

London Borough of Croydon

Internal Audit Report for the period

1 April 2019 to 30 November 2019

Confidentiality and Disclosure Clause

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Internal Audit activity

1. During the first eight months of the 2019/20 financial year the following work has been delivered:

- 53% of the 2019/20 planned audit days have been delivered
- 59 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:-
 - 42 system audits commenced and/or were completed;
 - 14 school audits commenced and/or were completed; and,
 - 3 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 2019/20 internal audit plan was substantially informed by the risk registers. The 2019/20 internal audit plan was presented to the General Purposes and Audit Committee on 4 April 2019.
3. Work on the 2019/20 audit plan commenced in April 2019 and delivery is now well underway.
4. Table 1 details the performance for the 2019/20 audit plan against the Council's targets. At 30 November 2019 Internal Audit had delivered 53% of the planned audit days and 28% 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. Work has either commenced, is in progress or draft stage for over 64% of the audit plan.

Table 1: Performance against targets

| Performance Objective | Annual Target | Year to Date Target | Year to Date Actual | Performance |
|---|---------------|---------------------|---------------------|-------------|
| % of planned 2019/20 audit days delivered | 100% | 60% | 53% | ▼ |
| Number of 2019/20 planned audit days delivered | 1050 | 630 | 552 | ▼ |
| % of 2019/20 planned draft reports issued | 100% | 36% | 28% | ▼ |
| Number of 2019/20 planned draft reports issued | 92 | 33 | 26 | ▼ |
| % of draft reports issued within 2 weeks of exit meeting | 85% | 85% | 88% | ▲ |
| 2019/20 % of priority one recommendations/issues implemented at the time of the follow up audit | 90% | 90% | 75% | ▼ |
| 2019/20 % of all recommendations/issues implemented at the time of the follow up audit | 80% | 80% | 88% | ▲ |
| 2018/19 % of priority one recommendations/issues implemented at the time of the follow up audit | 90% | 90% | 81% | ▼ |

| Performance Objective | Annual Target | Year to Date Target | Year to Date Actual | Performance |
|---|---------------|---------------------|---------------------|-------------|
| 2018/19 % of all recommendations/issues implemented at the time of the follow up audit | 80% | 80% | 80% | ► |
| 2017/18 % of priority one recommendations/issues implemented at the time of the follow up audit | 90% | 90% | 96% | ▲ |
| 2017/18 % of all recommendations/issues implemented at the time of the follow up audit | 80% | 80% | 88% | ▲ |
| 2016/17 % of priority one recommendations implemented at the time of the follow up audit | 90% | 90% | 100% | ▲ |
| 2016/17 % of all recommendations implemented at the time of the follow up audit | 80% | 80% | 92% | ▲ |
| 2015/16 % of priority one recommendations implemented at the time of the follow up audit | 90% | 90% | 100% | ▲ |
| 2015/16 % of priority all recommendations implemented at the time of the follow up audit | 80% | 80% | 94% | ▲ |
| % of qualified staff engaged on audit | 40% | 40% | 39% | ▼ |

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. (*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 from 1 April to 30 November 2019. Details of the key issues arising from these reports are shown in Appendix 1.

Table 3: 2019/20 Final audit reports issued from 1 April 2019 to 30 November 2019:

| Audit Title | Assurance Level | Planned Year |
|------------------------------------|-----------------|--------------|
| Non-school audits | | |
| Payments to In-house Foster Carers | Limited | 2018/19 |
| Health and Safety in Schools | Limited | 2018/19 |

| Audit Title | Assurance Level | Planned Year |
|--|-----------------|--------------|
| Temporary Employment | Limited | 2018/19 |
| Parking Enforcement and Tickets | Substantial | 2018/19 |
| Mortuary | Substantial | 2018/19 |
| Private Sector Landlords – Fire Safety | Substantial | 2018/19 |
| Oracle Fusion Cloud Programme | Substantial | 2018/19 |
| Alternative School Provisioning | Limited | 2019/20 |
| Food Safety – Data Quality | Limited | 2019/20 |
| Adult Social Care - Waiting Lists | Limited | 2019/20 |
| S17 Expenditure | Substantial | 2019/20 |
| Risk Management | Substantial | 2019/20 |
| Audit Title | Assurance Level | Planned Year |
| School audits | | |
| Beulah Juniors | Limited | 2019/20 |
| Kenley Primary | Limited | 2019/20 |
| All Saints C of E Primary School | Substantial | 2019/20 |
| Elmwood Infant School | Substantial | 2019/20 |

