduction

The purpose of this report is to contribute to the Head of Internal Audit's annual reporting requirements set out in the UK Public Sector Internal Audit Standards (PSIAS). The standards advise that the report must:

- a) include an opinion on the overall adequacy and effectiveness of the organisation's governance, risk management and control;
- b) disclose any qualifications to that opinion, together with the reasons for the qualification;
- c) present a summary of the audit work from which the opinion is derived, including reliance placed on work by other assurance bodies;
- d) draw attention to any issues the Head of Internal Audit judges particularly relevant to the preparation of the Annual Governance Statement;
- e) compare the work actually undertaken with the work that was planned and summarise the performance of the internal audit function against its performance measures and targets, and
- f) comment on compliance with these standards and communicate the results of the internal audit quality assurance programme.

Head of Internal Audit Opinion on the Effectiveness of Internal Control

This opinion statement is provided for the use of Croydon Council (the Council) in support of its Annual Governance Statement for the year ended 31 March 2024.

Scope of Responsibility

The Council is responsible for ensuring its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, the Council is also responsible for ensuring that there is a sound system of internal control which facilitates the effective exercise of the Authority's functions, and which includes arrangements for the management of risk.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

Review of Effectiveness

The Council has responsibility for conducting, at least annually, a review of the effectiveness of the system of internal control. Effectiveness of the system is also conveyed by executive managers within the authority who have responsibility for the development and maintenance of the internal control environment, and also by comments made by the external auditors and other review agencies and inspectorates in the annual audit letter and other reports.

Head of Internal Audit Annual Opinion Statement

The Head of Internal Audit Annual Opinion (Opinion) is derived from work carried out by Internal Audit during the year as part of the agreed internal audit plan for 2023/24 including our assessment of the Council's corporate governance and risk management processes and information technology governance.

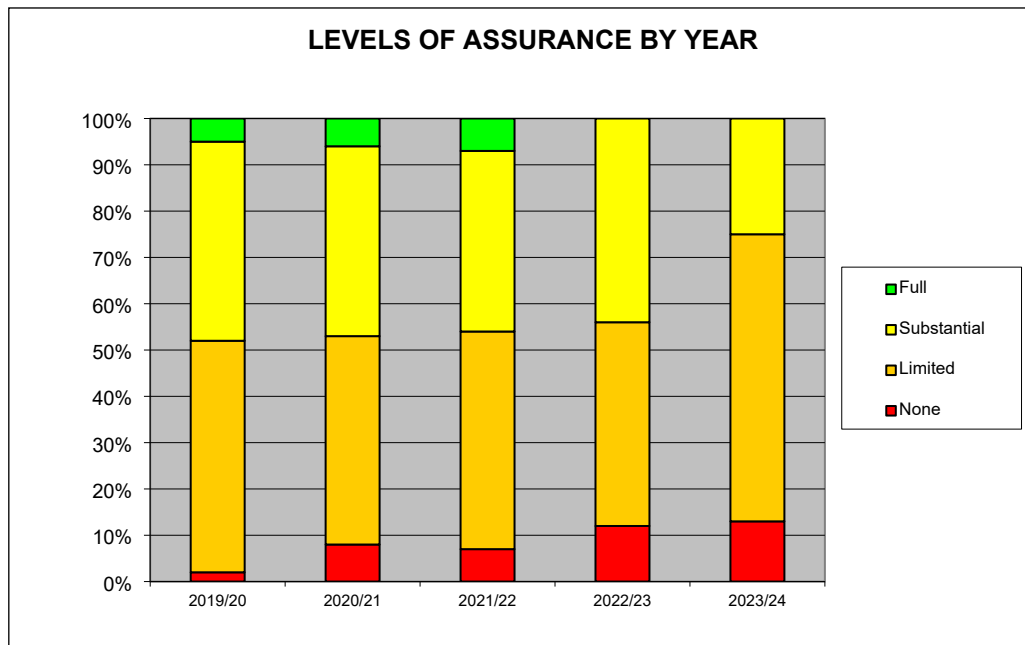
The internal audit plan for 2023/24 was developed to primarily provide management with independent assurance on the adequacy and effectiveness of the systems of internal control.

Basis of Assurance

We have conducted our audits both in accordance with the mandatory standards and good practice contained within PSIAS and additionally from our Internal Audit's own internal quality assurance systems.

Our Opinion is limited to the work carried out by Internal Audit during the year on the effectiveness of the management of those principal risks, identified within the organisation's Assurance Framework, which are covered by Internal Audit's programme.

