				Appendix
ESPO Internal Audit Plan 2026-27				
Reference	**Control env't component**	**Entity**	**The indicative audit objective is to ensure that…**	**Risk Reg**
ESPO 26/27 - A	Various	Continuation of work commenced in 2025-26	Any outstanding audits that overlap the financial year are promptly completed	Various
ESPO 26/27 - B	Governance	Annual Governance - Areas for further development	Areas of the 2024/25 Annual Governance Statement highlighted for further development have been addressed.	8 & also indirectly all other risks
ESPO 26/27 - C	Governance	Cyber Security	Adequate Cyber Security arrangements are in place in accordance with nationally issued good practice guidance. (To include the follow up of the four remaining HI recommendations from the previous Cyber Security Audit)	1, 8, 20, 79 & 82
ESPO 26/27 - D	Governance	Preparedness for Local Government Reorganisation	ESPO is preparing itself to respond effectively to any new or amended scope of work potentially arising from potential local government reorganisation and is proactively identifying and mitigating associated key risks.	6, 8, 41, 89 & 100
ESPO 26/27 - E	Risk management	Counter Fraud - NFI specific	Relevant data is extracted and uploaded in Quarter 2/Quarter 3 and assessment of output reports is commenced in Quarter 4. The overall objective of the work being 'results are correctly interpreted and investigated on a risk-assessed basis and have due regard for an adequate segregation of duties.' Note a report of resultant findings will be compiled in Q1/2 of 27/28)	20 & 82 & indirectly 8
ESPO 26/27 - F	Risk management	Risk Management Framework	To assess whether management has identified, assessed, and mitigated key organisational risk(s) in line with the ESPO's risk appetite	8 & Various - depending on scope
ESPO 26/27 - G	Internal control	Stock Theft - Counter Fraud Audit	Stock management and security controls are adequate to minimise the risk of theft and loss. To potentially include physical security controls, results of stock checks, discrepancy analysis, management spot-checks, (obsolete) stock write-off processes, employee training, etc.'- Note: Coverage informed by the results of the Fraud Risk Assessment undertaken in 25/26	20 & indirectly 8
ESPO 26/27 - H	Risk Management	Emerging risks	ESPO identification and preparedness for any emerging risks e.g. Legislative changes, material changes to the 5-Year business strategy and other 'in year' matters requiring urgent attention	Various
ESPO 26/27 - I	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. Note: Where/if applicable, this will also address anything relevant from the latest external audit findings report at the date of testing.	1, 5, 6, 8 & 20
ESPO 26/27 - J	Internal control	IT general controls (*)	The range of Information Technology General Controls (ITGC) expected by the External Auditor are well designed and consistently applied.	1, 5, 8, 20, 30, 34, 47, 48, 71, 79, 82, 84 & 94
ESPO 26/27 - K	Governance	Artificial Intelligence	The use of Artificial Intelligence is deployed in a controlled manner throughout the business in accordance with policy	94 & 8
ESPO 26/27 - L	Internal control	Rebates income	To validate completeness, accuracy, and cut-off for risk assessed rebate accruals/collections.	45, 46 & also indirectly 6, 25, 58 & 89
ESPO 26/27 - M	Governance	Audit Committee Guidance and Training	Ensure members are suitably equipped with the knowledge, skills and independent required to provide robust oversight	8
ESPO 26/27 - N	Internal Control	Sale of Vehicles	Income from the sale of vehicles is promptly identified and accounted for	6 & 8,
ESPO 26/27 - O	Governance	Heath & Safety Reporting	Incidents and Near Misses are promptly and accurately recorded and communicated to enable prompt and appropriate mitigating actions to be put in place (work will also incorporate ensuring the latest Health & Safety Audit Recommendation are appropriately and promptly addressed.	8, 33, 34,70, 85
ESPO 26/27 - P	Governance	Third Party Assurance	To assess whether third party assurance is identified and provides timely, high quality assurance that is promptly reviewed, acted upon and used to strengthen governance and risk management	8 indirectly 6
ESPO 26/27 - Q	Governance	Servicing Authority Service Level Agreements	Service level agreements are accurate, supported by measurable KPIs, underpinned by effective account management, with timely resolution of issues and robust risk management to ensure value for money.	8 indirectly 6 & 89
ESPO 26/27 - 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: Risk of business failure by debtors, legislative issues, staff retention and absence, failure of banking and/or investment partner, health & safety issue, stores/trading & brand issue, product Safety Issue, supply chain issue etc	Various
ESPO 26/27 - S	N/A	Client management	Planning & research; progress meetings; servicing Committees; HoIAS requirements; confirming implementation of HI recommendations; External Audit liaison; advice	N/A
			Total Days	
(*) Annual audits undertaken that may assist the External Auditor				

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