



London Borough of Croydon

Internal Audit Report for the period

1 April to 31 January 2015

This report has been prepared on the basis of the limitations set out on page 18.

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Internal Audit activity

1. During the first ten months of the 2014/15 financial year the following work has been delivered:

- 79% of the 2014/15 planned audit days have been delivered
- 90 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:-
 - 58 system audits commenced and/or were completed;
 - 22 probity audits commenced and/or were completed; and,
 - 10 computer audits commenced and/or were completed.

In addition:

- 5 new ad hoc or fraud investigations commenced and/or were completed.

Internal Audit Performance

2. To help ensure that the internal audit plan supported the Risk Management Framework and therefore the Council Assurance Framework, the 2014/15 internal audit plan was substantially informed by the risk registers. The 2014/15 internal audit plan was approved by the former Audit Advisory Committee on 25 March 2014.
3. Work on the 2014/15 audit plan commenced in April 2014 and delivery is now well advanced.
4. Table 1 details the performance for the 2014/15 audit plan against the Council's targets. At 31 January 2015 Internal Audit had delivered 79% of the planned audit days. While the year to date performance in terms of draft reports issued is slightly behind target, it should be recognised that this follows a similar pattern to previous years where 100% of the plan has been delivered in-year. Internal Audit is well placed to complete the Audit Plan by year end as required.

Table 1: Quarterly performance against target

Performance Objective	Annual Target	Year to Date Target	Year to Date Performance	Performance
% of planned 2014/15 audit days delivered	100%	79%	79%	►
Number of 2014/15 planned audit days delivered	1076	850	845	►
% of 2014/15 planned draft reports issued	100%	65%	62%	▼
Number of 2014/15 planned draft reports issued	94	61	58	▼
% of draft reports issued within 2 weeks of exit meeting with the Client	85%	85%	90%	▲
2014/15 % of priority one recommendations implemented at the time of the follow up audit	90%	90%	71%	▼
2014/15 % of all recommendations implemented at the time of the follow up audit	80%	80%	85%	▲
2013/14 % of priority one recommendations	90%	90%	98%	▲

Performance Objective	Annual Target	Year to Date Target	Year to Date Performance	Performance
implemented at the time of the follow up audit				
2013/14 % of all recommendations implemented at the time of the follow up audit	80%	80%	86%	▲
2012/13 % of priority one recommendations implemented at the time of the follow up audit	90%	90%	97%	▲
2012/13 % of all recommendations implemented at the time of the follow up audit	80%	80%	91%	▲
% of qualified staff engaged on audit	40%	40%	35%	▼

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.
Satisfactory / 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 for the first ten months from 1 April to 31 January 2015. Details of the key issues arising from these reports are shown in Appendix 1.

Table 2: Final audit reports issued from 1 April to 31 January 2015

Audit Title	Risk Level	Assurance Level	Planned Year
Non-school audits			
Multi Agency Safeguarding Hub (MASH)	High	Limited	2014/15
Direct Payments	High	Limited	2014/15
Crematorium and Cemeteries	High	Limited	2014/15
School Building Programme	High	Limited	2014/15
Establishment Control	High	Satisfactory	2014/15
Programme and Projects Management West Croydon Interchange	High	Satisfactory	2014/15
Schools Recruitment	High	Satisfactory	2014/15
Disabled Facilities Grants	High	Satisfactory	2014/15

Audit Title	Risk Level	Assurance Level	Planned Year
Express Electoral Registration Application	High	Satisfactory	2014/15
Liquidlogic	High	Satisfactory	2014/15
One Oracle (Local Arrangements)	High	Satisfactory	2014/15
Abandoned Vehicles	High	Satisfactory	2014/15
Contract Management Framework	High	Satisfactory	2014/15
Treasury Management	High	Full	2014/15
Programme and Projects Management - New Addington Phase 2	High	Full	2014/15
School audits			
Kensington Avenue	Medium	Limited	2014/15
Monks Orchard	Medium	Limited	2014/15
Park Hill Junior	Medium	Limited	2014/15
Regina Coeli Catholic Primary School	Medium	Limited	2014/15
Ridgeway Primary	Medium	Limited	2014/15
Smitham Primary	Medium	Limited	2014/15
St Mary's Catholic Infants	Medium	Limited	2014/15
Thomas More	Medium	Limited	2014/15
Coningsby Centre PRU	Medium	Limited	2014/15
Phil Edwards PRU	Medium	Limited	2014/15
Moving On PRU	Medium	Limited	2014/15
Cotelands Centre PRU	Medium	Limited	2014/15
Heavers Farm Primary	Medium	Substantial	2014/15
St Mary's Catholic High School	Medium	Substantial	2014/15

