

## Appendix 4: Basis of Audit Assessment

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