



London Borough of Croydon

Internal Audit Report for the period

1 April 2015 to 31 January 2016

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 2015/16 financial year the following work has been delivered:

- 83% of the 2015-16 planned audit days have been delivered.
- 95 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:-

- 65 system audits commenced and/or were completed;
- 24 probity audits commenced and/or were completed; and,
- 6 computer audits commenced and/or were completed.

In addition:

- 10 new ad hoc reviews 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 2015/16 internal audit plan was substantially informed by the risk registers. The 2015/16 internal audit plan was approved by the General Purposes and Audit Committee on 25 March 2015.

3. Work on the 2015/16 audit plan commenced in April 2015 and delivery is now well underway.

4. Table 1 details the performance for the 2015/16 audit plan against the Council's targets. At 31 January 2016 Internal Audit had delivered 82% 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 was delivered in-year. Internal Audit is well placed to complete the audit plan by year end as required.

Table 1: Performance against targets

Performance Objective	Annual Target	Year to Date Target	Year to Date Performance	Performance
% of planned 2015-16 audit days delivered	100%	79%	82%	▲
Number of 2015/16 planned audit days delivered	1022	807	842	▲
% of 2015/16 planned draft reports issued	100%	65%	57%	▼
Number of 2015/16 planned draft reports issued	101	66	58	▼
% of draft reports issued within 2 weeks of exit meeting with the Client	85%	85%	100%	▲
2014/15 % of priority one recommendations implemented at the time of the follow up audit	90%	90%	67%	▼

Performance Objective	Annual Target	Year to Date Target	Year to Date Performance	Performance
2014/15 % of all recommendations implemented at the time of the follow up audit	80%	80%	78%	▼
2013/14 % of priority one recommendations implemented at the time of the follow up audit	90%	90%	100%	▲
2013/14 % of all recommendations implemented at the time of the follow up audit	80%	80%	89%	▲
2012/13 % of priority one recommendations implemented at the time of the follow up audit	90%	90%	100%	▲
2012/13 % of all recommendations implemented at the time of the follow up audit	80%	80%	93%	▲
% of qualified staff engaged on audit	40%	40%	42%	▲

Audit Assurance

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

Full	The systems of internal control are sound and achieve all systems objectives and that all controls are being consistently applied.
Substantial	The systems of internal control are basically sound, there are weaknesses that put some of the systems objectives at risk and/or there is evidence that the level of non-compliance with some of the controls may put some of the system objectives at risk.
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 2015/16 audits for which final reports were issued during the period from 1 April 2015 to 31 January 2016. Details of the key issues arising from these reports are shown in Appendix 1.

Table 2: 2015/16 Final audit reports issued from 1 April to 31 January 2016

Audit Title	Risk Level	Assurance Level	Planned Year
Non-school audits			
Contract Management and Governance of Croydon Care Solutions	High	No	2015/16
Staff Car Parking and Corresponding Allowances	High	Limited	2015/16
Use of Pool Cars (Zipcar)	High	Limited	2015/16
Software Licensing	High	Limited	2015/16

Audit Title	Risk Level	Assurance Level	Planned Year
Payments to Schools	High	Substantial	2015/16
HMRC Compliance	High	Substantial	2015/16
Risk Management	High	Substantial	2015/16
Pension Fund Admitted Bodies	High	Substantial	2015/16
Asset Sales	High	Substantial	2015/16
Establishment Control	High	Substantial	2015/16
New EU Directives	High	Substantial	2015/16
Treasury Management	High	Full	2015/16
School audits			
South Norwood Primary	Medium	Limited	2015/16
St Mary's RC High	Medium	Limited	2015/16
Beulah Junior School	Medium	Substantial	2015/16
Elmwood Junior School	Medium	Substantial	2015/16
Gilbert Scott Primary	Medium	Substantial	2015/16
Good Shepherd Catholic Primary & Nursery	Medium	Substantial	2015/16
Howard Primary	Medium	Substantial	2015/16
Kingsley Primary	Medium	Substantial	2015/16
The Minster Junior School	Medium	Substantial	2015/16
Rockmount Primary	Medium	Substantial	2015/16
Selsdon Primary	Medium	Substantial	2015/16
The Federation of St Joseph's Catholic Junior, Infant and Nursery Schools	Medium	Substantial	2015/16
Winterbourne Infant and Nursery School	Medium	Substantial	2015/16
Winterbourne Junior Girls' School	Medium	Substantial	2015/16

Follow-up audits – effective implementation of recommendations

7. During 2015/16, in response to the Council's follow-up requirements, Internal Audit has continued to follow-up the status of the implementation of the 2012/13, 2013/14 and 2014/15 audits.
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.