Follow-up audits – effective implementation of recommendations

7. During 2014/15, in response to the Council's follow-up requirements, Internal Audit has continued following-up the status of the implementation of the 2012/13 and 2013/14 audits. Follow ups on 2014/15 audits have also commenced.
8. Follow-up audits are undertaken to ensure that all the recommendations raised have been successfully implemented according to the action plans agreed with the service managers. The Council's target for audit recommendations implemented at the time of the follow-up audit is 80% for all priority 2 & 3 recommendations and 90% for priority 1 recommendations, (the target for Priority 1 recommendations was increased from 85% to 90% at the June 2014 General Purposes and Audit Committee meeting).

Performance Objective	Target	Performance (to date*)				
		2010/11	2011/12	2012/13	2013/14	2014/15
Percentage of priority one recommendation implemented at the time of the follow up audit	90%	100%	100%	97%	98%	71%
Percentage of all recommendations implemented at the time of the follow up audit	80%	88%	93%	91%	86%	85%

* The follow ups for 2010/11 and 2011/12 are now complete. The results of those 2012/13, 2013/14 and 2014/15 audits that have been followed up are included in Appendixes 2, 3, and 4 respectively.

9. Appendix 2 shows the follow-up audits of 2012/13 audits undertaken to date and the number of recommendations raised and implemented. 91% of the total recommendations were found to have been implemented and 97% of the priority 1 recommendations which have been followed up have been implemented. The outstanding priority 1 recommendation is detailed below:

Audit Title	Executive Director Responsible	Risk Level	Assurance Level	Summary of priority 1 recommendations
St Mary's Catholic High School	Paul Greenhalgh	Medium	Limited	A recommendation was raised as increments were noted to the Head Teachers pay that did not appear to be in accordance with the Teachers Pay and Conditions document. The School has not yet demonstrated that this is satisfactorily resolved. It should; however, be noted that a new head teacher has subsequently been appointed at the School. The school was re-audited on request of the new Head teacher on 8 October 2014. The above recommendation is; however, still in the process of being addressed.

10. Appendix 3 shows the follow-up audits of 2013/14 audits undertaken to date and the number of recommendations raised and implemented. 86% 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 recommendations are detailed below:

Audit Title	Executive Director Responsible	Risk Level	Assurance Level	Summary of priority 1 recommendations
Brokerage	Paul Greenhalgh	High	Limited	A recommendation was raised as the process of selecting service users to visit had not been formalised and a number of these visits were outstanding. While the follow up process has confirmed that outstanding visits have been conducted, the process of selection for future visits to conduct, is still being resolved.

11. Appendix 4 shows the follow-up audits of 2014/15 audits undertaken to date and the number of recommendations raised and implemented. 85% of the total recommendations were found to have been implemented and 71% of the priority 1 recommendations which have been followed up have been implemented. The outstanding priority 1 recommendations are detailed below:

Audit Title	Executive Director Responsible	Risk Level	Assurance Level	Summary of priority 1 recommendation
Multi Agency Safeguarding Hub (DASH)	Paul Greenhalgh	High	Limited	A recommendation was raised due to examination of five MASH intelligence forms identifying that three had not been completed within the required 3 days, with the longest process time being eight working days. The response provided stated that, "The recent external MASH audit commissioned by the CSCB will evidence that the MASH processes are sound and that decision making is good. Additional management capacity introduced in August 2014 has made the decision making and timeliness more

