

Hinckley and Bosworth Borough Authority

Risk Management Internal Audit

November 2018

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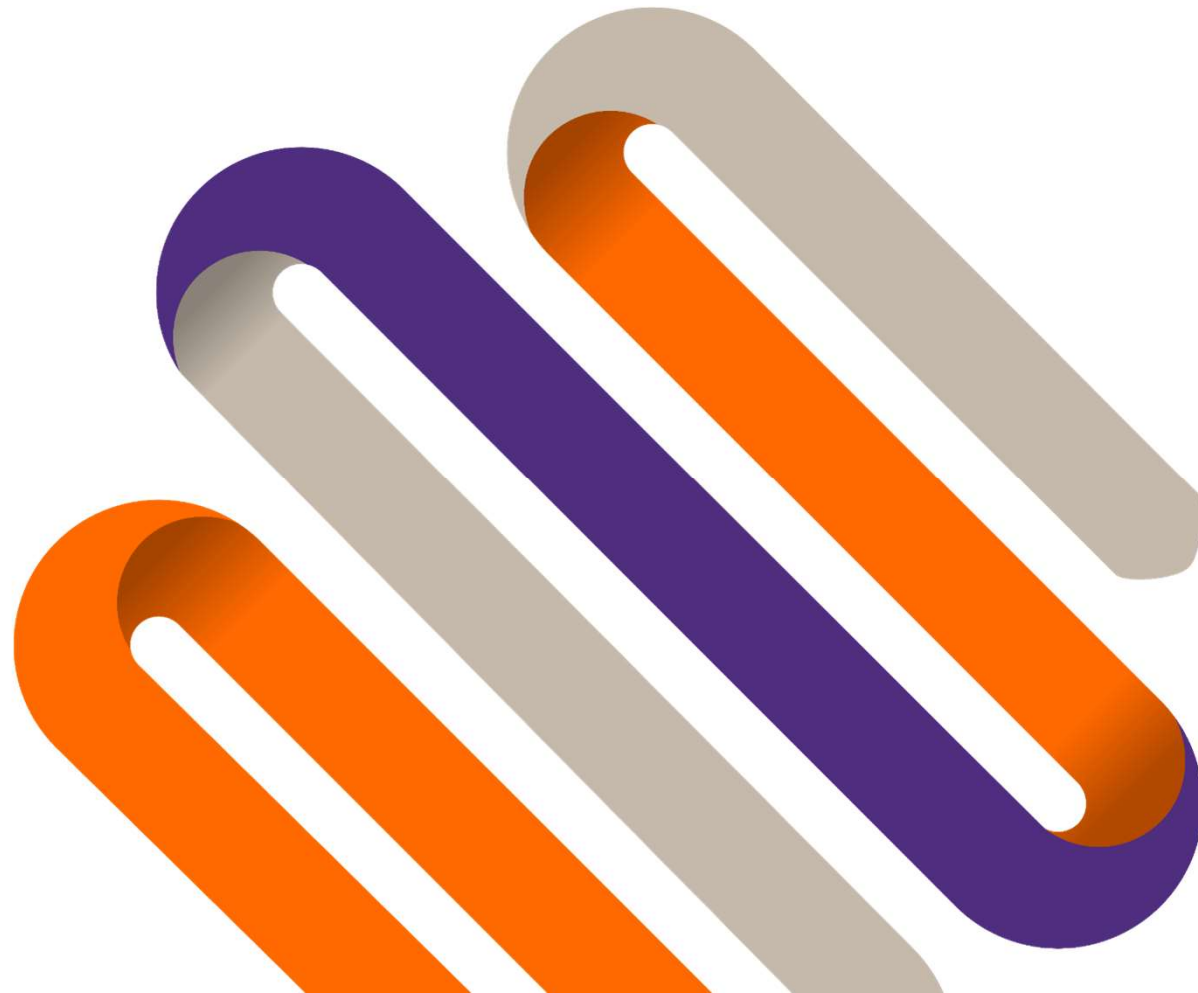
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Report distribution:

For action:

- Section 151 Officer
- Consultation and Improvement Officer

Responsible Executives:

- Director (Corporate Services)

This report is confidential and is intended for use by the management and directors of Royal Wolverhampton NHS Trust. It forms part of our continuing dialogue with you. It should not be made available, in whole or in part, to any third party without our prior written consent. We do not accept responsibility for any reliance that third parties may place upon this report. Any third party relying on this report does so entirely at its own risk. We accept no liability to any third party for any loss or damage suffered or costs incurred, arising out of or in connection with the use of this report, however such loss or damage is caused.