Performance Objective	Target	Performance (to date*)				
		2010/11	2011/12	2012/13	2013/14	2014/15
Percentage of priority 1 recommendations implemented at the time of the follow up audit	90%	100%	100%	100%	100%	67%
Percentage of all recommendations implemented at the time of the follow up audit	80%	88%	93%	93%	89%	78%

The follow ups for 2010/11 and 2011/12 are now complete. The results of the 2012/13, 2013/14 and 2014/15 audits that have been followed up are included in Appendixes 2, 3, and 4 respectively. There are no 2015/16 follow up audits completed to date.

9. Appendix 2 shows the follow-up audits of 2012/13 audits undertaken to date and the number of recommendations raised and implemented. 93% of the total recommendations were found to have been implemented and 100% of the priority 1 recommendations which have been followed up have been implemented.
10. Appendix 3 shows the follow-up audits of 2013/14 audits undertaken to date and the number of recommendations raised and implemented. 88% of the total recommendations were found to have been implemented and 100% of the priority 1 recommendations which have been followed up have been implemented.
11. Appendix 4 shows the follow-up audits of 2014/15 audits undertaken to date and the number of recommendations raised and implemented. 74% of the total recommendations were found to have been implemented and 66% 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
43 Carmichael Road (Vertical audit)	Jo Negrini	High	No	<p>A recommendation was raised as pre-tender estimates were not prepared in detail to support the approved budget figure.</p> <p>Individual items within the quality specification essential to satisfying the business need were 'value engineered' out and held as client risk items only to be instructed back in.</p> <p>Genuine client risks were not priced on the risk register.</p> <p>A recommendation was raised as valuations of work were not provided, therefore we could not establish the correct scope and quantum of works undertaken. Alternatively applications for payment were prepared, however these did not contain sufficient detail to relate these to the priced activity schedule and any contract instructions.</p> <p>A recommendation was raised as the Council did not execute the returned contracts in a timely manner.</p> <p>A recommendation was raised as the decision to award the contract to the selected contractor was not signed by the appropriate delegated authority to comply with the e Council's Tender and Contracts Regulations.</p>

Audit Title	Executive Director Responsible	Risk Level	Assurance Level	Summary of priority 1 recommendations
Multi Agency Safeguarding Hub (MASH)	Paul Greenhalgh	High	Limited	<p>A recommendation was raised after examination of five MASH intelligence forms identified that three had not been completed within the required 3 days, with the longest process time being 8 working days.</p> <p>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 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".</p>
Financial Management of Bed and Breakfast Accommodation	Paul Greenhalgh	High	Limited	<p>Two priority 1 recommendations were raised that management should ensure that rent accounts were set up for all users in a timely manner and that urgent action be taken to institute appropriate debt recovery actions.</p> <p>While actions had been taken in response to the audit, effect from 5th October 2015 the Service transferred to Gateway and Welfare, which has resulted in the entire customer journey being reviewed. Furthermore, a separate project of looking at the entire process of accepting and housing homelessness cases was initiated. These are still ongoing.</p>
Direct Payments	Paul Greenhalgh	High	Limited	<p>A priority 1 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 recommendation was raised as there was a large back log of outstanding quarterly returns not returned by clients.</p>
School Building Programme	Paul Greenhalgh	High	Limited	<p>A recommendation was raised as regular and timely site condition surveys were not being undertaken to inform the Major Maintenance programme.</p> <p>A recommendation was raised as the Development Agreement for the new build on the Haling Road site had not been completed before works commenced.</p> <p>A further recommendation was raised as the February 2014 minutes of the Education Estate Operational Board indicated that two projects worth a total of £400,000 may have commenced without financial approvals being received; however, there was no evidence of follow-up in the subsequent Operational Board or Strategy Board minutes.</p>
Park Hill Junior School	Paul Greenhalgh	Medium	Limited	<p>A recommendation was raised as examination of a sample of 15 transactions identified seven instances where order forms had been raised after the receipt of the corresponding invoice.</p> <p>A further recommendation was raised as examination of a sample of 15 transactions identified eight instances where a goods receipt/delivery note has not been completed.</p>

