



# London Borough of Croydon

## Internal Audit Report for the period

### 1 April 2018 to 31 August 2018

#### **Confidentiality and Disclosure Clause**

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Please refer to the Statement of Responsibility in Appendix 3 of this report for further information about responsibilities, limitations and confidentiality.

## Internal Audit activity

1. During the first five months of the 2018/19 financial year the following work has been delivered:

- 35% of the 2018/19 planned audit days have been delivered
- 42 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:-
  - 39 system audits commenced and/or were completed;
  - 3 probity audits commenced and/or were completed; and,
  - 0 computer audits commenced and/or were completed.

In addition:

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

### Internal Audit Performance

2. To help ensure that the internal audit plan supported the Risk Management Framework and therefore the Council Assurance Framework, the 2017/18 internal audit plan was substantially informed by the risk registers. The 2018/19 internal audit plan was presented to the General Purposes and Audit Committee on 15 March 2018.
3. Work on the 2018/19 audit plan commenced in April 2018 and delivery is now well underway.
4. Table 1 details the performance for the 2018/19 audit plan against the Council's targets. At 31 August 2018 Internal Audit had delivered 35% of the planned audit days and 18% of the planned draft reports. Although the planned drafts are behind target, there are a number of audits where the reports are close to being issued and work has either commenced, is in progress or draft stage for almost half of the audit plan.

**Table 1: Performance against targets**

Performance Objective	Annual Target	Year to Date Target	Year to Date Actual	Performance
% of planned 2018-19 audit days delivered	100%	34%	<b>35%</b>	▲
Number of 2018-19 planned audit days delivered	1050	357	<b>363</b>	▲
% of 2018-19 planned draft reports issued	100%	25%	<b>18%</b>	▼
Number of 2018-19 planned draft reports issued	91	23	16	▼
% of draft reports issued within 2 weeks of exit meeting	85%	85%	<b>100%</b>	▲
2017/18 % of priority one recommendations implemented at the time of the follow up audit	90%	90%	<b>75%</b>	▼
2017/18 % of all recommendations implemented at the time of the follow up audit	80%	80%	<b>81%</b>	▲
2016/17 % of priority one recommendations implemented at the time of the follow up audit	90%	90%	<b>97%</b>	▲
2016/17 % of all recommendations implemented at the time of the follow up audit	80%	80%	<b>83%</b>	▲

Performance Objective	Annual Target	Year to Date Target	Year to Date Actual	Performance
2015/16 % of priority one recommendations implemented at the time of the follow up audit	90%	90%	<b>86%</b>	▼
2015/16 % of priority all recommendations implemented at the time of the follow up audit	80%	80%	<b>87%</b>	▲
2014/15 % of priority one recommendations implemented at the time of the follow up audit	90%	90%	<b>100%</b>	▲
2014/15 % of all recommendations implemented at the time of the follow up audit	80%	80%	<b>94%</b>	▲
% of qualified staff engaged on audit	40%	40%	<b>38%</b>	▼

### Audit Assurance

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

<b>Full</b>	The systems of internal control are sound and achieve all systems objectives and that all controls are being consistently applied.
<b>Substantial</b>	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.)
<b>Limited</b>	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.
<b>No</b>	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. Tables 2 and 3 lists the audits for which final reports were issued from 1 April to 31 August 2018. Details of the key issues arising from these reports are shown in Appendix 1.

**Table 2: 2017/18 Final audit reports issued since the Head of Internal Audit Report (June 2018) to 31 August 2018**

Audit Title	Risk Level	Assurance Level	Planned Year
<b>Non-school audits</b>			
Housing Rents and Accounting	High	Limited	2017/18
Budget Management - People	High	Limited	2017/18
SekChek Active System Directory Security	High	Limited	2017/18
Health Visiting	High	Limited	2017-18
MyAccount and MyApp	High	Limited	2017/18

**Table 3: 2018/19 Final audit reports issued from 1 April 2018 to 31 August 2018:**

Audit Title	Risk Level	Assurance Level	Planned Year
<b>Non-school audits</b>			
Cashiers (Cash Handling)	High	Full	2018/19
Coroner's Service	High	Substantial	2018/19
Discretionary Housing Payments	High	Substantial	2018/19
Libraries Income Collection	High	Limited	2018/19
Parking CCTV	High	Substantial	2018/19

**Follow-up audits – effective implementation of recommendations**

- During 2018/19 in response to the Council's follow-up requirements, Internal Audit has continued following-up the status of the implementation of the 2015/16, 2016/17, 2017/18 audits. No 2018/19 follow up audits are yet due.
- 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*)				
		2013/14	2014/15	2015/16	2016/17	2017/18
Percentage of priority one recommendation implemented at the time of the follow up audit	90%	100%	100%	86%	97%	75%
Percentage of all recommendations implemented at the time of the follow up audit	80%	96%	94%	87%	83%	81%

The results of those for 2015/16, and 2016/17 and 2017/18 audits that have been followed up are included in Appendixes 2, 3, and 4 respectively.