Audit Title	Executive Director Responsible	Risk Level	Assurance Level	Summary of priority 1 recommendation
				robust. Children are therefore being appropriately safeguarded. However electronic systems are not yet in place which will allow professionals to monitor the number of hours the enquiry has stayed in the MASH. The MASH module in CRS is in development and is due to become live in 2015".
Direct Payments	Paul Greenhalgh	High	Limited	<p>A recommendation was raised as, although checks were undertaken on changes made to bank account details on Swift , these were made retrospectively and were thus not sufficient to prevent payments being made to inappropriate accounts.</p> <p>The Head of Personal Support has requested a further meeting to further discuss possible solutions to this.</p> <p>A recommendation was raised as there was a large back log of outstanding quarterly returns not returned by clients.</p> <p>The response provided to the follow up was that, 'There is still some backlog in monitoring but this is substantially less than before as we have provided additional resource. Action is on-going to clear up the rest.'</p>
Monks Orchard School	Paul Greenhalgh	Medium	Limited	A recommendation was raised relating to tendering for building work. Although the follow up asserted that the Schools Finance Procedures had been updated to make this clear, this document has not yet been seen by Internal Audit.

Appendix 1 - Key issues from 2014/15 finalised audits

Audit Title	Risk Level	Assurance Level & Number of Issues	Summary of key issues raised.
Non School Audits			
Multi Agency Safeguarding Hub (MASH)	High	Limited (Three Priority 1 and eight Priority 2 recommendations)	<p>A priority 1 recommendation was raised due to the MASH core partners only being co-located for two out of five days a week at the time of the audit. Access to two core partner's databases was not available on one of the two fully functional MASH days for the week commencing 16th June 2014, resulting in no contribution from these partners on this day.</p> <p>A priority 1 recommendation was raised due to the children's service contact centre missing 18% of phone calls received in June 2014.</p> <p>A further priority 1 recommendation was raised due to examination of five MASH intelligence forms identifying that three had not been completed within the required 3 days, with the longest process time being eight working days.</p>
Direct Payments	High	Limited (Three Priority 1 and two Priority 2 recommendations raised)	<p>A priority 1 recommendation was raised due to four out of a sample of five recent AIS Payment and Commitment Forms examined not being passed to the Direct Payments Team for payment processing in a timely manner, with the longest delay being 10 months.</p> <p>A recommendation was raised as, although checks were undertaken on changes made to bank account details on Swift, these were made retrospectively and were thus not sufficient to prevent payments being made to inappropriate accounts.</p> <p>A further priority 1 recommendation was raised due to a large backlog of outstanding quarterly returns that had not been returned by the clients at the time of the audit.</p>
Crematorium and Cemeteries	High	Limited (One Priority 1, three Priority 2 and one Priority 3 recommendation raised)	<p>A priority 1 recommendation was raised due to testing of a sample of payments identifying instances where organists, who are engaged to perform regular services during burials and cremations, had been paid through P2P system based on timesheets and invoices submitted. No NI or PAYE deduction in respect of these payments was evident.</p>
School Building Programme	High	Limited (Three Priority 1, four Priority 2 and one Priority 3 recommendations raised)	<p>A priority 1 recommendation was raised due to regular and timely School site condition surveys not being undertaken.</p> <p>A priority 1 recommendation was raised due to work on the new build on the Haling Road site starting 2 December 2013 but the development agreement not being signed by representatives of the Council until September 2014.</p> <p>A further priority 1 recommendation was raised due to the February 2014 minutes of the Education Estates Operational Board recording an individual would: "...find out which two projects costing [£]400,000 combined, went forward without financial approval." The outcome of this action appeared not to be recorded in the subsequent action points for the March 2014 meeting.</p> <p>Furthermore, it was minuted in the March 2014 Education Estates Strategy Board that there are "no matters arising" out of the previous Education Estates Operational Board.</p>
Establishment Control	High	Satisfactory (Three Priority 2 recommendations)	No priority 1 recommendations raised