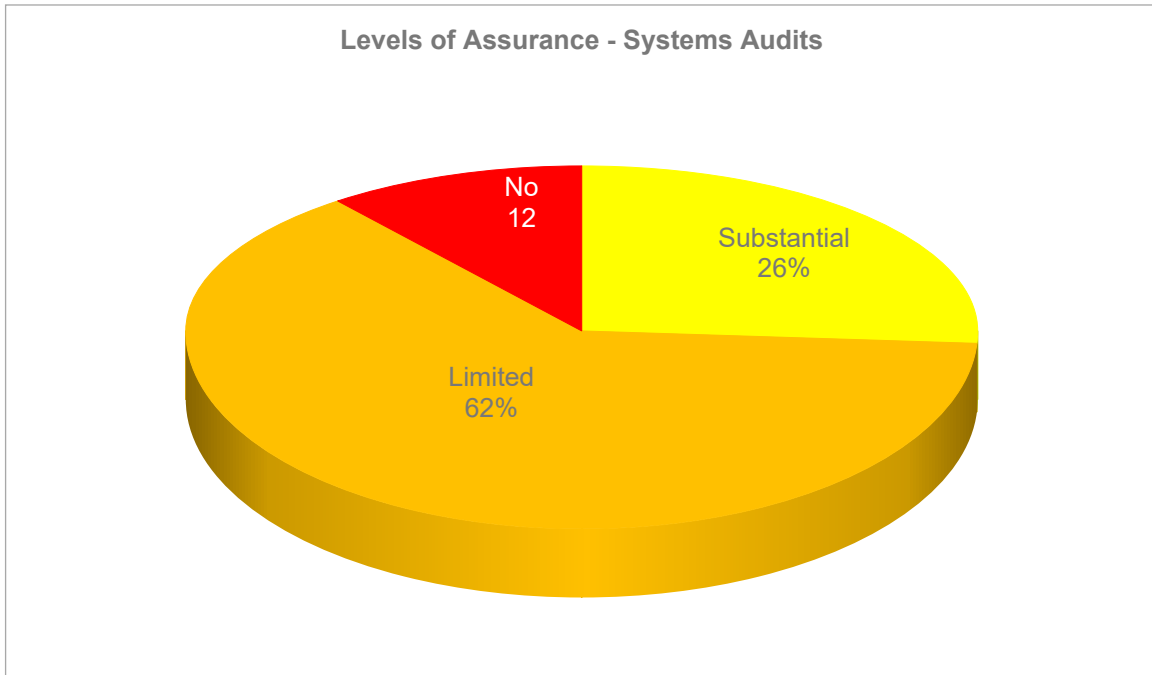
Graph 1 – Assurance Levels



	2019/20	2020/21	2021/22	2022/23	2023/24
Full Assurance	5%	6%	7%	0%	0%
Substantial Assurance	43%	42%	39%	44%	25%
Limited Assurance	50%	44%	47%	44%	62%
No Assurance	2%	8%	7%	12%	13%

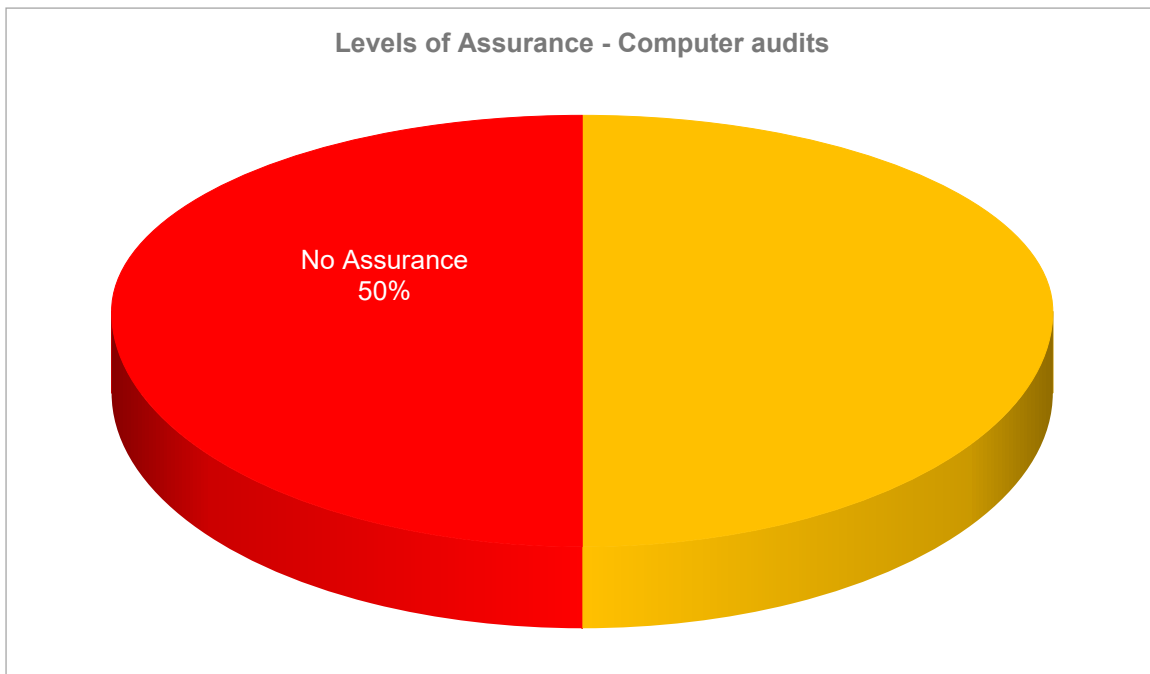
Graph 1 and the corresponding table above shows the percentage of final and draft audit reports issued per level of assurance over the past five years. As can be seen there has been a steady year on year increase in the number of limited and no assurance audits between 2019/20 and 2023/24. The number of limited and no assurance reports in 2023-24 at 75%. It should be noted that three of the seven (43%) no assurance reports were a result of a lack of engagement from the service area. Details of these can be found in Appendix 1: Summary of Internal Audits 2023/24.

