

London Borough of Croydon

Internal Audit Report to February 2021

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Please refer to the Statement of Responsibility in Appendix 6 of this report for further information about responsibilities, limitations and confidentiality.

1. Internal Audit Performance

- 1.1 As previously reported to General Purposes and Audit Committee, there has been significant disruption to the delivery of internal audit services as a result of the Covid-19 pandemic and government restrictions. This led to all internal audit work pausing for a period of months impacting on completion of the 2019/20 plan as well as commencement of the 2020/21 plan. The 2020/21 plan was presented to the General Purposes and Audit Committee on 17 March 2020 but work only commenced with restricted staffing from July 2020 before fully commencing from September 2020. Notwithstanding the pause in conducting internal audits, follow up work continued with good performance in this area.
- 1.2 For the 2020/21 plan, at 28 February 2021, Internal Audit had delivered 61% of the planned days, with 16 draft reports and 6 final reports issued. Whilst this is behind what might normally be expected, this has arisen due to the impact of Covid-19 and delivery of the remaining reviews that had been paused from the 2019/20 plan at the point of lockdown.
- 1.3 The table below details the performance for the 2020/21 plan against the Council's targets.

Performance Objective	Annual Target	Year to Date Target	Year to Date Actual	Performance
% of planned 2020/21 plan days delivered	100%	93%	61%	▼
Number of 2020/21 planned days delivered	880	818	536	▼
% of 2020/21 planned draft reports issued	100%	80%	25%	▼
Number of 2020/21 planned draft reports issued	65	52	16	▼
% of draft reports issued within 2 weeks of exit meeting	85%	85%	88%	▲
% of qualified staff engaged on audit	40%	40%	35%	▼

2. Audit Assurance

2.1 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.

2.2 The table below lists the internal audits for which final reports were issued from the date of the last annual report to 28 February 2021. Details of the key issues arising from these reports are shown in Appendix 1.

Internal Audit Title	Assurance Level
Azure Backup Application Audit	Full
Contract Management – Street Lighting PFI	Full
Debtors (Accounts Receivable)	Substantial
Debt Recovery In-house	Substantial
Enforcement Agents	Substantial
Staff Code of Conduct	Substantial
IT Policies Review	Substantial
Microsoft Direct Access Operating System	Substantial
Peoples ICT Application	Substantial
Staff Debt	Limited
Parks Health and Safety	Limited
Age Assessment Judicial Reviews	Limited
SEND	Limited
Fairfield Halls Delivery (BXB Management)	No
Enforcement Agents - Procurement	No
School Audits	Assurance Level
Forestdale Primary School	Substantial
Greenvale Primary School	Substantial
Winterbourne Nursery and Infant School	Substantial

Internal Audit Title	Assurance Level
Tunstall Nursery	Substantial
Archbishop Tenison's CE High School	Limited
Thornton Health Nursery	Limited

3. Continuous Auditing

3.1 In order to help maximise internal audit coverage and focus on key controls, the 2020/21 Internal Audit Plan replaced a number of audits with a single 'continuous audit'. This being a quarterly audit of key controls across those key audit areas being replaced, which is reported in a dashboard format. The outcome of the quarters 1 and 2 of this dashboard reporting has highlighted the following issues:

- Housing voids were not being properly monitored, with housing void reports not been prepared or shared monthly.
- Reconciliation of the Housing Repairs system to MyResources were not being conducted monthly, with reconciliations for August to September 2020 not being completed.
- Reconciliations of the Payroll system to MyResources for April to September 2020 were not evidenced as checked. These were subsequently checked in January 2021.
- Quarterly debt write offs had not been conducted for parking enforcement or accounts receivable.

4. Follow-up audits – effective resolution of recommendations/issues

4.1 During 2020/21 in response to the Council's follow-up requirements, Internal Audit has continued following-up the status of the implementation of agreed actions for audits carried out during 2015/16, 2016/17, 2017/18, 2018/19 and 2019/20.

