

Appendix 4: Basis of Audit Assessment

Level of Assurance	Description
<i>The level of assurance is an auditor judgement applied using the following criteria</i>	
Substantial	Sound system of governance, risk management and control. Issues noted do not put the overall strategy / service / system / process objectives at risk. Recommendations will be moderate or minor.
Reasonable	Areas for improvement in the system of governance and control, which may put the strategy / service / system / process objectives at risk. Recommendations will be moderate or a small number of significant priority.
Limited	Significant areas for improvement in important aspects of the systems of governance and control, which put the strategy / service / system / process objectives at risk. Recommendations will be significant and relate to key risks.
No	An absence of effective governance and control is leaving the strategy / service / system / process open to major risk, abuse or error. Critical priority or a number of significant priority actions required.

Priority	Assessment Rationale		
<i>The priority assigned to recommendations is an auditor judgment applied using an assessment of potential risk in terms of impact and likelihood.</i>			
Critical	Significant	Moderate	Minor
Actions < 3 months	Actions < 6 months	Actions < 12 months	Management discretion
<ul style="list-style-type: none"> • Impact on corporate governance • Life threatening / multiple serious injuries or prolonged work related stress • Severe impact on service delivery • National political or media scrutiny • Possible criminal or civil action • Failure of major projects • SMT required to intervene. • Statutory intervention triggered. • Large (25%) impact on costs/income • Impact on the whole Council. 		<ul style="list-style-type: none"> • Some impact on service governance • Some risk of minor injuries or workplace stress • Impact on service efficiency • Internal or localised external scrutiny • Procedural non-compliance • Impact on service projects • Handled within Service • No external regulator implications • Cost impact managed at Service level • Impact on Service or Team 	