Oxfordshire County Council

Risk Management and Assurance Policy and Framework

Status: For Approval – April 2016

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OXFORDSHIRE
COUNTY COUNCIL

Contents

1. Context

Oxfordshire County Council is a complex organisation providing a range of services to 672,500 people, many of whom live in rural towns and villages. While the county has consistently high levels of employment and the workforce is amongst the most highly-qualified in the country, the population is expected to rise to 765,000 by 2026 by which time the number of people aged over 75 is projected to have grown by 60% since 2006. This creates greater demand for essential services needed by a geographically dispersed population against a background of significant budget cuts. This will present a significant challenge for the Council in delivering those services, requiring new ways of working and greater use of commissioned services and partnerships.

The changes to what we do and how we do it present opportunities but also increased risk and uncertainty which can manifest itself financially, politically, on our reputation, environmentally or to our service delivery. In an increasingly changing world, exposure to risk is unavoidable but effective risk management will enable us to have the right level of control in place to prevent identified risks from occurring or to contain the impact if they do.

Having identified the risks to the achievement of our objectives and documented the controls in place, it also essential to have mechanisms in place to give us confidence that the controls are doing the job they should be. This is where an assurance framework becomes an important management tool and a logical extension to our risk management arrangements.

It is essential therefore that we have the right structures and processes in place to ensure that both risks and opportunities are identified, assessed and proactively managed in a standard way and that we gain confidence that controls are both sufficient in coverage and can be relied upon.

This document sets out the high level policy for risk management and assurance within the Council while the first appendix describes the more detailed methodology which will be deployed to meet our objectives.

Lorna Baxter
Chief Finance Officer & Risk Champion

2. Policy Statement

Oxfordshire County Council is committed to effective risk management and assurance and sees it as an essential tool from a compliance, good practice and delivery perspective. It should therefore be integral to how we run our services. While an effective risk and assurance process provides a mechanism to inform the Annual Governance Statement, it is much more than a governance exercise and should be viewed as part of the overall management of performance and delivery of required outputs.

The Council's values guide the way we work and within the CHOICE acronym there are two values in particular which will drive risk management behaviours. Innovation means that we must challenge the way things have always been done, take appropriate risks and look for opportunities to work differently to improve services. Being commercial means that we should have clarity about our role in services and what the market can offer. By focusing on getting best value from our relationships we can deliver quality services underpinned by robust management. This means understanding, at the outset and in our decision making processes, the different types of risks we may face throughout the commissioning cycle.

To ensure risk management is effectively implemented, all Members and Officers should understand the approach to risk management and regard it as part of their responsibilities. The management of risk should be firmly embedded in everyone's thinking, behaviours and actions.

3. Definitions

Risk can be defined as the effect of uncertainty on objectives. An effect may be positive, negative or a deviation from the expected. Risk is often described by an event, a change in circumstances or a consequence.

Risk Management is a process which aims to help organisations understand, evaluate and take action on all their risks with a view to increasing the probability of success and reducing the likelihood of failure.

Controls are systematic measures implemented to mitigate risks and help an organisation achieve its objectives. Preventive controls are mechanisms established to discourage errors or irregularities from occurring while detective controls are designed to identify errors or irregularities that may have occurred.

Assurance is the means by which management and stakeholders gain confidence that the operation of controls within an organisation is both efficient and effective.

4. Risk Appetite

An organisation's risk appetite is the amount of risk it is prepared to accept, tolerate or be exposed to in order to achieve its objectives. This is factored into planning, decision making and delivery.

It is important for the risk appetite to be understood within the organisation so that the appropriate response is made to identified risks. If managers are running the business without sufficient guidance on the amount of risk it is acceptable for them to take, or not

seizing important opportunities because of a belief that taking on additional risk is discouraged, performance will not be maximised.