4.2 Follow-up audits are undertaken to ensure that all the recommendations/issues raised have been successfully resolved according to the action plans agreed with the service managers. The Council's target for internal audit recommendations/issues to be resolved 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)				
		2015/16	2016/17	2017/18	2018/19	2019/20
Percentage of priority one actions implemented at the time of the follow up audit	90%	100%	98%	100%	92%	91%
Percentage of all actions implemented at the time of the follow up audit	80%	94%	93%	91%	87%	90%

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

4.4 Appendix 2 shows the incomplete 2016/17 follow-up audits undertaken to date and the number of recommendations/issues raised and implemented. 93% of the total recommendations were found to have been implemented and 98% of the priority 1 recommendations which have been followed up have been implemented. The outstanding priority 1 recommendation is detailed below:

Audit Title	Assurance Level	Priority 1 recommendations
Contract Monitoring and management – Streets Division	Limited	<p>Priority 1 recommendation was that staff should endeavour to locate the original full definitive signed contract with City Suburban Tree Surgeons. Where the agreement cannot be located, consideration should be given to requesting this from the contractor.</p> <p><u>Response September 2020:</u></p> <p>An initial response was provided detailing that the City Suburban Tree Surgeons contract could not be located. A formal contract is currently being procured through an extension document, which is with Procurement awaiting Cabinet and sign off.</p>

4.5 Appendix 3 shows the incomplete 2017/18 follow-up audits undertaken to date and the number of recommendations/issues raised and implemented. 91% of the total recommendations/issues were found to have been implemented and 100% of the priority 1 recommendations/issues which have been followed up have been implemented.

4.6 Appendix 4 shows the 2018/19 follow-up audits undertaken to date and the number of recommendations/issues raised and implemented. 87% of the total recommendations/issues were found to have been implemented and 92% 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	Assurance Level	Summary of recommendations/issues arising in priority 1 recommendations/issues
Payments Against Orders	Limited	<p>A priority 1 issue was identified as means tests were not on file for six out of the sample of 10 adoption allowances tested.</p> <p><u>Response provided October 2020:</u></p> <p>The completion, monitoring and compliance remains poor and needs checking on all cases by the CPH on completing the financial assessments and raise any issues with the Head of Service.</p>

Audit Title	Assurance Level	Summary of recommendations/issues arising in priority 1 recommendations/issues
SEN to include Ombudsman upheld complaints	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><u>Response provided December 2019:</u></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>
Asbestos Management	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 roads; however, examination of the listing noted that there were also general rent dwellings, service tenancies and garages included</p> <p><u>Response November 2020:</u></p> <p>The provision of staff training has been delayed due to the Covid-19 pandemic and staff working from home.</p> <p>We are investigating the possibility of carrying out asbestos awareness training virtually whilst taking account of the financial situation at LBC.</p>

4.7 Appendix 5 shows the 2019/20 follow-up audits undertaken to date and the number of recommendations/issues raised and implemented. 90% of the total recommendations/issues were found to have been implemented and 91% 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	Assurance Level	Summary of recommendations/issues arising in priority 1 recommendations/issues
Lettings Allocations and Assessments	Limited	<p>A priority 1 issue was raised as the application forms (on line and in hardcopy) in use were not compliant with the Data Protection Act 2018 or the General Data Protection Regulation.</p> <p><u>Response provided December: 2020:</u></p> <p>Again no handover or discussion. I will speak to digital and information services as well as interim operational manager to find out where we are with this and update with my findings and hopefully sign off.</p>
Occupational Therapy	Limited	<p>A priority 1 issue was raised as the apportionment of costs, including any over or underspends, for the Adult Community Occupational Therapy Service between the Croydon Clinical Commission Group and the Council was not formally agreed.</p> <p><u>Response provided February 2021:</u></p> <p>The local authority is reviewing and re-negotiating risk share for the period of notice. The Sprint sessions are now completed and the service specification is being worked on to be put into a section 75 agreement. Work in progress to be completed by end March.</p> <p>A priority 1 issue was raised as the 'Waiting List Report' as at 18 September 2019 detailed that there were 197 waiting clients, 180 of whom had been on the waiting list more than 3 months.</p> <p><u>Response provided February 2021:</u></p> <p>Waiting lists remain high due to increase in demand, Covid and staff shortage, although interim arrangements have helped reduce waiting lists. We have gone to spend control panel for recruitment for OTs been agreed for permanent and for locums while permanent recruitment is completed. This will help with reduction on waiting lists.</p>
Wheelchair Service – Community	Limited	<p>A priority 1 issue was raised as the follow up of the recommendations raised in the 2017 ad hoc report identified that the recommendation relating to the BACs files being open to amendment had still not been implemented, meaning that any of the</p>