Follow-up audits – effective implementation of recommendations

7. During 2019/20 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 and 2018/19 audits and commenced with the 2019/20 follow up audits.
8. Follow-up audits are undertaken to ensure that all the recommendations/issues raised have been successfully implemented according to the action plans agreed with the service managers. The Council's target for audit recommendations/issues implemented at the time of the follow-up audit is 80% for all priority 2 & 3 recommendations/issues and 90% for priority 1 recommendations/issues.

| Performance Objective | Target | Performance (to date) | | | | | |
|--|--------|-----------------------|---------|---------|---------|---------|---------|
| | | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 |
| Percentage of priority one recommendations/issues implemented at the time of the follow up audit | 90% | 100% | 100% | 100% | 96% | 81% | 75% |
| Percentage of all recommendations/issues implemented at the time of the follow up audit | 80% | 94% | 94% | 92% | 88% | 80% | 88% |

The results of those for 2015/16, 2016/17, 2017/18, 2018/19 and 2019/20 audits that have been followed up are included in Appendixes 2, 3, 4, 5 and 6 respectively.

9. Appendix 2 shows the two incomplete follow-up audits for 2015/16 audits and the number of recommendations raised and implemented. 94% 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 2016/17 follow-up audits undertaken to date and the number of recommendations/issues raised and implemented. 92% 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 2017/18 follow-up audits undertaken to date and the number of recommendations/issues raised and implemented. 88% of the total recommendations/issues were found to have been implemented and 96% of the priority 1 recommendations/issues which have been followed up have been implemented. The outstanding priority 1 recommendations/issues are detailed below:

| Audit Title | Executive Director Responsible | Assurance Level | Summary of issues arising in priority 1 issues |
|--------------------|--------------------------------|-----------------|--|
| Abandoned Vehicles | Shifa Mustafa | No | <p>A priority 1 issue was identified 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> <p><u>Latest response provided in October 2019</u></p> <p>This is still in conversation with The Finance Category Manager and the buying team. We have established that spending this year for the AVS side of the contractual work is around £15-20k and due to be along the lines of £25k at the end of the financial year so is well below the £100k figure of upper tier spending and contract rules. Parking are also included still in the conversation about the planned contract being drawn up.</p> <p>This is currently sitting with the Buying Team for advice / decision making.</p> |
| Brokerage | Jaqueline Harris-Baker | Limited | <p>A priority 1 issue was identified 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><u>Response received November 2019:</u></p> <p>As stated on the 13 of August the Dynamic Purching system 1, which will cover the CQC registered and unregistered domiciliary care providers, is set for full implementation in 2020. This will provide all suppliers the opportunity to become a contracted provider. Although we are on track to produce the OJEU notice in December of this year our latest projection has all providers being contracted by the end of February 2020.</p> |