Graph 2 – 2023/24 Levels of Assurance – Systems Audits



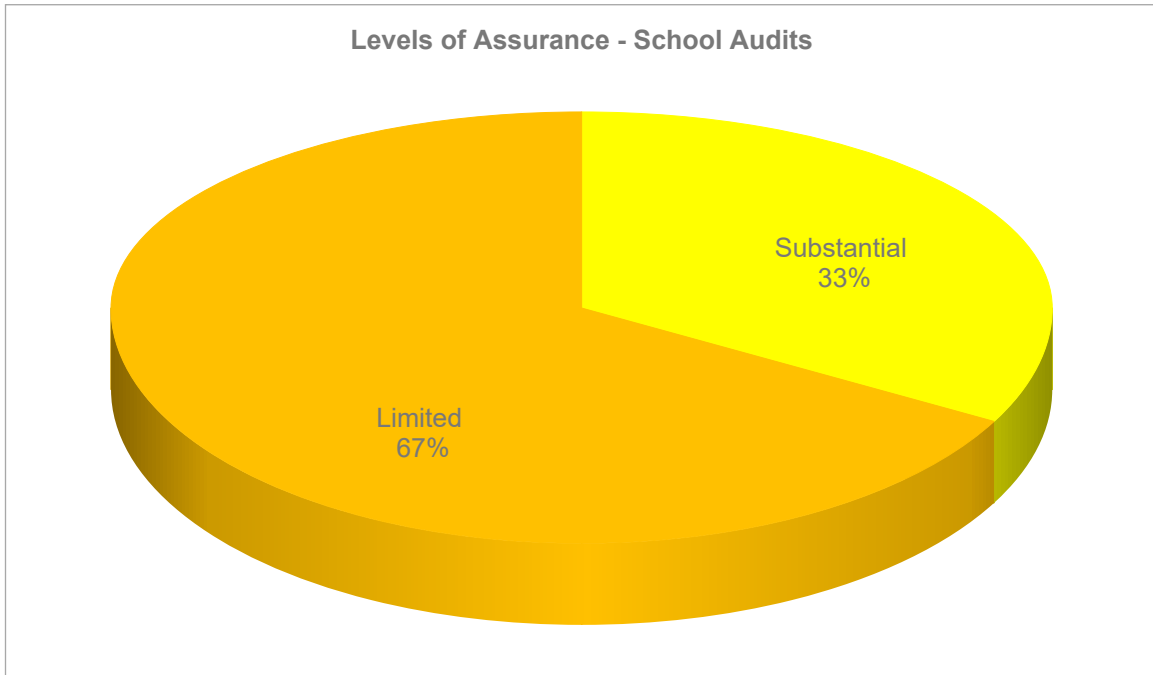
Graph 2 above shows the percentage of final and draft reports issued per level of assurance achieved on all the full systems audited. This shows that only 26% of the systems audited, including the core Council financial systems, achieved an assurance level of Substantial (none achieved Full). This is a continued deterioration in performance on 2022/23 where the proportion achieving Substantial and Full assurance was 29%. It should be noted that three of the six (50%) no assurance reports were a result of a lack of engagement from the service areas. Notwithstanding, the number of 'No' assurance audits improved in 2023/24 (12%) over 2022/23 (15%).

Graph 3 – 2023/24 Levels of Assurance – Computer Audits

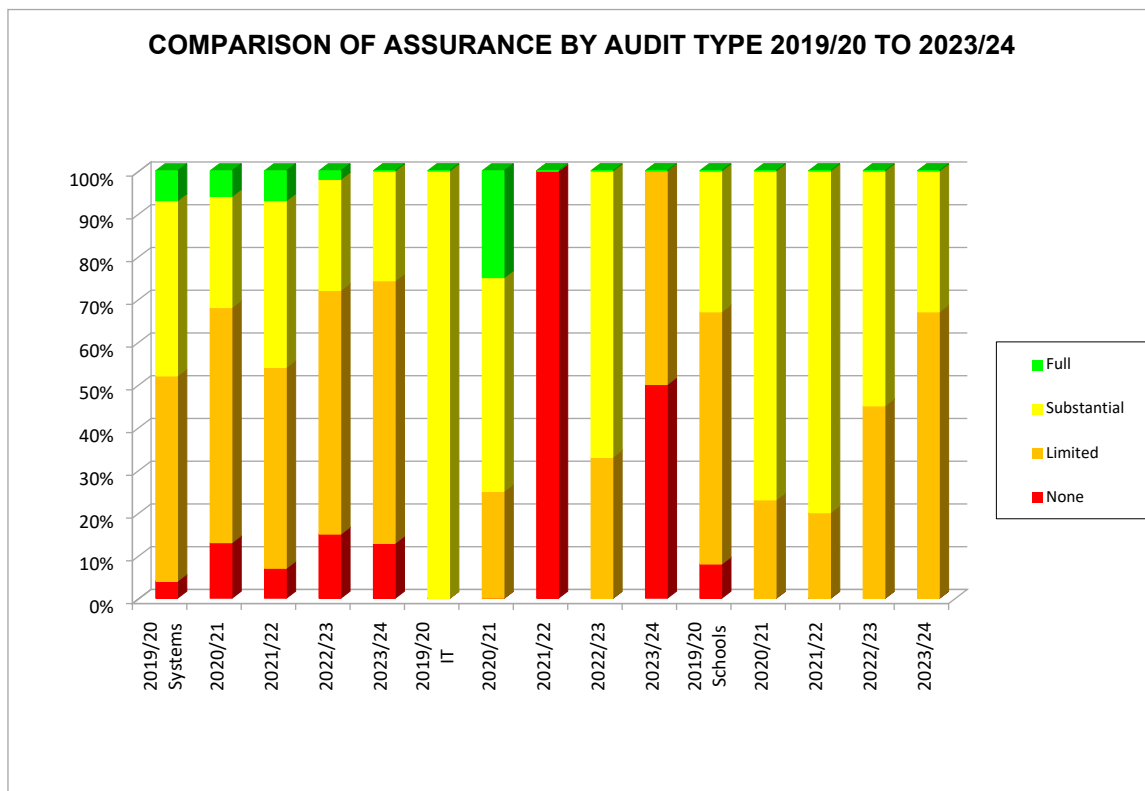


Graph 3 above shows the percentage of final and draft audit reports issued per level of assurance for the Computer audit programme of work. This shows that 50% (one) of the computer audits achieved Limited Assurance and 50% (one) achieved No Assurance. This is a deterioration on the performance in 2022/23 when 67% of computer audits were 'Substantial' and 33% were limited.

Graph 4 – 2023/24 Levels of Assurance – School Audits



Graph 4 shows the results of the school’s audit programme. A total of 67% of all schools visited resulted in a Limited Assurance. This is a deterioration on the performance in 2022/23 where 45% were Limited (the rest being Substantial).