Audit Title	Assurance Level	Summary of recommendations/issues arising in priority 1 recommendations/issues
Equipment Service		<p>BACs payments during the last 2 years may have been manipulated. As about £1m of payments is made per month, this is a significant issue.</p> <p><u>Response provided February 2021:</u></p> <p>CES have been working with the Treasury section for a new payment solution. This is all set up and just awaiting Treasury section to update the permissions on Bankline, so that final testing can be conducted and the system can go live.</p>
Fairfield Hall Delivery (BXB Management)	No	<p>A priority 1 issue was raised as the licence for access to carry out works in respect of property at Fairfield, College Green issued to BXB did not include specific contract conditions relating to quality or deadline for delivery.</p>

Appendix 1: Summary from finalised audits of Key (Priority 1) issues

Internal Audit Title	Assurance Level & Number of Issues	Summary of Key Issues Raised
Azure Backup Application Audit	Full Assurance	No priority 1 issues raised.
Contract Management – Street Lighting PFI	Full Assurance	No priority 1 issues raised.
Debtors (Accounts Receivable)	Substantial Assurance (Four priority 2 and 6 priority 3 issues)	No priority 1 issues raised.
Debt Recovery – In House	Substantial Assurance (One priority 2 issue)	No priority 1 issues raised.
Enforcement Agents	Substantial Assurance (Two priority 2 and 1 priority 3 issue)	No priority 1 issues raised
Staff Code of Conduct	Substantial Assurance (Four Priority 2 and 1 priority 3 issue)	No priority 1 issues raised
IT Policies Review	Substantial Assurance (Two priority 2 and 3 priority 3 issues)	No priority 1 issues raised
Microsoft Direct Access Operating System	Substantial Assurance (One priority 2 and 3 priority 3 issues)	No priority 1 issues raised
Peoples ICT Application	Substantial Assurance (Six priority 2 and 1 priority 3 issue)	No priority 1 issues raised
Staff Debt	Limited (One priority 1, six priority 2 and one priority 3)	A priority 1 issue was raised as it was identified that no recovery actions had been made for 37 (out of the 70) salary overpayments despite these being over a year old. The total outstanding balance of salary overpayments was £180,038.48.
Parks Health and Safety	Limited Assurance (Three Priority 1, four Priority 2 and a Priority 3 issue)	Priority 1 issues were identified that: <ul style="list-style-type: none"> • A Parks Strategy was not in place. • Weekly reports of playground visual inspections were missing in a number of instances. • Fire risk assessments for most of the parks and greenspaces (where applicable) required review and, where appropriate, update.
Age Assessment Judicial Reviews	Limited Assurance (Two priority 1, four priority 2 issues)	Priority 1 issues: <ul style="list-style-type: none"> • The 2018/19 recharge for 50% of the legal costs incurred for age assessment judicial reviews to the UK Border Agency was incorrect. • There was a lack of monitoring and reporting of appropriate statistics on the outcomes or costs of age assessment judicial review cases.
SEND	Limited Assurance (Two priority 1 issues)	A priority 1 issue was raised as the spreadsheet used to record Education Health Care (EHC) needs assessment requests and whether the six week timescale to inform parents was being met (as set in the Council's SEN Code of Practice), did not detail that the parents had been informed in 333 cases (despite six weeks having elapsed since the EHC request). In another 29 instances

