

Risks, controls and actions Audit

as at 25/01/13

Risk Identified	Potential Consequences	Impact	Risk Rating	Control Measure	Final Risk Rating	Further Action Required	Risk Count:
Audit							14
Lack of resources	affect on use of resources, failure to give full assurance on internal controls, affect on the annual governance statement.	3	6	Employee Development interviews Flexible working Homeworking Reallocate audit plan to free up capacity Staffing reviewed and benchmarked with other Staffordshire authorities. Audit manual Agency staff used when necessary Knowledge transfer	6	Raise with Kelvin Turner Review audit plan	
Information provided not accurate or timely	Results in a false audit report - recommendations being made that are not relevant. Reputational issues for the Council. Possible financial implications dependant upon the nature of the audit and the information wrongly provided. Potential legal issues. Political issues possibly.	3	9	Notification of Audits given Reminders for information given by email and telephone Escalation process for information reminders Verification of the source of the information Analysis of information provided	6	Staff development Internal Audit protocol document to be circulated	

Risk Identified	Potential Consequences	Impact	Risk Rating	Control Measure	Final Risk Rating	Further Action Required
Audit				Revised Internal Audit Protocol document recirculated with Audit Plan in January 2012.		
Failure to retain key staff with experience & skills	Failure to provide the correct information and service to members and staff.	3	9	Flexible working Business continuity identified through process mapping Employee Development interviews Homeworking Workforce Development Plan	6	
Major investigation taking priority over audit plan	Failure to deliver on risk based audit plan	3	6	Agency staff used when necessary Reallocate audit plan to free up capacity Officers trained in investigation procedures Outside investigators employed as and when Investigating procedures training undertaken	6	Shared service arrangements with other authorities for assistance with investigations and/or the audit plan.
High Risk Recommendations not being implemented	Financial Implications, Reputational Damage, Political Consequences	3	6	Communication process in place Escalation process for information reminders	6	Internal Audit protocol document to be circulated

Risk Count: 14

Risk Identified	Potential Consequences	Impact	Risk Rating	Control Measure	Final Risk Rating	Further Action Required
Audit				Regularly report to Audit & Risk Committee, Chair and Director of Resources (Sec 151 Officer) on capacity issues Reminders for information given by email and telephone Revised Internal Audit Protocol document recirculated with Audit Plan in January 2012.		
Lack of co-operation from Managers	Financial Implications, Reputational Damage, Political Consequences, Disciplinary Action	3	6	Communication process in place Escalation process for information reminders Notification of Audits given Regularly report to Audit & Risk Committee, Chair and Director of Resources (Sec 151 Officer) on capacity issues Reminders for information given by email and telephone	6	Internal Audit protocol document to be circulated
Failure to deliver managed audit requirement of the Audit Commission	Financial Implications, Reputational Damage, Political Consequences, Third Party intervention	3	3	Audit Plan document	6	

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Audit				<p>Improve relationships and have regular meetings between External Audit and Audit Manager</p> <p>Regularly report to Audit & Risk Committee, Chair and Director of Resources (Sec 151 Officer) on capacity issues</p> <p>Statutory Officers Group</p>		
Failure to recognise/be aware of fraud/corruption	Financial Implications, Reputational Damage, Third Party Intervention, Political Consequenecees	3	6	<p>Anti-fraud and anti-corruption strategy</p> <p>Financial Regulations</p> <p>Fraud manual for Heads of Service</p> <p>Fraud Awareness - A Guide for Managers</p> <p>Money laundering policy</p> <p>Standing Orders</p> <p>Countering Fraud and Corruption Staff Survey</p> <p>Member Code of Conduit to be followed</p> <p>Employee Code of Conduct to be followed</p> <p>Fraud Response Plan</p>	6	<p>Staff training using Moodle</p> <p>Results of staff survey to be analysed</p> <p>Policies need to be revised for the Bribery Act</p> <p>Publish online training package on fraud/corruption on Intranet site.</p> <p>New training module will be delivered via STEP</p>

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Audit				Whistleblowing policy and fraud response plan for parties contracting with the Council		
Failure to fully identify all relevant controls	Financial Implications, Reputational Damage, Third Party Intervention, Political Consequences	3	6	Access to web sites for information Audit manual CIPFA matrices Information sharing with other authorities	6	Refresher training in CIPFAs systems based audit methodology
Long-term sickness	failure to deliver audit plan	3	6	Homeworking Knowledge transfer Agency staff used when necessary Employee Development interviews Absence management policy	3	
Failure to provide efficient staff capacity to deal with unplanned investigations	Failure of staff to follow correct procedures, leading to damage to Council reputation, adverse publicity, and loss of confidence from outside bodies and staff.	3	9	Outside investigators employed as and when Reallocate audit plan to free up capacity Regularly report to Audit & Risk Committee, Chair and Director of Resources (Sec 151 Officer) on capacity issues	3	Shared service arrangements with other authorities for assistance with investigations and/or the audit plan.

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Audit				Corporate Governance issues reinforced through the Corporate Governance Working Group and associated processes Officers trained in investigation procedures Investigating procedures training undertaken New Staffordshire Chief Auditors Group Terms of Reference		
Failure of External Audit providers to inform of changing policies and procedures	Damage to reputation. Failure to comply with legislation or best practice. Intervention from District Audit or the Law Courts.	3	9	Improve relationships and have regular meetings between External Audit and Audit Manager Communication process in place Audit Plan document Continuing consultation and dialogue with External audit	3	
Medium Risk recommendations not being implemented		1	4	Communication process in place Escalation process for information reminders	4	Internal Audit protocol document to be circulated

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Audit				Reminders for information given by email and telephone Revised Internal Audit Protocol document recirculated with Audit Plan in January 2012.			14
Low Risk recommendations not being implemented		1	4	Communication process in place Reminders for information given by email and telephone Revised Internal Audit Protocol document recirculated with Audit Plan in January 2012.	4	Internal Audit protocol document to be circulated	