In general the Council's approach to service provision is to be innovative, seek continuous improvement and provide value for money within a framework of robust corporate governance. The Council's appetite for managing risk will be continually reviewed by CCMT in light of the available capacity to deal with identified risks.

5. Objectives

The objectives and associated benefits of risk management and assurance within Oxfordshire County Council are as follows:

Objective	Benefits
To ensure that risk management is considered in strategic and operational decision-making, including allocation of resources to areas which are considered higher risk.	This will ensure increased knowledge and understanding of exposure to risk and its importance in front line service delivery and develop a culture of risk awareness.
To provide management with early warnings of potential problems so that they can respond in a planned way rather than 'fire-fighting' once an issue has arisen. Where issues do arise, to investigate what went wrong and take appropriate remedial action.	This will create a learning culture and an environment in which issues do not recur.
To enable the right decisions to be taken to reduce risk exposures ensuring that the response is proportionate and achieves a balance between acceptable risk and the cost of control.	This will mean conscious decision making about the amount of risk the organisation is prepared to take and the costs which are deemed necessary to incur.
To enable management to be clear about the activities over which they need assurance and the extent of that assurance based on risk.	This will enable assurance resources to be directed accordingly and improve the effectiveness and efficiency of the control environment.
To ensure that risk management and assurance forms a key part of effective Corporate Governance within the Council and contributes to a satisfactory Annual Governance Statement.	This will help to protect the reputation of the Council which could otherwise be impacted by service disruptions and litigation.

6. Approach

We will meet our risk and assurance management objectives by undertaking the following actions:

- Providing and using a robust and systematic framework for identifying, managing and responding to strategic and operational risks in line with external benchmarks of good practice.
- Providing and using a robust and systematic framework for identifying sources of assurance at different levels within and outside the organisation and the level of confidence that provides to management about the effectiveness of controls.
- Establishing clear roles, responsibilities and reporting lines for risk management and assurance.
- Demonstrating a commitment to risk management and assurance through the actions and behaviours of the CCMT in their decision making. We will also understand our risk appetite and the level of risk we are prepared to accept in different activities and service areas.
- Reinforcing the value of risk management by integrating it within the Council's (and partnerships') project management, performance management and procurement processes.
- Establishing effective processes for oversight of the Council's risk exposure and monitoring both internal controls and external influences to understand changes in that exposure.
- Increasing understanding and expertise in risk management through targeted training and sharing of good practice

7. Deliverables

As evidence of the effectiveness of the approach we will expect to see the following:

- The corporate risk register is reviewed and discussed at the appropriate forum of CCMT and Members on a quarterly basis
- Directorate risk registers are formally reviewed and discussed in Directorate Leadership Team meetings on a quarterly basis
- Project/programme and partnership risk registers are reviewed by management on a monthly basis
- Formal decision making processes are supported by a clear understanding of the associated risks. The identified risks will be assigned to relevant individuals to ensure accountability for their management
- Assurance statements and maps are produced and maintained by each directorate and are reviewed and updated alongside the review of directorate risk registers. Summarised assurance maps are reported quarterly to the Delivery Board
- Directors provide an assurance report at the end of the financial year which identifies areas where there are gaps or weaknesses in assurance and this forms an input to the Annual Governance Statement

- Corporate Leads[1] provide an assurance report at the end of the financial year which details how they have obtained their assurance that key control processes are being complied with and identifies any gaps in control
- Internal Audit undertake a periodic review of risk management within the Council to determine the extent to which the framework is being deployed
- This document will be reviewed annually to ensure that it continues to meet the requirements of the Council and reflects any emerging good practice in risk management

8. Roles and Responsibilities

Everything that the Council does involves an element of risk and it is essential that these risks are managed effectively. A number of people have a role to play in ensuring that risk management is adopted and embedded within the council. These responsibilities are set out below.

