



devon **audit** partnership

# Draft Internal Audit Report

## Schools Forum and Use of DSG

### Children's Services Torbay Council

*July 2017*

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## **Confidentiality and Disclosure Clause**

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This report is protectively marked in accordance with the National Protective Marking Scheme. Its contents are confidential and, whilst it is accepted that issues raised may well need to be discussed with other officers within the organisation, the report itself should only be copied/circulated/disclosed to anyone outside of the organisation in line with the organisation's disclosure policies.

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## 1 Introduction

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The dedicated schools grant (DSG) provides funding to Local Authorities for the schools they manage. The DSG is split into three blocks: the schools block, the high needs block and the early years block. These blocks are notional, and local authorities and Schools' Forum are able, following consultation to move funds between them.

However, there is a potential change to 'hard funding' where local authorities Schools' Forum will no longer be able to freely move funds between blocks, hence an evaluation of the processes in this area is important to ensure compliance with these potential future changes to grant requirements.

## 2 Audit Opinion

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**Improvements Required** - In our opinion there are a number of instances where controls and procedures do not adequately mitigate the risks identified. Existing procedures need to be improved in order to ensure that they are fully reliable. Recommendations have been made to ensure that organisational objectives are not put at risk.

## 3 Executive Summary

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There are a number of processes in operation which align to expected practice and associated guidelines. Forum meetings are reasonably well attended by the educational community and the Local Authority (LA), with a good level of information provided by the LA to forum members to allow preparatory review, scrutiny and challenge. However, we found little evidence of engagement from the education community via their representatives feeding into the meetings. Challenge and associated decision making is not appropriately recorded and is itself at risk of subsequent challenge and potential invalidation.

As required by associated guidance, forum documentation is available publicly on the Torbay website; however the information was very difficult to locate and therefore not easily accessible. In our opinion, it would benefit from a more structured dedicated communications provision that is well signposted so to be visible to the public.

Although budget information provided to the forum by the LA is comprehensive, it is in effect short term and does not currently provide a means for long term forecasting and planning. Whilst the forum challenges budget positions, the timeliness of remedial action in relation to a significant increase in overspend was, in our opinion, insufficient. It did not provide a mechanism by which the overspend could be effectively managed within an appropriate timescale.

The detailed findings and recommendations regarding these issues and less important matters are described in the Appendices. Recommendations have been categorised to aid prioritisation. Definitions of the priority categories and the assurance opinion ratings are also given in the Appendices to this report.

## 4 Assurance Opinion on Specific Sections

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The following table summarises our assurance opinions on each of the areas covered during the audit. These combine to provide the overall assurance opinion at Section 2. Definitions of the assurance opinion ratings can be found in the Appendices.

Areas Covered		Level of Assurance
1	Allocation and monitoring of the DSG by the Schools Forum	Improvements Required
2	Financial monitoring of the DSG by the LA, leading to overspend.	Good Standard

The findings and recommendations in relation to each of these areas are discussed in the "Detailed Audit Observations and Action Plan" appendix. This appendix records the action plan agreed by management to enhance the internal control framework and mitigate identified risks where agreed.

## 5 Issues for the Annual Governance Statement

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The evidence obtained in internal audit reviews can identify issues in respect of risk management, systems and controls that may be relevant to the Annual Governance Statement.

In terms of this review, we are able to report that there are no issues arising from the examination of systems and controls that warrant inclusion in the annual Governance Statement.

## 6 Scope and Objectives

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The audit has been undertaken based on the areas discussed during the scoping meeting with the client department. The audit focussed upon and provided opinion based findings regarding the effectiveness of the following:

- Allocation and monitoring of the DSG by the Schools Forum;
- Financial monitoring of the DSG by the LA, leading to overspend.

We evaluated the in relation to compliance with the Education Funding Agency: Schools' Forum Operational and Good Practice Guide and the Schools' Forums (England) Regulations 2012.