It is the responsibility solely of the Trust's management and directors to ensure there are adequate arrangements in place in relation to risk management, governance, control and value for money.

Executive Summary

Background

An audit of the risk management processes was undertaken as part of the approved internal audit plan for 2018/19.

The Authority has a duty to provide a wide range of services that are delivered to the community as part of their ongoing objectives; the delivery of which includes an inherent number of risks. The Authority recognises it has a duty to manage these risks in a structured way to ensure delivery of its objectives whilst also providing value for money.

The Authority have a Risk Management Policy statement in place which was last updated in March 2017. This overarching policy includes sections on the Authority's objectives, how they identify and assess risks and documents the need to identify any mitigating actions. Risks are assessed using a standard scoring matrix where both the gross risk level is decided, then a final net risk score is decided after consideration of any mitigating actions which could minimise the impact or the likelihood of the risk arising.

Once risks have been assessed, they are recorded on the TEN performance management system, which enables them to be monitored by the Consultation and Improvement Officer.

In addition to this, the Authority have a 'Finance and Performance Scrutiny' meeting which takes place on a quarterly basis. These meetings provide a platform for escalation of any high rated risks to the board and also include discussion on whether risks have changed status. This means any changes can be quickly identified and monitored by the board.

Objectives

Our review considered the following process risks:

- Risks are not identified or assessed correctly;
- Risks registers are not reviewed or kept up-to-date, i.e. risk data is not timely, accurate and complete;
- Staff are unable to fulfil their role and responsibilities due to inadequate training;
- Mitigating actions are not completed or are ineffective;
- Risks are not escalated to the appropriate level.

Further details on responsibilities, approach and scope are included the Audit Planning Brief dated September 2018.

Limitations in scope

Please note that our conclusion is limited by scope. It is limited to the risks outlined above. Other risks exist in this process which our review and therefore our conclusion has not considered. Where sample testing has been undertaken, our findings and conclusions are limited to the items selected for testing. In addition, our assurance on the completeness of the declarations recorded in the register of interest is limited to the findings from our sample testing.

This report does not constitute an assurance engagement as set out under ISAE 3000.

Executive Summary

Conclusion

Significant assurance with some improvement required

We have reviewed the Authority's risk management processes and controls. The controls tested are set out in our Audit Planning Brief.

We have concluded that the processes provide **SIGNIFICANT ASSURANCE WITH SOME IMPROVEMENT REQUIRED** to the Authority. There are some weaknesses in the controls designed to mitigate the risk management process risks examined during this audit.

Good practice

1. The Authority have a 'Finance and Performance Scrutiny' meeting which takes place on a quarterly basis. These meetings provide a platform for escalation of any high rated risks to the board and also include discussion on whether risks have changed status.
2. The Authority have a standard scoring matrix in place which is included within the Risk Management policy. This means a consistent approach is taken to the initial assessment of risks and thereafter means that any risks which require escalation can be quickly identified and reported.

Areas for development

We have not identified any significant issues (i.e. high or medium rated recommendations) during our review.

Recommendations

We have raised two low recommendations and two improvement points to address the minor control weaknesses identified.

	High	Med	Low	Imp
Detailed findings	-	-	2	2

Acknowledgement

We would like to take this opportunity to thank your staff for their co-operation during this internal audit.

Action Plan

In this section we set out the detailed findings arising from our work. We have organised the findings by recommendation rating. Details of what each of the ratings represents can be found in Appendix 2