Audit Title	Risk Level	Assurance Level & Number of Issues	Summary of key issues raised.
Non School Audits			
Programme and Projects Management West Croydon Interchange	High	Satisfactory (One Priority 1 and one Priority 3 recommendations)	No priority 1 recommendations raised.
Schools Recruitment	High	Satisfactory (Six Priority 2 and one Priority 3 recommendations raised)	No priority 1 recommendations raised.
Disabled Facilities Grants	High	Satisfactory (Six Priority 2 and nine Priority 3 recommendations)	No priority 1 recommendations raised.
Express Electoral Registration Application	High	Satisfactory (Four Priority 2 and one Priority 3 recommendation)	No priority 1 recommendations raised
Liquidlogic	High	Satisfactory (Seven Priority 2 and two Priority 3 recommendations)	No priority 1 recommendations raised.
One Oracle (Local Arrangements)	High	Satisfactory (Six Priority 2 recommendations)	No priority 1 recommendations raised.
Abandoned Vehicles	High	Satisfactory (Two Priority 2 recommendations)	No priority 1 recommendations raised.
Contract Management Framework	High	Satisfactory (Five Priority 2 and two Priority 3 recommendations)	No priority 1 recommendations raised.
Treasury Management	High	Full (No recommendations raised)	No priority 1 recommendations raised.
Programme and Projects Management New Addington Phase 2	High	Full (Two Priority 3 recommendations raised)	No priority 1 recommendations raised.
School Audits			
Kensington Avenue	Medium	Limited (Four Priority 1, fifteen Priority 2 and five Priority 3 recommendations)	<p>A priority 1 recommendation was raised due to the Resources Committee not meeting termly as required and thus not reviewing all relevant key financial obligations and recording relevant actions and not including and recording declarations of interests as an opening item.</p> <p>A priority 1 recommendation was raised due to only one reference being obtained (as opposed to the two required) for two of the three new starters sampled.</p> <p>A priority 1 recommendation was raised due to the majority of the purchase orders sampled not being evidenced as appropriately authorised and a number of orders being raised after the invoice had been received.</p> <p>A priority 1 recommendation was raised due goods/services received checks not being evidenced as conducted for the majority of the transactions sampled.</p>

Audit Title	Risk Level	Assurance Level & Number of Issues	Summary of key issues raised.
Non School Audits			
Monks Orchard	Medium	Limited (Three Priority 1, three Priority 2 and five Priority 3 recommendations)	<p>A priority 1 recommendation was raised due to instances where DBS checks were more than three years old. (It was highlighted by the School that the application process had been delayed as Strictly Education had run out of forms).</p> <p>A priority 1 recommendation was raised relating to tendering for building work.</p> <p>A further priority 1 recommendation was raised as the school's laptops had not been encrypted to safeguard data.</p>
Park Hill Junior	Medium	Limited (Two Priority 1, four Priority 2 and three Priority 3 recommendations)	<p>Priority 1 recommendations were raised due to sample testing identifying that for a number of the transactions tested purchase orders had been raised subsequent to the receipt of the respective invoices and that goods/services received checks were not always evidenced.</p>
Regina Coeli Catholic Primary	Medium	Limited (Four Priority 1, six Priority 2 and ten Priority 3 recommendations)	<p>A priority 1 recommendation was raised due to one IEB member not documented as DBS checked.</p> <p>A priority 1 recommendation was raised due to sample testing establishing that purchase orders were not consistently produced in advance of the corresponding invoice being received or evidenced as appropriately approved.</p> <p>A priority 1 recommendation was raised due to sample testing establishing that the person evidencing that the goods/services had been conducted was not always independent from the person authorising the invoice.</p> <p>A further Priority 1 recommendation was raised due to sample testing establishing that invoices are not always being authorised in accordance with the Finance Policy and Procedures Manual.</p>
Ridgeway Primary	Medium	Limited (Three Priority 1, seven Priority 2 and five Priority 3 recommendations)	<p>A priority 1 recommendation was raised due to purchase orders not being consistently raised in advance of the corresponding invoices or evidenced as appropriately authorised.</p> <p>A priority 1 recommendation was raised due to goods/services received checks were not being evidenced for most of the transactions sampled.</p> <p>A priority 1 recommendation was raised due to School laptops, which were loaned to staff and taken off site, not being encrypted to safeguard data.</p>
Smitham Primary	Medium	Limited (Four Priority 1, four Priority 2 and four Priority 3 recommendations)	<p>A priority 1 recommendation was raised due to purchase orders not consistently being produced in advance of the corresponding invoices being received or evidenced as being appropriately authorised.</p> <p>A priority 1 recommendation was raised due to goods/services received checks not being conducted for the majority of the transactions sampled.</p> <p>A priority 1 recommendation was raised due to invoices not consistently authorised in accordance with the School's Finance Policy and Procedures Manual.</p> <p>A priority 1 recommendation was raised due to lap tops on loan to staff had not been encrypted to safeguard data.</p>
St Mary's Catholic Infants	Medium	Limited (Four Priority 1, ten Priority 2 and four Priority 3 recommendations)	<p>A priority 1 recommendation was raised due to discrepancies being noted between the School's "Policy and Procedure for Finance" and the School's "Scheme of Delegation for Schools – Financial Matters, 2014-2015 Financial Year".</p>

