

**Devon Audit Partnership - Strategic and Operational Risk Register Updated October 2016**

Ref	Risk Description	Inherent			Mitigating control	Controlled			Further action required	By When
		Impact *	Probability	RISK *		Impact	Probability	RISK		
<b>Strategic Risks</b>										
S1	The Partnership has an end date of 31 March 2017. The Management Board and Partnership Cttee have agreed to a 7 year extension. Need to work with legal colleagues at Devon, Plymouth and Torbay to produce an agreement and then present to full council / mayor for approval.	4	2	8	Partnership agreement being drafted. DCC legal staff have advised.	4	1	4	Agreement to be cleared by Plymouth and Torbay legal colleagues.	By Nov 2016
S2	Change in priorities or dissatisfaction of one of the founding partners results in a partner leaving.	4	2	8	Continued development of service. Impact of a single founding partner leaving now reduced due to reduced contribution of partners and increase of funding from other clients. Evidence of "added value".	3	2	6	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
S3	Loss of data due to IT failure / unable to use secure data transfer arrangements	3	2	6	Part of DCC network – so lots of resilience. Data sharing agreements prepared and shared / agreed with each partner. Use of Mki – hosted software supplier.	2	2	4	Data sharing agreements need to be refreshed / updated to reflect current legal advice / best practice.	Dec 2016

Ref	Risk Description	Inherent			Mitigating control	Controlled			Further action required	By When
		Impact *	Probability	RISK *		Impact	Probability	RISK		
<b>Operational Risks</b>										
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.	2	2	4	Close and effective management of work against plans. Clear understanding and control of time spent on “overheads” / non productive work.	2	2	4	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 2016
O3	Insufficient revenue budgets 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 (Fire, Police, Torridge etc)	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.	Ongoing

O4	Failure to make savings or generate increased efficiencies.	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
	Failure to adopt "modern auditing techniques" – resulting in lack of confidence.	2	2	4	Management Team to keep abreast of developments in the wider internal audit world.	2	1	2	Continued team and individual professional development.  Annual review of training needs via appraisal process.	Annual review Oct 2017.

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