Internal Audit Title	Assurance Level & Number of Issues	Summary of Key Issues Raised
		(where there was a record of the parents being informed) the parents were informed late. Another priority 1 issue was raised as 79 out of 302 (26%) EHC plans issued in 2019/20 were not completed and issued within the statutory 20 week period.
Fairfield Hall Delivery (BxB Management)	No Assurance (Three Priority 1 issues)	Priority 1 issues identified that: <ul style="list-style-type: none"> The licence for access to carry out works in respect of property at Fairfield, College Green issued to BXB did not include specific contract conditions relating to quality or deadline for delivery. The conditional sale of the Fairfield Car Park agreement was still in draft at the time of the substantive internal audit fieldwork in February 2020. The Executive Director Place, a director of BXB, was the chair of the Fairfield Board meetings which is a conflict of interests.
Enforcement Agents - Procurement	No Assurance (Four priority 1, two priority 2 and one priority 3 issue)	Priority 1 issues identified that: <ul style="list-style-type: none"> The published Contract Notice was open for 27 days only and not 30 as required by The Public Contracts Regulations 2015. As well as incomplete scoring initially, the spreadsheet used for both 'Corporate Services' and 'Parking Services' scoring were not locked down on non-input cells to help protect the integrity of the scoresheet. This resulted in a number of irregularities. An individual scoresheet and the record of moderation were missing for the tender evaluation of January 2018. Contemporaneous records of the reasons and reasoning for the allocation of scores in moderation for both lots of the tender evaluations of August 2019 could not be provided. Attempts have also been made to recreate the reasons and reasoning at a later date. A number of formal agreements extending the arrangements with the service providers could not be provided.
School Audits		
Forestdale	Substantial Assurance (Six priority 2 and five primary 3 recommendations)	No priority 1 recommendations
Greenvale Primary School	Substantial Assurance (Six priority 2 and four primary 3 recommendations)	No priority 1 recommendations
Winterbourne Nursery and Infant School	Substantial Assurance (Two priority 2 and three primary 3 recommendations)	No priority 1 recommendations
Tunstall Nursey School	Substantial Assurance (One priority 2 and two primary 3 recommendations)	No priority 1 recommendations
Archbishop Tenison's CE High School	Limited Assurance (One priority 1, seven priority 2 and 3 priority 3 recommendations)	A priority 1 recommendation was raised as the School did not have a plan to eliminate its deficit within three years as required by the Croydon Scheme for Financing Schools.
Thornton Heath Nursery School	Limited Assurance (Two Priority 1, ten Priority 2 and two	Priority 1 issues identified that:

Internal Audit Title	Assurance Level & Number of Issues	Summary of Key Issues Raised
	Priority 3 recommendations)	<ul style="list-style-type: none"> The Governing body did not hold the minimum required three meetings during the 2019/20 school year. None of the sampled 13 transactions had been evidenced as approved for payment. <p>The responses received from the School gave no assurance that the issues identified would be addressed.</p>

Appendix 2 - Follow-up of 2016/17 audits (Incomplete follow ups only)

Financial Year	Audit Followed-up	Department	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
Non School Internal Audits						
2016/17	Contract Monitoring and Management - Streets Division	Place	Limited (2 nd follow up in progress)	6	4	67%
				One priority 1 recommendation not implemented		
Recommendations and implementation from internal audits that have had responses				421	392	93%
Priority 1 Recommendations from internal audits that have had responses				45	44	98%

Appendix 3 - Follow-up of 2017-18 audits (incomplete follow up only)

Financial Year	Audit Followed-up	Department	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
Non School Internal Audits						
2017-18	Gifts and Hospitality	Resources	Substantial (5 th follow up in progress)	4	3	75%
2017/18	Admitted Bodies	Resources	Substantial (2 nd follow up in progress)	4	1	25%
2017/18	One Croydon Alliance Programme	HWA	Substantial (3 rd follow up in progress)	7	3	43%
Recommendations and implementation from internal audits that have had responses				424	387	91%
Priority 1 Recommendations from internal audits that have had responses				47	47	100%