Who	Responsibilities include
Informal Cabinet	- Receipt of combined risk and performance reports from Delivery Board
Audit & Governance Committee	- Approval of the Risk Management and Assurance Policy - Receive a report on the effectiveness of the risk management process by way of the Annual Governance Statement - Receive separate assurance reports from Directors, Corporate Leads and Chief Internal Auditor
Audit Working Group	- Receipt of the corporate risk register on a quarterly basis together with the risk element of the business performance monitoring report
Corporate Governance Assurance Group	- Review of assurance statements provided by Corporate Leads - Challenge to overall assessment of assurance set out in assurance maps
County Council Management Team	- Identify, manage and monitor strategic risks - Ensure that reports to support Cabinet decisions include a risk assessment - Provide corporate leadership of risk management and promote a culture of risk awareness
Delivery Board	- Oversight of corporate risk register and key operational risks which are impacting on performance delivery - Quarterly review of assurance reported by Directors

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[1] Corporate Lead Officers form part of the Corporate Governance Assurance Framework and are expected to be aware of the relevant systems and mechanisms that are in place to ensure effective internal control for their designated key control areas.

Who	Responsibilities include
Risk Management Champion	• Raising the profile of risk management and championing the benefits amongst colleagues
Business Assurance Team	• Maintain the Risk and Assurance Policy & Framework and oversee its implementation • Report progress on corporate risks and provide challenge to directorate risks and action plans • Aggregate risk themes which occur across more than one directorate and raise with CCMT for potential inclusion on the corporate risk register • Provide oversight of and challenge to directorate assurance maps and coordinate year end assurance reports
Internal Audit	• Independent audit of the system of internal control, including risk management, and management assurance
Insurance	• Lead on the development and implementation of the Council's risk financing and insurance programme • Provide advice and guidance with regards to insurance requirements, indemnities and legal liabilities • Lead on claims management and investigation services for claims made against the Council
Corporate Leads	• Confirmation that relevant systems are in place to ensure effective internal control • Raising new risks and providing challenge to the status of existing risks based on their professional judgement • Provide input to and review directorate assurance maps
Directors / Chief Fire Officer	• Identify, manage and monitor key risks to the achievement of priorities within their business area • Provide assurance that internal control within the business area is effective • Produce a year end assurance report • Liaising with the portfolio holder to ensure that there is a shared understanding of the key risks to the achievement of objectives and of those risks which can be tolerated
Directorate Risk & Performance Leads	• Facilitate review and update of directorate and service level risk registers providing challenge as appropriate around the nature of the risk and the actions being taken to mitigate it • Facilitate review and update of directorate assurance maps providing challenge as appropriate
All Members & Officers	• Understand and act upon key risks that could significantly impact the achievement of service, team or project objectives

