

Risk Assessment Criteria

Risk Type	Financial Risk	Strategic Risk	Fraud Risk	Change Risk	Oversight Risk	Exposure Risk	Audit knowledge
Full Risk Description	<i>Failure will undermine the Council's financial position</i>	<i>Failure will prevent strategic goal or mitigation of strategic risk</i>	<i>Victim to fraud or corruption (internal or external)</i>	<i>Subject to change leaving it vulnerable to failure</i>	<i>Failure not be identified or addressed by agencies other than internal audit</i>	<i>Failure will materially damage the Council's standing</i>	<i>Findings from previous audits which increase the risk of service failure</i>
Indications of highest risk (4)	Fundamental levels of income or expenditure at stake (£5m+)	Specific service goals integral to overall Council achievement	High volume of transactions with systemic risk of loss	Subject to major fundamental forced change.	Not subject to significant external scrutiny.	Significant interactions, high level of public interest.	Recent history of adverse opinions
Indications of raised risk (3)	Significant levels of income or expenditure at stake (£1m+)	Service supports Council goal but together with other services	Moderate transaction volume with some identified weaknesses.	Service has decided to undergo major fundamental change.	Professional standards exist but no clear external review mechanisms.	Wide range of public interactions but limited public interest.	Mixed recent history, weak responses/no relevant history
Indications of moderate risk (2)	Material levels of income or expenditure at stake (£0.5m+)	Service plays minor direct contribution together with other services	Low transaction volume, few identified weaknesses	Significant change expected in operations.	Review body exists, but remote or risk based oversight only	Limited or minor public interest or interactions.	Good recent record but weak responses
Indications of lower risk (1)	Non material levels of income or expenditure at stake (<£0.5m)	No direct link to strategic objectives, but overall supporting role	No significant fraud exposure	No significant change anticipated.	Subject to regular or continuing external review and scrutiny.	Mainly back office with few public interactions.	Good recent record with prompt response