

ESPO Internal audit plan 2013-14

<u>Category</u>	<u>Entity</u>	<u>The audit objective is to ensure that...</u>	<u>General</u>	<u>ICT</u>	<u>Total</u>
Financial	Budget management	There is a sound financial framework for the control of the budget	7		7
Financial	Business forecasting	There is a robust framework for forecasting and acting on triggers	7		7
Financial	Rebates income	Rebates received conform to estimates of supplier business generated note time includes 3 days for closure of 2012-13 work	8		8
Financial	General ledger reconciliations (*)	Reconciliations are undertaken to facilitate the accuracy and completeness of the general ledger. Usual coverage of cash & treasury; receivables; payables; payroll and stock	10		10
Financial	Trading performance & distribution of surplus (*)	The trading results provided by ESPO, both for internal use and reported to the Management Committee, are well founded in the general ledger and the distribution of surpluses process is robust.	10		10
Governance	Performance management	There is a framework to ensure compliance with the Constitution requirements including bencharking	8		8
Governance	Medium Term Financial Strategy	There are robust processes for validating assumptions, monitoring achievements and reporting progress especially against efficiency projects	8		8
Governance	ESPO services	The key principles to providing the individual categories within the ESPO service menu are complied with	8		8
Governance	Collaborative procurement	Framework and other collaborative arrangements do not jeopardise ESPO interests or risk a liability	8		8
Governance	Servicing authority	The servicing authority is achieving its requirements and objectives	8		8

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Governance	Governance framework	The requirements of the Consortium Agreement, Constitution and appropriate schedules are embedded	10	10
Governance	Risk management	The revised policy and framework is operating as intended. Lines of defence are understood and complied with.	8	8
Governance	Annual governance statement	There are adequate arrangements to demonstrate compliance to the principles of good governance outlined in the CIPFA/SOLACE Framework.	3	3
Human Resources	Anti fraud and corruption	There is a robust framework for ensuring ESPO staff and management act with integrity and there are procedures and processes to enable concerns to be raised and investigated.	7	7
Human Resources	Attendance management	Management applies a robust and consistent approach to attendance management and attendance is reported and monitored by management team	5	5
Human Resources	Payroll changes	Variations to the ESPO payroll are timely and accurate	3	3
Information & Communications Technology	Electronic transactions	P-card and other electronic transaction methods are PCI compliant	5	5
Information & Communications Technology	Information management	Information is secure both on and off site and in transit and breaches are identified and investigated	4	4
Information & Communications Technology	E-tendering	The security requirements and audit trail are robust	6	6
Information & Communications Technology	Applications management	Risks (e.g. continuity and resilience) to the successful operation of key business management systems within ESPO have been identified and appropriately mitigated.	10	10

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Information & Communications Technology	IT general controls (*)	The range of controls expected by the External Auditor are well designed and consistently applied.	10	10
Operational	Stock management	The stock management system is effective and accurate so as to facilitate decisions, support financial accounting and mitigate risks (excesses, shortages, wastage and theft)	10	10
Operational	Fleet management	The fleet is managed effectively and efficiently (loading, routing, maintenance etc).	10	10
Operational	Fleet management	Vehicle operating licence requirements are complied with and liability is removed	2	2
Procurement	Supply chain	ESPO identifies, evaluates and monitors its supply chains to ensure integrity and sustainability	10	10
	Client management	Planning & research; progress meetings; servicing the Finance & Audit Subcommittee; confirming implementation of high importance internal audit recommendations External Audit liaison; advice	15	15
		Total internal audit days	165	35
			200	

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(*) Annual audits undertaken to assist the External Auditors (PWC) to form an opinion that ESPO's financial accounts are not materially mis-stated.

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