

**Summary progress against 2020-21 audits as at 25 January 2021**

**Audits 'completed' to at least draft issued stage and/or on-going advisory work/Prior year jobs**

<b><u>Ref<sup>1</sup></u></b>	<b><u>Type<sup>2</sup></u></b>	<b><u>Audit title</u></b>	<b><u>Assurance objective</u></b>	<b><u>Position @ 25 January 2021</u></b>
21-A	N/A	Continuation of work commenced in 2019-20	To complete any outstanding audits	<ul style="list-style-type: none"> <li>• Complete</li> </ul>
21-B	GO	Annual Governance Statement 2019-20	Review of the management self-assessments of assurance in the 2019-20 AGS	<ul style="list-style-type: none"> <li>• Draft report issued</li> </ul>
21-C	GO	Transition to Financial Reporting Standard 102	Preparedness for the movement from CIPFA to FRS 102 to include governance related reports supporting the financial statements	<ul style="list-style-type: none"> <li>• Final report issued substantial assurance audit opinion</li> </ul>
21-E	GO	Frameworks	Developing any new offerings	<ul style="list-style-type: none"> <li>• As reported previously, two pieces of advisory work completed in respect of the analysis and reworking of ESPO's Procurement Workplan for the remainder of 2020/21 in order to adjust Business as Usual activity as a result of the effect of COVID-19.</li> </ul>
21-G	RM	Warehouse	<p>Original Objective: Review of the capital investment decision process</p> <p>Revised Objective: To provide advisory through the project lifecycle (see 2021/22 plan)</p>	<ul style="list-style-type: none"> <li>• Advisory Complete for 2020/21</li> </ul>
21-H	RM	Credit Control	Review of credit control arrangements especially with export and private sector and due diligence routines	<ul style="list-style-type: none"> <li>• Draft report issued</li> </ul>

21-I	RM	Counter Fraud - NFI	Results are correctly interpretation and investigated	<ul style="list-style-type: none"> <li>ESPO has successfully uploaded all relevant data sets to the NFI web portal. Creditors data was uploaded directly, whilst Pensions and Payroll data was uploaded by the servicing authority (Leicestershire County Council).</li> <li>Subject to the uploaded data passing NFI data quality checks, no further activity is anticipated until matched reports are received back in February 2021. Final terms of engagement agreed</li> </ul>
21-J	RM	Counter Fraud - Procurement	Specific area(s) of potential fraud are addressed	<ul style="list-style-type: none"> <li>Draft report issued</li> </ul>
21-K	RM	Website Development	Key risks and issues are effectively identified and managed - project governance and assurance on user testing and training	<ul style="list-style-type: none"> <li>Terms of engagement previously agreed</li> <li>Ongoing control advice as critical friend on project board</li> <li>Additionally, ad-hoc practitioner advice given by the ICT auditor</li> </ul>

**Substitute/Additional Jobs – All completed:**

<b><u>Ref</u></b>	<b><u>Type</u></b>	<b><u>Audit title</u></b>	<b><u>Assurance objective</u></b>	<b><u>Position @ 25 January 2021</u></b>
21-S1	IC	Contingency – Cyber Issue	To investigate a fraudulent invoice associated with an ESPO client	<ul style="list-style-type: none"> <li>Advisory - work complete (all procedures at ESPO operated correctly – the issue was at the customer end)</li> </ul>
21-S2	IC	Contingency – HR Compatibility claim	To ascertain validity of the claim and any associated lessons learned.	<ul style="list-style-type: none"> <li>Advisory Complete</li> </ul>
21-S3	IC	Contingency – IT	Adequate IT Controls are in place during the Covid-19 Pandemic.	<ul style="list-style-type: none"> <li>Substantial Assurance</li> </ul>

		Assurances during COVID		
21-S4	IC	Contingency – Receivables and Payables Assurances during COVID	Key Receivables and Payables Assurances were maintained during the initial move to offsite working	<ul style="list-style-type: none"> <li>Advisory – work complete and no issues raised</li> </ul>
21-S5	RM	Counter Fraud Risk Assessment	'Identification of Potential Fraud Risks in accordance with the CIPFA Code of Practice on Counter Fraud (2014)	<ul style="list-style-type: none"> <li>Advisory – work complete and no issues raised</li> </ul>

### Audits in progress

<u>Ref</u>	<u>Type</u>	<u>Audit title</u>	<u>Assurance objective</u>	<u>Position @ 25 January 2021</u>
21-D	GO	Transition from EU	Preparedness for potential supply chain issues and workforce issues	<ul style="list-style-type: none"> <li>Self-Assessment questionnaire currently being compiled</li> </ul> <p>(Note: Work purposely delayed until deal/no deal situation was known and could be factored in)</p>
21-L	RM	IT Developments	Replacing e-mail servers into the cloud; future delivery methods	<ul style="list-style-type: none"> <li>Work is being incorporated into Key ICT Controls coverage and more in-depth coverage is anticipated post COVID-19 restrictions when originally intended ESPO IT Key Deliverables can be resumed.</li> </ul>
21-M	RM	Emerging Risks	ESPO identification and preparedness for any emerging risks e.g. climate change requirements	<ul style="list-style-type: none"> <li>Climate Change Internal Control Questionnaire currently being complied</li> </ul>
21-N	IC	General Financial Systems	To discuss with the External Auditor and Assistant Director (Finance), but typical coverage includes reconciliations; receivables; payables; payroll and stock	<ul style="list-style-type: none"> <li>Final terms of engagement issued</li> <li>Testing due to start in December 2020 but deferred to February 2021 at request of ESPO</li> </ul>

21-O	IC	IT General Controls	The range of controls expected by the External Auditor are well designed and consistently applied.	<ul style="list-style-type: none"> <li>• Testing well under way</li> </ul>
21-Q	IC	Servicing Authority	Key Performance Indicators for services provided by the Servicing Authority are adhered to	<ul style="list-style-type: none"> <li>• Testing commenced – likely to straddle two financial years in order to review all work provided to 31 March 21</li> </ul>
21-R	IC	Overseas Travel	Post event reviews	<ul style="list-style-type: none"> <li>• Report currently being compiled (delayed as awaiting some additional information that has been hard to access due to COVID)</li> </ul>

**Audits not started**

None

**Deferred Jobs**

21-F	GO	Business Growth – Strategic Alliance(s)	Business case development, review and approval	<ul style="list-style-type: none"> <li>• Deferred into 21/22 (COVID has delayed some of the progress work at the ESPO end)</li> </ul>
21-P	IC	Rebates Income	Annual audit to evaluate whether rebates received conform to estimates of supplier business generated - focus will be on site visits	<ul style="list-style-type: none"> <li>• Supplier visits have not been possible – deferred into 21/22</li> </ul>

<sup>1</sup>unique reference numbers based on the financial year in question (i.e. '21-A' relates to the first entry on the approved 2020/21 audit plan)

<sup>2</sup>the three elements of the control environment (governance, risk management and internal control)

<sup>3</sup>traditionally audits where the external auditor has placed reliance on the work of internal audit