

<u>Control env't component</u>	<u>Entity</u>	<u>The indicative audit objective is to ensure that...</u>
Various	Continuation of work commenced in 2017-18	To be completed
Governance	Annual Governance Statement	Management self-assessments of assurance in the 2017-18 AGS were founded and conformance to the revised CIPFA framework is planned and demonstrated
Governance	Limited Company	Key Risks are effectively identified and managed - likely to focus on either business being processed through the correct operations (ESPO Limited not ESPO) and/or work undertaken by ESPO is in accordance with the articles
Governance	People Management	Likely to include topic(s) as follows: succession planning (e.g. re drivers), brexit considerations (for example warehouse staff), staff retention & attraction (particularly IT) and business continuity e.g. through industrial action, widespread sickness etc
Governance	Performance Reporting - Balanced Scorecard	Balanced scorecard is linked to the key objectives of the operation and is accurately reported
Risk management	Business Growth	To incorporate the management of risk in any acquisitions
Risk management	Business Continuity	Gap analysis has been addressed and then business continuity arrangements have been planned, communicated and are tested in accordance with the external consultant report
Risk management	Counter Fraud - NFI specific	Co-ordination of reports (for October 18) Interpretation and investigation of outputs (Jan 19 onwards)
Risk management	Counter Fraud	Specific area(s) of counter fraud will be addressed - likely to include controls in relation to serious and organised crime and/or risk mitigation in respect of cyber crime.
Risk management	Energy Billing	Migration of all supplies onto a single system & decommissioning and archiving of GEMS (work intended to be completed by June 2018)
Risk management	Supply Chain Management	Factors potentially affecting the supply chain are promptly identified and mitigated - to include Brexit considerations
Risk Management	IT Developments	Key Risks and issues are effectively identified and managed - specific project(s) to be agreed but may include payables scanning solution, new website and e-commerce
Internal Control	Supply Chain & Ops Productivity Plan	A plan has been produced, communicated and implemented in a timely manner (note this plan replaces the warehouse automation project and therefore is subject to this project being formally cancelled at management committee)
Internal control	General Financial Systems (*)	To discuss with the External Auditor and Assistant Director (Finance), but typical coverage includes reconciliations; receivables; payables; payroll and stock
Internal control	IT general controls (*)	The range of controls expected by the External Auditor are well designed and consistently applied.
Internal control	Rebates income	Annual audit to evaluate whether rebates received conform to estimates of supplier business generated
Internal control	Managed services for temporary agency resources	Contractual requirements are adhered to by the Managed Service Providers - to ensure the high importance recommendations in the 2017/18 report have been addressed
Internal control	Servicing authority	The servicing authority is providing service in line with the agreement - likely to focus on revisions to the scheduled (SLA's)
	Contingency	Unforeseen events
	Client management	Planning & research; progress meetings; servicing Committees; HoIAS requirements; confirming implementation of HI recommendations; External Audit liaison; advice
		<b>Total days = 175</b>
<b>(*) Annual audits undertaken to assist the External Auditors to form an opinion that ESPO's financial accounts are not materially mis-stated</b>		

This page is intentionally left blank