

## Internal Audit Consortium Risk Register

Total Risk Score: Likelihood x Impact. Rating Key:

0-8 Green	9-14 Amber	15+ Red
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Definite (5)	5	10	15	20	25
Likely (4)	4	8	12	16	20
Possible (3)	3	6	9	12	15
Unlikely (2)	2	4	6	8	10
Highly Unlikely (1)	1	2	3	4	5
	Negligible (1)	Low (2)	Medium (3)	High (4)	Very High (5)
	Impact				

## Internal Audit Consortium Risk Register

CAUSE	EFFECT	ACTIONS UNDERTAKEN TO MITIGATE THE RISK	CURRENT RISK RATING LIKELIHOOD /RISK IMPACT	FURTHER ACTION REQUIRED/DAT E	TARGET RISK RATING LIKELIHOOD /RISK IMPACT/DATE	RISK LEAD
Failure to substantially complete the agreed audit plans.	The Head of the Internal Audit Consortium can't give an opinion on the governance, risk and control arrangements in place. This could lead to a limited annual audit opinion, failure to comply with the Public Sector Internal Audit Standards and criticism / qualified VFM opinion from external audit, comment in the Annual Governance Statement / system weaknesses remaining undetected.	<ul style="list-style-type: none"> <li>• Concentration on high and medium risk areas identified in the annual plan spanning governance, risk and control processes.</li> <li>• Regular reviews of progress and assessment of emerging risks.</li> <li>• Reliance on other assurances such as the Council's performance management system, PSN compliance, external audit etc</li> </ul>	<p style="text-align: center;"><b>Possible/High</b> <b>3 x 4 = 12</b> <b>Amber</b></p>	Keep under review. Regular reporting to management and the Audit Committees. Use of temporary / agency staff if necessary	<p style="text-align: center;"><b>Unlikely/High</b> <b>2 x 4 = 8</b> <b>Green</b></p>	Head of Internal Audit Consortium

<p>Failure to identify emerging high risk areas for review.</p>	<p>High risk areas may remain undetected until it is too late. Unable to provide assurance that emerging risks are being appropriately managed</p>	<ul style="list-style-type: none"> <li>• Regular contact with the Section 151 officer</li> <li>• attendance at the risk management groups.</li> <li>• Risks discussed at scoping meetings with managers.</li> <li>• Discussions with Notts and Midlands audit groups and Local Authorities Chief Auditors Network</li> <li>• Reading professional magazine articles</li> <li>• Audit plans are discussed with relevant parties</li> </ul>	<p><b>Possible/High</b> <b>3 x 4=12</b> <b>Amber</b></p>	<p>Maintain regular dialogue with key officers and the risk management groups.</p>	<p><b>Unlikely/High</b> <b>2 x 4=8</b> <b>Green</b></p>	<p>Head of Internal Audit Consortium</p>
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<p>Failure to undertake work to a satisfactory standard</p>	<p>External audit and section 151 officers can't place reliance on work. New auditors requiring a lot of supervision and training</p>	<ul style="list-style-type: none"> <li>• All work is subject to quality reviews by senior staff.</li> <li>• Audit manual in place documenting working practices.</li> <li>• External review of internal audit undertaken May 2021 concluded that the Consortium is compliant with the PSIAS.</li> <li>• Internal self-assessment against PSIAS undertaken on an annual basis.</li> <li>• Customer satisfaction surveys after each audit to help identify any issues.</li> <li>• CPD training undertaken by all and required by professional bodies</li> </ul>	<p><b>Unlikely/Medium</b> <b>2 x 3 = 6</b> <b>Green</b></p>	<p>None at present</p>	<p><b>Unlikely/Medium</b> <b>2 x 3 = 6</b> <b>Green</b></p>	<p>Head of Internal Audit Consortium</p>
<p>Insufficient financial resources to fund consortium leading to staff cuts</p>	<p>Cannot achieve plans and therefore provide an annual audit opinion. Managers and Members are not provided with the assurance that governance, risk and control processes are in place.</p>	<p>Joint Board approved the Consortiums budget in principal March 23 (meeting not quorate) for 2023/24</p>	<p><b>Unlikely/High</b> <b>2 x 4 = 8</b> <b>Green</b></p>	<p>October 23 Joint Board to be asked to approve the 2023/24 budget</p>	<p><b>Unlikely/High</b> <b>2 x 4 = 8</b> <b>Green</b></p>	<p>Head of Internal Audit Consortium</p>

<p>Lack of appropriately qualified and experienced staff. Loss of senior auditors through promotion / retirement - recruitment difficulties</p>	<p>Unable to complete the plan, work not to the required standard.</p>	<ul style="list-style-type: none"> <li>• Training and development of current staff.</li> <li>• Quarterly Valuing Individuals and Performance Reviews and monthly 1:1 meetings.</li> <li>• Salary benchmarking exercise undertaken and as a result Senior Auditor posts have been regraded.</li> <li>• Waiving of qualification requirement for exceptional and appropriate experience.</li> </ul>	<p><b>Possible/High</b> 3 x 4 = 12 <b>Amber</b></p>	<p>None at present – fully staffed To use agency staff if required</p>	<p><b>Possible/High</b> 3 x 4 = 12 <b>Amber</b></p>	<p>Head of Internal Audit Consortium / 151 Officer</p>
<p>Loss of data through IT failure or network unavailable</p>	<p>Loss of work</p>	<p>Data stored on each Councils network and subject to their back up and security procedures. Periods of “downtime” are rare and short with minimal impact on service</p>	<p><b>Unlikely/Medium</b> 2 x 3 = 6 <b>Green</b></p>	<p>None</p>	<p><b>Unlikely/Medium</b> 2 x 3 = 6 <b>Green</b></p>	<p>Head of the Internal Audit Consortium</p>