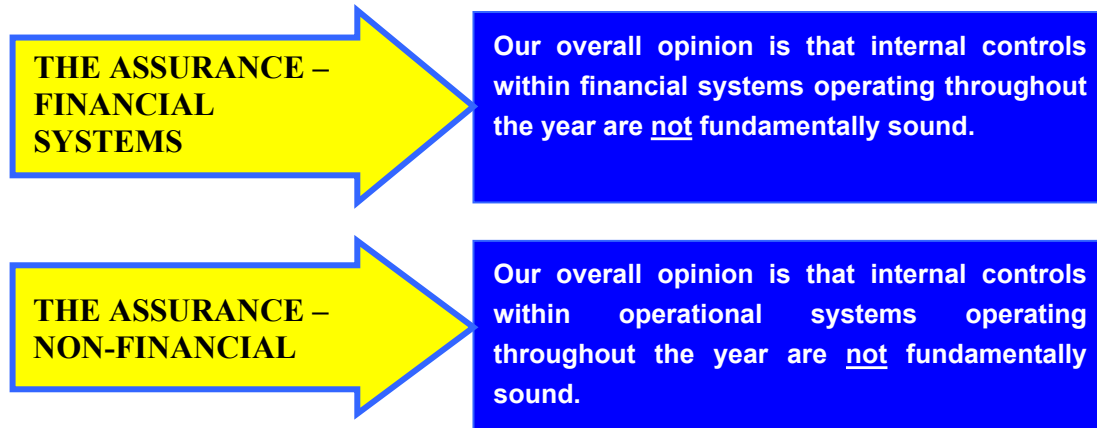


2. 2023/24 Year Opinion

Internal Control

From the Internal Audit work undertaken in 2023/24, it is our opinion that we can provide **Limited Assurance** that the system of internal control that has been in place at London Borough of Croydon for the year ended 31 March 2024 accords with proper practice. Details of significant internal control issues are documented in the detailed report.

The assurance can be further broken down between financial and non-financial systems, as follows:



In reaching this opinion, the following factors were taken into particular consideration:

- The results of the internal audit work performed during the year, where 75% of the overall audits completed (38 of 55) undertaken were 'Limited' or 'No Assurance'. From the systems audit sub-category, 75% of internal audits (35 of 47) were 'Limited' or 'No' assurance, whereas for the computer audit sub-category, of the two audits issued, one was 'Limited' assurance and one 'No Assurance'.
- There are three 2019/20 follow up audits and six 2020/21 follow up audits that are not yet complete, some with priority 1 issues not yet resolved.
- The Direction issued by the Secretary of State (SoS) for Levelling Up, Housing & Communities' in July 2023 requiring certain actions be taken by the Council to comply with its Best Value Duty. This included action on the Council's finances, housing service and transformation. The SoS made clear it was important that the Council continued to lead its recovery.
- The *Interim Auditor's Annual Report on London Borough of Croydon* by Grant Thornton (the Council's external auditors) in April 2023 which outlined that an adverse conclusion was expected to the 2019-20 accounts in the areas of "Financial Sustainability", "Governance" and "Improving Economy, Efficiency and Effectiveness", and that significant weaknesses had been found in these areas for the 2020-21 and 2021-22 accounts. Note that the external audit has not yet been concluded for the Council's accounts in any financial year since 2018-19.
- The Exit Strategy issued by the Improvement and Assurance Panel London Borough of Croydon in October 2023 which sets out the actions required of the Council to evidence compliance with the best value duty and exit statutory intervention.
- The Progress Report to the SoS by the IAP, dated 27th October 2023, which concluded that the Council continues to improve, and the pace of improvement has moved up a gear, however risks remain.
- The response from the SoS, dated 24th January 2024, acknowledging the need for the Council to go further to identify transformation efficiencies and reduce costs to achieve financial sustainability.
- The interim External Auditor's Annual Report for 2022/23 issued by Grant Thornton in March 2024, which found that there was undoubtedly improvement in the Council's overall trajectory but that there were significant weaknesses in the Council's financial sustainability (*legacy debt burden, reliance on Capitalisation Directions and request for debt write off*); governance (*mapping of strategic risk to the achievement of corporate objectives and aligning Scrutiny work programme with high risk in Risk Register*) and improving economy, efficiency and effectiveness (*housing services and contract and procurement management*).
- The Progress Report from the IAP to the SoS dated 25 April 2024 providing an update on the Council's progress on the areas of the Exit Strategy. The IAP concludes that the Council continues to make firm progress in its

improvement journey. The Exit Strategy is being advanced well and the IAP are comfortable that it is either being met or, where there is a delay, there is a reason for this and that plans are in place to address this.

Corporate Governance

In our opinion the corporate governance framework of the Council complies with the best practice guidance on corporate governance issued by CIPFA/SOLACE. This opinion is based on the reports by the Improvement and Assurance Panel, which summarise the improvements the Council has been making in its governance structures and the progress the Council has made in regard to achieving the recommendations set out by external auditor in the Reports in the Public Interest.

Risk Management

In our opinion, the risk management processes are considered effective and provide regular information on key risks and issues to the Council's Management and Executive Teams and through to Members. The assessment, evaluation and documentation of risks and controls were continued during the year so that risk registers are revised and updated for all Departments.

This is based on:

- The 'Enterprise Risk Management Health Check' commissioned from Zurich Resilience Services (reported to the Audit and Governance Committee on 24 November 2022), which had an overall assessment of 'in development', and
- Our on-going audits of the departmental risk registers as considered as part of internal audits conducted across departments within the plan.

Information Technology

The two IT audits which were conducted in 2023/24 resulted in one rating of 'Limited' (Management of IT Strategy) and one of 'No Assurance' (Firewall Management). Note that these reports are both still at draft stage at the point of reporting.

Acknowledgement

We would like to take this opportunity to formally record our thanks for the cooperation and support we have received from the management and staff during the year, and we look forward to this continuing over the coming years.