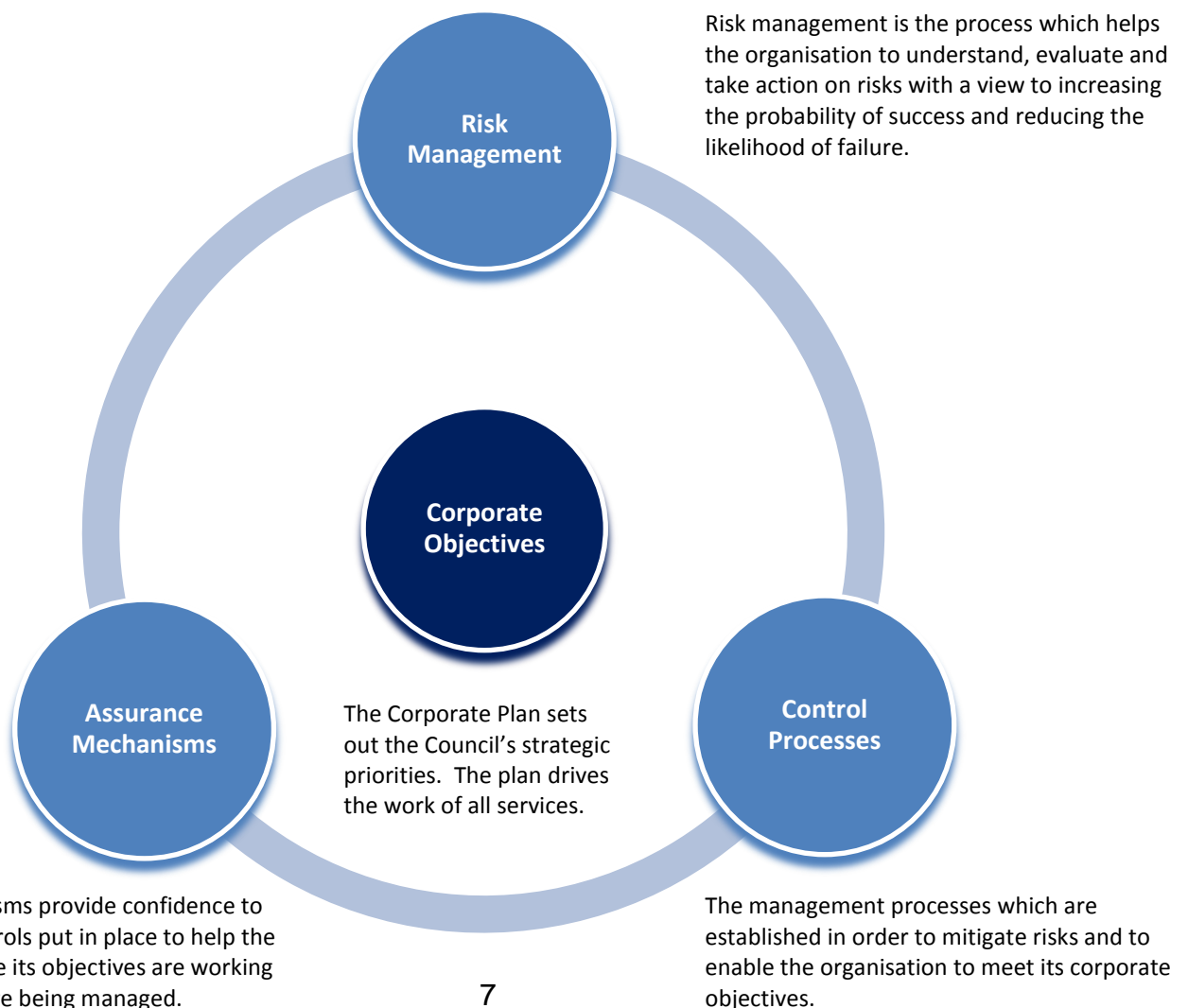**Appendix 1: Risk Management and Assurance Framework**

1. Introduction

In order to deliver the policy commitments made in this document it is important to have a standard approach for both risk management and for understanding sources of assurance. The approach is outlined below and further information is also available on the intranet (https://intranet.oxfordshire.gov.uk/cms/content/risk-management).

The ability to manage risk effectively is a key competency for managers and should be seen as a core element of their role

> "If a Council doesn't have effective risk management then it doesn't have effective management"
>
> *Chance or Choice: Guidance on Effective Risk Management and Internal Control in Local Government (Society of Local Authority Chief Executives)*

By way of context it is important to understand how risk management and assurance combine to help the organisation achieve its objectives.

Risk management is the process which helps the organisation to understand, evaluate and take action on risks with a view to increasing the probability of success and reducing the likelihood of failure.

Risk Management

Corporate Objectives

The Corporate Plan sets out the Council's strategic priorities. The plan drives the work of all services.

Assurance Mechanisms

Control Processes

Assurance mechanisms provide confidence to managers that controls put in place to help the organisation achieve its objectives are working and that key risks are being managed.

The management processes which are established in order to mitigate risks and to enable the organisation to meet its corporate objectives.