Issue	Findings and Recommendation	Action Plan
Not all medium or low risks are reviewed on a quarterly basis and mitigating actions do not have a due date included.	<p>Key findings</p> <ul style="list-style-type: none"> ▪ Risks rated as high risk are reviewed on a quarterly basis and the Consultation and Improvement Officer contacts these risk owners to encourage them to update the latest commentary. ▪ In addition to this, as from the last quarter (July 2018), it was confirmed by the Consultation and Improvement Officer that he has contacted every risk owner for medium or low risks too for an update on the risk status. ▪ We have viewed email correspondence that shows this practice is in place and that the Consultation and Improvement Officer contacts the relevant risk owners on a timely basis. ▪ From our sample of 11 risks chosen, 2 risks (both medium) had not been recently reviewed in line with the quarterly approach, and had update dates ranging from 18 October 2017 to 20 June 2018. ▪ Therefore in some cases, risks that are rated as medium or low are not being reviewed on a timely basis and as such the risk may no longer be relevant and mitigating actions may no longer be appropriate or timely. ▪ Per discussions with the Consultation and Improvement Officer, some users go into the system and update the text but do not update the 'last review' date, however in the case of the 2 risks not updated above, these had not been updated despite the reminders. ▪ In addition, mitigating actions do not have a 'due date' or 'target date' included which means it is hard to monitor whether actions are overdue or have already been implemented. <p>Recommendation</p> <ul style="list-style-type: none"> ▪ The Authority should ensure there is consistency across all areas to ensure risks of all levels are reviewed on at least a quarterly basis and that updates are included; even if to confirm no change. ▪ The Authority should also include 'due dates' on mitigating actions where relevant which will aid effective monitoring and allow any which are overdue to be quickly identified. ▪ We also recommend that any overdue risk reviews are escalated to an appropriate officer. 	<p>Actions:</p> <p>Accepted. Overdue risk reviews will be escalated to the relevant SLT member as appropriate.</p> <p>Responsible Officer: Julie Kenny</p> <p>Executive Lead:</p> <p>Due date: December 2018</p>

Action Plan

In this section we set out the detailed findings arising from our work. We have organised the findings by recommendation rating. Details of what each of the ratings represents can be found in Appendix 2

Issue	Findings and Recommendation	Action Plan
Risks that have changed in rating are reported to the 'Finance and Performance Scrutiny' committee, however the reasons for the changes are not documented.	<p>Key findings</p> <ul style="list-style-type: none"> ▪ The Authority hold a 'Finance and Performance Scrutiny' committee meeting on a quarterly basis. ▪ We have obtained and reviewed the report presented at the 10th September 2018 'Finance and Performance Scrutiny' meeting which was based on the data from August 2018. ▪ The meeting notes how many risks have worsened or improved in rating and how many have been closed, however there is no detail as to why risk ratings have changed. ▪ This shows that there is a level of discussion around the risks, particularly the most significant, and shows that reporting takes place to note if any of the risks have changed ratings, however this could be expanded to include why risks have changed. <p>Recommendation</p> <ul style="list-style-type: none"> ▪ The Authority should include documentation of the reason why risks have changed rating so members have greater clarity on the risks facing them and the circumstances surrounding these. 	<p>Actions:</p> <p>Agreed. Officers will be asked to provide an explanation of the changes to any risk rating to be included on the quarterly report.</p> <p>Responsible Officer : Julie Kenny</p> <p>Executive Lead:</p> <p>Due date: December 2018</p>

Action Plan

In this section we set out the detailed findings arising from our work. We have organised the findings by recommendation rating. Details of what each of the ratings represents can be found in Appendix 2

Issue	Findings and Recommendation	Action Plan
The Authority's risk appetite has not been clearly defined.	<p>Key findings</p> <ul style="list-style-type: none"> ▪ The Risk Management policy states the importance of determining a risk appetite, clearly explained as <i>"how much risk it is prepared to retain without taking any further mitigating action."</i> ▪ However despite this mention in the policy, the Authority do not have a risk appetite statement in place which clearly articulates to staff the amount of risk that the Authority is willing to take for the different categories of risk that they face. ▪ Without a clear and specific risk appetite in place, Authority staff may not have a clear understanding of where they can afford to take more risk or where action needs to be taken to reduce risks. ▪ A risk appetite statement should communicate to staff how much risk they can take on for the different categories of risk identified in their policy, for example reputational, financial and opportunity. ▪ This can then be used to provide further guidance to staff when assessing risks and developing appropriate mitigating actions. <p>Recommendations</p> <ul style="list-style-type: none"> ▪ It is recommended that the Authority implement a risk appetite statement or update its risk management policy to include further explanation of their risk appetite, including documenting how much risk they will accept for the different categories of risk. A good example of a risk appetite statement includes: <ul style="list-style-type: none"> – breadth – covers both financial and non-financial risks – depth – make it easier to relate the overall appetite to the day jobs of staff – language – staff understand and are able to articulate the Authority's risk appetite and how it applies to them – sponsorship – explains how senior officers embed risk appetite in decision making ▪ The Authority should also consider adding to their risk register what the strategy for each risk is, whether it is accept, transfer, avoid or reduce. This will link to the risk appetite and make it clearer for staff to understand the Authority's approach to each risk type. 	<p>Actions: We will consider including a statement of risk appetite when the Risk Management Policy is next refreshed.</p> <p>Responsible Officer: Julie Kenny</p> <p>Executive Lead:</p> <p>Due date: December 2019</p>