12. Appendix 5 shows the 2018/19 follow-up audits undertaken to date and the number of recommendations/issues raised and implemented. 80% of the total recommendations/issues were found to have been implemented and 81% of the priority 1 recommendations/issues which have been followed up have been implemented. The outstanding priority 1 recommendations/issues are detailed below:

| Audit Title | Executive Director Responsible | Assurance Level | Summary of recommendations/issues arising in priority 1 recommendations/issues |
|------------------------------|--------------------------------|-----------------|---|
| Payments Against Orders | Robert Henderson | Limited | <p>A priority 1 issue was identified as means tests were not on file for 60% of the sample of adoption allowances tested.</p> <p><u>Response provided October 2019:</u></p> <p>At the time these were done – they were from the teams and not CPH so we could not produce evidence. One was ours 2016 – human error. Moving forward all on CRS and SharePoint.</p> <p>Confirmation has been requested by Internal Audit that these are now all CRS and Sharepoint.</p> |
| Health and Safety in Schools | Robert Henderson | Limited | <p>A priority 1 issue was identified as procedure manuals were not in existence for the Education and Youth Engagement team.</p> <p><u>Response provided December 2019:</u></p> <p>A draft procedure for monitoring health and safety compliance in community school is currently being drafted and will be circulated to Homes and Schools Improvement Team and Facilities Management for input. A flow chart has been produced and will be circulated for comments / sign off.</p> |

| Audit Title | Executive Director Responsible | Assurance Level | Summary of recommendations/issues arising in priority 1 recommendations/issues |
|--|--------------------------------|-----------------|---|
| | | | <p>A priority 1 issue was identified as certain premises health and safety legislation is not checked for compliance, and no evidence was available to show that recommendations raised from the inspections / certificates were followed up.</p> <p>Response provided December 2019:</p> <p>Work has started on reviewing and updating the Croydon School Property Handbook.</p> <p>The Handbook will also include other necessary information e.g. the need for schools to commission competent contractor to carry out work and the necessary certificates / warranties received on completion of work.</p> <p>The draft Handbook will be circulated to HSI Delivery colleagues and the Health and Safety colleagues ahead of meeting to discuss/agree its content.</p> <p>The plan is for the final draft of the handbook to be signed off and circulated to schools in the new year.</p> |
| SEN to include Ombudsman upheld complaints | Robert Henderson | Limited | <p>A priority 1 issue was identified as, during the last academic year, the percentage of Education and Health Care Plans (EHCPs) completed within the statutory 20 week period was 78%.</p> <p>Response provided December 2019:</p> <p>This has formed part of our overall service plan and regular updates are sought at every 1:1.</p> <p>EHCP Assistants have revised their working practice to speed up the Assessment Process and Stage 2 of the process is initiated immediately after the Stage 1 Panel.</p> <p>From January 2019 to October 2019 the percentage of plans that met the 20 week deadline was 75% (191 out of 256 were within timescales)</p> <p>Coordinators continue to monitor the 16 week timescale for issuing the draft EHC Plan but as yet we do not have a formal report to show it (we were waiting for the new database).</p> |
| Voluntary Sector Commissioning Adult Social Care | Jacqueline Harris Baker | No | <p>A priority 1 issue was identified as copies of agreements or contracts were not available for the partnership/joint funding with the CCG / NHS Croydon or for most of the services directly paid for by the Council from MIND.</p> <p>Response provided November 2019:</p> <p>Alternative arrangements have been put in place for the Mental Health Programme Board attended by senior members of the NHS Croydon CCG, the Council and One Croydon. This decision making meeting is held monthly. A new project manager this programme has been appointed and a Delivery Group formed with first meeting in late November. Commissioning and Procurement are working closely with this the CCG to review all current contracts and develop new joint funding arrangements. This process will be completed by March 2020 and will be overseen by the Director Commissioning and Procurement for Croydon Council who is also the Director of Commissioning Croydon CCG.</p> |
| Temporary Employment | Jacqueline Harris Baker | Limited | <p>A priority 1 issue was raised as seven of the sample of 30 orders tested were originally placed for more than the required policy maximum of 24 weeks. Furthermore, 26 of these continued for longer than the duration as specified in the original order for an average of an extra 27 weeks.</p> <p>A priority 1 issue was raised as seven of the sample of 30 orders that were tested were not evidenced as appropriately authorised.</p> <p>Response provided November 2019:</p> <p>Updated policies have been drafted and awaiting sign off from senior management to ensure this has proper sign off and sponsorship.</p> <p>New deadline suggested: 1st December 2019</p> |
| Asbestos Management | Shifa Mustafa | Limited | <p>A priority 1 issue was identified as there are some 7,762 housing assets, assets for which there was no identifier of whether asbestos was either identified, strongly presumed, presumed or was not found. Discussion established that this number included assets such as</p> |