HEAD OF INTERNAL AUDIT

Dave Phillips (Head of Internal Audit, London Borough of Croydon)

August 2024

3. Detailed Report

Introduction

This section is a report from Internal Audit detailing:

- Any significant control failures or risk issues that have arisen and been addressed through the work of Internal Audit;
- Any qualifications to the Head of Audit opinion on the Authority's system of internal control, with the reasons for each qualification;
- The identification of work undertaken by other assurance bodies upon which Internal Audit has placed an assurance to help formulate its opinion;
- The management processes adopted to deliver risk management and governance requirements;
- Comparison of the work undertaken during the 2023/24 year against the original Internal Audit plans; and
- A brief summary of the audit service performance against agreed performance measures.

Significant Control Weaknesses

Internal Audit is required to form an opinion on the quality of the internal control environment, which includes consideration of any significant risk or governance issues and control failures which arise.

During the financial year 2023/24 the following key issues were identified across our work, many of which had been raised in previous years:

- general compliance issues in basic areas of governance and control;
- a number of issues with contract letting, monitoring and management across the organisation;
- issues with the role of the Data Protection officer (DPO) and the management of Subject Access Requests (SARs), Freedom of Information (FOI) requests and privacy notices;
- issues over the process of service budget monitoring; and
- issues in the areas of temporary accommodation, housing tenancy checks and repairs and maintenance.

The Council has action plans to address these issues and Internal Audit will be involved in further audits of these areas.

Qualifications to the opinion

The Internal Audit plan was based on an assessment of risk, including using the Council's risk register and was supported by the members of the Executive and Corporate Leadership Teams individually for their directorates and divisions.

Internal Audit had unfettered access to all areas and systems across the Council and in the main received appropriate co-operation from officers and Members. However, there were some audits where there was either a lack of and/or slow and limited engagement with the internal audit process. These included:

- Dangerous Structures: Resilience and how we make good
- Emergency and Temporary Accommodation: Income Collection
- Premises Health & Safety: Water Tanks & Boosters, Lightning Conductors, Sprinklers etc.

The ongoing pressures on the Council and the challenges it faces is acknowledged. As a result, Internal Audit has adopted processes to try and drive greater engagement in 2024/25, such as the HOIA attending CMT meetings monthly to provide updates on the status of draft reports and follow up work, and escalating audits for which there has been no or limited progress. In addition, each Directorate has been asked to appoint an Audit Liaison who can coordinate with Internal Audit to help ensure that audits are progressed smoothly.

The planning approach for 2024/25 was also amended to provide more advance notice of upcoming audits, including scheduling the fieldwork stages directly into auditees' diaries. While at the early stage of this approach, this does appear to be achieving improved engagement.

Based on the work undertaken plus our knowledge of the Council; there have been no other qualifications to raise as a result of the work programme.

Other assurance bodies

In formulating the overall opinion on internal control, the Head of Internal Audit also took into account the work conducted by Ofsted as considered through our School audits, the MHCLG rapid non statutory reviews and the external auditor.

Governance Processes

The key features of the framework for Corporate Governance within the Council are outlined below:

- Corporate objectives and targets have been established and are monitored;
- Implemented structures and processes;
- Standards of conduct and a Code of Conduct are in place for Members and officers;
- The Constitution, which was adopted by the Council on 21 May 2012 and subsequently amended in July and October 2012, January and July 2014, May 2015, January, May and September 2016, January, June and September 2017, May, July, November and December 2018, February, April and August 2019, January, March, April and June 2020 and February, March, August and September 2021, May and September 2022, April and August 2023 and February 2024;
- The Council's Tenders and Contract Regulations, which form part 4.I of the Constitution of the London Borough of Croydon and were adopted by the Council on 23 March 2022;
- Financial Regulations are reviewed and revised on an annual basis under delegated authority (by the Corporate Director of Resources and S151 Officer). The current version of the Financial Regulations was issued during June 2020 and last amended on 13 December 2021. Day to day guidance is provided via the Financial Procedures maintained by the Governance Team;
- Mandatory training on key processes at prescribed intervals, including that information management, good governance awareness and cyber security.
- Challenge and review by the Audit and Governance Committee (AGC);
- Monthly internal audit updates to the CMT (Corporate Management Team) and monthly CMT internal audit focus group meetings; and
- Quarterly Statutory Officer meetings;

Risk Management Process

The principal features of the risk management process are described below:

Members: The AGC receives regular reports on risk issues including 'deep dives' on specific risk entries and 'Red rated' Strategic, Governance and Operational Corporate Risks are formally reviewed on a quarterly basis by AGC. All Cabinet members are briefed on risks by the respective Corporate Directors. All major risks are aligned to specific categories of risk to enable further analysis for example risks related to Technology, Human Resources, Finance etc.

Corporate Management Team: Regular risk updates are provided to CMT by the Head of Insurance, Anti-Fraud and Risk.

Departmental Leadership Team: All risks appear on DLT (Departmental Leadership Team) meeting agendas on a quarterly basis facilitated by a member of the Risk team.

Head of Insurance, Anti-Fraud and Risk: Responsibility for developing, introducing and maintaining Risk Management rests with the Head of Insurance, Anti-Fraud and Risk. They have taken the lead on developing and introducing risk registers, defining processes, documentation and standards, and providing the drive for its implementation. The JCAD Risk computer system is used to facilitate this process.

This includes:

- Quarterly risk challenge through Departmental Leadership Teams is provided, supported by the Risk function;
- Support for self-service on the JCAD Risk computer system is provided to Directors/Corporate Directors and their Executive Support Officers to embed risk management in the organisation and ensure on-going review, updating and dynamic usage; and
- The running of risk workshops by agreement with Project and internal control Boards and at Departmental Team Meetings to support robust Programme and Project Management standards.

A Risk Management toolkit is available on the intranet providing an information source for all Council staff.

Internal Audit Plan

The Internal Audit Plan (Plan) for 2023/24 was compiled using the Council’s Risk Registers as the key drivers in developing audit coverage, as well as detailed discussions with CMT members and departmental management teams. The Plan 2023/24 was presented to the Audit and Governance Committee on 2 March 2023.