Appendix 4 - Follow-up of 2018/19 audits

Financial Year	Audit Followed-up	Department	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
Non School Internal Audits						
2018/19	Voluntary Sector Commissioning Adult Social Care	Resources	No Assurance (No further follow up)	8	8	100%
2018/19	Housing Repairs	Place	Limited (No further follow up)	2	2	100%
2018/19	Pensions Administration	Resources	Limited (No further follow up)	5	4	80%
2018/19	Children and Families System Support Team (ContrOCC)	CFE	Limited (No further follow up)	13	11	85%
2018/19	Payments to In House Foster Carers	CFE	Limited (No further follow up)	4	4	100%
2018/19	Payments Against Orders	CFE	Limited (2 nd follow up in progress)	10	3	30%
					One priority 1 issue not yet resolved	
2018/19	SEN to include Ombudsman upheld complaints	CFE	Limited (3 rd follow up in progress)	5	2	40%
					One priority 1 issue not yet resolved	
2018/19	GDPR in Schools	CFE	Limited (No further follow up)	8	8	100%
2018/19	Health and Safety in Schools	CFE	Limited (No further follow up)	6	6	100%
2018/19	Air Quality Strategy, Implementation and Review	Place	Limited (2 nd follow up in progress)	8	3	37%
					One priority 1 issue not yet resolved	
2018/19	Allotments	Place	Limited (No further follow up)	5	4	80%
2018/19	Live Well – Active Lifestyle Team	Place	Limited (No further follow up)	7	7	100%
2018/19	No Recourse to Public Funds (NRPF)	HWA	Limited (No further follow up)	4	4	100%

Financial Year	Audit Followed-up	Department	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
2018/19	Croylease (Landlord letting Scheme)	HWA	Limited (No further follow up)	8	8	100%
2018/19	Libraries Income Collection	Place	Limited (No further follow up)	5	5	100%
2018/19	Election Accounts and Claims	Resources	Limited (No further follow up)	7	6	86%
2018/19	Temporary Employment	Resources	Limited (4 th follow up in progress)	16	12	75%
2018/19	Asbestos Management (Beyond the Corporate Campus)	Place	Limited (3 rd follow up in progress)	12	9	75%
					One priority 1 issue not yet resolved	
2018/19	Education Monitoring Tracking for LAC	CFE	Limited (No further follow up)	11	11	100%
2018/19	PMI General Building Works Service	Place	Limited (No further follow up)	6	5	83%
2018/19	Parking Enforcement and Tickets	Place	Substantial (No further follow up)	5	5	100%
2018/19	School Deficits and Surpluses (Conversion to Academy)	CFE	Substantial (3 rd follow up in progress)	4	3	75%
2018/19	Highways Statutory Defence	Place	Substantial (No further follow up)	4	4	100%
2018/19	Discretionary Housing Payments	HWA	Substantial (No further follow up)	3	3	100%
2018/19	Leasehold Service Charges	Place	Substantial (No further follow up)	2	2	100%
2018/19	Public Events	Place	Substantial (No further follow up)	7	6	86%
2018/19	South London Work and Health Partnership(SLWHP)	Place	Substantial (No further follow up)	3	3	100%
2018/19	Parking CCTV	Place	Substantial (No further follow up)	1	1	100%
2018/19	Mortuary	Resources	Substantial	4	3	75%