Action Plan

In this section we set out the detailed findings arising from our work. We have organised the findings by recommendation rating. Details of what each of the ratings represents can be found in Appendix 2

Issue	Findings and Recommendation	Action Plan
<p>There is a lack of mandatory risk management training in place for staff.</p>	<p>Key findings</p> <ul style="list-style-type: none"> As per the Risk Management Framework, all Authority members and officers should have a level of understanding of the risk management approach and complete any training as appropriate. All middle managers are required to complete a 'Managing Risk' e-learning course on an one off basis. This e-learning course outlines the different types of risk and the importance of managing risks, enabling staff to work through scenarios to test their understanding. The successful completion of this e-learning course is a mandatory requirement for all middle managers, however the Authority do not deem it necessary for all staff to complete the training. <p>Recommendations</p> <ul style="list-style-type: none"> It is recommended that the Authority reconsider whether the e-learning course should be extended to a wider audience. The Authority should also consider the need for relevant staff undertake training once every two years to ensure that their understanding of the risk management approach remains up to date. It is also recommended that the completion is monitored to ensure relevant staff members are up to date with their training. 	<p>Actions:</p> <p>We feel that the training is currently targeted at the right audience with our middle managers and it would not be appropriate / proportionate to make it mandatory for all staff.</p> <p>We will however monitor completion of those required to do the training.</p> <p>Responsible Officer: Julie Kenny</p> <p>Executive Lead:</p> <p>Due date: August 2019 (for monitoring only)</p>

Summary of Work

Process risk	Description
Risks are not identified or assessed correctly.	<ul style="list-style-type: none"> ▪ The Authority have a Risk Management policy statement in place which was last updated in March 2017. This outlines their commitment to managing their business risks in a structured way to ensure delivery of its objectives whilst also providing value-for-money. ▪ This overarching policy includes sections on the Authority's objectives, how they identify and assess risks and documents the need to identify any mitigating actions. ▪ The policy states that there are a number of different types of risks that the Authority must consider in its process of identifying risks; for example financial loss, physical risks to staff and damage to the organisations reputation. ▪ The policy also includes a useful checklist of categories of risks which can be used as a prompt for staff to ensure they consider all areas and in turn helps to ensure completeness. The checklist includes categories of risk such as regulatory, economic, reputation and financial for consideration by staff. ▪ As per discussions with the Director of Corporate Services, risks are identified on an ad hoc basis whenever the Authority are proposing a new project or change in service delivery or as part of the annual planning process . These changes then feed into Service Improvement Plans and the relevant risks resulting from these can be identified and discussed at the same time. ▪ As per the Risk Management policy, risks are initially assessed on a gross risk level, which is a consideration of the risk on the assumption that there is no action being taken to mitigate this risk. Risks are assessed using a 3 x 3 matrix with a consideration of the likelihood of occurrence and the impact the risk could have in the event it were to occur. ▪ Both likelihood and impact are assessed on a scale of low to high (1-3), the highest score identified for each is then used to plot the risk level on the risk matrix documented in the policy. ▪ Secondly, risks are assessed on a net risk level, which considers the effectiveness of any existing mitigating actions in place which could minimise the likelihood of occurrence or the severity of the impact of it were to occur. As per the policy it is the risk owner's responsibility to ensure that the agreed risk level is an accurate reflection of the likelihood and impact after consideration of any mitigating actions in place. ▪ There is a standard scoring system in place at the Authority; any risks which score 1-3 are low risk and are seen as being managed effectively already. A score of 4-6 means a medium risk, which are usually accepted but may require some additional mitigating if this can be done cost effectively. Any which score 7-9 are significant and require immediate action to be taken to reduce the level of risk.