We reviewed the operational practices of the schools forum to ensure that the requirements stated in the document 'Schools' Forum operational and good practice guide' were being adhered to. We attended a Schools' Forum meeting to evaluate and evidence the discussions and actions identified.

## **7 Inherent Limitations**

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The opinions and recommendations contained within this report are based on our examination of restricted samples of transactions / records and our discussions with officers responsible for the processes reviewed.

## **8 Acknowledgements**

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We would like to express our thanks and appreciation to all those who provided support and assistance during the course of this audit.

**Robert Hutchins**  
**Head of Partnership**

**Appendix A**

**Detailed Audit Observations and Action Plan**

1. Area Covered: Allocation and monitoring of the DSG by the Schools Forum	Level of Assurance
<p><b>Opinion Statement:</b></p> <p>The Forum utilises the 'Schools forums operational and good practice guide, Oct 2013' as guidance, this being the latest guidance available.</p> <p>Forum meetings are appropriately scheduled to align with DSG dates, the frequency of which aligns to the regulations. In our opinion the meetings are generally well attended by forum members, in particular, good Local Authority (LA) representation was evident, providing explanations and responses to member questions. Any gaps in representation of the educational community are identified and where necessary, sourced. We did however note that forum members were leaving prior to the end of the meeting with no apparent record of this being made, thus potentially impacting required quorum levels and the robustness and validity of decisions. Although discussion and challenge by forum members was evident, decisions and agreements are not formally voted upon nor adequately recorded within the meeting minutes, compounding the risk of decisions being invalid and open to further challenge. It was pleasing to note that information was distributed to forum members prior to meeting dates, in the form of an agenda pack. This contained financial information from the local authority regarding the DSG and a report from the Post 16 working group, allowing member's time for preparatory review and scrutiny, and therefore prepared challenge within the meeting framework. However, we found little evidence of engagement from the education community via their representatives feeding into the meeting.</p> <p>Terms of Reference for the Forum have been previously defined, however as we could not evidence any current terms detailing roles and responsibilities specific to members our opinion is that these are not currently sufficient and would benefit from review and update to reflect the current forum structure and membership.</p> <p>Of concern is the DSG overspend for 16/17 which is significantly higher than expected, with the 17/18 budget also predicted to overspend. In our opinion the forums actions to respond to the increased overspend were significantly delayed and potentially impacted the effectiveness of any remediating activity. We understand that this is now being addressed by the Forum and the LA through use of reserves, and formulation of a working group. In our opinion a more proactive budget planning and monitoring approach would provide a more robust financial framework for future years forecasting.</p> <p>Within the guidance there is a requirement for forum papers and information to be published in advance of meeting; although these are available to members via the agenda packs, our findings suggest that there is an insufficient level of communication with the public and the educational community as a whole. Information is available on the council's website however this is difficult to locate and therefore not easily accessible for the public. The dedicated webpage should provide the required framework within which information can be publicly shared and where engagement from relevant parties can be facilitated; and further provide a means to ensure compliance with the associated guidance.</p>	<p><b>Improvements Required</b></p>