There were a number of in-year changes to the Plan as summarised in the following Table 1.

Table 1

	Original Plan 2023/24	Amended Plan 2023/24
Key financial systems	8	8
Corporate risk audits	8	7
Departmental risk audits	40	30
Computer audits	5	3
Contract audits	2	2
School audits	11	6
Total	74	55

The reduction in number of audits from the original plan to the amended plan was due to some audits being deferred to the 2024/25 audit plan and some no longer being relevant. These were as follows:

- 6 Data protection audits, comprising a central audit and one in each department, were postponed to 2024/25.
- ‘Housing repairs: In house Contact centre’ was postponed to 2024/25.
- ‘Care leaver Accommodation’ was postponed to 2024/25.
- ‘Hospital Discharges: Data Quality’ was postponed to 2024/25
- ‘Housing Assets: data mapping’ was no longer considered relevant with the transfer to the new NEC housing system.
- ‘Caseload Management’ and ‘Front Door Management’ both in CYP&E were no longer considered relevant due to overlap with work by partner organisations.
- Although the plan allowed for 4 computer audits to be conducted, the audit needs assessment completed in November 2023, only considered that 2 were necessary within the year.
- 5 schools had transferred to academies and were therefore no longer relevant to be audited.

There were no material scope impairments or restrictions on internal audit in 2023/24, except for a some audits where there was either a lack and/or limited engagement with the audit process.

The amended Plan 2023/24 is provided in **Appendix 1** for information. This also shows the number of recommendations raised in each audit during 2023/24 where a report has been issued, as well as the details of the 2023/24 audits reported during the year. *(Please note that the names of the departments have been abbreviated in the schedules as follows: ACE – Assistant Chief Executive; SCRER – Sustainable Communities, Regeneration and Economic Recovery; CYP&E – Children Young People and Education; ASC&H; Adults, Social Care & Health).*

Internal Audit Performance

Table 2 below sets out the pre-agreed performance criteria for the Internal Audit service. The table shows the actual performance achieved against any targets that were set.

Table 2

Performance Measure	Target	Actual
Percentage of the Plan 2022/23 completed	100%	98%
Percentage of staff with full qualifications used to deliver the service	40%	40%

% of draft reports issued within 2 weeks of exit meeting with the Client	85%	39%
Number of 2023/24 draft reports	45	54

The Council's internal and external auditors co-operate and liaise where possible to aid greater harmonisation of internal and external audit work, with a view to external audit placing reliance on the work of internal audit.

Council's Performance with respect to Internal Audit

Under the internal audit follow-up protocol, follow-up audits are undertaken to establish whether the issues identified have been successfully resolved according to the action plans agreed with the service managers. The Council's minimum target for audit issues resolved at the time of the follow-up audit is 90% for priority 1 issues and 80% for all Priority 2 & 3 issues.

In order to carry out follow up reviews, management are requested to provide an update on their responses to the original audit reports and proposed actions. It should be noted that implementation of management action plans is predominantly assessed on management responses provided by the service and not on supporting documentary evidence.

Table 3 sets out the performance for the Council's response to Internal Audits. The table shows the actual performance achieved against any targets that were set in advance.

Table 3

Performance Objective	Target	Performance 2019/20 (to date*)	Performance 2020/21 (to date*)	Performance 2021/22 (to date*)	Performance 2022/23 (to date*)	Performance 2023/24 (to date*)
Percentage of priority one issues resolved at the time of the follow up audit	90%	99%	89%	90%	39%	20%
Percentage of all issues resolved at the time of the follow up audit	80%	96%	89%	99%	29%	20%

* The results of those 2019/20, 2020/21, 2021/22, 2022/23 and 2023/24 audits that have been followed up are included in Appendices 3, 4, 5, 6 and 7 respectively.

Quality and Compliance with the Public Sector Internal Audit Standards

Internal Audit has comprehensive quality control and assurance processes in place and operates in accordance with the PSIAS. This provides an independent assurance of the performance, quality and effectiveness at both the individual audit level and the internal audit service as a whole.

The statement of compliance with the PSIAS is detailed in the covering report by the Head of Internal Audit.

Appendix 1 – Summary of Internal Audit reports for 2023/24

2023/24 Audit Plan	Department	Assurance	Issues			Total Raised
			Priority			
			1	2	3	
KEY FINANCIALS/ IAS 315 REVIEWS						
Bank Accounts	Resources	Limited	4	3	3	10
Business Rates	Resources	Substantial	0	1	1	2
Fees and Charges (in draft)	Resources	Limited	1	3	0	4
General Ledger	Resources	Substantial	0	1	2	3
Parking Income: Debt Collection (in draft)	SCRER	Substantial	0	3	1	4
Payroll	ACE	Substantial	0	1	1	2
Sundry Debtors (in draft)	Resources	Limited	0	4	4	8
Supplier Set Up and P2P compliance (in draft)	Resources	Limited	2	2	1	5
Total Issues Raised			7	18	13	38

CORPORATE RISK AUDITS						
Contract Formalities, Scanning, Storage and Retrieval	Corporate	Limited	3	0	1	4
Grant Funding received: Compliance with Grant Conditions and Reporting (in draft)	Corporate	Limited	1	3	1	5
Mandatory Training	Corporate	Limited	2	2	1	5
Staff Expenses (in draft)	Corporate	Limited	2	2	1	5
Staff H&S: Lone Working	Corporate	Limited	2	4	0	6
Staff Sickness	Corporate	Limited	0	7	1	8
Starters and Leavers (Corporate)	Corporate	Limited	1	3	0	4
Total Issues Raised			11	21	5	37

