

Summary progress against 2022-23 audits as at 31 January 2023

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

<u>Ref</u>	<u>Type²</u>	<u>Audit title</u>	<u>Assurance objective</u>	<u>Position @ 31 January 2023</u>
22/23 - A	Various	Continuation of work commenced in 2021-22	To complete any outstanding audits that overlap the financial year	Completed
22/23 - B	Governance	Annual Governance Requirements 2021-22	Revised governance reporting arrangements are suitable	Completed - Control advice issued
22/23 - C	Governance	Counter Fraud - Cyber Security - follow up report	<p>Adequate Cyber Security arrangements are in place in accordance with nationally issued good practice guidance and associated self-assessment.</p> <p><i>Work will focus on ensuring the recommendations in the 21/22 report have been addressed</i></p>	<p>Consultancy work for 22/23 complete.</p> <p>Significant progress has been made to implement the recommendations made previously</p> <p>Furthermore, ESPO IT continue to robustly monitor progress against these actions by including these within their Cyber Security Risk Register. However, until all three high importance recommendations have been fully addressed it cannot be classed as complete for committee reporting purposes.</p> <p>(Additional time to complete also taken from contingency job 22/23 – S below)</p>

<u>Ref</u>	<u>Type²</u>	<u>Audit title</u>	<u>Assurance objective</u>	<u>Position @ 31 January 2023</u>
22/23-F	Risk Management	Warehouse	Robust Governance and Management of Risk in the delivery in respect of the additional warehouse capacity at Grove Park	On-going control advice through Critical Friend Project Board Membership
22/23-G	Risk Management	Counter Fraud - NFI specific	Ensure relevant data is extracted at 30 September 2022, uploaded in October 2022 and assessment of output reports commenced in Feb 2023 with the overall objective of results being correctly interpreted and investigated and have due regard for a segregation of duties.	On-going control advice. Reports of potential matches currently being reviewed prior to being issued to client.
22/23-J	Risk Management	Emerging Risks	ESPO identification and preparedness for any emerging risks e.g. Legislative changes, continued adjustments as a result of existing the EU/COVID-19 requirements, material changes to the 5-Year business strategy	Complete – Various ad-hoc areas where control advice has been issued
22/23-O	Internal control	Counter Fraud: Bank Mandate Fraud	Policies and procedures surrounding the amendment of bank accounts are robust	Draft report issued.
22/23-P	Internal control	Counter Fraud: Approval process for variations to pay	Variations to pay are appropriately authorised in accordance with procedures	Final Report Issued – Substantial Assurance
22/23-Q	Internal control	Counter Fraud: Data Analytics - Accounts Payables Vendors	Use of Data Analytics to provide assurance in respect of the accounts payables vendor database	Draft report issued.

Audits in progress

<u>Ref</u>	<u>Type²</u>	<u>Audit title</u>	<u>Assurance objective</u>	<u>Position @ 31 January 2023</u>
22/23-D	Governance	Frameworks	Developing any new/developed mirrored offerings/Time taken	Testing being undertaken
22/23-H	Risk Management	IT Developments	Work conducted in accordance with ESPO IT Key Deliverables 2022/2023 has been/ will be delivered. Work to be conducted in accordance with ESPO IT Key Deliverables 22/23	Testing being undertaken – <i>deferred into final quarter to carry out in conjunction with IT General Controls coverage</i>
22/23-I	Risk Management	Key Business Supplier Controls	Assessment of Risk Mitigation Procedures in place e.g. credit limits, credit rating assessments, parent guarantees, monitoring and market intelligence	Testing being undertaken
22/23-K	Risk Management	Business Continuity/Disaster Recovery	Risk of business inoperability is minimised and access and IT infrastructure is restored in a timely manner should a disaster occur	Testing being undertaken
22/23-L	Internal control	General Financial Systems (*3)	To discuss with the External Auditor and the ESPO Financial Controller/Consortium Treasurer, but typical coverage includes reconciliations; receivables; payables; payroll and stock	Testing nearing completion – <i>note work can only commence in final quarter and testing in final two months.</i>
22/23-M	Internal control	IT general controls (*3)	The range of controls expected by the External Auditor are well designed and consistently applied.	Testing being undertaken – <i>note work can only commence in final quarter and testing in final two months.</i>

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22/23-N	Internal control	Rebates income	Annual audit to evaluate whether rebates received conform to estimates of supplier business generated - focus will be on site visits	Approach to supplier visits currently being finalised.
22/23-R	Internal control	Servicing Authority	Key Performance Indicators for services provided by the Servicing Authority are adhered to	Testing being undertaken - <i>note work can only commence in final quarter and testing in final two months.</i>
22/23-S	Various	Contingency	Unforeseen events brought to the attention of the Head of Internal Audit Service by either ESPO Leadership Team or the Consortium Officers	<p>Time currently being used to commence a timely audit of Assessment of Temporary Health & Safety, Business Continuity & Security Risk Mitigation Procedures in place during the Warehouse Expansion Project – <i>only relevant to commence in Feb</i></p> <p>Due to the volume of testing required, time was also used to allow more time than originally planned to follow up a previous cyber security audit – job 22/23 – C above refers.</p>

Audits not started

None

Deferred audits

<u>Ref</u>	<u>Type²</u>	<u>Audit title</u>	<u>Assurance objective</u>	<u>Position @ 31 January 2023</u>
22/23-E	Governance	Procurement	Policies and procedures in place have due regard for legislative requirements and timeliness and appropriateness of decision making	Deferred into 2023/24 due to the Procurement Bill only currently going through Parliament.

¹unique reference numbers based on the financial year in question (i.e. '23-A' relates to the first entry on the approved 2022/23 audit plan)

²the three elements of the control environment (governance, risk management and internal control)

³traditionally audits where the external auditor has placed reliance on the work of internal audit

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