Summary of Work

Process risk	Description
Risks are not identified or assessed correctly.	<ul style="list-style-type: none"> As at September 2018, the Authority has 105 risks across the registers they keep. The registers are separated into corporate risks which are kept on a different register per each risk owner. They also have a separate register for each service area, for example environmental health, finance and planning. These ratings for these risks are as follows: <ul style="list-style-type: none"> 45 low 45 medium 13 high 2 opportunities. We have selected a sample of 11 risks to test from across the different registers, 4 high risk, 4 medium risk and 3 low risk. Our review of these risks shows that all 11 risks have been correctly assigned a score in line with the standard matrix, a description of the mitigating actions in place has been included and each has an assigned owner who is then responsible for managing the risk and ensuring the documented risk and the actions to mitigate it remain current. The policy also states the importance of determining a risk appetite for the Authority, which is clearly explained in the policy as 'how much risk it is prepared to retain without taking any further mitigating action'. The policy states that it is important that the 'focus is on promotion of risk awareness, rather than risk avoidance. If the Authority's risk appetite is too low, there will be a tendency towards risk avoidance', which in turn can mean that opportunities are missed and resources are wasted focusing on risks that may not materialise or would have a low impact if they were to. Despite this, we would expect the Authority to have a separate risk appetite statement in place which clearly articulates to staff the amount of risk that the Authority is willing to take for the different categories of risk that they face, for example financial, reputational, legal, etc. Having a risk appetite framework in place will help the Authority have a clearer understanding of where they can afford to take more risk or where action needs to be taken to reduce risks.

Summary of Work

Process risk	Description
Risks registers are not reviewed or kept up-to-date, i.e. risk data is not timely, accurate and complete.	<ul style="list-style-type: none"> ▪ We obtained and reviewed the risk registers as at September 2018. The registers are separated into corporate risks which are kept on a different register per each risk owner. They also have a separate register for each service line, for example environmental health, finance and planning. ▪ Our review of the registers confirmed that a consistent form of risk register is used across the organisation. ▪ Each register consists of a description of the risk, a description of any mitigating actions that are in place, the net risk score of 1-9, the latest review commentary, the date reviewed and the risk owner. ▪ The policy clearly identifies staff groups and their roles and responsibilities in respect of risk management, documenting the key individuals involved in managing the risk registers to be as follows: ▪ The Service Managers, alongside the appropriate risk owner, maintain the relevant service area risk register and are responsible for ensuring that all key risks are identified and managed appropriately. ▪ Project Managers are responsible for identifying, assessing and appropriately documenting significant risks. ▪ Lastly, the Consultation and Improvement Officer is in place to provide expertise, support and guidance on the risk management process, alongside preparing relevant reports as necessary whilst maintaining the Authority's risk management software, 'TEN'. ▪ Risks rated as high risk are reviewed on a quarterly basis and the Consultation and Improvement Officer contacts these risk owners to encourage them to update the latest commentary. ▪ In addition to this, as from the last quarter (July 2018), it was confirmed by the Consultation and Improvement Officer that he has contacted every risk owner for medium or high risks too for an update on the risk status. ▪ We have viewed email correspondence that shows this practice is in place and that the Consultation and Improvement Officer contacts the relevant risk owners on a timely basis. ▪ From our sample of 11 risks chosen, the 4 rated as high risk had all been reviewed and had an updated commentary in line with the quarterly review. ▪ From the remaining 7 risks chosen (4 medium and 3 low), 3 of these had been reviewed and updated in line with the quarterly approach. ▪ The remaining four had not been recently reviewed in line with the quarterly approach, and had update dates ranging from 18 October 2017 to 9 July 2018. ▪ Therefore in some cases, risks that are rated as medium or low are not being reviewed on a timely basis and as such the mitigating actions may no longer be appropriate or timely.