No.	Observation and implications		
1.1	<p>Documents relating to a Schools' Forum meeting on the 6th December 2012 were located on the Torbay Internet by the Auditor, subsequently a dedicated schools forum webpage on the Torbay Internet was provided for review by the forum's Clerk. Although additional information was included on the webpages, a Terms of Reference was not located.</p> <p>In order for the forum to operate effectively and efficiently, an up to date Terms of Reference specific to the Torbay schools forum, setting out the operational practices and procedures, as required by The Schools' Forum operation and good practice guide Oct 2013, is required.</p>		
	Recommendation	Priority	Management response and action plan including responsible officer
1.1.1	<p>Terms of reference (TOR) should be completed in order to define the purpose and structure of the Torbay Schools Forum. They should contain clear and specific information on how the forum is organised and what they are trying to achieve, the following areas should be included:</p> <ul style="list-style-type: none"> <li>• purpose of the Forum;</li> <li>• meetings/timings;</li> <li>• roles and responsibilities;</li> <li>• membership/composition;</li> <li>• operation;</li> <li>• quorum;</li> <li>• voting;</li> <li>• declarations of Interest;</li> <li>• review frequency.</li> </ul>	High	<p><b>Response</b>  <i>The majority of the items listed are already included within the current Standing Orders.</i></p> <p><b>Action</b>  <i>Re-name the document to "Standing Orders and Terms of Reference" and review to include all items listed are included.</i></p> <p><i>Add a reference to the roles and responsibilities of members.</i></p> <p><b>Responsible Officer</b>  <i>Rachael Williams</i></p>
No.	Observation and implications		
1.2	<p>The Local Authority provide the forum members with documentation regarding the DSG budget, which is sent to forum members by the Clerk in the School Forum attendance pack together with the working group reports, prior to the meetings to enable the members to review them.</p> <p>The LA was also well represented at the meeting attended by the Auditor, to provide explanations to the documents provided and to answer any questions put forward by forum members. However, there was a lack of responding information and discussion emanating from forum members in relation to the groups they represent.</p>		

	Recommendation	Priority	Management response and action plan including responsible officer
1.2.1	Forum members should be proactive in raising the profile of issues from their represented group within the forum meetings. Discussions regarding any issues/questions, etc. from their represented group should be raised at the forum meetings and recorded in the minute for review. To ensure responsibilities and processes for communication with represented groups are clear they should be set out in a Terms of Reference.	High	<p><b>Response</b>  <i>The meeting observed by the Auditor was a snapshot of the annual cycle of forum meetings. The particular meeting attended was led by the officers due to the financial technical reports being discussed. Attendance at a variety of forum meetings would demonstrate the level of engagement of members.</i></p> <p><b>Action</b>  <i>Ensure the review of the Terms of Reference takes into consideration the recommendations that a members responsibility will be to seek the views of their group.</i></p> <p><i>Ensure that the minutes reflect the detailed discussions conducted at the meeting.</i></p> <p><b>Responsible Officer</b>  <i>Rachael Williams / Mike Freeman</i></p>
No.	Observation and implications		
1.3	<p>Minutes are not adequately reflecting discussions and challenges at the forum meetings, nor record any votes by members to decisions or agreements.</p> <p>In addition, numerous members left the meeting prior to the end and this has not been recorded in the minutes.</p>		
	Recommendation	Priority	Management response and action plan including responsible officer
1.3.1	<p>The meeting minutes should clearly record the level of challenge and discussion of each of the agenda items. They should provide a sense of the discussions held and the options presented at the meeting to non-attendees and then clearly record the conclusions and action agreed in relation to each of the agenda items.</p> <p>It is important to accurately record in the minutes when forum members leave a meeting. This could potentially impact on whether the quorum</p>	High	<p><b>Response</b>  <i>The recommendation is accepted.</i></p> <p><b>Action</b>  <i>Ensure that minutes provide more detailed summaries of points raised in discussions leading to a decision.</i></p>



	was breached in relation to any decisions, approvals and agreements made at the meeting.		<i>Minute any early departures.</i>  <b>Responsible Officer</b> <i>Mike Freeman</i>
No.	Observation and implications		
1.4	<p>Formal agreement/approval to agenda items by the Forum members was not evidenced at the meeting attended by the Auditor, a more informal approach was observed.</p> <p>Due to the decisions and approvals that are required by the forum it is important that there is a formal approval or agreement to decisions to ensure clarity in the process as required in the Schools Forum operational and good practice guide.</p> <p>Members of the Forum can be asked to agree proposals from the Local Authority that will have an effect on all Educational establishments in the Torbay area therefore it is essential that the procedures for formal votes are established and adhered to.</p>		
	Recommendation	Priority	Management response and action plan including responsible officer
1.4.1	<p>Clear votes should be taken in relation to recommendations and decisions.</p> <p>To ensure clarity in the voting process it is important to document the procedures for making decisions. There is the opportunity to include these as part of the Forums Terms of Reference.</p>	High	<p><b>Response</b> <i>Voting is used at Forum but was not used as part of the observed meeting. Voting procedures is currently within the standing orders this needs to form part of the terms of reference.</i></p> <p><b>Action</b> <i>Ensure voting procedures remain in the revised standing orders and terms of reference.</i></p> <p><i>Use voting more often and record outcome in minutes.</i></p> <p><b>Responsible Officer</b> <i>Mike Freeman</i> <i>Roger Hughes</i></p>
No.	Observation and implications		
1.5	The schools forum meets five times per year which is in accordance with the requirements in the practice guide. A significant increase in the overspend amount was identified by the LA however the School Forum members did not meet until the scheduled June meeting, this resulted in a		