Audit Title	Risk Level	Assurance Level & Number of Issues	Summary of key issues raised.
Non School Audits			
			<p>A priority 1 recommendation was raised due to the Clerk to the Governing Body being identified as the School Business Manager, therefore presenting a conflict of interest. Furthermore, a number of issues with the quality of the meeting minutes were noted.</p> <p>A priority 1 recommendation was raised due to the majority of purchase orders sampled either not being appropriately authorised or raised after the corresponding invoices were received by the School and a purchase order over £5,000 that was not appropriately authorised.</p> <p>A priority 1 recommendation was raised due to sample testing noting that ten purchases did not evidence a goods or service received check.</p>
Thomas More Catholic School	Medium	Limited (Four Priority 1, fourteen Priority 2 and seven Priority 3 recommendations)	<p>A priority 1 recommendation was raised due to references not being held on the personnel files, for two of the sample of three new starters examined.</p> <p>A priority 1 recommendation was raised due to List 99 and DBS renewal checks not always being conducted as required..</p> <p>A priority 1 recommendation was raised due to orders had not being raised for most of the sample of transactions examined.</p> <p>A further priority 1 recommendation was raised as a school debit card was held at the time of the audit.</p>
Coningsby PRU	Medium	Limited (One Priority 1, four Priority 2 and seven Priority 3 recommendations)	<p>A priority 1 recommendation was raised due to sample testing identifying that a number of purchase orders did not have a goods/services received check evidenced.</p>
Phil Edwards PRU	Medium	Limited (One Priority 1, three Priority 2 and seven Priority 3 recommendations)	<p>A priority 1 recommendation was raised due to sample testing identifying for a number of the transactions tested that a goods/services received checks were not always evidenced.</p>
Moving On PRU	Medium	Limited (One Priority 1, seven Priority 2 and five Priority 3 recommendations)	<p>A priority 1 recommendation was raised as two references had not been obtained for two of the new starters sampled prior to their start dates.</p>
Cotelands Centre PRU	Medium	Limited (One Priority 1, eleven Priority 3 and five Priority 3 recommendations)	<p>A priority 1 recommendation was raised as the School's laptops had not been encrypted to safeguard data.</p>
Heavers Farm Primary	Medium	Substantial (Four Priority 2 and three Priority 3 recommendations)	<p>No Priority 1 recommendations were raised.</p>
St Mary's Catholic High School	Medium	Substantial (Fifteen Priority 2 and five Priority 3 recommendations)	<p>No Priority 1 recommendations were raised</p>

Appendix 2 - Follow-up of 2012/13 audits (with outstanding recommendations only)

Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
Non School Audits							
2012/13	LGfI2 Fronter	Nathan Elvery	High	Limited (3 rd follow up in progress)	7	4	57%
2012/13	Building Control	Jo Negrini	High	Satisfactory (2 nd follow up in progress)	2	1	50%
2012/13	E-GENDA Application	Nathan Elvery	High	Satisfactory (4 th follow up in progress)	5	2	40%
2012/13	Contender Windows Operating System (computer audit)	Nathan Elvery	High	Satisfactory (3 rd follow up in progress)	4	3	75%
Non School Audits Sub Total: Recommendations and implementation from audits that have had responses					240	223	93%
Non School Audits Sub Total: Priority 1 Recommendations from audits that have had responses					19	19	100%
School Audits							
2012/13	St Mary's Catholic High School	Paul Greenhalgh	Medium	Limited (4 th follow up in progress)	22	17	78%
School Audits Sub Total: Recommendations and implementation from audits that have had responses					314	286	92%
School Audits Sub Total: Priority 1 Recommendations from audits that have had responses					18	17	95%
Recommendations and implementation from audits that have had responses					554	506	91%
Priority 1 Recommendations from audits that have had responses					37	36	97%

Appendix 3 - Follow-up of 2013/14 audits

Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
Non School Audits							
2013/14	Creditors	Nathan Elvery	High	Limited (No further follow ups planned)	4	4	100%
2013/14	Community Care Payments	Paul Greenhalgh	High	Limited (No further follow ups planned)	2	2	100%
2013/14	Non Comensura Interims & Consultants	Nathan Elvery	High	Limited (3 rd follow up in progress)	6	3	50%
2013/14	Academies Conversion	Paul Greenhalgh	High	Limited (No further follow ups planned)	11	11	100%
2013/14	Unaccompanied Minors (Asylum Seekers)	Paul Greenhalgh	High	Limited (No further follow ups planned)	17	15	89%
2013/14	Brokerage	Paul Greenhalgh	High	Limited (4 th follow up in progress)	8	6	75%
2013/14	Vehicle Removals	Jo Negrini	High	Limited (No further follow ups planned)	6	5	83%
2013/14	Pay and Display Cash Collections	Jo Negrini	High	Limited (No further follow ups planned)	10	10	100%
2013/14	Environmental Enforcement	Jo Negrini	High	Limited (No further follow ups planned)	4	4	100%
2013/14	Fuel Management	Jo Negrini	High	Limited (No further follow ups planned)	8	7	88%
2013/14	Waste Collection	Jo Negrini	High	Limited (No further follow ups planned)	6	5	83%
2013/14	Facilities Management	Nathan Elvery	High	Limited (No further follow ups planned)	3	3	100%
2013/14	Reroofing Monks Orchard Primary School	Jo Negrini	High	Limited (No further follow ups planned)	5	4	80%
2013/14	Biking the Borough	Jo Negrini	High	Limited (2 nd follow up in progress)	4	1	25%
2013/14	Cash and Banking	Nathan Elvery	High	Satisfactory (No further follow ups planned)	4	4	100%
2013/14	Housing Benefits	Nathan Elvery	High	Satisfactory (No further follow ups planned)	4	4	100%

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						Total	Percentage
2013/14	Pensions	Nathan Elvery	High	Satisfactory (No further follow ups planned)	2	2	100%
2013/14	Payments to Schools	Nathan Elvery	High	Satisfactory (No further follow ups planned)	3	3	100%
2013/14	Payroll	Nathan Elvery	High	Satisfactory (No further follow ups planned)	4	4	100%
2013/14	Towards a Tipping Point	Nathan Elvery	High	Satisfactory (No further follow ups planned)	1	1	100%
2013/14	Corporate Governance	Nathan Elvery	High	Satisfactory (Superseded by new audit)	3	-	-
2013/14	Information Management	Nathan Elvery	High	Satisfactory (2 nd follow up in progress)	3	1	33%
2013/14	Programme and Project Management	Nathan Elvery	High	Satisfactory (4 th follow up in progress)	5	1	20%
2013/14	Recharging	Nathan Elvery	High	Satisfactory (1 st follow up in progress)	3	-	-
2013/14	Red File Scheme	Nathan Elvery	High	Satisfactory (No further follow ups planned)	7	7	100%
2013/14	School Places – Prediction and Management	Paul Greenhalgh	High	Satisfactory (No further follow ups planned)	4	4	100%
2013/14	Data Quality – DASHH - Social Care	Paul Greenhalgh	High	Satisfactory (2 nd follow up in progress)	7	2	28%
2013/14	Housing Tenancy	Jo Negrini	High	Satisfactory (No further follow ups planned)	4	4	100%
2013/14	Public Health Transition of Financial Management	Nathan Elvery	High	Satisfactory (No further follow ups planned)	6	6	100%
2013/14	Waste Disposal (Contract Management)	Jo Negrini	High	Satisfactory (No further follow ups planned)	3	3	100%
2013/14	Community Infrastructure Levy	Jo Negrini	High	Satisfactory (No further follow ups planned)	2	2	100%
2013/14	Social Fund Reform	Nathan Elvery	High	Satisfactory (No further follow ups planned)	4	4	100%
2013/14	E-mail	Nathan Elvery	High	Satisfactory (No further follow ups planned)	2	2	100%
2013/14	Metacompliance Application	Nathan Elvery	High	Satisfactory (No further follow	5	4	80%