| Audit Title | Executive Director Responsible | Assurance Level | Summary of recommendations/issues arising in priority 1 recommendations/issues |
|-------------|--------------------------------|-----------------|---|
| | | | roads; however, examination of the listing noted that there were also general rent dwellings, service tenancies and garages included Response provided December 2019: Asbestos policy and management plan now agreed. Awaiting final sign off. Workshops will take place on receipt of final sign off. |

13. Appendix 5 shows the 2019/20 follow-up audits undertaken to date and the number of recommendations/issues raised and implemented 88% of the total recommendations/issues were found to have been implemented and 75%% of the priority 1 recommendations/issues which have been followed up have been implemented. The outstanding priority 1 recommendation/issue is detailed below:

| Audit Title | Executive Director Responsible | Assurance Level | Summary of recommendations/issues arising in priority 1 recommendations/issues |
|----------------------------|--------------------------------|-----------------|--|
| Food Safety – Data Quality | Shifa Mustafa | Limited | A priority 1 issue was identified as the reports of inspections due generated from the UNIFORM system were not accurate. The response provided December 2019: First review of the action has taken place, and the 4 anomalies have been investigated. Further investigation shows that these differences have occurred due to a system update, thus different data is being compared. Further data extracts are now being completed, to check and validate. From this validation we will be able to ensure that the Enterprise tasks are correct and then we will be able to proceed solely with this system. We have met with the IDOX consultant (27.11.19) to help develop this process, and another has been scheduled for February 2020. This will be used as another opportunity to ensure that the data is accurate and amended as necessary. |

Appendix 1: Summary from finalised audits of Priority 1 issues / recommendations

| Audit Title | Assurance Level & Number of Issues | Summary of key issues raised. |
|------------------------------------|---|--|
| Non School Audits | | |
| Payments to In-house Foster Carers | Limited (One priority 1 and three priority 2 issues) | A priority 1 issue was identified as the Fostering Services Regulations 2011 Foster Carer Agreements' in use did not properly cater for the requirements of the Data Protection Act 2018 or the General Data Protection Regulation. Furthermore, signed agreements were not held for two of the five foster carers sampled. |
| Health and Safety in Schools | Limited (Two priority 1 and four priority 2 issues) | A priority 1 issue was identified as procedure manuals were not in existence for the Education and Youth Engagement team A priority 1 issue was identified as certain premises health and safety legislation is not checked for compliance, and no evidence was available to show that recommendations raised from the inspections / certificates were followed up. |
| Temporary Employment | Limited (Three priority 1 and 13 priority 2 issues) | A priority 1 issue was identified as it was identified for 13 (or 20%) of the IR35 Assessments examined that there was no contract or Statement of Works retained. A priority 1 issue was identified as seven of the sample of 30 orders tested (for 32 assignments) were originally placed for more than the required policy maximum of 24 weeks. Furthermore, 26 of these continued for longer than the duration as specified in the original order for an average of an extra 27 weeks. A priority 1 issue was identified as seven of the sample of 30 orders that were tested were not evidenced as appropriately authorised. |
| Alternative School Provisioning | Limited (Two priority 1 and four priority 2 issues) | A priority 1 issue was identified as the 'notification of exclusion forms' in use did not include a privacy notice in line with the requirements of the General Data Protection Regulation (GDPR) and the Data Protection Act (DPA) 2018. A priority 1 issue was identified as pupils' personalised plans and objectives were not set out in writing in accordance with statutory guidance. |
| Food Safety | Limited (One priority 1, three priority 2 and one priority 3 issues) | A priority 1 issue was identified as as the reports of inspections due generated from the UNIFORM system were not accurate. |
| Adult Social Care – Waiting Lists | Limited (One priority 1, three priority 2 and one priority 3 issues) | Priority 1 issues were identified that: <ul style="list-style-type: none"> the Front Door call statistics for up to the week commencing 12 August 2019 identified that 1 in 5 calls (21%) are lost and that the average call wait time was 4.05 minutes and the 'All Team Waiting List' dated 18 August 2019 detailed that there were 609 cases (with 221 of these relating to prior years), whereas the 'ASC Front Door and Localities Review Q2' report detailed that as at 19 August 2019 the wait list was 505 |
| Audit Title | Assurance Level & Number of Recommendations | Summary of key recommendations raised. |
| School Audits | | |
| Beulah Juniors | Limited (Five priority 1, three priority 2 and six priority 6 recommendations) | Priority 1 recommendations were raised as: <ul style="list-style-type: none"> the School's 2018-19 SFVS (School Financial Value Standard) self-assessment was not evidenced as discussed or agreed by the full Governing Body as required sample testing of the documentation held for three new starters could not locate any references for two of the starters and only one reference for the third starter appropriate approval for five high value expenditure items, in line with the School's 'Financial Policies and Procedures Manual', was not evidenced Quotation and tender limits were not specified out in the |

