

Devon Audit Partnership - Strategic and Operational Risk Register Updated Oct 2017

Ref	Risk Description	Inherent			Mitigating control	Controlled			Further action required	By When
		Impact *	Probability	Risk *		Impact	Probability	Risk		
Strategic Risks										
S1	Change in priorities or dissatisfaction of one of the partners results in a partner leaving.	4	2	6	Continued development of service. Impact of a single partner leaving now reducing due to more partners and increase of funding from other clients. Continued need to “evidence” added value.	3	2	6	Identify new Partners as appropriate. Continue to work with the Partnership Cttee and explain the benefits that DAP bring to each partner. Deliver plan and ensure that we “add value” in a way appreciated by each client.	Ongoing Ongoing
S2	Reducing Client base compromises viability of DAP	3	3	9	Marketing programme / bids for new work maintains or improves the turnover. Diversification – offer more than just internal audit (e.g. risk management)	3	2	6	Improved marketing to extend into known market areas e.g. academy schools Develop and promote other services that compliment DAP.	30/4/2017 and ongoing Winter 2017
S3	Reputational damage from poor quality audit delivery	3	2	6	PSIAS – Assurance. CSE – delivery Internal QA process. Staff development – e.g. LGBT+ awareness	3	1	3	Extend the QA process. Annual CSE “inspection”.	31/3/18 and ongoing
S4	Information Governance – non-compliance from multiple storage areas and data transfer means. Loss of data due to IT failure / unable to use secure data transfer arrangements	3	3	9	Good understanding and awareness of GDPR requirements. Part of DCC network – so lots of resilience. Data sharing agreements prepared and shared / agreed with each partner. Use of Mki – hosted software supplier.	3	2	6	Data sharing agreements need to be refreshed / updated to reflect current legal advice / best practice. GDPR will become Data Protection Bill – ensure we know of any changes.	Dec 2017 Winter 2017

* Risk score based upon the DCC approach to Risk Management. <http://staff.devon.gov.uk/riskmanagementstrategy2011.pdf>

Ref	Risk Description	Inherent			Mitigating control	Controlled			Further action required	By When
		Impact *	Probability	Risk *		Impact	Probability	Risk		
Operational Risks										
O1	Failure to deliver agreed audit plan in line with current targets resulting in increased control risk to clients and lack of confidence in DAP as a provider.	3	3	9	Wider client base reduces exposure for individual clients. Close and effective management of work against plans. Clear understanding and control of time spent on "overheads" / non productive work.	2	2	4	Improve consistency of monitoring through greater use of and improved performance management systems. Make best use of IT to ensure valuable people resource is used as effectively as possible. Strong and effective management to tackle areas of concerning performance.	Ongoing
O2	Inefficient or expensive support arrangements, including IT, accommodation, finance services etc.	2	2	4	Partnership is hosted by DCC who provide majority of support services. Hosted Audit Management system (Mki).	2	1	2	Support arrangements (including ICT arrangements) under constant review to ensure we get best value. Detailed costing review as part of 2017/18 budget setting process.	Ongoing Dec 2017
O3	Insufficient revenue budgets: a) to deliver service effectively;	2	2	4	IA requirements depend on each organisation (maturity, risks, pace of transformation, effectiveness of control arrangements, management ability etc). Engage partners and clients to determine audit needs and set internal audit level. Signed SLA with main partners. Signed SLA's with other customers.	2	2	4	We continue to Work with West of England group in developing models for "determining" audit resource levels – but there is increased risk that resource may be insufficient to enable IA to provide an audit opinion. Work with Audit West to further develop products and services. Diversify into other complimentary activities.	Ongoing

* Risk score based upon the DCC approach to Risk Management. <http://staff.devon.gov.uk/riskmanagementstrategy2011.pdf>

Ref	Risk Description	Inherent			Mitigating control	Controlled			Further action required	By When
		Impact *	Probability	Risk *		Impact	Probability	Risk		
O3	b) – leads to reduce knowledge base	3	3	9	Pool staff provide additional skills. Collaborative working arrangements e.g. Strategic Alliance provide alternate skills Staff training programme develops staff skill.	3	2	6	Continue to extend additional collaborative arrangements. Continue to identify additional pools staff Update and review the training programme	Ongoing Dec 2017
	c) – reduces capability and capacity to deliver effective partnership objectives.	3	3	9	Pool staff provide additional skills. Collaborative working arrangements e.g. Strategic Alliance provide alternate skills / resource	3	2	6	Continue to extend additional collaborative arrangements. Continue to identify additional pools staff	Ongoing
O4	Failure to make stay within financial envelope.	2	2	4	Good notice of what is required. Good understanding of cost base and how we can quickly adjust our cost base.	2	1	2	Continuous monitoring. Continuous need to sell services to other clients.	Ongoing
Q5	Failure to adopt "modern auditing techniques" – resulting in lack of confidence.	2	3	6	Management Team to keep abreast of developments in the wider internal audit world. Awareness of new legislation e.g. GDPR.	2	2	4	Continued team and individual professional development. Annual review of training needs via appraisal process.	Annual review Oct 2018.
Q6	Higher than expected levels of staff sickness prevent completion of agreed annual internal audit plans / areas of development for the service.	2	3	6	Monitoring sickness levels (via PRISM). Work with HR colleagues to ensure that HR best practice is being followed. Understand our employees physical and emotional wellbeing – try to anticipate sickness pressures and take action to address.	2	2	4	Understand our employees physical and emotional wellbeing – managers to pick up through regular one to one sessions.	Ongoing

* Risk score based upon the DCC approach to Risk Management. <http://staff.devon.gov.uk/riskmanagementstrategy2011.pdf>