DEPARTMENTAL RISK REGISTER AUDITS						
New Election Requirements: Readiness	ACE	Substantial	0	0	5	5
Public Health Contracts – Governance (in draft)	ACE	Limited	0	5	1	6
Starters and Leavers: IT Accounts & Equipment (in draft)	ACE	Limited	2	4	0	6
Voluntary Organisations: Leases and Premises Management	ACE	Limited	1	2	0	3
CES Stock Management (in draft)	ASC	No Assurance	5	4	0	9
Disabled Facilities Grants	ASC	Substantial	0	2	1	3
Financial Assessment: Timeliness (in draft)	ASC	Limited	1	1	0	2
LGL Complaints: Embedding Subsequent Actions (in draft)	ASC	Limited	1	1	0	2
Provider Payments Team – Timeliness (in draft)	ASC	Limited	1	1	1	3
Statutory returns: Data Analysis and Understanding (in draft)	ASC	Substantial	0	3	0	3

2023/24 Audit Plan	Department	Assurance	Issues			Total Raised
			Priority			
			1	2	3	
Supported Living (in draft)	ASC	Limited	3	3	1	7
Adoptive Allowances (in draft)	CYPE	Limited	3	4	0	7
No Recourse to Public Funds: Children (in draft)	CYPE	Substantial	0	3	1	4
SEND	CYPE	Substantial	0	2	1	3
Virtual School (in draft)	CYPE	Limited	1	3	1	5
Croylease / GRS etc payments (in draft)	Housing	No Assurance	6	1	0	7
Emergency and Temporary Accommodation: Income Collection	Housing	No Assurance could be provided due to lack of engagement from auditees				
Premises Health & Safety: Water Tanks and Boosters, Lightning Conductors, sprinklers, etc.	Housing	No Assurance could be provided due to lack of engagement from auditees				
Sycamore House: Implementation of Lessons Learned	Housing	No Assurance	1	0	0	1
Visiting Team (in draft)	Housing	Limited	3	3	0	6
Voids	Housing	Limited	3	4	0	7
Croydon Companies: Governance and Companies House Compliance (in draft)	Resources	Limited	2	1	0	3
Cemetries: Income and H&S	SCRER	Limited	1	5	3	9
Community Hubs/ Libraries - Compliance checks	SCRER	Limited	1	4	2	7
Dangerous Structures: Resilience and how we make good	SCRER	No Assurance could be provided due to lack of engagement from auditees				
HMO Licensing	SCRER	Limited	2	1	0	3
Parking Permits on the Highway (in draft)	SCRER	Limited	0	5	1	6
Parks (and Playground) Inspections, Insurance and Maintenance (in draft)	SCRER	Limited	3	2	0	5
Registrars Income (in draft)	SCRER	Substantial	0	0	1	1
Total Issues Raised			40	64	19	123

COMPUTER AUDITS

IT Needs Assessment	ACE	N/a not an assurance audit				
Firewall Management	ACE	No Assurance	3	3	1	7
Management of IT Strategy	ACE	Limited	1	3	0	4
Total Issues Raised			4	6	1	11

CONTRACT AUDITS

RAMS Contract Management	SCRER	Substantial	0	1	0	1
Veolia Contract Management (in draft)	SCRER	Limited	1	0	1	3
Total Issues Raised			1	1	1	4

SCHOOLS AUDITS

Christ Church C of E School (in draft)	School	Limited	2	6	9	17
Forestdale Primary School	School	Substantial	0	0	1	1
Park Hill Infant School (in draft)	School	Limited	2	3	4	9

London Borough of Croydon

Ridgeway Primary School and Nursery	School	Substantial	0	6	3	9
St Mary's Catholic High School (in draft)	School	Limited	6	6	6	18
Tunstall Nursery (in draft)	School	Limited	2	6	4	12
Total Recommendations			12	27	27	66

Appendix 2 - Follow-up of 2019/20 audits (incomplete only)

Financial Year	Audit Followed-up	Department	Assurance Level & Status	Total Raised		Implemented / Resolved	
				Total	Percentage	Total	Percentage
Non School Audits							
2019/20	Lettings, Allocations and Assessments	Housing	Limited 5 th follow up in progress	3	1	33%	
				One priority 1 issue not yet resolved			
2019/20	Placements in Private Housing Accommodation	Housing	Limited 5 th follow up in progress	4	2	50%	
2019/20	IT Policies Review	ACE	Substantial 4 th follow up in progress	5	1	20%	
Grand Total: Issues /Recommendations and resolution/implementation from internal audits that have had responses				337	325	96%	
Grand Total: Priority 1 Issues/Recommendations and resolution/implementation from internal audits that have had responses				69	68	99%	

Appendix 4 - Follow-up of 2020/21 audits (incomplete only)

Financial Year	Audit Followed-up	Department	Assurance Level & Status	Total Raised	Resolved	
					Total	Percentage
Non School Audits						
2020/21	Banking	Resources	Limited 2 nd follow up in progress	4	3	75%
2020/21	Creditors Procure to Pay	Resources	Limited 5 th follow up in progress	12	6	50%
				Four priority 1 issues not yet resolved		
2020/21	Out of Borough Payments	ASCH	Limited 2 nd follow up in progress	5	4	80%
				One priority 1 issue not yet resolved		
2020/21	Clinical Governance	ASCH	Limited 5 th follow up in progress	6	3	50%
				One priority 1 issue not yet resolved		
2020/21	Temporary Accommodation – Standards in Private Sector	Housing	Limited (4 th follow up in progress)	6	1	17%
				Two priority 1 issues not yet resolved.		
2020/21	Emission Based Parking charges	SCRER	Limited 1 st follow up in progress	3	-	-
Grand Total:				176	157	89%
Issues/Recommendations and resolution / implementation from internal audits that have had responses						
Grand Total:				28	25	89%
Priority 1 Issues/Recommendations and resolution / implementation from internal audits that have had responses						