Financial Year	Audit Followed-up	Department	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
			(4 th follow up in progress)			
2018/19	Growth Zone – High Level Review	Place	Substantial (No further follow up)	3	3	100%
2018/19	GDPR	Resources	Substantial (2nd follow up in progress)	2	0	0
2018/19	New Legal Services Model	Resources	Substantial (1 st follow up in progress)	7	4	57%
2018/19	Council Investment and Operational Properties – Income Maximisation	Resources	Substantial (3 rd follow up in progress)	4	2	50%
2018/19	Access to IT Server	Resources	Substantial (No further follow up)	3	3	100%
2018/19	Capita Event Management	Resources	Substantial (No further follow up)	3	3	100%
2018/19	Third party – Service Delivery	Resources	Substantial (No further follow up)	1	1	100%
2018/19	Cashiers (Cash Handling)	Resources	Full (No further follow up)	1	1	100%
Non-School Internal Audits Sub Total:						
Recommendations and implementation from internal audits that have had responses				207	169	82%
Non-School Internal Audits Sub Total:						
Priority 1 Recommendations from internal audits that have had responses				30	26	87%
School Internal Audits						
2018/19	Virgo Fidelis Convent School	CFE	No (No further follow up)	27	27	100%
2018/19	Coulsdon C of E Primary School	CFE	Limited (No further follow up)	8	7	88%
2018/19	The Mister Junior School	CFE	Limited (No further follow up)	11	9	82%
2018/19	Winterbourne Junior Girls School	CFE	Limited (No further follow up)	12	12	100%

Financial Year	Audit Followed-up	Department	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
2018/19	Regina Coeli Catholic Primary School	CFE	Limited (No further follow up)	10	10	100%
2018/19	St Andrews C of E VA High School	CFE	Limited (No further follow up)	5	5	100%
2018/19	Thomas More Catholic School	CFE	Limited (No further follow up)	18	17	94%
2018/19	Christchurch C of E Primary School	CFE	Substantial (No further follow up)	10	10	100%
2018/19	Orchard Way Primary School	CFE	Substantial (No further follow up)	8	8	100%
2018/19	Park Hill Infant School	CFE	Substantial (No further follow up)	6	6	100%
2018/19	Ridgeway Primary School	CFE	Substantial (No further follow up)	7	6	86%
2018/19	The Hayes Primary School	CFE	Substantial (No further follow up)	7	7	100%
2018/19	St Mary's Catholic High School	CFE	Substantial (No further follow-up)	12	11	91%
2018/19	Bensham Manor School	CFE	Substantial (No further follow up)	9	8	89%
School Internal Audits Sub Total:				150	143	95%
Recommendations and implementation from internal audits that have had responses						
School Internal Audits Sub Total:				19	19	100%
Priority 1 Recommendations from internal audits that have had responses						
Recommendations and implementation from internal audits that have had responses				357	312	87%
Priority 1 Recommendations from internal audits that have had responses				49	45	92%

Appendix 5 - Follow-up of 2019/20 audits

Financial Year	Audit Followed-up	Executive Director Responsible	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
Non School Internal Audits						
2019/20	Housing Rent (Reduced Scope)	Place	Limited (No further follow up)	3	3	100%
2019/20	Age Assessment Judicial Review	HWA	Limited (No further follow up in)	6	6	100%
2019/20	Alternative School provisioning	CFE	Limited (No further follow up)	6	6	100%
2019/20	Partnership Governance – Children and Families	CFE	Limited (1 st follow up in progress No priority 1 issues)	5	-	-
2019/20	Lettings Allocations and Assessments	Place	Limited (3 rd follow up in progress)	3	1	33%
				One priority 1 issue not yet resolved		
2019/20	Placements in Private Housing Accommodation	Place	Limited (2 nd follow up in progress)	4	2	50%
2019/20	Adult Social Care (ASC) Waiting Lists	HWA	Limited (No further follow up)	4	4	100%
2019/20	Care Market Failure	Resources / HWA	Limited (No further follow up)	10	10	100%
2019/20	Financial Planning and Forecasting Adult's Services	HWA	Limited (2 nd follow up in progress)	6	3	60%
				One priority 1 issue not yet resolved		
2019/20	Occupational Therapy	HWA	Limited (2 nd follow up in progress)	4	2	50%
				Two priority 1 issues not yet resolved		
2019/20	Bringing Services in-house – Parks Services	Place	Limited (No further follow up)	8	8	100%
2019/20	External Funding	Place	Limited (No further follow up)	3	3	100%
2019/20	Food Safety – Data Quality	Place	Limited	5	4	80%