| | | |
|-----------------------|---|--|
| | | <p>School's 'Financial Policies and Procedures Manual</p> <ul style="list-style-type: none"> The School's bank mandate still included a former member of staff as an authorised signatory. |
| Kenley Primary School | Limited (One priority 1, six priority 2 and four priority 3 recommendations) | A priority 1 recommendation was raised as transactions were identified where payments were made to an individual for services and there was no evidence of their employment status for tax purposes being checked. |

Appendix 2 - Follow-up of 2015/16 audits (Incomplete follow ups only)

| Financial Year | Audit Followed-up | Executive Director Responsible | Assurance Level & Status | Total Raised | Implemented | |
|---|-------------------|--------------------------------|--|--------------|-------------|-------------|
| | | | | | Total | Percentage |
| Non School Audits | | | | | | |
| 2015/16 | EMS Application | Jaqueline Harris-Baker | Limited (6 th follow up in progress) | 4 | 1 | 25% |
| 2015/16 | Waste Recycling | Shifa Mustafa | Substantial (6 th follow up in progress) | 3 | 2 | 66% |
| Recommendations and implementation from all audits that have had responses | | | | 270 | 254 | 94% |
| Priority 1 Recommendations from audits that have had responses | | | | 22 | 22 | 100% |

Appendix 3 - Follow-up of 2016/17 audits (Incomplete follow ups only)

| Financial Year | Audit Followed-up | Executive Director Responsible | Assurance Level & Status | Total Raised | Implemented | |
|---|---|--------------------------------|--|--------------|-------------|-------------|
| | | | | | Total | Percentage |
| Non School Audits | | | | | | |
| 2016/17 | Contract Monitoring and Management - Streets Division | Shifa Mustafa | Limited (1 st follow up in progress) | 6 | - | - |
| 2016/17 | Anti-Social Behaviour | Shifa Mustafa | Substantial (6 th follow up in progress) | 9 | 6 | 67% |
| 2016/17 | Clinical Governance | Guy Van Dichele | Substantial (5 th follow up in progress) | 3 | 1 | 33% |
| Recommendations and implementation from audits that have had responses | | | | 418 | 386 | 92% |
| Priority 1 Recommendations from audits that have had responses | | | | 42 | 42 | 100% |