Summary of Work

Process risk	Description
Staff are unable to fulfil their role and responsibilities due to inadequate training.	<ul style="list-style-type: none"> As per the Risk Management policy, all Authority members and officers should have a level of understanding of the risk management approach and complete any training as appropriate. Staff are required to complete a 'Managing Risk' e-learning course. The module outlines the different types of risk and the importance of managing risks, enabling staff to work through scenarios to test their understanding. As per discussions with the Director of Corporate Services, the completion of this e-learning course is a mandatory requirement for all middle managers, however it is not deemed necessary for all staff to complete the training. It is recommended that the Authority reconsider whether the e-learning course should be extended to be mandatory for a wider audience. It is also recommended that the completion is monitored to ensure relevant staff members are up to date with their training.
Mitigating actions are not completed or are ineffective.	<ul style="list-style-type: none"> As per the Risk Management policy, risks are assessed on a net risk level, which considers the effectiveness of any existing mitigating actions in place which could minimise the likelihood of occurrence or the severity of the impact of it were to occur. As per the policy it is the risk owner's responsibility to ensure that the agreed risk level is an accurate reflection of the likelihood and impact after consideration of any mitigating actions in place. As at September 2018, the Authority has 105 risks across the registers they keep. Our review of these registers shows that each of the risks had a mitigating action and each has a responsible owner. We have reviewed the mitigating actions for each of the 11 risks we selected for our sample. The mitigating actions included against each risk are deemed to be appropriate in mitigating the risks, however each of these focuses on an ongoing risk faced by the Authority and as such, do not require a due date for the actions to be completed. From our sample of 11 risks chosen, the 4 rated as high risk had all been reviewed and had an updated commentary in line with the quarterly review and therefore the mitigating actions have been confirmed as the most appropriate to address the risk still. From the remaining 7 risks chosen (4 medium and 3 low), 5 of these had been reviewed and updated in line with the quarterly approach and therefore the mitigating actions have been confirmed as the most appropriate to address the risk still. The remaining 2 had not been recently reviewed in line with the quarterly approach, and had update dates ranging from 18 October 2017 to 20 June 2018. Therefore there is a possibility that the mitigating actions documented as in place may not be appropriate to address the risk.

Summary of Work

Process risk	Description
Mitigating actions are not completed or are ineffective.	<ul style="list-style-type: none"> Per discussions with the Consultation and Improvement Officer, some users go into the system and update the text but do not update the 'last review' date, however in the case of the 2 risks not updated above, these had not been updated despite the reminders. It is recommended that the mitigating actions for each risk are reviewed and the risk updated on a quarterly basis to ensure these remain current and appropriate to address the risk, also confirming that these actions can be implemented in time should the risk arise. In addition, mitigating actions do not have a 'due date' or 'target date' included which means it is hard to monitor whether actions are overdue or have already been implemented. 'Due dates' should be included on mitigating actions where relevant which will aid effective monitoring and allow any which are overdue to be quickly identified.
Risks are not escalated to the appropriate level	<ul style="list-style-type: none"> The Authority have a Risk Management policy statement in place which was last updated in March 2017. This sets out the framework for monitoring and management of risks; as per the policy, the most significant risks are discussed at corporate, directorate, middle managers and staff team meetings. The Authority also hold a 'Finance and Performance Scrutiny' committee meeting on a quarterly basis. We have obtained and reviewed the report presented at the 10th September 2018 'Finance and Performance Scrutiny' meeting which was based on the data from August 2018. The report shows that risks which pose the most significant threat (i.e. red risks) are noted and discussed within the meeting and therefore are escalated to the committee. As at August 2018, there were two risks on the corporate risk register rated as red, which had been correctly escalated in the meeting. In addition, there were 10 risks rated as the most significant on the individual service area registers which were correctly escalated in the meeting for discussion. The meeting also notes how many risks have worsened or improved in rating and how many have been closed, however there is no detail as to why risk ratings have changed. This shows that there is a level of discussion around the risks, particularly the most significant, and shows that reporting takes place to note if any of the risks have changed ratings, however this could be expanded to include why risks have changed. This in turn means that an understanding of the changing risks is brought to the board's attention in a timely manner and action to mitigate risks can quickly be taken if the status of any risk worsens.

Follow up of 2017/18 recommendations

The objectives of our audit work were as follows:

Recommendation reference	Description
Risk Management and Mitigating Actions Review	<p>2017/18 recommended action</p> <ul style="list-style-type: none">▪ Risk owners should be reminded that all risks should be reviewed on at least a quarterly basis to ensure that mitigating actions are appropriate. <p>2018/19 follow up on action</p> <ul style="list-style-type: none">▪ The Consultation and Improvement Officer contacts risk owners at the end of every quarter to encourage them to review their risks and provide an updated commentary on the status, therefore the recommendation is being implemented in that risk owners are reminded on a quarterly basis however there is still inconsistencies in how many risk owners respond to the reminder.
Corporate Performance Reporting	<p>2017/18 recommended action</p> <ul style="list-style-type: none">▪ SIP (Strategic Implementation Plans) owners should be reminded that all SIPs and the risks that relate to these should be reviewed on at least a quarterly basis to ensure that progress has been adequately captured and reported. <p>2018/19 follow up on action</p> <ul style="list-style-type: none">▪ The Consultation and Improvement Officer contacts risk owners at the end of every quarter to encourage them to review their risks and provide an updated commentary on the status, therefore the recommendation is being implemented in that risk owners are reminded on a quarterly basis however there is still inconsistencies in how many risk owners respond to the reminder.

Appendices

Appendix 1 – Staff involved and documents reviewed

Staff involved

- Consultation and Improvement Officer
- Director (Corporate Services)

Documents reviewed

- Risk Management Policy Statement (March 2017)
- Corporate risk registers (as at 14th September 2018)
- Service area risk registers (as at 14th September 2018)
- Finance & Performance Scrutiny report (10th September 2018)

Appendix 2 - Our assurance levels

The table below shows the levels of assurance we provide and guidelines for how these are arrived at. We always exercise professional judgement in determining assignment assurance levels, reflective of the circumstances of each individual assignment.

Rating	Description
Significant assurance	<p>Overall, we have concluded that, in the areas examined, the risk management activities and controls are suitably designed to achieve the risk management objectives required by management.</p> <p>These activities and controls were operating with sufficient effectiveness to provide significant assurance that the related risk management objectives were achieved during the period under review.</p> <p>Might be indicated by no weaknesses in design or operation of controls and only IMPROVEMENT recommendations.</p>
Significant assurance with some improvement required	<p>Overall, we have concluded that in the areas examined, there are only minor weaknesses in the risk management activities and controls designed to achieve the risk management objectives required by management.</p> <p>Those activities and controls that we examined were operating with sufficient effectiveness to provide reasonable assurance that the related risk management objectives were achieved during the period under review.</p> <p>Might be indicated by minor weaknesses in design or operation of controls and only LOW rated recommendations.</p>
Partial assurance with improvement required	<p>Overall, we have concluded that, in the areas examined, there are some moderate weaknesses in the risk management activities and controls designed to achieve the risk management objectives required by management.</p> <p>Those activities and controls that we examined were operating with sufficient effectiveness to provide partial assurance that the related risk management objectives were achieved during the period under review.</p> <p>Might be indicated by moderate weaknesses in design or operation of controls and one or more MEDIUM or HIGH rated recommendations.</p>
No assurance	<p>Overall, we have concluded that, in the areas examined, the risk management activities and controls are not suitably designed to achieve the risk management objectives required by management.</p> <p>Those activities and controls that we examined were not operating with sufficient effectiveness to provide reasonable assurance that the related risk management objectives were achieved during the period under review.</p> <p>Might be indicated by significant weaknesses in design or operation of controls and several HIGH rated recommendations.</p>

Appendix 2 - Our assurance levels (cont'd)

The table below describes how we grade our audit recommendations.

Rating	Description	Possible features
High	Findings that are fundamental to the management of risk in the business area, representing a weakness in the design or application of activities or control that requires the immediate attention of management	<ul style="list-style-type: none"> ▪ Key activity or control not designed or operating effectively ▪ Potential for fraud identified ▪ Non-compliance with key procedures / standards ▪ Non-compliance with regulation
Medium	Findings that are important to the management of risk in the business area, representing a moderate weakness in the design or application of activities or control that requires the immediate attention of management	<ul style="list-style-type: none"> ▪ Important activity or control not designed or operating effectively ▪ Impact is contained within the department and compensating controls would detect errors ▪ Possibility for fraud exists ▪ Control failures identified but not in key controls ▪ Non-compliance with procedures / standards (but not resulting in key control failure)
Low	Findings that identify non-compliance with established procedures, or which identify changes that could improve the efficiency and/or effectiveness of the activity or control but which are not vital to the management of risk in the business area.	<ul style="list-style-type: none"> ▪ Minor control design or operational weakness ▪ Minor non-compliance with procedures / standards
Improvement	Items requiring no action but which may be of interest to management or which represent best practice advice	<ul style="list-style-type: none"> ▪ Information for management ▪ Control operating but not necessarily in accordance with best practice