Financial Year	Audit Followed-up	Executive Director Responsible	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
			(No further follow up)			
2019/20	Parks Health and Safety	Place	Limited (3 rd follow up in progress)	8	8	100%
2019/20	Wheelchair Service – Community Equipment Service	Resources	Limited (4 th follow up in progress)	3	2	67%
				One priority 1 issue not yet resolved		
2019/20	Fairfield Hall Delivery (BxB Management)	Place	Limited (1 st follow up in progress)	3	2	66%
				One priority 1 issue not yet resolved		
2019/20	Business Rates	Resources	Substantial (No further follow up)	1	1	100%
2019/20	Housing Benefit	Resources	Substantial (No further follow up)	2	2	100%
2019/20	Pensions	Resources	Substantial (3 rd follow up in progress)	2	1	50%
2019/20	Pay and Display Meter Maintenance	Place	Substantial (No further follow up)	4	4	100%
2019/20	Section 17 payments	HWA	Substantial (No further follow up)	5	5	100%
2019/20	Sheltered Accommodation (Extra Care Service)	HWA	Substantial (1 st follow up in progress)	3	-	-
2019/20	Fire Safety (Housing Stock)	Place	Substantial (4 th follow up in progress)	1	0	0
2019/20	Growth Zone – Performance Manager	Place	Substantial (No further follow up)	4	4	100%
2019/20	Highways Contract Management	Place	Substantial (No further follow up)	4	4	100%
2019/20	Debt Recovery In-house	Resources	Substantial (No further follow up)	1	1	100%

Financial Year	Audit Followed-up	Executive Director Responsible	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
2019/20	Risk Management	Resources	Substantial (No further follow up)	4	4	100%
2019/20	Uniform IT Application	Resources	Substantial (3 rd follow up in progress)	4	2	50%
2019/20	Northgate iWorld Application	Resources	Substantial (No further follow up)	1	1	100%
Non-School Internal Audits Sub Total: Recommendations and implementation from internal audits that have had responses				109	93	85%
Non-School Internal Audits Sub Total: Priority 1 Recommendations from internal audits that have had responses				25	20	80%
School Internal Audits						
2019/20	Winterbourne Nursery and Infant School		No (No further follow up)	22	22	100%
2019/20	Beulah Junior School		Limited (No further follow up)	14	13	93%
2019/20	Kenley Primary School		Limited (No further follow up)	11	10	91%
2019/20	Margaret Roper Catholic Primary School		Limited (No further follow up)	11	10	91%
2019/20	Minster Infant School		Limited (No further follow up)	16	13	81%
2019/20	Norbury Manor Primary School		Limited (No further follow up)	13	13	100%
2019/20	St Joseph's Federation		Limited (No further follow up)	14	13	93%
2019/20	Virgo Fidelis Convent Senior School		Limited (No further follow up)	19	19	100%
2019/20	Crosfield Nursery and Selhurst Early Years		Substantial (No further follow up)	8	7	87%
2019/20	All Saints C of E Primary School		Substantial (No further follow up)	12	12	100%
2019/20	Elmwood Infant School		Substantial	6	6	100%

Financial Year	Audit Followed-up	Executive Director Responsible	Assurance Level & Status	Total Raised	Implemented	
					Total	Percentage
			(No further follow up)			
2019/20	Heavers Farm School		Substantial (No further follow up)	13	13	100%
School Internal Audits Sub Total:						
Recommendations and implementation from internal audits that have had responses				159	149	94%
School Internal Audits Sub Total:						
Priority 1 Recommendations from internal audits that have had responses				31	31	100%
Recommendations and implementation from internal audits that have had responses				268	242	90%
Priority 1 Recommendations from internal audits that have had responses				56	51	91%

Appendix 6 - Statement of Responsibility

We take responsibility to the London Borough of Croydon for this report which is prepared on the basis

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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