Appendix 4 - Follow-up of 2017-18 audits (incomplete follow up only)

| Financial Year | Audit Followed-up | Executive Director Responsible | Assurance Level & Status | Total Raised | Implemented | |
|---|--|--------------------------------|--|--------------|-------------|------------|
| | | | | | Total | Percentage |
| Non School Audits | | | | | | |
| 2017/18 | Abandoned Vehicles | Shifa Mustafa | No (7 th follow up in progress) | 10 | 9 | 90% |
| 2017/18 | Unaccompanied Asylum Seeking Children | Robert Henderson | Limited (2 nd follow up in progress) | 2 | 1 | 50% |
| 2017/18 | Brokerage | Jaqueline Harris-Baker | Limited (5 th follow up in progress) | 10 | 9 | 90% |
| 2017/18 | Parking Enforcement and Income | Shifa Mustafa | Substantial (2 nd follow up in progress) | 5 | 1 | 20% |
| 2017-18 | Development Management | Shifa Mustafa | Substantial (1 st follow up in progress) | 5 | - | - |
| 2017-18 | Gifts and Hospitality | Jaqueline Harris-Baker | Substantial (3 rd follow up in progress) | 4 | 3 | 75% |
| 2017/18 | Admitted Bodies | Jaqueline Harris-Baker | Substantial (2 nd follow up in progress) | 4 | 1 | 25% |
| 2017/18 | Design of New Back up and Disaster Recovery Solution | Jaqueline Harris-Baker | Substantial (2 nd follow up in progress) | 2 | 1 | 50% |
| 2017/18 | GIS Application | Jaqueline Harris-Baker | Substantial (3 rd follow up in progress) | 5 | 2 | 40% |
| 2017/18 | One Croydon Alliance Programme | Guy Van Dechele | Substantial (3 rd follow up in progress) | 7 | 3 | 43% |
| Recommendations and implementation from audits that have had responses | | | | 429 | 379 | 88% |
| Priority 1 Recommendations from audits that have had responses | | | | 48 | 46 | 96% |

Appendix 5 - Follow-up of 2018/19 audits

| Financial Year | Audit Followed-up | Executive Director Responsible | Assurance Level & Status | Total Raised | Implemented | |
|--------------------------|---|--------------------------------|---|--------------|-------------|------------|
| | | | | | Total | Percentage |
| Non School Audits | | | | | | |
| 2018/19 | Voluntary Sector Commissioning Adult Social Care | Jaqueline Harris-Baker | No Assurance (3rd follow up in progress) | 8 | 6 | 75% |
| 2018/19 | Housing Repairs | Hazel Simmonds | Limited (No further follow up) | 2 | 2 | 100% |
| 2018/19 | Pensions Administration | Jaqueline Harris-Baker | Limited (5th follow up in progress) | 5 | 3 | 60% |
| 2018/19 | Children and Families System Support Team (ControCC) | Robert Henderson | Limited (2nd follow up in progress) | 13 | 8 | 62% |
| 2018/19 | Payments Against Orders | Robert Henderson | Limited (2nd follow up in progress) | 10 | 3 | 30% |
| 2018/19 | SEN to include Ombudsman upheld complaints | Robert Henderson | Limited (2nd follow up in progress) | 5 | 0 | 0% |
| 2018/19 | GDPR in Schools | Robert Henderson | Limited (No further follow up) | 8 | 8 | 100% |
| 2018/19 | Health and Safety in Schools | Robert Henderson | Limited (2nd follow up in progress) | 6 | 0 | 0 |
| 2018/19 | Air Quality Strategy, Implementation and Review | Shifa Mustafa | Limited (1st follow up in progress) | 8 | - | - |
| 2018/19 | Allotments | Shifa Mustafa | Limited (No further follow up) | 5 | 4 | 80% |
| 2018/19 | Live Well – Active Lifestyle Team | Shifa Mustafa | Limited (No further follow up) | 7 | 7 | 100% |
| 2018/19 | No Recourse to Public Funds (NRPF) | Hazel Simmonds | Limited (No further follow up) | 4 | 4 | 100% |
| 2018/19 | Croylease (Landlord letting Scheme) | Hazel Simmonds | Limited (No further follow up) | 8 | 8 | 100% |
| 2018/19 | Libraries Income Collection | Shifa Mustafa | Limited (No further follow up) | 5 | 5 | 100% |
| 2018/19 | Election Accounts and Claims | Jaqueline Harris-Baker | Limited (No further follow up) | 7 | 6 | 86% |
| 2018/19 | Temporary Employment | Jaqueline Harris-Baker | Limited (2nd follow up in progress) | 16 | 4 | 25% |
| 2018/19 | Asbestos Management (Beyond the Corporate Campus) | Shifa Mustafa | Limited (3rd follow up in progress) | 12 | 9 | 75% |
| 2018/19 | Payments to Schools | Jaqueline Harris-Baker | Substantial (2nd follow up in progress) | 2 | 1 | 50% |
| 2018/19 | School Deficits and Surpluses (Conversion to Academy) | Robert Henderson | Substantial (1st follow up in progress) | 4 | - | - |
| 2018/19 | Leisure Contract Management | Shifa Mustafa | Substantial (2nd follow up in progress) | 2 | 1 | 50% |
| 2018/19 | South West London Partnership (SWLP) Governance | Shifa Mustafa | Substantial (1st follow up in progress) | 3 | - | - |