2. Risk Management Cycle

Risk management is a continuous process comprising four key elements as set out in the diagram below and described in the following sections.

The individual elements of the cycle are described in more detail below. Risks should be captured and recorded in a risk register. Any risks to be included on the corporate risk register should be in the format set out in Annexe A.

2.1 Risk Identification

Risk registers should document the risks/opportunities that could impact or prevent the achievement of a defined objective. There are many different sources of risk, examples of which are captured in Annexe B. There are also many methods of identifying risks such as SWOT analysis, questionnaires and risk workshops.

Annexe B refers to risks in partnerships and contracts. A partnership is an agreement between two or more independent bodies to work collectively to achieve an objective while a contract is a written or spoken agreement intended to be enforceable by law. As the prevalence of these types of arrangements will continue to grow it is important that risks are understood and monitored on an ongoing basis, for example as part of regular contract management meetings.

The risk management cycle applies equally to project and programme risks as well as broader business risks. Risks should be identified as part of regular progress meetings and warning signs might include changes to objectives, the need for additional resources, missed deadlines and stakeholder dis-engagement.

It is important that the risk is described clearly to ensure that it is fully understood and to assist with the identification of actions. The description should also include the causes (what circumstances might cause the risk to materialise) and the impact (what would happen if the risk did materialise).

A risk owner should be identified at this stage who has the ultimate accountability and authority to manage the risk.

It is important to distinguish between risks and issues. A risk is something which, by definition, has a level of uncertainty and may not therefore occur. An issue is something which has already occurred and is impacting on objectives. Issues should not be included in the risk register but reported through the business as usual management and monitoring processes.

2.2 Risk Assessment

To ensure resources are focused on the most significant risks, the Council's approach is to assess the risks identified in terms of both the likelihood of occurrence and potential impact. This assessment is carried out using the scoring matrix at Annexe C.

The risk is assessed as follows:

Starting risk – this is the impact and likelihood score without any controls in place. This is also known as the inherent risk. Impact is considered against a series of measures and it is the highest impact which is used in arriving at the risk score.

Target risk – the impact and likelihood desired to ensure that the risk is consistent with the risk appetite of the Council. The risk response should reflect this level of target risk and should take into account the cost of achieving the desired level of control.

Current risk – the impact and likelihood, taking account of the existing controls in place. These controls should be documented and evaluated (see assurance approach). The current risk level and progress towards the target risk level should be reviewed on an ongoing basis.

2.3 Risk Response

Having assessed and prioritised the identified risks, action needs to be taken which balances cost with the level of risk faced by the Council. Options for responding to the risk are as follows:

Tolerate – this is a conscious decision to take no action either because the risk is within the stated risk appetite of the Council or because it is expected to be a very low occurrence. The risk should be monitored to ensure that its potential does not change.

Treat – procedures and controls are put in place to reduce the likelihood or frequency of a risk materialising or to reduce its impact.

Transfer – the risk is transferred to a third party by mechanisms such as insurance or outsourcing.

Terminate – the activity giving rise to the risk is stopped.

2.4 Risk Review and Reporting

Throughout the Council risks should be reviewed alongside performance discussions in management meetings. This should ensure that prompt and appropriate action is taken to reduce their likelihood and/or impact.   The level at which risks should be visible is set out in Annexe D.

On a quarterly basis directorate risk registers are submitted to Corporate Services. It is their responsibility to collate the key operational risks for discussion alongside performance information at the Delivery Board.

The Business Assurance Team within Internal Audit is responsible for maintaining the corporate risk register which is discussed quarterly at the Delivery Board. This register contains the most significant risks facing the Council and could affect long term priorities and outcomes.   Specifically, they are risks which could have a Council-wide impact and/or require a strategic response across more than one directorate.