	delay to decisions and remediating actions, where in our opinion more immediate action was required.		
	Meeting are usually approximately 1 hour, with the meeting attended by us being approximately 2 hours. A number of forum members had to leave part way through the meeting. It would have been prudent to inform members well in advance of the meeting that it would be a longer meeting, as there was the budget overspend that needed to be discussed which was a change to the overspend reported in the March meeting.		
	Recommendation	Priority	Management response and action plan including responsible officer
1.5.1	<p>Due to the overspend reported in March significantly increasing from the £404,000 forecast to £834,597 an urgent/unscheduled meeting should have been called by the Schools Forum . Leaving the discussions until the June meeting has meant that there was insufficient time for decision by the Forum to be made and a working group had to be set up to manage and make decisions required on the overspend.</p> <p>In addition, due to the known overspend issue that needed to be discussed at the June meeting, and as an urgent meeting had not been scheduled, extra time should have been allocated to this meeting and advanced notice given to ensure that all members of the forum could attend the entire meeting.</p>	High	<p><b>Response:</b> <i>The usual duration of a meeting had been between one and a half hours and two hours.</i></p> <p><b>Actions:</b> <i>Local Authority to notify the chair early in the circumstances of significant and unexpected events. Chair to consider e-mail discussion or an extra meeting.</i></p> <p><i>Indicate anticipated length of meeting on the agenda.</i></p> <p><b>Responsible Officers:</b> <i>Rachael Williams Roger Hughes</i></p>
No.	Observation and implications		
1.6	<p>Plans had been put in place to address budget overspend in 2016/17 by use of the reserve funds. However, the overspend had significantly increased to £834,597 from the figure of £404,000 reported in March 2017.</p> <p>In addition, a budget overspend is also predicted for 17/18 which has been addressed by the Local Authority. Although difficult to predict, due to DfE mechanisms, long term financial planning should be completed..</p>		
	Recommendation	Priority	Management response and action plan including responsible officer
1.6.1	It is recommended that more long term budget projections are developed and requested from the LA for monitoring by the Forum. This will enable the forum to scrutinise future budgets and identify savings in the long term, therefore avoiding having to make immediate budgets decision as is currently required.	High	<p><b>Response</b> <i>The un-anticipated overspend was driven by a factor that could have been anticipated, but could not quantified. Provision of nursery places is a statutory requirement which is not fully funded by the DfE. Creating long term budgets to respond to factors over which the Local Area has no control is not possible.</i></p>