Audit Title	Executive Director Responsible	Risk Level	Assurance Level	Summary of priority 1 recommendations
Regina Coeli Catholic Primary School	Paul Greenhalgh	Medium	Limited	<p>A recommendation was raised as sample testing established that purchase orders were not consistently produced in advance of the corresponding invoice being received or evidenced as appropriately approved.</p> <p>A recommendation was raised as sample testing established that invoices were not always being authorised in accordance with the Finance Policy and Procedures Manual.</p> <p>The above issues were also identified and reported during the previous audit in July 2013 as Priority 1 recommendations but had not been fully actioned.</p>
The Hayes Primary School	Paul Greenhalgh	Medium	Limited	<p>A recommendation was raised as the majority of purchase orders examined were raised retrospectively of goods/services and invoices being received.</p> <p>A recommendation was raised as inadequate supporting evidence was retained of goods/services received checks being carried out, for the majority of transactions examined.</p>

12. Although 2015/16 audit follow ups have recently commenced, none of these have yet been returned.

Appendix 1 - Key issues from 2015/16 finalised audits

Audit Title	Risk Level	Assurance Level & Number of Issues	Summary of key issues raised.
Non-School Audits			
Croydon Care Solutions Contract Management and Governance of	High	No	Priority 1 recommendations were raised relating to compliance with the Teckal/in-house exemption granted by the Public Contract Regulations 2015, the lack of a final and definitive pooled budget agreement with Croydon Clinical Commissioning Group or Croydon Health Services in respect of Croydon Equipment Solutions, there being a lack of scrutiny over the negotiation of 'Integrated Procurement Hub' contracts by the LATC and the signed copies of these contracts not being held at the Council, the 'Contract value' letters setting out contractual financial plans for forthcoming budget years not being appropriately issued, the Croydon Day Opportunities block contract including a number of unused spaces and a comprehensive contract management strategy or plan not being in place.
Staff Car Parking and Corresponding Allowances	High	Limited (Four priority 2, two priority 3 recommendations)	No priority 1 recommendations were raised.
Use of Pool Cars (Zipcar)	High	Limited (Two priority 1, one priority 2 and one priority 3 recommendations)	A priority 1 recommendation was raised as whilst individual users have signed 'User Agreements', appropriate guidance, in particular for the enforcement of the scheme by line managers was not in place. A further priority 1 recommendation was raised as some users had incurred four or more penalty charges (for non- usage, late return or to cover the administrative charge of fines) over the three month period examined with no recovery action taken.
Software Licensing	High	Limited (Two priority 1, six priority 2 recommendations)	A priority 1 recommendation was raised as testing identified that there was a Lack of configuration controls in place on network devices to properly prevent the installation of all software without appropriate authorisation. A further priority 1 recommendation was raised as testing identified that there are a number of devices (207 at the time of testing) within Active Directory for which information had not been polled across to the 'SNOW' IT Asset management tool.
Payments to Schools	High	Substantial (Three priority 2 recommendations)	No priority 1 recommendations were raised
HMRC Compliance	High	Substantial (Three priority 2 recommendations)	No priority 1 recommendations were raised
Risk Management	High	Substantial (One priority 2 recommendation)	No priority 1 recommendations were raised
Pension Fund Admitted Bodies	High	Substantial (One priority 2 recommendation)	No priority 1 recommendations were raised
Asset Sales	High	Substantial (Two priority 2 and four priority 3 recommendations)	No priority 1 recommendations were raised