3. Assurance Mapping

As part of the risk assessment process, controls are documented upon which management place reliance in their consideration of the likelihood and impact of a risk. Assurance is about providing confidence, based on sufficient evidence, that objectives are being achieved and that risks are being identified and appropriately managed. The aim of assurance mapping is to determine the sources of information which underpin that confidence in the effectiveness of key controls. This will provide an insight into where there are gaps in assurance, the level of independence of that assurance and where efforts are being duplicated.

The three lines of defence model provides a mechanism for enhancing understanding of controls and assurance by clarifying roles and duties as follows:

- The first level of the control environment is the business operations which perform day to day risk management activity
- The second level is the Director oversight which comprises the systems and processes the Director/Deputy Director operate to provide comfort over the adequacy and effectiveness of the management controls in the first line of defence.
- Internal and external audit and other external inspections provide the third line of defence providing independent challenge to the levels of assurance provided by the business operations and oversight functions.

Assurance statements are completed and owned by individual directorates and are summarised in an assurance map. These should be updated alongside risk registers as new information emerges e.g. changes in KPIs, new audit reports, etc. The format of the statement and the map are included at Annexes E and F respectively.

Directorates will submit their assurance maps to the Business Assurance Team on a quarterly basis alongside their risk register. These will then be collated for review at the Delivery Board.   The Business Assurance Team will provide a standard template for

Directors to complete an assurance report which will form part of the year end reporting and inform the Annual Governance Statement.

4. Risk Management in Committee Reports

A standard template exists for reports prepared for submission to Cabinet, Committees and Sub-Committees. This contains a requirement that risks and opportunities to the Council have been considered. Officers should ensure that all reports and plans present both the upside of a decision (opportunities) and the potential downside of a decision and its implementation (risks). These two aspects should be challenged appropriately in the respective meetings.

Annexe A: Risk Register Template [This is the format for the corporate risk register. Options are being considered for enhancing the format of risk registers used within each directorate so that they capture the right information and are easier to use.]

Risk No.	Description of the risk	CCMT Owner	Current Controls	Current Risk Score			Actions to Achieve Target	Target Risk Score			Current status
				I	L	Score		I	L	Score	
CRR xx	A well-defined risk will have: • a cause - the situation or fact that gives rise to the unwanted event • an event - the unwanted event that could happen • an impact - the effect or result of the event happening. • e.g. There is a risk that the council's information is lost, stolen or damaged (event) due to inadequate controls in place to identify and respond to cyber-attacks (cause) leading to a catastrophic impact on the council's ability to function, damage to reputation and public perception and possible breaches of laws and regulations with potential fines of up to £500,000 (impact)		•				•				•

Annexe B: Sources of Risk

This is by no means an exhaustive list but is intended to prompt some thoughts as part of risk identification activities.

	Sources of Risk	Risk Considerations
STRATEGIC	Political	• Changes in Government policy • National or local political pressures
	Economic	• Economic downturn – prosperity of local businesses/ local communities • Ability to deliver value for money
	Social	• Demographic changes • Crime and disorder, health inequalities, safeguarding issues
	Technology	• Ability to respond to changing demands • Obsolescence of existing technology
	Legislation	• Changes in UK or EU legislation • Legal challenges or judicial reviews
	Environment	• Climate change • Recycling, green issues, energy efficiency, land use and green belt issues

	Sources of Risk	Risk Examples
OPERATIONAL	Finance	• Budgetary pressures • System/ procedure weaknesses
	People	• Loss of key staff, recruitment, retention & development issues • Communication and consultation during transformation
	Partnerships and Contracts	• Delivery of services to agreed cost and specification • Clarity of roles and relationships
	Physical Assets	• Safety and security of land, buildings and equipment • Control of IT hardware
	Process	• Poor quality/ reduced service delivery • Confidentiality, integrity and availability of information
	Resilience	• Emergency preparedness/ business continuity

Annexe C: Risk Assessment Criteria

The following tables should be used to assess and prioritise risks to ensure that resources are focused accordingly.