			<p><i>Where information is known the long term budget projections can be formed, however it should be noted that national funding reform limits the projected budgets given to the Local Area.</i></p> <p><b>Action</b>  <i>The Forum is calling together a working party to develop and monitor a Recovery Plan for costs associated with High Needs Pupils.</i></p> <p><b>Responsible Officer</b>  <i>Rachael Williams and the Working party members</i></p>
No.	Observation and implications		
1.7	The forum received an update on National Fair Funding (NFF) from the LA, however, actions required by the forum were not discussed and there was no feedback provided from the educational community via their representatives at the meeting. With the government planning to introduce 'hard funding' it is important that the forum monitor the situation and identify actions required before the hard funding is implemented.		
	Recommendation	Priority	Management response and action plan including responsible officer
1.7.1	<p>The forum members should be communicating the budget pressures with the educational groups they are representing and reporting any feedback at the forum meetings. By including the Local area, ideas, savings and opportunities can be identified and discussed at forum meetings, which could contribute to balanced budgets and prepare for the possibility of the hard funding blocks in the future.</p> <p>For example, forum members have identified that the area of pupil exclusions are well managed within some schools without the need for a pupil placement, which can be very costly. By identifying and sharing areas of good practice the local area educational community could potentially contribute to better management of budgets within the individual funding blocks.</p>	High	<p><b>Response</b>  <i>The update on the National Fair Funding was a report of a speech made by the Secretary of State in Parliament a couple of days earlier. There were no opportunities for feedback from education communities as this was new information.</i></p> <p><i>Working groups outside the forum are responsible for the identification of good practice and cascading information. The Local Area has conducted work to change culture within individual establishments. This is a challenge to all local authorities as the diverse range of provision created through national education reform (academies, free schools) limits the position to one of influence rather than control.</i></p> <p><b>Action</b>  <i>The Higher Needs Recovery Group terms of reference will include the identification of good practice.</i></p>

			<p><i>Implement the actions in section 1.2.1 (Terms of Reference, Roles and Responsibilities)</i></p> <p><b>Responsible Officers</b> <i>Rachael Williams and working party members</i></p>
No.	Observation and implications		
1.8	<p>Communications by Forum members with their educational community, as required in the practice guide, could not be identified, or was not made available at the time of the audit and therefore is not currently deemed effective. The practice guidance states that 'communications to the wider educational community of the discussions and debates of and decisions made by schools forum is fundamental to their effective operation'. Although some documentation relating to the schools forum is evident on the Torbay website, such as agendas and meeting minutes, there is no dedicated schools forum webpage that includes up to date information about the forum, meeting dates, members, contact details, etc.</p>		

	Recommendation	Priority	Management response and action plan including responsible officer
1.8.1	<p>Forum members should be reporting back to their represented areas to ensure good open channels of communication are being achieved. The members should report what needs to be achieved, decisions made and the outcomes of the forums meetings. By involving the educational community it means that they are aware of the budget pressures being faced and potentially how they could contribute to ideas to address any future overspend.</p> <p>Section 2.36 of the practice guide includes how the forum members could consider communicating with the community. It is a requirement that information relating to the schools forum is publicly available.</p>	High	<p><b>Response</b> <i>The Chair was not consulted as part of this audit and as such the auditor did not gain a full picture of the communication that takes place from Forum.</i></p> <p><i>The Chair communicates by email to all schools, giving information about relevant outcomes and decisions of the Forum. The Chair also alerts all schools to upcoming important decisions that the Forum has to make.</i></p> <p><b>Action</b> <i>See 1.2.1 (ToR Roles and Responsibilities)</i></p> <p><i>See 1.9.1 below (Dedicated website)</i></p> <p><b>Responsible Officer</b></p>