- Appendix 2 shows the follow-up audits of 2015/16 audits undertaken to date and the number of recommendations raised and implemented. 87% of the total recommendations were found to have been implemented and 86% 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 issues arising in priority 1 recommendations
EMS Application	Richard Simpson	High	Limited	A recommendation was raised due to the absence of an effective disaster recovery plan for the EMS application. The response to the follow up is that this is being worked on with Capita and a solution planned for January 2019
Adoption	Eleni Ioannides	High	Limited	A recommendation was raised as the weekly adoption payment runs were not being checked for accuracy and to ensure no inappropriate payments made.

Audit Title	Executive Director Responsible	Risk Level	Assurance Level	Summary of issues arising in priority 1 recommendations
ICT ~Service Delivery ITIL Framework	Richard Simpson	High	Limited	<p>A recommendation was raised as it was identified that the development of an appropriate Business Impact Review (BIR) to assist in the design of both the IT Service Disaster Recovery Plan (DRP) and the associated Business Continuity Plan (BCP) are currently at an embryonic stage and no DRP or BCP solutions have been recently tested as effective.</p> <p>The response to the follow up is that this is being worked on with Capita and a solution planned for January 2019</p>

10. Appendix 3 shows the 2016/17 follow-up audits undertaken to date and the number of recommendations raised and implemented. 83% 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 recommendations are detailed below:

Audit Title	Executive Director Responsible	Risk Level	Assurance Level	Summary of issues arising in priority 1 recommendations
Adult Social Care – Caseload Management	Guy Van Dichele	High	Limited	<p>A priority 1 recommendation was raised as examination of the 'Caseload Pressures Reporting', dated 20 September 2016 identified that there were a significant number of cases on the respective team waiting lists, i.e. cases not yet assigned to a case worker. There were further cases on the Centralised Duty team waiting list, i.e. cases not yet assigned to the respective teams.</p> <p>Discussion with the Team Managers of the OP North and South teams confirmed that no priority 1 cases were on the waiting lists; however, as some cases had been on the waiting lists for some time the initial priority assigned to these cases may no longer be appropriate.</p>

11. Appendix 4 shows the 2017/18 follow-up audits undertaken to date and the number of recommendations raised and implemented. 81% of the total recommendations were found to have been implemented and 75% 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 issues arising in priority 1 recommendations
Abandoned Vehicles	Shifa Mustafa	High	No	<p>A priority 1 issue was raised as the records of reported abandoned vehicles on the Access 2003 database was incomplete, with images, links to '7 day' notices and the dates removed and outcomes not always being recorded.</p> <p>A priority 1 issue was raised as although the estimated contract value for abandoned vehicle removal is over £160k, there has been no tendering for this service and there is no contract in place between Tran-Support and the Council.</p>
Mayors Charity	Richard Simpson	High	No	A priority 1 issue was raised as bank reconciliations are not performed on a regular basis.
Pay and Display Meter Maintenance and Income Collection	Shifa Mustafa	High	Limited	A priority 1 issue was raised because the contract between NSL and the Council expired in 2015.

Audit Title	Executive Director Responsible	Risk Level	Assurance Level	Summary of issues arising in priority 1 recommendations
Appointeeships	Mark Meehan	High	Limited	A priority 1 issue was raised as although payee bank accounts were being checked to invoices or other payment documents, there is a risk that the bank details on these documents may be incorrect.
Brokerage	Richard Simpson	High	Limited	<p>A priority 1 issue was raised as it was confirmed that providers outside of the signed Integrated Framework Agreement (IFA) were being used regularly for care provision of clients.</p> <p>A priority 1 issue was raised as there was no evidence provided of inspections having occurred at three of the five providers sampled.</p>

## Appendix 1: Key issues from finalised audits

<b>2018/19 audits</b>			
Audit Title	Risk Level	Assurance Level & Number of Issues	Summary of key issues raised.
<b>Non School Audits</b>			
Cashiers (Cash Handling)	High	Full (1 priority 3 issue)	No priority 1 issues raised
Libraries Income Collection	High	Limited (Two priority 1, two priority 2 and one priority 3 issue)	Two priority 1 issues were raised, one relating to the approval and control over the waiver of fines and the other relating to the lack of reconciliations between income collected and income banked and coded to Oracle ledger codes.
Discretionary Housing Payments	High	Substantial (One priority 2 and 2 priority 3 issues)	No priority 1 issues raised
Parking CCTV	High	Substantial (1 priority 2 issue)	No priority 1 issues raised
Coroner's Service	High	Substantial (Three priority 2 issues)	No priority 1 issues raised