LIKELIHOOD MEASURES

	Unlikely 1	Possible 2	Likely 3	Very Likely 4
Probability	**Less than 10%** chance of circumstances arising	**10% to 40%** chance of circumstances arising	**41% to 75%** chance of circumstances arising	**More than 75%** chance of circumstances arising
Timescale	It is **unlikely** to occur	Possible in the **next 3 or more years**	Likely to occur in the **next 1-2 years**	Occurred in the **past year** or is very likely to occur in the **next year**

IMPACT MEASURES

	Insignificant 1	Minor 2	Moderate 3	Major 4	Most Severe 5
Financial	Financial loss less than £500k in a year or negative variance against annual revenue or capital budget	Financial loss up to £1m in a year or negative variance against annual revenue or capital budget	Financial loss up to £1.5m in a year or negative variance against annual revenue or capital budget	Financial loss up to £2m in a year or negative variance against annual revenue or capital budget	Financial loss over £2.5m in a year or negative variance against annual revenue or capital budget
Reputation	A few minor complaints and/or minimal local media attention	A number of complaints but minimal local media attention	Extensive adverse local media attention	Extensive national media attention or sustained local media attention	Ministerial intervention and/or public enquiry with sustained national media attention
Service Delivery	Limited disruption to services	Short term disruption to services that do not directly affect vulnerable groups	Loss of services that do not directly affect vulnerable groups	Significant disruption of services directly affecting vulnerable groups	Loss of services directly affecting vulnerable groups
Health & Safety	Low level of minor injuries	High level of minor injuries	Low level of serious injuries	High level of severe injuries	Long-term injury, illness or fatality

Risk Assessment Criteria – Projects

The following tables should be used as a guide for project sponsors and project teams to establish criteria for assessing and prioritising risks. Specific criteria must be established at the outset dependant on the specific nature and length of the project.

	Unlikely 1	Possible 2	Likely 3	Very Likely 4
Probability	**Less than 10%** chance of circumstances arising over the life of the project	**10% to 40%** chance of circumstances arising over the life of the project	**41% to 75%** chance of circumstances arising over the life of the project	**More than 75%** chance of circumstances arising over the life of the project
Timescale	It is **unlikely** to occur	Possible in the **next 3 or more months**	Likely to occur in the **next 1-2 months**	Very likely to occur in the **next 4 weeks**

	Insignificant 1	Minor 2	Moderate 3	Major 4	Most Severe 5
Time *	Limited impact on project delivery timescales	Some delay in the delivery of a non-critical milestone	Extended delay to delivery of a non-critical milestone	Short delay to the delivery of a critical milestone	Extended delay to the delivery of a critical milestone
Cost **	Less than 10% impact on the risk margin or, where this is not defined, less than 10% impact on the overall cost of project delivery	10 – 40% impact on the risk margin or, where this is not defined, 1 to 4% impact on the overall cost of project delivery	40 – 70% impact on the risk margin or, where this is not defined, 4 to 7% impact on the overall cost of project delivery	70 – 100% impact on the risk margin or, where this is not defined, 7 to 10% impact on the overall cost of project delivery	100% impact on the risk margin or, where this is not defined, more than 10% impact on the overall cost of project delivery
Quality ***	Minor impact on secondary functions or deliverables of the project	Minor impact on overall functionality or deliverables of the project	Some impact in key functional areas or key deliverables of the project	Significant Severe impact on the overall functionality or deliverables of the project	Severe impact on the overall functionality or deliverables of the project

Notes:

* The specific evaluation of timescale impacts will be determined by the length of the project and the criticality of the milestones in terms of what is at stake e.g. are staff leaving the organisation on a specific date, is a system being de-commissioned on a specific date, is there a legislative requirement, etc.? It will also depend upon the tolerances established when the plan is baselined.

** A risk margin should be agreed at the outset which is appropriate to the scale and complexity of the project. The specific percentages agreed in respect of impact to the overall cost of delivery may also depend on the source of funds for the project.