| Financial Year | Audit Followed-up | Executive Director Responsible | Assurance Level & Status | Total Raised | Implemented | |
|--|---|--------------------------------|--|--------------|-------------|------------|
| | | | | | Total | Percentage |
| 2018/19 | Highways Statutory Defence | Shifa Mustafa | Substantial (No further follow up) | 4 | 4 | 100% |
| 2018/19 | Discretionary Housing Payments | Hazel Simmonds | Substantial (No further follow up) | 3 | 3 | 100% |
| 2018/19 | Leasehold Service Charges | Hazel Simmonds | Substantial (No further follow up) | 2 | 2 | 100% |
| 2018/19 | Public Events | Shifa Mustafa | Substantial (2 nd follow up in progress) | 7 | 5 | 71% |
| 2018/19 | South London Work and Health Partnership(SLWHP) | Shifa Mustafa | Substantial (No further follow up) | 3 | 3 | 100% |
| 2018/19 | Parking CCTV | Shifa Mustafa | Substantial (No further follow up) | 1 | 1 | 100% |
| 2018/19 | Mortuary | Jaqueline Harris-Baker | Substantial (1 st follow up in progress) | 4 | - | - |
| 2018/19 | Growth Zone – High Level Review | Shifa Mustafa | Substantial (No further follow up) | 3 | 3 | 100% |
| 2018/19 | GDPR | Jaqueline Harris-Baker | Substantial (2 nd follow up in progress) | 2 | 0 | 0 |
| 2018/19 | Council Investment and Operational Properties – Income Maximisation | Jaqueline Harris-Baker | Substantial (1 st follow up in progress) | 4 | - | - |
| 2018/19 | Access to IT Server | Jaqueline Harris-Baker | Substantial (3 rd follow up in progress) | 3 | 1 | 33% |
| 2018/19 | Capita Event Management | Jaqueline Harris-Baker | Substantial (No further follow up) | 3 | 3 | 100% |
| 2018/19 | Third party – Service Delivery | Jaqueline Harris-Baker | Substantial (1 st follow up in progress) | 1 | - | - |
| 2018/19 | Cashiers (Cash Handling) | Jaqueline Harris-Baker | Full (No further follow up) | 1 | 1 | 100% |
| Non-School Audits Sub Total: Recommendations and implementation from audits that have had responses | | | | 157 | 105 | 66% |
| Non-School Audits Sub Total: Priority 1 Recommendations from audits that have had responses | | | | 23 | 15 | 65% |
| School Audits | | | | | | |
| 2018/19 | Virgo Fidelis Convent School | Robert Henderson | No (No further follow up) | 27 | 27 | 100% |
| 2018/19 | Coulsdon C of E Primary School | Robert Henderson | Limited (No further follow up) | 8 | 7 | 88% |
| 2018/19 | The Mister Junior School | Robert Henderson | Limited (No further follow up) | 11 | 9 | 82% |
| 2018/19 | Winterbourne Junior Girls School | Robert Henderson | Limited (No further follow up) | 12 | 12 | 100% |
| 2018/19 | Regina Coeli Catholic Primary School | Robert Henderson | Limited (No further follow up) | 10 | 10 | 100% |
| 2018/19 | St Andrews C of E VA High School | Robert Henderson | Limited (No further follow up) | 5 | 5 | 100% |
| 2018/19 | Thomas More Catholic School | Robert Henderson | Limited (No further follow up) | 18 | 17 | 94% |