<b>2017/18 Key issues from final audit reports issued since the Head of Internal Audit Report (June 2018) to 31 August 2018</b>			
Audit Title	Risk Level	Assurance Level & Number of Issues	Summary of key issues raised.
<b>Non School Audits</b>			
Housing Rents and Accounting	High	Limited (One priority 1 issue and five priority 2 issues)	A priority 1 issue was raised as evidence of appropriate authorisation was not available for two out of the 10 refunds tested.
Budget Management - People	High	Limited (One priority 1 issue and one priority 2 issue)	A priority 1 issue was raised as in Children's Services, only external local placements were being monitored, the data for the other types of placements being considered inaccurate
Health Visiting	High	Limited (one priority 1 issue and one priority 2 issue)	A priority 1 issue was identified as while the Council receives monthly detailed reports on key performance indicators and has conducted a recent extensive six month Health Visiting Services Review, appropriate contract monitoring processes were not in place to obtain assurance of the general conditions in the S75 Agreement and the actual processes undertaken by CHS, including those for safeguarding.
SekChek Active System Directory Security	High	Limited (Nine priority 2 issues and one priority 3 issue)	No priority 1 issues
MyAccount and MyApp	High	Limited (One priority 1, three priority 2 and one priority 3 issue)	A priority 1 issue was identified because no formal change management process was in place to track changes which impact the applications.

## Appendix 2 - Follow-up of 2015/16 audits

Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
<b>Non School Audits</b>							
2015/16	Contract Management & Governance of Croydon Care Solutions	Guy Van Dichele	High	No (No further follow up planned)	9	9	100%
2015/16	Contract Management & Governance of Adult Social Care Providers	Guy Van Dichele	High	Limited (No further follow up planned)	6	5	83%
2015/16	Performance Monitoring Adult Social Care	Guy Van Dichele	High	Limited (2nd follow up in progress)	9	1	11%
2015/16	Food Flagship Initiative	Guy Van Dichele	High	Limited (No further follow up planned)	9	8	89%
2015/16	Staff Car parking and Corresponding Allowances	Richard Simpson	High	Limited (No further follow up planned)	6	5	84%
2015/16	Use of Pool Cars (Zipcar)	Richard Simpson	High	Limited (No further follow up planned)	4	4	100%
2015/16	Employee Expenses (via One Oracle)	Richard Simpson	High	Limited (No further follow up planned)	6	6	100%
2015/16	Adoption	Eleni Ioannides	High	Limited (3rd follow up in progress)	4	3	75%
2015/16	Fostering	Eleni Ioannides	High	Limited (4 <sup>th</sup> follow up in progress)	5	3	60%
2015/16	Software Licensing	Richard Simpson	High	Limited (No further follow up planned)	8	8	100%
2015/16	EMS Application	Richard Simpson	High	Limited (6th follow up in progress)	4	1	25%
2015/16	Old Town Building Frontages	Shifa Mustafa	High	Limited (No further follow up planned)	5	5	100%
2015/16	ICT Service Delivery ITIL Framework	Richard Simpson	High	Limited (4 <sup>th</sup> follow up in progress)	2	1	50%
2015/16	ICT Mobile Devices	Richard Simpson	High	Limited (No further follow up planned)	8	7	88%
2016/16	Cyber Security	Richard Simpson	High	Limited (No further follow up planned)	2	2	100%
2015/16	Council Tax	Richard Simpson	High	Substantial (No further follow up planned)	4	4	100%
2015/16	NDR – Non Domestic Rates	Richard Simpson	High	Substantial	3	3	100%



Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
				(No further follow up planned)			
2015/16	Payments to Schools	Richard Simpson	High	Substantial (No further follow up planned)	3	3	100%
2015/16	Cultural Direction	Richard Simpson	High	Substantial (No further follow up in planned)	1	1	100%
2015/16	Locality Early Help	Guy Van Dichele	High	Substantial (No further follow up planned)	9	8	89%
2015/16	Looked After Children (placed in another LA area)	Eleni Ioannides	High	Substantial (1 <sup>st</sup> follow up in progress)	7	-	-
2015/16	Youth Offending Service	Eleni Ioannides	High	Substantial (No further follow up planned)	4	4	100%
2015/16	Care Act 2014	Guy Van Dichele	High	Substantial (2nd follow up in progress)	2	1	50%
2015/16	Better Care Fund	Guy Van Dichele	High	Substantial (No further follow up planned)	7	7	100%
2015/16	Childcare Provision	Eleni Ioannides	High	Substantial (No further follow up)	6	5	83%
2015/16	Integrated Commissioning	Guy Van Dichele	High	Substantial (No further follow up planned)	3	3	100%
2015/16	Member Ethics and Transparency	Richard Simpson	High	Substantial (No further follow up planned)	2	2	100%
2015/16	Connected Croydon – Programme and Project Management	Shifa Mustafa	High	Substantial (2nd follow up in progress)	4	2	50%
2015/16	People Gateway Programme	Guy Van Dichele	High	Substantial (No further follow up planned)	4	4	100%
2015/16	NHS Partnership with Public Health	Guy Van Dichele	High	Substantial (No further follow up planned)	6	5	84%
2015/16	Asset Sales	Richard Simpson	High	Substantial (No further follow up planned)	6	5	83%
2015/16	Croydon Challenge (Programme Management)	Richard Simpson	High	Substantial (No further follow up planned)	6	5	84%
2015/16	Risk Management	Richard Simpson	High	Substantial (No further follow up planned)	1	1	100%
2015/16	EMS Data Quality	Shifa Mustafa	High	Substantial (No further follow up planned)	4	4	100%

Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
2015/16	Pension Fund Admitted Bodies	Richard Simpson	High	Substantial (No further follow up planned)	1	1	100%
2015/16	Interserve – Fire Safety and Health and Safety Assessments	Richard Simpson	High	Substantial (No further follow up planned)	11	10	90%
2015/16	Public Consultations	Richard Simpson	High	Substantial (No further follow up planned)	1	1	100%
2015/16	Street Lighting	Shifa Mustafa	High	Substantial (No further follow up planned)	3	3	100%
2015/16	Waste Contract Management	Shifa Mustafa	High	Substantial (No further follow up planned)	3	3	100%
2015/16	Planning Enforcement	Shifa Mustafa	High	Substantial (No further follow up planned)	2	2	100%
2015/16	School Capital Delivery	Shifa Mustafa	High	Substantial (No further follow up planned)	5	4	80%
2015/16	Housing Capital Delivery	Shifa Mustafa	High	Substantial (No further follow up planned)	4	4	100%
2015/16	Waste Recycling	Shifa Mustafa	High	Substantial (5th follow up in progress)	3	1	33%
2015/16	One Oracle Back Office	Richard Simpson	High	Substantial (No further follow up planned)	2	2	100%
2015/16	Internal Network	Richard Simpson	High	Substantial (3rd follow up in progress)	2	1	50%
2015/16	Cyber Security	Richard Simpson	High	Assurance n/a (No further follow up planned)	2	2	100%
2015/16	Procurement of Consultants – South Norwood Public Realm Lead Design	Shifa Mustafa	High	Substantial (No further follow up planned)	1	1	100%
2015/16	Clocktower and Town Hall Replacement Works	Richard Simpson	High	Substantial (No further follow up planned)	6	5	84%
2015/16	Wandle Park pavilion Works	Shifa Mustafa	High	Substantial (No further follow up planned)	4	4	100%
2015/16	EU Procurement Directives	Richard Simpson	High	Substantial (3rd follow up in progress)	2	0	0
2015/16	SEN Transport Contract	Richard Simpson	High	Substantial (No further follow up planned)	6	6	100%
<b>Non-School Audits Sub Total: Recommendations and implementation from audits that have had responses</b>					<b>220</b>	<b>185</b>	<b>84%</b>

Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
<b>Non-School Audits Sub Total: Priority 1 Recommendations from audits that have had responses</b>					<b>22</b>	<b>19</b>	<b>86%</b>
<b>School Audits</b>							
2015/16	Beulah Junior	Eleni Ioannides	Medium	Substantial (No further follow up planned)	4	4	100%
2015/16	Elmwood Junior	Eleni Ioannides	Medium	Substantial (No further follow up planned)	1	1	100%
2015/16	Gilbert Scott	Eleni Ioannides	Medium	Substantial (No further follow up planned)	1	1	100%
2015/16	Howard Primary	Eleni Ioannides	Medium	Substantial (No further follow up planned)	4	4	100%
2015/16	Kingsley	Eleni Ioannides	Medium	Substantial (No f/up - recs implemented at final report)	4	4	100%
2015/16	Purley Oaks Primary	Eleni Ioannides	Medium	Substantial (No further follow up planned)	6	6	100%
2015/16	Rockmount	Eleni Ioannides	Medium	Substantial (No f/up recs implemented at final report)	1	1	100%
2015/16	Selsdon	Eleni Ioannides	Medium	Substantial (No further follow up planned)	4	4	100%
2015/16	St Chad's RC Primary	Eleni Ioannides	Medium	Substantial (No further follow up planned)	10	10	100%
2015/16	Winterbourne Infant & Nursery	Eleni Ioannides	Medium	Substantial (No further follow up)	4	4	100%
2015/16	Winterbourne Junior Girls	Eleni Ioannides	Medium	Substantial (No further follow up)	2	2	100%
2015/16	Wolsey Infants	Eleni Ioannides	Medium	Substantial (No further follow up)	4	4	100%
2015/16	St Joseph's RC Federation	Eleni Ioannides	Medium	Substantial (No further follow up)	3	3	100%
<b>School Audits Sub Total: Recommendations and implementation from audits that have had responses</b>					<b>48</b>	<b>48</b>	<b>100%</b>
<b>School Audits Sub Total: Priority 1 Recommendations from audits that have had responses</b>					<b>0</b>	<b>0</b>	<b>N/a</b>
<b>Recommendations and implementation from audits that have had responses</b>					<b>268</b>	<b>233</b>	<b>87%</b>
<b>Priority 1 Recommendations from audits that have had responses</b>					<b>22</b>	<b>19</b>	<b>86%</b>