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Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
				ups planned)			
2013/14	Microsoft Office 2010 Upgrade Project	Nathan Elvery	High	Full (No further follow ups planned)	3	3	100%
2013/14	Procurement – Strategy, Governance and Communication	Nathan Elvery	High	Satisfactory (3 rd follow up in progress)	3	0	0%
2013/14	South Norwood Country Park	Jo Negrini	High	Satisfactory (No further follow ups planned)	7	7	100%
2013/14	Public Services (Social Value) Act 2012	Nathan Elvery	High	Satisfactory (No further follow ups planned)	1	1	100%
Non School Audits Sub Total: Recommendations and implementation from audits that have had responses					184	149	81%
Non School Audits Sub Total: Priority 1 Recommendations from audits that have had responses					27	26	96%
School Audits							
2013/14	Thornton Heath Children's Centre	Paul Greenhalgh	Medium	No (No further follow ups planned)	24	23	96%
2013/14	Edenham High School	Paul Greenhalgh	Medium	No (No further follow ups planned)	33	32	98%
2013/14	All Saints' C of E High School	Paul Greenhalgh	Medium	Limited (No further follow ups planned)	18	17	95%
2013/14	Greenvale Primary	Paul Greenhalgh	Medium	Limited (No further follow ups planned)	26	21	81%
2013/14	Regina Coeli	Paul Greenhalgh	Medium	Limited (No further follow ups planned)	27	23	86%
2013/14	Archbishop Tension's C of E High School	Paul Greenhalgh	Medium	Limited (No further follow ups planned)	21	19	91%
2013/14	Bensham Manor	Paul Greenhalgh	Medium	Limited (No further follow ups planned)	26	23	89%
2013/14	St Aidan's Catholic Primary	Paul Greenhalgh	Medium	Limited (No further follow ups planned)	16	14	88%
2013/14	St Chad's	Paul Greenhalgh	Medium	Limited (No further follow ups planned)	11	10	91%
2013/14	St Giles'	Paul Greenhalgh	Medium	Limited (No further follow ups planned)	16	16	100%
2013/14	Gresham Primary	Paul Greenhalgh	Medium	Substantial (No further follow ups planned)	10	8	80%

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Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
2013/14	Forestdale Primary	Paul Greenhalgh	Medium	Substantial (No further follow ups planned)	20	20	100%
2013/14	Rowdown Primary	Paul Greenhalgh	Medium	Substantial (No further follow ups planned)	19	18	95%
2013/14	Selsdon Primary and Nursery	Paul Greenhalgh	Medium	Substantial (1 st follow up in progress)	13	0	-
2013/14	St Joseph's Federation	Paul Greenhalgh	Medium	Substantial (No further follow ups planned)	12	11	91%
2013/14	St Peter's Primary School	Paul Greenhalgh	Medium	Substantial (No further follow ups planned)	18	15	84%
2013/14	Woodside Primary School and Children's Centre	Paul Greenhalgh	Medium	Substantial (No further follow ups planned)	8	8	100%
2013/14	Beckmead	Paul Greenhalgh	Medium	Substantial (No further follow ups planned)	9	9	100%
2013/14	St Nicholas	Paul Greenhalgh	Medium	Substantial (No further follow ups planned)	14	13	93%
2013/14	Red Gates School	Paul Greenhalgh	Medium	Substantial (No further follow ups planned)	5	5	100%
School Audits Sub Total: Recommendations and implementation from audits that have had responses					346	305	88%
School Audits Sub Total: Priority 1 Recommendations from audits that have had responses					30	30	100%
Recommendations and implementation from audits that have had responses					530	454	86%
Priority 1 Recommendations from audits that have had responses					57	56	98%