Audit Title	Risk Level	Assurance Level & Number of Issues	Summary of key issues raised.
Non-School Audits			
Croydon Care Solutions Contract Management and Governance of	High	No	Priority 1 recommendations were raised relating to compliance with the Teckal/in-house exemption granted by the Public Contract Regulations 2015, the lack of a final and definitive pooled budget agreement with Croydon Clinical Commissioning Group or Croydon Health Services in respect of Croydon Equipment Solutions, there being a lack of scrutiny over the negotiation of 'Integrated Procurement Hub' contracts by the LATC and the signed copies of these contracts not being held at the Council, the 'Contract value' letters setting out contractual financial plans for forthcoming budget years not being appropriately issued, the Croydon Day Opportunities block contract including a number of unused spaces and a comprehensive contract management strategy or plan not being in place.
Establishment Control	High	Substantial (Five priority 2 recommendations)	No priority 1 recommendations were raised
New EU Directives	High	Substantial (Two priority 2 recommendations)	No priority 1 recommendations were raised
Treasury Management	High	Full	No recommendations were raised.
School Audits			
South Norwood Primary	Medium	Limited (Ten priority 2 recommendations)	No priority 1 recommendations were raised; however, overall assessment of the priority 2 recommendations resulted in a Limited assurance.
St Mary's High School	Medium	Limited (One priority 1, five priority 2 and one priority 3 recommendation)	A priority 1 recommendation was raised as the School's 2014/15 SFVS self-assessment had not been fully completed, agreed by the Governing Body and submitted to the Council by the required date.
Beulah Junior School	Medium	Substantial (Four priority 2 and two priority 3 recommendations)	No priority 1 recommendations were raised
Elmwood Junior School	Medium	Substantial (One priority 2 and one priority 3 recommendations)	No priority 1 recommendations were raised
Gilbert Scott Primary School	Medium	Substantial (One priority 2 recommendation)	No priority 1 recommendations were raised
Good Shepherd Catholic Primary and Nursery	Medium	Substantial (Five priority 2 and two priority 3 recommendations)	No priority 1 recommendations were raised
Howard Primary	Medium	Substantial (Four priority 2 recommendations)	No priority 1 recommendations were raised
Kingsley Primary	Medium	Substantial (Three priority 2 and one priority 3 recommendation)	No priority 1 recommendations were raised
The Minster Junior School	Medium	Substantial	No priority 1 recommendations were raised

Audit Title	Risk Level	Assurance Level & Number of Issues	Summary of key issues raised.
Non-School Audits			
Croydon Care Solutions Contract Management and Governance of	High	No	Priority 1 recommendations were raised relating to compliance with the Teckal/in-house exemption granted by the Public Contract Regulations 2015, the lack of a final and definitive pooled budget agreement with Croydon Clinical Commissioning Group or Croydon Health Services in respect of Croydon Equipment Solutions, there being a lack of scrutiny over the negotiation of 'Integrated Procurement Hub' contracts by the LATC and the signed copies of these contracts not being held at the Council, the 'Contract value' letters setting out contractual financial plans for forthcoming budget years not being appropriately issued, the Croydon Day Opportunities block contract including a number of unused spaces and a comprehensive contract management strategy or plan not being in place.
		(Two priority 2 recommendations)	
Rockmount Primary School	Medium	Substantial (Two priority 2 recommendations)	No priority 1 recommendations were raised
Selsdon Primary School	Medium	Substantial (Three priority 2 and one priority 3 recommendation)	No priority 1 recommendations were raised
The Federation of St Joseph's Catholic, Junior, Infant and Nursery School	Medium	Substantial (Three priority 2 recommendations)	No priority 1 recommendations were raised
Winterbourne Infant and Nursery	Medium	Substantial (Four priority 2 and one priority 3 recommendation)	No priority 1 recommendations were raised
Winterbourne Junior Girls' School	Medium	Substantial (Two priority 2 and one priority 3 recommendation)	No priority 1 recommendations were raised

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	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%
Non School Audits Sub Total: Recommendations and implementation from audits that have had responses					240	227	95%
Non School Audits Sub Total: Priority 1 Recommendations from audits that have had responses					19	19	100%
School Audits Sub Total: Recommendations and implementation from audits that have had responses					314	287	91%
School Audits Sub Total: Priority 1 Recommendations from audits that have had responses					18	18	100%
Recommendations and implementation from audits that have had responses					554	514	93%
Priority 1 Recommendations from audits that have had responses					37	37	100%

Appendix 3 - Follow-up of 2013/14 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							
2013/14	Biking the Borough	Jo Negrini	High	Limited (3 rd follow up in progress)	4	2	50%
2013/14	Cohort	Nathan Elvery	High	Limited (1 st follow up in progress)	11	-	-
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	Mobile Field Flex	Nathan Elvery	High	Satisfactory (2 nd follow up in progress)	11	4	36%
2013/14	Procurement – Strategy, Governance and Communication	Nathan Elvery	High	Satisfactory (3 rd follow up in progress)	3	0	0%
Non School Audits Sub Total: Recommendations and implementation from audits that have had responses					168	149	89%
Non School Audits Sub Total: Priority 1 Recommendations from audits that have had responses					24	24	100%
School Audits Sub Total: Recommendations and implementation from audits that have had responses					359	318	89%
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					527	467	89%
Priority 1 Recommendations from audits that have had responses					54	54	100%

