Summary of Internal Audit Service work between 1 April 2023 and 31 March 2024 from which the overall opinion is derived

Ref	Type[2]	Audit title	Assurance objective	Position/Assurance
23/24 - A	Various	Continuation of work commenced in 2022-23	To complete any outstanding audits that overlap the financial year As reported to the October 2023 meeting – all 7 reports were completed	7 x Final Report – Substantial Assurance
23/24 - B	Governance	Annual Governance Requirements 2022-23	Revised governance reporting arrangements are suitable	Advisory work complete – assisted compilation of annual statement
23/24 - C	Governance	Counter Fraud - Cyber Security - follow up report	Adequate Cyber Security arrangements are in place in accordance with nationally issued good practice guidance and associated self-assessment (note this also addresses a key potential risk highlighted in the ESPO Fraud risk assessment work undertaken in 20/21). Work will focus on ensuring the recommendations in the 21/22 report and subsequent 22/23 initial follow up report have been addressed	Final Report Issued – Of the original 49 recommendations that were raised in the 21/22 report there were 26 remaining in 22/23. Of these 26: 8 have been fully implemented 15 are classed as 'work in progress' and 3 more low risk recommendations not yet started. High importance residual recommendation addressed.

23/24 - D	Governance	Hybrid Working Arrangements	Hybrid ways of working are fully embedded to ensure that performance levels and requirements are maintained, staff wellbeing support is adequate, satisfactory health and safety and data security arrangements are in place and the right tools are readily available both in the office and whilst working offsite.	Final/Substantial
23/24 - E	Governance	Counter Fraud - Procurement Fraud	Policies and procedures in operation have due regard for the industry standard risk mitigations in relation to procurement fraud.	Final/Substantial
23/24 - F	Risk Management	Warehouse	Robust Governance and Management of Risk in the delivery in respect of the additional warehouse capacity at Grove Park	Project critical friend advice over the year
23/24 - G	Risk management	Counter Fraud - NFI specific	Focus on the 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 (data having previously been extracted on 30 September 2022 and uploaded in October 2022)	No instances of fraudulent activity were noted from the work undertaken and investigations made although there were 3 previously undetected cases of duplicate payments totalling £2.3K. Whilst non-material in both value and volume, associated risk mitigation controls were recommended.
23/24 - H	Risk Management	IT Developments	Work to be conducted in accordance with ESPO IT Key Deliverables 23/24	Final/Substantial
23/24 - I	Risk Management	Warehouse Expansion - Risk Mitigation Temporary Revised Ways of Working	Assessment of Temporary Health & Safety, Business Continuity & Security Risk Mitigation Procedures in place	Preconstruction report issued with substantial assurance Construction and post construction coverage will

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				straddle 23/24 and 24/25 financial years in line with the build timetable On-going control advice at an operational level.
23/24 - J	Risk Management	Emerging risks	ESPO identification and preparedness for any emerging risks e.g. Legislative changes, continued adjustments as a result of legislative requirements, material changes to the 5-Year business strategy and other 'in year' matters requiring urgent attention	Control advice concluded e.g. business travel
23/24 - K	Risk Management	Supply Chain Controls	Early identification and mitigation of supply chain risks to ensure continuity of service	Final/Substantial
23/24 – L	Internal Control	General Financial Systems (*)	To discuss with the External Auditor and the ESPO Financial Controller/Consortium Treasurer, but typical coverage includes reconciliations; receivables; payables; payroll and stock	Final/Substantial
23/24 –M	Internal Control	IT general controls (*)	The range of Information Technology General Controls (ITGC) expected by the External Auditor are well designed and consistently applied.	Final/Substantial
23/24 –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	Control advice given regarding information required from suppliers.
23/24 - O	Governance	Procurement	Policies and procedures in place have due regard for legislative requirements and timeliness and appropriateness of decision	Discussions and advice on approach to implementing new regulations.

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			making (Key focus being Transforming Public Procurement requirements).	
23/24 - P	Internal Control	Use of Data Analytics to provide assurance in respect of key fraud risks and/or financial/operational risks	To provide assurances to management on the validity of VAT numbers held within the Supplier Records on System 21 (ESPO Supplier System)	Final/Substantial
23/24 - Q	Internal Control	Servicing Authority	Key Performance Indicators for services provided by the Servicing Authority are adhered to	Final Report Issued – advised ESPO on the position with Service Level Agreements
23/24 - R	Various	Contingency	Unforeseen events brought to the attention of the Head of Internal Audit Service by either ESPO Leadership Team or the Consortium Officers - examples may include loss of customers/business, MTFS targets not being met, Failure to retain staff, staff sickness, energy related risks, major health & safety/legislative issue, warehouse issues, supply chain issues, adverse reputational issue, climate change, risks associated with ways of working	Time used on other audits especially cyber security.

Audits not started

None

Deferred/cancelled audits

None to date

[1] unique reference numbers based on the financial year in question (i.e. '23-A' relates to the first entry on the approved 2023/24 audit plan)
[2] the three elements of the control environment (governance, risk management and internal control)
[3] traditionally audits where the external auditor has utilised the work of internal audit in their risk assessment before their audit.

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