Appendix 4 - Follow-up of 2014/15 audits

Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
Non School Audits							
2014/15	Multi Agency Safeguarding Hub.	Paul Greenhalgh	High	Limited (2 nd follow up in progress)	11	7	64%
2014/15	Direct Payments	Paul Greenhalgh	High	Limited (2 nd follow up in progress)	5	1	20%
2014/15	Programme and Projects Management – West Croydon Interchange	Jo Negrini	High	Satisfactory (2 nd follow up in progress)	2	1	50%
2014/15	Disabled Facilities Grant	Jo Negrini	High	Satisfactory (1 st follow up in progress)	15	-	-
2014/15	Abandoned Vehicles	Jo Negrini	High	Satisfactory (1 st follow up in progress)	2	-	-
Non-School Audits Sub Total: Recommendations and implementation from audits that have had responses					16	9	56%
Non-School Audits Sub Total: Priority 1 Recommendations from audits that have had responses					6	3	50%
School Audits							
2014/15	Kensington Avenue Primary	Paul Greenhalgh	Medium	Limited (1 st follow up in progress)	24	-	-
2014/15	Monks Orchard	Paul Greenhalgh	Medium	Limited (3 rd follow up in progress)	11	8	73%
2014/15	Park Hill Junior	Paul Greenhalgh	Medium	Limited (No further follow ups planned)	9	9	100%
2014/15	Ridgeway Primary	Paul Greenhalgh	Medium	Limited (1 st follow up in progress)	15	-	-
2014/15	Regina Coeli Catholic Primary	Paul Greenhalgh	Medium	Limited (1 st follow up in progress)	20	-	-
2014/15	Smitham Primary	Paul Greenhalgh	Medium	Limited (1 st follow up in progress)	12	-	-
2014/15	St Marys Catholic Infant	Paul Greenhalgh	Medium	Limited (1 st follow up in progress)	18	-	-
2014/15	Thomas More Catholic School	Paul Greenhalgh	Medium	Limited (No further follow ups planned)	25	22	88%
2014/15	Coningsby Pru	Paul Greenhalgh	Medium	Limited (No further follow ups planned)	12	12	100%
2014/15	Cotelands	Paul Greenhalgh	Medium	Limited (No further follow	10	10	100%

Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
				ups planned)			
2014/15	Moving On Pru	Paul Greenhalgh	Medium	Limited (No further follow ups planned)	13	12	93%
2014/15	Phil Edwards Pru	Paul Greenhalgh	Medium	Limited (1 st follow up in progress)	11	-	-
2014/15	Heavers Farm	Paul Greenhalgh	Medium	Satisfactory (1 st follow up in progress)	7	-	-
2014/15	St Mary's Catholic High	Paul Greenhalgh	Medium	Satisfactory (1 st follow up in progress)	20	-	-
School Audits Sub Total: Recommendations and implementation from audits that have had responses					80	73	91%
School Audits Sub Total: Priority 1 Recommendations from audits that have had responses					8	7	88%
Recommendations and implementation from audits that have had responses					96	82	85%
Priority 1 Recommendations from audits that have had responses					14	10	71%

Statement of Responsibility

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

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. We emphasise that the responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management and work performed by us should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify all 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. Our procedures are designed to focus on areas as identified by management as being of greatest risk and significance and as such we rely on management to provide us full access to their accounting records and transactions for the purposes of our work and to ensure the authenticity of such material. Effective and timely implementation of our recommendations by management is important for the maintenance of a reliable internal control system.

Mazars Public Sector Internal Audit Limited

London

February 2015

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