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	43 Carmichael Road - Vertical	Jo Negrini	High	No (2 nd follow up in progress)	9	1	11%
2014/15	Third Sector Commissioning	Nathan Elvery	High	Limited (1 st Follow up in progress)	8	-	-
2014/15	Corporate and Departmental Asset Management	Nathan Elvery	High	Limited (2 nd follow up in progress)	9	6	67%
2014/15	Registrars	Paul Greenhalgh	High	Limited (No further follow up)	8	7	88%
2014/15	Multi Agency Safeguarding Hub	Paul Greenhalgh	High	Limited (3 rd follow up in progress)	11	8	73%
2014/15	Direct Payments	Paul Greenhalgh	High	Limited (2 nd follow up in progress)	5	1	20%
2014/15	Financial Management of Bed and Breakfast Accommodation	Paul Greenhalgh	High	Limited (3 rd follow up in progress)	9	4	45%
2014/15	Substance Misuse	Nathan Elvery	High	Limited (1 st follow up in progress)	7	-	-
2014/15	Cashless Parking	Jo Negrini	High	Limited (No further follow up)	8	7	88%
2014/15	Cemeteries and Crematorium	Jo Negrini	High	Limited (No further follow up)	5	5	100%
2014/15	Home Energy Conservation Act (HECA)	Nathan Elvery	High	Limited (No further follow up)	4	4	100%
2014/15	School Building Programme	Paul Greenhalgh	High	Limited (3 rd follow up in progress)	8	4	50%
2014/15	Waste Contract Management	Paul Greenhalgh	High	Limited (No further follow up)	7	6	86%
2014/15	Payments to Schools	Nathan Elvery	High	Satisfactory (No further follow up)	3	3	100%
2014/15	People Strategy	Nathan Elvery	High	Satisfactory (2 nd follow up in progress)	2	0	0%
2014/15	SharePoint roll out and usage	Nathan Elvery	High	Satisfactory (1 st follow up in progress)	7	-	-

Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
2014/15	Programme and Projects management – Wandle Rd Surface Car Park	Jo Negrini	High	Satisfactory (2 nd follow up in progress)	5	2	40%
2014/15	Programme and Projects Management – New Addington Phase 2	Jo Negrini	High	Satisfactory (1 st follow up in progress)	2	-	-
2014/15	Programme and Projects Management – West Croydon Interchange	Jo Negrini	High	Satisfactory (No further follow up)	2	2	100%
2014/15	Programme and Projects Management – Fairfield Halls Refurbishment	Nathan Elvery	High	Satisfactory (1 st follow up in progress)	4	-	-
2014/15	Programme and Projects Infrastructure Delivery Plan	Jo Negrini	High	Satisfactory (1 st follow up in progress)	3	-	-
2014/15	Business Support Integration	Nathan Elvery	High	Satisfactory (1 st follow up in progress)	5	-	-
2014/15	Electoral Registration	Nathan Elvery	High	Satisfactory (No further follow up)	6	5	84%
2014/15	Disabled Facilities Grant	Paul Greenhalgh	High	Satisfactory (No further follow up)	15	13	87%
2014/15	Gas Servicing Contract Management	Jo Negrini	High	Satisfactory (No further follow up)	2	2	100%
2014/15	Graffiti Removal	Jo Negrini	High	Satisfactory (2 nd follow up in progress)	4	3	75%
2014/15	Houses with Multi-Occupancy Licensing (HMO)	Jo Negrini	High	Satisfactory (No further follow up)	6	6	100%
2014/15	School Recruitment	Nathan Elvery	High	Satisfactory (No further follow up)	7	6	86%
2014/15	Financial Management of the Coroner's Service	Nathan Elvery	High	Satisfactory (1 st follow up in progress)	5	-	-
2014/15	Agency Use and the New Recruitment Drive	Paul Greenhalgh	High	Satisfactory (2 nd follow up in progress)	3	1	33%
2014/15	Appointment of Independent Social Workers and CEF Assessment	Paul Greenhalgh	High	Satisfactory (1 st follow up in progress)	3	-	-
2014/15	Domestic Violence	Paul Greenhalgh	High	Satisfactory (No further follow up)	4	4	100%
2014/15	Employee Mutual – Octavo Partnership	Paul Greenhalgh	High	Satisfactory (No further follow up)	2	2	100%
2014/15	Abandoned Vehicles	Jo Negrini	High	Satisfactory (No further follow up)	2	2	100%

Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
				up)			
2014/15	Housing Development – Affordable Housing	Jo Negrini	High	Satisfactory (No further follow up)	4	4	100%
2014/15	Installation of Automated Sprinkler System	Jo Negrini	High	Satisfactory (No further follow up)	8	8	100%
2014/15	CapGemini Final Account	Nathan Elvery	High	Satisfactory (No further follow up)	3	3	100%
2014/15	Contract Management Framework	Nathan Elvery	High	Satisfactory (1 st follow up in progress)	7	-	-
2014/15	Bernard Weatherwill House – Post Occupancy Evaluation	Nathan Elvery	High	Satisfactory (2 nd follow up in progress)	3	2	66%
2014/15	Highways Clienting	Jo Negrini	High	Satisfactory (No further follow up)	7	6	86%
2014/15	Express Electoral Registration	Nathan Elvery	High	Satisfactory (2 nd follow up in progress)	5	3	60%
2014/15	ICT Asset Management	Nathan Elvery	High	Satisfactory (No further follow up)	6	6	100%
2014/15	Social Media	Nathan Elvery	High	Satisfactory (No further follow up)	2	2	100%
2014/15	Si Dem Parking Application	Jo Negrini	High	Satisfactory (No further follow up)	9	8	89%
2014/15	Liquid Logic Application	Paul Greenhalgh	High	Satisfactory (2 nd follow up in progress)	9	6	66%
2014/15	AIS Application	Nathan Elvery	High	Satisfactory (3 rd follow up in progress)	6	4	67%
2014/15	UNIX – Revenues and Benefits Operating System	Nathan Elvery	High	Satisfactory (2 nd follow up in progress)	7	5	71%
2014/15	Windows OS Security	Nathan Elvery	High	Satisfactory (No further follow up)	5	4	80%
Non-School Audits Sub Total: Recommendations and implementation from audits that have had responses					218	165	76%
Non-School Audits Sub Total: Priority 1 Recommendations from audits that have had responses					25	13	52%
School Audits							
2014/15	Kensington Avenue Primary School	Paul Greenhalgh	Medium	Limited (1 st follow up in progress)	24	-	-

London Borough of Croydon

Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
2014/15	Monks Orchard School	Paul Greenhalgh	Medium	Limited (No further follow up)	11	10	91%
2014/15	Park Hill Junior School	Paul Greenhalgh	Medium	Limited (3 rd follow up in progress)	9	7	78%
2014/15	Ridgeway Primary School	Paul Greenhalgh	Medium	Limited (No further follow up)	15	13	86%
2014/15	Regina Coeli Catholic Primary School	Paul Greenhalgh	Medium	Limited (3 rd follow up in progress)	20	15	75%
2014/15	Smitham Primary School	Paul Greenhalgh	Medium	Limited (2 nd follow up in progress)	12	10	84%
2014/15	Thomas More Catholic School	Paul Greenhalgh	Medium	Limited (No further follow up)	25	22	88%
2014/15	The Hayes Primary School	Paul Greenhalgh	Medium	Limited (2 nd follow up in progress)	15	11	74%
2014/15	Thornton Heath Nursery School	Paul Greenhalgh	Medium	Limited (No further follow up)	16	16	100%
2014/15	Coloma Convent Girls' School	Paul Greenhalgh	Medium	Limited (1 st follow up in progress)	12	-	-
2014/15	Coningsby PRU	Paul Greenhalgh	Medium	Limited (No further follow up)	12	12	100%
2014/15	Cotelands	Paul Greenhalgh	Medium	Limited (No further follow up)	10	10	100%
2014/15	Moving On PRU	Paul Greenhalgh	Medium	Limited (No further follow up)	13	12	93%
2014/15	Phil Edwards PRU	Paul Greenhalgh	Medium	Limited (No further follow up)	11	10	91%
2014/15	Davidson Primary School	Paul Greenhalgh	Medium	Substantial (2 nd follow up in progress)	12	7	59%
2014/15	Heavers Farm Primary School	Paul Greenhalgh	Medium	Substantial (No further follow up)	7	7	100%
2014/15	Virgo Fidelis Catholic Secondary School	Paul Greenhalgh	Medium	Substantial (No further follow up)	18	15	83%
2014/15	Edenham High School	Paul Greenhalgh	Medium	Substantial (No further follow up)	11	9	82%
2014/15	Priory School	Paul Greenhalgh	Medium	Substantial	18	15	83%

Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
				(2 nd follow up in progress)			
School Audits Sub Total: Recommendations and implementation from audits that have had responses					219	177	81%
School Audits Sub Total: Priority 1 Recommendations from audits that have had responses					29	23	79%
Recommendations and implementation from audits that have had responses					437	342	78%
Priority 1 Recommendations from audits that have had responses					54	36	67%

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 2016

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