| Financial Year | Audit Followed-up | Executive Director Responsible | Assurance Level & Status | Total Raised | Implemented | |
|--|----------------------------------|--------------------------------|--|--------------|-------------|-------------|
| | | | | | Total | Percentage |
| 2018/19 | Christchurch CofE Primary School | Robert Henderson | Substantial (No further follow up) | 10 | 10 | 100% |
| 2018/19 | Orchard Way Primary School | Robert Henderson | Substantial (No further follow up) | 8 | 8 | 100% |
| 2018/19 | Park Hill Infant School | Robert Henderson | Substantial (No further follow up) | 6 | 6 | 100% |
| 2018/19 | Ridgeway Primary School | Robert Henderson | Substantial (No further follow up) | 7 | 6 | 86% |
| 2018/19 | The Hayes Primary School | Robert Henderson | Substantial (No further follow up) | 7 | 7 | 100% |
| 2018/19 | St Mary's Catholic High School | Robert Henderson | Substantial (1 st follow up in progress) | 12 | 11 | 91% |
| 2018/19 | Bensham Manor School | Robert Henderson | Substantial (No further follow up) | 9 | 8 | 89% |
| School Audits Sub Total: Recommendations and implementation from audits that have had responses | | | | 150 | 143 | 95% |
| School Audits Sub Total: Priority 1 Recommendations from audits that have had responses | | | | 19 | 19 | 100% |
| Recommendations and implementation from audits that have had responses | | | | 307 | 248 | 80% |
| Priority 1 Recommendations from audits that have had responses | | | | 42 | 34 | 81% |

Appendix 6 - Follow-up of 2019/20 audits

| Financial Year | Audit Followed-up | Executive Director Responsible | Assurance Level & Status | Total Raised | Implemented | |
|--|----------------------------------|--------------------------------|--|--------------|-------------|-------------|
| | | | | | Total | Percentage |
| Non School Audits | | | | | | |
| 2019/20 | Alternative School provisioning | Robert Henderson | Limited (No further follow up) | 6 | 6 | 100% |
| 2019/20 | Food Safety – Data Quality | Shifa Mustafa | Limited (2 nd follow up in progress) | 5 | 2 | 40% |
| Non-School Audits Sub Total: Recommendations and implementation from audits that have had responses | | | | 11 | 8 | 73% |
| Non-School Audits Sub Total: Priority 1 Recommendations from audits that have had responses | | | | 3 | 2 | 67% |
| School Audits | | | | | | |
| 2019/20 | Beulah Juniors | Robert Henderson | Limited (1 st follow up in progress) | 14 | - | - |
| 2019/20 | Kenley Primary School | Robert Henderson | Limited (No further follow up) | 11 | 10 | 91% |
| 2019/20 | All Saints C of E Primary School | Robert Henderson | Substantial (No further follow up) | 12 | 12 | 100% |
| 2019/20 | Elmwood Infant School | Robert Henderson | Substantial (1 st follow up in progress) | 6 | - | - |
| School Audits Sub Total: Recommendations and implementation from audits that have had responses | | | | 23 | 22 | 95% |
| School Audits Sub Total: Priority 1 Recommendations from audits that have had responses | | | | 1 | 1 | 100% |
| Recommendations and implementation from audits that have had responses | | | | 34 | 30 | 88% |
| Priority 1 Recommendations from audits that have had responses | | | | 4 | 3 | 75% |

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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