Appendix 5 - Follow-up of 2021/22 audits incomplete only

Financial Year	Audit Followed-up	Department	Assurance Level & Status	Total Raised	Resolved	
					Total	Percentage
Non School Audits						
2021/22	Service Based Monitoring – Across the Organisation	Resources	Limited (4 th follow up in progress)	4	1	25%
				One priority 1 issue not yet resolved		
2021/22	Housing Forecasting	Housing	Limited 2 nd follow up in progress	4	1	25%
				Two priority 1 issues not yet resolved		
2021/22	Information management	ACE	Limited 4 th follow up in progress	3	2	66%
2021/22	My Resources – HR Module	ACE	Limited 1 st follow up in progress	4	-	-
2021/22	PMO Structures and Processes Review	ACE	Limited 2 nd follow up in progress	5	4	80%
				One priority 1 issue not yet resolved		
2021/22	IT Asset Management	ACE	Substantial 1 st follow up in progress	2	-	-
Non-School Audits Sub Total: Issues and resolution from audits that have had responses				42	29	69%
Non-School Audits Sub Total: Priority 1 Issues and resolution from audits that have had responses				10	7	70%
School Audits						
Financial Year	Audit Followed-up	Department	Assurance Level & Status	Total Raised	Resolved	
					Total	Percentage
2021/22	Crosfield Nursery and Selhurst Early Years	CYPE	Limited 4 th follow up in progress	18	17	94%
				One priority 1 issue not yet resolved		
School Audits Sub Total: Recommendations and implementation from internal audits that have had responses				27	26	96%
School Audits Sub Total: Priority 1 recommendations and implementation from internal audits that have had responses				1	0	0%
Grand total: Issues / Recommendations and resolution / implementation from internal audits that have had responses				69	68	99%
Priority 1 Issues / Recommendations and implementation / resolution from internal audits that have had responses				10	9	90%

Appendix 6 - Follow-up of 2022/23 audits incomplete only

Financial Year	Audit Followed-up	Department	Assurance Level & Status	Total Raised	Resolved	
					Total	Percentage
Non School Audits						
2022/23	Agency Use and IR35	ACE	Limited 1 st follow up in progress	3	-	-
2022/23	Journals – Impact on Budget Management	Resources	Limited 1 st follow up in progress	6	-	-
2022/23	School Admissions	CYPE	Limited 2 nd follow up in progress	5	3	60%
				Two priority 1 issues not yet resolved		
2022/23	SGO Allowances	CYPE	Limited 4 th follow up in progress	10	4	40%
2022/23	HEAT – Emergency Assessments	Housing	No 2 nd follow up in progress	7	4	57%
				Two priority 1 issues not yet resolved		
2022/23	Housing – Leaseholder Service Charges	Housing	Limited 3 rd follow up in progress	7	5	71%
2022/23	SLWP Payment and Income of Funds	SCRER	Limited 3 rd follow up in progress	2	0	0%
				Two priority1 issues not yet resolved		
2022/23	Member / Officer Protocol Staff Training	Resources	Substantial (1 st follow up in progress)	4	-	-
2022/23	DBS Renewals	ACE	Substantial 3 rd follow up in progress	4	0	0%
2022/23	Performance Management Data Quality – Children’s Services	CYPE	Substantial 1 st follow up in progress	3	-	-
2022/23	Fostering – Governance over Foster Carers	CYPE	Substantial 1 st follow up in progress	2	-	-
2022/23	Tenant Service Charges	Housing	Substantial 3 rd follow up in progress	1	0	0%
2022/23	CAH Croydon Affordable Housing	Housing	No 1 st follow up in progress	8	-	-
2022/23	Anti-social Behaviour – Referrals and Case Management	SCRER	Limited 1 st follow up in progress	6	-	-
2022/23	Children’s Social Care Payments	CYPE	Limited 1 st follow up in progress	4	-	-
2022/23	Parking Enforcement – Focus on Income	SCRER	Limited 1 st follow up in progress	5	-	-
2022/23	Traded Services - Education	CYPE	Limited 1 st follow up in progress	3	-	-
Non-School Audits Sub Total: Issues and resolution from audits that have had responses				83	19	22%
Non-School Audits Sub Total: Priority 1 Issues and resolution from audits that have had responses				18	7	39%
School Audits						

London Borough of Croydon

Financial Year	Audit Followed-up	Department	Assurance Level & Status	Total Raised	Resolved	
					Total	Percentage
Financial Year	Audit Followed-up	Department	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
2022/23	Heavers Farm Primary School	CYPE	Substantial 2 nd follow up in progress	6	4	57%
School Audits Sub Total: Recommendations and implementation from internal audits that have had responses				11	9	82%
School Audits Sub Total: Priority 1 recommendations and implementation from internal audits that have had responses				-	-	-
Grand total: Issues/Recommendations and resolution/implementation from internal audits that have had responses				94	27	29%
Priority 1 Issues/Recommendations and implementation/resolution from internal audits that have had responses				18	7	39%

Appendix 7 - Follow-up of 2023/24 audits

Financial Year	Audit Followed-up	Department	Assurance Level & Status	Total Raised	Resolved	
					Total	Percentage
Non School Audits						
2023/24	Contract Formalities – Scanning, Storage and Retrieval	Resources	Limited 1 st follow up in progress	4	1	25%
2023/24	HMO Licensing	SCRER	Limited No further follow up	3	3	100%
2023/24	New Election Requirement - Readiness	ACE	Substantial No further follow up	5	4	80%
2023/24	SEND	CYPE	Substantial No further follow up	3	3	100%
2023/24	Cemeteries and Crematoria	ACE	Limited 1 st follow up in progress	9	-	-
2023/24	Bank Accounts	Resources	Limited 1 st follow up in progress	10	-	-
2023/24	Staff Sickness	ACE	Limited 2 nd follow up in progress	8	0	0
2023/24	Staff Loan Working	Corporate	Limited 1 st follow up in progress	6	-	-
2023/24	Voids	Housing	Limited 1 st follow up in progress	7	-	-
Non-School Audits Sub Total: Issues and resolution from audits that have had responses				55	11	20%
Non-School Audits Sub Total: Priority 1 Issues and resolution from audits that have had responses				15	3	20%