## Appendix 3 - Follow-up of 2016/17 audits

Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
<b>Non School Audits</b>							
2016/17	Adult Care Packages	Guy Van Dichele	High	Limited (1 <sup>st</sup> follow up in progress)	7	-	-
2016/17	ASC Caseload Management	Guy Van Dichele	High	Limited (2 <sup>nd</sup> follow up in progress)	7	4	57%
2016/17	Adult Self-Funding and Deferred Payments	Mark Meehan	High	Limited (No further follow up)	8	7	88%
2016/17	Client Management of Octavo Partnership	Eleni Ioannides	High	Limited (No further follow up)	6	6	100%
2016/17	Disabled Facilities Grants	Mark Meehan	High	Limited (4 <sup>th</sup> follow up in progress)	12	11	92%
2016/17	Pathways to Employment – Jobs Brokerage	Shifa Mustafa	High	Limited (No further follow up)	8	7	88%
2016/17	Procurement of Consultants – Caterham Bourne	Shifa Mustafa	High	Limited (No further follow up)	8	7	88%
2016/17	Facilities Management – Contract Cleaning	Richard Simpson	High	Limited (No further follow up)	7	7	100%
2016-17	Contract Formalities and Storage of Contracts	Richard Simpson	High	Limited (1 <sup>st</sup> follow up in progress)	4	-	-
2016-17	Contract and Tender Regulation Compliance	Richard Simpson	High	Limited (2 <sup>nd</sup> follow up in progress)	8	6	75%
2016-17	Microsoft Office Enterprise Procurement Compliance	Richard Simpson	High	Limited (No further follow up)	3	3	100%
2016/17	Housing Benefits	Richard Simpson	High	Substantial (No further follow up)	4	4	100%
2016/17	Housing Rents and Accounting	Mark Meehan	High	Substantial (No further follow up)	7	6	86%
2016/17	Housing Repairs	Shifa Mustafa	High	Substantial (No further follow up)	4	4	100%
2016/17	Payments to Schools	Richard Simpson	High	Substantial (No further follow up)	4	4	100%
2016/17	Payroll	Richard Simpson	High	Substantial (No further follow up)	3	3	100%

Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
2016/17	Pension Fund Investments	Richard Simpson	High	Substantial (No further follow up)	4	4	100%
2016/17	Declarations of Interests, Gifts and Hospitality	Richard Simpson	High	Substantial (No further follow up)	7	7	100%
2016/17	Sickness Absence	Richard Simpson	High	Substantial (No further follow up)	5	4	80%
2016/17	HMRC Compliance	Richard Simpson	High	Substantial (4th follow up in progress)	5	3	60%
2016/17	Empty Property Grants	Mark Meehan	High	Substantial (No further follow up)	6	6	100%
2016/17	Housing Registration and Allocation	Mark Meehan	High	Substantial (No further follow up)	8	7	87%
2016/17	Top 50 Families Review	Eleni Ioannides	High	Substantial (No further follow up)	3	3	100%
2016/17	Anti-Social Behaviour	Shifa Mustafa	High	Substantial (3rd follow up in progress)	9	4	44%
2016/17	Household Green Waste	Shifa Mustafa	High	Substantial (No further follow up)	5	5	100%
2016/17	Flood Management Plan	Shifa Mustafa	High	Substantial (No further follow up)	7	6	86%
2016/17	Licensing Income	Shifa Mustafa	High	Substantial (3rd follow up in progress)	2	1	50%
2016/17	Prevent Agenda	Shifa Mustafa	High	Substantial (No further follow up)	1	1	100%
2016/17	Project Assurance (Place)	Shifa Mustafa	High	Substantial (No further follow up)	3	3	100%
2016/17	Regeneration Partnership	Shifa Mustafa	High	Substantial (1st follow up in progress)	2	-	-
2016/17	S106 Negotiating, Charging and Funding	Shifa Mustafa	High	Substantial (No further follow up)	3	3	100%
2016/17	Selective Licensing	Shifa Mustafa	High	Substantial (No further follow up)	5	5	100%
2016/17	Clinical Governance	Guy Van Dichele	High	Substantial (3rd follow up in progress)	3	1	33%
2016/17	Commercial use of Bernard Weatherill House	Richard Simpson	High	Substantial	3	3	100%

Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
				(No further follow up)			
2016/17	Debt Recovery and use of Bailiffs	Richard Simpson	High	Substantial (No further follow up)	2	2	100%
2016/17	Fairfield Delivery	Shifa Mustafa	High	Substantial (3rd follow up in progress)	2	1	50%
2016/17	MOU_ Clinical Commissioning Group	Guy Van Dichele	High	Substantial (No further follow up)	4	4	100%
2016/17	Public Health Integration Funding	Guy Van Dichele	High	Substantial (No further follow up)	5	5	100%
2016/17	Hyperion Application	Richard Simpson	High	Substantial (No further follow up)	9	8	89%
2016/17	Citrix Security	Richard Simpson	High	Substantial (No further follow up)	2	2	100%
2016/17	Windows Operating System Security	Richard Simpson	High	Substantial (No further follow up)	5	5	100%
2016/17	Cloud Services and Solutions Azure	Richard Simpson	High	Substantial (No further follow up)	3	3	100%
2016/17	Members- Bring Your Own Devices (BYOD)	Richard Simpson	High	Substantial (No further follow up)	3	3	100%
2016/17	Service Desk	Richard Simpson	High	Substantial (No further follow up)	5	4	80%
2016/17	WAN Connectivity	Richard Simpson	High	Substantial (No further follow up)	6	5	83%
2016/17	Intranet and Internet Security	Richard Simpson	High	Substantial (2 <sup>nd</sup> follow up in progress)	2	2	100%
2016/17	Service and Maintenance of Fire Alarm and Emergency Lighting	Shifa Mustafa	High	Substantial (No further follow up)	2	2	100%
2016/17	Independent Fostering Agencies Framework Procurement	Richard Simpson	High	Substantial (No further follow up)	2	2	100%
<b>Non-School Audits Sub Total: Recommendations and implementation from audits that have had responses</b>					<b>229</b>	<b>193</b>	<b>84%</b>
<b>Non-School Audits Sub Total: Priority 1 Recommendations from audits that have had responses</b>					<b>18</b>	<b>17</b>	<b>94%</b>
<b>School Audits</b>							
2016/17	The Hayes Primary	Eleni Ioannides	Medium	Limited (No further follow up))	12	11	92%

Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
2016/17	Regina Coeli RC primary	Eleni Ioannides	Medium	Limited (No further follow up)	7	6	86%
2016/17	Selhurst Children's Centre	Eleni Ioannides	Medium	Limited (1 <sup>st</sup> follow up in progress)	20	-	-
2016/17	St Andrew's C of E High	Eleni Ioannides	Medium	Limited (No further follow up)	19	19	100%
2016/17	Virgo Fidelis Convent Senior School	Eleni Ioannides	Medium	Limited (No further follow up)	12	11	92%
2016/17	Bensham Manor MLD Secondary	Eleni Ioannides	Medium	Limited (1 <sup>st</sup> follow up in progress)	15	-	-
2016/17	Christ Church CE Primary	Eleni Ioannides	Medium	Substantial (No further follow up)	4	4	100%
2016/17	Coulsdon C of E Primary	Eleni Ioannides	Medium	Substantial (No further follow up)	2	2	100%
2016/17	Courtwood Primary	Eleni Ioannides	Medium	Substantial (No further follow up)	2	2	100%
2016/17	Forestdale Primary	Eleni Ioannides	Medium	Substantial (No further follow up planned)	3	3	100%
2016/17	Greenvale Primary	Eleni Ioannides	Medium	Substantial (No further follow up planned)	6	6	100%
2016/17	Kenley Primary	Eleni Ioannides	Medium	Substantial (No further follow up planned)	7	7	100%
2016/17	Kensington Avenue Primary	Eleni Ioannides	Medium	Substantial (No further follow up planned)	6	5	83%
2016/17	Keston Primary	Eleni Ioannides	Medium	Substantial (No further follow up planned)	13	11	84%
2016/17	Monks Orchard Primary School	Eleni Ioannides	Medium	Substantial (No further follow up planned)	2	2	100%
2016/17	Orchard Way Primary	Eleni Ioannides	Medium	Substantial (No further follow up planned)	12	10	83%
2016/17	Park Hill Junior	Eleni Ioannides	Medium	Substantial (No further follow up planned)	1	1	100%
2016/17	Park Hill Infants	Eleni Ioannides	Medium	Substantial (No further follow up planned)	1	1	100%

Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
2016/17	Ridgeway Primary	Eleni Ioannides	Medium	Substantial (No further follow up planned)	3	3	100%
2016/17	Smitham Primary	Eleni Ioannides	Medium	Substantial (No further follow up planned)	6	6	100%
2016/17	Archbishop Tenison's C of E	Eleni Ioannides	Medium	Substantial (No further follow up)	8	7	88%
2016/17	Thomas More	Eleni Ioannides	Medium	Substantial (No further follow up)	7	6	86%
2016/17	Redgates SLD & Autism	Eleni Ioannides	Medium	Substantial (No further follow up)	11	9	82%
2016/17	St Giles School	Eleni Ioannides	Medium	Substantial (No further follow up)	9	9	100%
2016/17	St Nicholas MLD & Autism Primary	Eleni Ioannides	Medium	Substantial (No further follow up)	6	6	100%
2016/17	Downsview Primary	Eleni Ioannides	Medium	Full (n/a)	0	0	0%
2016/17	Gresham Primary	Eleni Ioannides	Medium	Full (No further follow up)	1	1	100%
2016/17	St John's C of E Primary	Eleni Ioannides	Medium	Full (No further follow up)	2	2	100%
2016/17	Beckmead School	Eleni Ioannides	Medium	Full (No further follow up)	4	4	100%
<b>School Audits Sub Total: Recommendations and implementation from audits that have had responses</b>					<b>186</b>	<b>154</b>	<b>83%</b>
<b>School Audits Sub Total: Priority 1 Recommendations from audits that have had responses</b>					<b>12</b>	<b>12</b>	<b>100</b>
<b>Recommendations and implementation from audits that have had responses</b>					<b>4415</b>	<b>347</b>	<b>83%</b>
<b>Priority 1 Recommendations from audits that have had responses</b>					<b>30</b>	<b>29</b>	<b>97%</b>



## Appendix 4 - Follow-up of 2017-18 audits

Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
<b>Non School Audits</b>							
2017/18	Mayors Charity	Richard Simpson	High	No (2 <sup>nd</sup> follow up in progress)	13	6	46%
2017/18	Abandoned Vehicles	Shifa Mustafa	High	No (2 <sup>nd</sup> follow up in progress)	10	7	70%
2017/18	Community Care Payments	Guy Van Dichele	High	Limited (1 <sup>st</sup> follow up in progress)	9	-	-
2017/18	Appointeeships	Mark Meehan	High	Limited (2 <sup>nd</sup> follow up in progress)	7	4	75%
2017/18	Direct Payments	Guy Van Dichele	High	Limited (3 <sup>rd</sup> follow up in progress)	4	3	75%
2017/18	Special Sheltered Housing	Richard Simpson	High	Limited (3 <sup>rd</sup> follow up in progress)	10	4	40%
2017/18	Croydon Enterprise Loan Fund	Shifa Mustafa	High	Limited (no further follow up planned)	5	5	100%
2017/18	Brokerage	Richard Simpson	High	Limited (2 <sup>nd</sup> follow up in progress)	10	2	20%
2017/18	Deprivation of Liberty Safeguards	Guy Van Dichele	High	Limited (No further follow up)	4	4	100%
2017/18	Registrars	Mark Meehan	High	Limited (No further follow up)	6	6	100%
2017/18	Food Safety	Shifa Mustafa	High	Limited (No further follow up)	11	9	82%
2017/18	Pay and Display Meter Maintenance and Income Collection	Shifa Mustafa	High	Limited (2 <sup>nd</sup> follow up in progress)	4	3	75%
2017/18	Tree Root Inspections	Shifa Mustafa	High	Limited (No further follow up)	6	5	83%
2017/18	ICT Capita Contract	Richard Simpson	High	Limited (No further follow up)	1	1	100%
2017/18	Payments to Schools	Richard Simpson	High	Substantial (1 <sup>st</sup> follow up in progress)	5	-	-
2017/18	Payroll	Richard Simpson	High	Substantial (1 <sup>st</sup> follow up in progress)	3	-	-
2017/18	Pension Administration	Richard Simpson	High	Substantial	2	-	-

Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
				(2 <sup>nd</sup> follow up in progress)			
2017/18	CALAT Income Collection	Shifa Mustafa	High	Substantial (3 <sup>rd</sup> follow up in progress)	6	4	67%
2017/18	Youth Offending service	Eleni Ioannides	High	Substantial (No further follow up)	3	3	100%
2017/18	Place Review Panel	Shifa Mustafa	High	Substantial (No further follow up)	3	3	100%
2017/18	Croydon Equipment Solutions	Richard Simpson	High	Substantial (No further follow up)	7	7	100%
2017/18	Street Trading Income Collection	Shifa Mustafa	High	Substantial (1 <sup>st</sup> follow up in progress)	9	-	-
2017/18	Admitted Bodies	Richard Simpson	High	Substantial (1 <sup>st</sup> follow up in progress)	4	-	-
2017/18	Unix (Linux) Operating System Security	Richard Simpson	High	Substantial (2 <sup>nd</sup> follow up in progress)	3	0	0
2017/18	Smitham 2016 School Heating Works	Shifa Mustafa	High	Substantial (1 <sup>st</sup> follow up in progress)	3	-	-
2017/18	Windows OS Security	Richard Simpson	High	Full (no further follow up planned)	2	2	100%
<b>Non-School Audits Sub Total: Recommendations and implementation from audits that have had responses</b>					<b>115</b>	<b>78</b>	<b>68%</b>
<b>Non-School Audits Sub Total: Priority 1 Recommendations from audits that have had responses</b>					<b>28</b>	<b>20</b>	<b>71%</b>
<b>School Audits</b>							
2017/18	Beulah Juniors	Eleni Ioannides	Medium	Limited (No further follow up)	13	11	84%
2017/18	Elmwood Infants School	Eleni Ioannides	Medium	Limited (No further follow up)	14	14	100%
2017/18	The Minster Nursery and Infant School	Eleni Ioannides	Medium	Limited (No further follow up)	17	15	89%
2017/18	Norbury Manor	Eleni Ioannides	Medium	Limited (2 <sup>nd</sup> follow up in progress)	12	8	67%
2017/18	St Joseph's Federation	Eleni Ioannides	Medium	Limited (1 <sup>st</sup> follow up in progress)	25	-	-
2017/18	Winterbourne Nursery and Infants	Eleni Ioannides	Medium	Limited (1 <sup>st</sup> follow up in progress)	18	-	-

Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
2017/18	St Mary's High School	Eleni Ioannides	Medium	Limited (No further follow up)	16	14	87%
2017/18	Crosfield Nursery and Selhurst Early Years	Eleni Ioannides	Medium	Substantial (No further follow up)	2	2	100%
2017/18	Purley Nursery	Eleni Ioannides	Medium	Substantial (No further follow up)	4	4	100%
2017/18	Tunstall Nursery	Eleni Ioannides	Medium	Substantial (No further follow up)	4	4	100%
2017/18	Thornton Heath Early Years Centre	Eleni Ioannides	Medium	Substantial (No further follow up)	7	6	86%
2017/18	All Saints C of E Primary	Eleni Ioannides	Medium	Substantial (No further follow up)	8	7	87%
2017/18	Elmwood Junior	Eleni Ioannides	Medium	Substantial (No further follow up)	3	3	100%
2017/18	Heavers Farm	Eleni Ioannides	Medium	Substantial (No further follow up)	10	10	100%
2017/18	Howard Primary	Eleni Ioannides	Medium	Substantial (1 <sup>st</sup> follow up in progress)	13	-	-
2017/18	Margaret Roper	Eleni Ioannides	Medium	Substantial (No further follow up)	16	13	81%
2017/18	Purley Oaks Primary	Eleni Ioannides	Medium	Substantial (No further follow up)	7	7	100%
2017/18	Rockmount Primary	Eleni Ioannides	Medium	Substantial (No further follow up)	6	5	83%
2017/18	Selsdon Primary	Eleni Ioannides	Medium	Substantial (No further follow up)	9	9	100%
2017/18	Woodcote Primary	Eleni Ioannides	Medium	Substantial (No further follow up)	7	7	100%
2017/18	Coloma Convent Girls' School	Eleni Ioannides	Medium	Substantial (2 <sup>nd</sup> follow up in progress)	14	10	72%
2017/18	Saffron Valley	Eleni Ioannides	Medium	Substantial (No further follow up)	6	6	100%
2017/18	Priory	Eleni Ioannides	Medium	Substantial (1 <sup>st</sup> follow up in progress)	6	-	-
2017/18	Beaumont Primary	Eleni Ioannides	Medium	Full	3	3	100%

Financial Year	Audit Followed-up	Executive Director Responsible	Risk Level	Assurance Level & Status	Total Raised	Implemented	
						Total	Percentage
				(No further follow up)			
2017/18	Archbishop Tenison	Eleni Ioannides	Medium	Full (No further follow up)	1	1	100%
<b>School Audits Sub Total: Recommendations and implementation from audits that have had responses</b>					<b>179</b>	<b>159</b>	<b>86%</b>
<b>School Audits Sub Total: Priority 1 Recommendations from audits that have had responses</b>					<b>4</b>	<b>4</b>	<b>100%</b>
<b>Recommendations and implementation from audits that have had responses</b>					<b>294</b>	<b>237</b>	<b>81%</b>
<b>Priority 1 Recommendations from audits that have had responses</b>					<b>32</b>	<b>24</b>	<b>75%</b>

## Statement of Responsibility

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

The responsibility for designing and maintaining a sound system of internal control and the prevention and detection of fraud and other irregularities rests with management, with internal audit providing a service to management to enable them to achieve this objective. Specifically, we assess the adequacy and effectiveness of the system of internal control arrangements implemented by management and perform sample testing on those controls in the period under review with a view to providing an opinion on the extent to which risks in this area are managed.

We plan our work in order to ensure that we have a reasonable expectation of detecting significant control weaknesses. However, our procedures alone should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify any circumstances of fraud or irregularity. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud.

The matters raised in this report are only those which came to our attention during the course of our work and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Recommendations for improvements should be assessed by you for their full impact before they are implemented. The performance of our work is not and should not be taken as a substitute for management's responsibilities for the application of sound management practices.

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