***The quality criteria for the project should be clearly defined at the planning stage so that the impact criteria applied are relevant to the sponsor's requirements.

Annexe D: Risk Escalation Criteria

The results of the assessment determine the escalation criteria and frequency of review as follows:

IMPACT	Unlikely 1	Possible 2	Likely 3	Very Likely 4
Most Severe 5	5	10	15	20
Major 4	4	8	12	16
Moderate 3	3	6	9	12
Minor 2	2	4	6	8
Insignificant 1	1	2	3	4

LIKELIHOOD

Current Risk Level and Score	Frequency and level of Risk Review
High 15-20	These are significant risks which may have a serious impact on the Council and its objectives if not managed. They should therefore be visible to Directors and **reviewed on at least a quarterly basis** as part of business performance reporting to CCMT.
Medium 8-12	These are risks which have the capability to cause some disruption to the Council if not managed appropriately. They should be visible to Heads of Service and **reviewed on at least a quarterly basis.**
Low 1-6	These risks may not further action at this point in time but need to be monitored to ensure that there are no changes in circumstances which would lead to the risk score changing. They should be visible to Heads of Service and **reviewed on at least a 6-monthly basis.**

Annexe E: Assurance Statement Template

Assurance Statement for *Critical Service*

Service Manager:

Deputy Director:

Overview

This section should describe:

- *The purpose or aim of the service and why it is critical for the Council*
- *The budget associated with the service*
- *The number of service users*

Control Environment

This section should describe:

- *The internal and external standards which apply to the area including any significant changes made in the last 12 months*
- *The governance forums and oversight provided over activities relating to your area*
- *The limits of authority in the business area and the circumstances in which you would expect concerns to be escalated to you or your team*
- *The skills required for managing activities in this area and any resourcing issues either current or envisaged?*

Risk Assessment

This section should describe:

- *The key objectives relating to this area*
- *The key risks to the achievement of those objectives*
- *Any material changes in the external environment or the business operating model which have, or may, alter the risk profile relating to this area*
- *Whether there are any fraud risks relating to this area*

Control Activities

This section should describe:

- *What are the main preventive and detective controls established to mitigate risks to the achievement of objectives (e.g. approvals, verifications, reconciliations, business performance reviews)*
- *Whether appropriate segregation of duties exists and, if not, what compensating controls exist*

Information & Communication

This section should describe:

- *The key information from internal or external sources which is used or generated to give confidence that the area is well managed*
- *The main systems in use and the methods by which data is controlled and verified*
- *Key information provided to external sources about the operation of internal control*

Monitoring Activities

This section should describe:

- *Any evaluations which are undertaken regularly to provide information about the effectiveness of controls*
- *How findings from these evaluations are considered, communicated and corrected*

Control Weaknesses:

- *List any issues raised during the discussion about weaknesses in the design or operation of controls*

Assurance:

- *List any issues raised during the discussion where assurance activity reveals concerns over the effectiveness of delivery*

Signed:

_____   _____
Service Manager   Deputy Director

Annexe F: Assurance Map Template

Critical Service	Components of Service	Owner	Summary	Process Inherent Risk	Sources of Assurance				Comments
					Control Design	Operation of Controls			
						1st Line	2nd Line	3rd Line	
				High	Strong	High	High	High	
				Medium	Moderate	Medium	Medium	Medium	
				Low	Ineffective	Low	Low	Low	

Key to Control Design

Strong	Control is well designed and provides a reliable source of assurance
Moderate	Control is sufficiently well designed to provide some assurance but requires improvement
Ineffective	Control is not sufficiently well designed to provide reliable assurance

Key to Assurance:

High	Substantial assurance provided over effectiveness of controls
Medium	Some assurances in place or controls are still maturing so effectiveness cannot be fully assessed at this time
Low	Assurance indicates poor effectiveness of controls