			<i>Rachael Williams Roger Hughes</i>
No.	Observation and implications		
1.9	<p>Information regarding the schools forum can be found on the Torbay website, however the documentation held is difficult to locate on the website..</p> <p>It is a requirement for the schools forum to be open to the public. Papers, agendas and minutes must be publicly available well in advance of the meeting. Best practice is that notification of and provision of papers regarding the meetings are published on the website at least a week in advance. The practice guide states 'The publishing of papers and agendas well in advance of the meeting and minutes published promptly is required under Regulation 8(13) of the Schools Forum Regulations 2012.</p>		
	Recommendation	Priority	Management response and action plan including responsible officer
1.9.1	<p>The Schools Forum area on the Torbay Council website should be made more accessible and clearly signposted for public review. All papers, documentation and information regarding the forum including its roles and responsibilities and contact details, as required by the practice guide, should be made available. Many local authorities dedicated Schools Forum websites post key information for members and any other interested parties and can be reviewed for ideas regarding the information included on the Torbay Forum web page.</p>	High	<p><b>Response</b> <i>It is accepted that recent changes to the council website has resulted in information being limited and hard to locate.</i></p> <p><b>Action</b> <i>Local Authority to provide a dedicated School Forum Web Page that is accessible and inclusive of all relevant information.</i></p> <p><b>Responsible Officer</b> <i>Rachael Williams / Mike Freeman</i></p>
No.	Observation and implications		
1.10	<p>It has been identified that not only is it an opportunity but also a requirement for the forum to communicate with the educational community and any other interested parties.</p> <p>In addition, the forum may want to consider the following to engage the local area in the DSG allocation process -</p> <ul style="list-style-type: none"> <li>• Termly newsletters - these could be published on the website or presented to the Head teachers meetings;</li> <li>• Contact with other LA Schools Forum groups and/or consider establishing a 'South west forum group' to share good practice;</li> <li>• Sharing good practice within the educational community in the Local area;</li> <li>• Online bulletin boards, so suggestions, contacts and questions can be gained from the community;</li> <li>• Utilisation of technology such as face time, Skype, etc to maximise communication.</li> </ul>		

	Recommendation	Priority	Management response and action plan including responsible officer
1.10.1	The forum should take full advantage of all opportunities to raise the profile of the Schools forum and encourage the local area to engage with them.	Medium	<p><b>Response</b>  <i>Forum have strong relationships with the sector they represent, however it is accepted that a more detailed communication strategy and engagement process would raise the profile.</i></p> <p><b>Action</b></p> <p><i>See 1.8.1 (Chair send info to all schools)</i></p> <p><i>Arrange for Forum to receive the “Schools’ Forum Operation and Good Practice Guide Revised September 2017”.</i></p> <p><i>Forum to discuss the possible implementation of other opportunities to raise the profile of its work.</i></p> <p><b>Responsible Officer</b>  <i>Rachael Williams</i>  <i>Roger Hughes</i></p>

<b>2. Area Covered:</b> Financial monitoring of the DSG by the LA, leading to overspend.		<b>Level of Assurance</b>	
<b>Opinion Statement:</b> Budget plans are completed by the LA for the current financial year and are monitored on a consistent basis by the LA. The current budget and any associated changes are provided to Forum members prior to the meetings within the agenda attendance pack. The packs are issued and then discussed in detail by the LA representative at the Forum meetings thus providing opportunity for review and challenge.  The DSG budget has overspent in the previous year (2016/17) for the first time in Torbay and a deficit has been identified in the current year's budget 2017/18. As noted in 1.5 and 1.6 above, the short term budget planning process did not provide a stringent enough framework by which the budget overspend could be effectively addressed.  There were numerous issues which compounded this issue andn our opinion a longer term budget planning process which provide an improved framework to pro-actively address the areas of overspend. Although we appreciate that long term budgeting is made difficult due to the Department for Education (DfE) allocation mechamisms, consideration and implementation of this approach at this stage would also provide an opportunity for some preparatory work to consider the implications and actions of the loss of provision to move funds between funding blocks were 'hard funding' to be enforced by 2020.		<b>Good Standard</b>	
No.	Observation and implications		
2.1	Accounting records are maintained for the current year only. For the years 2016/17 there was, for the first time, overspend in the DSG within the higher needs and early years funding blocks. We understand that this is not specific to Torbay and is a national issue. The main issues identified are the additional in year requests for EHC Plans and the uptake of the 30 hours free nursery places.  The predicated overspend in the 2017/18 budget also needs to be addressed.		
	Recommendation	Priority	Management response and action plan including responsible officer
2.1.1	The LA could further enhance the budget planning processes by constructing a three year budget plan. The plan can then be presented to the Schools Forum at all meetings to examine each element of funding and to review and discuss long term funding models in order to identify actions required and any potential saving scenarios.	High	See 1.6.1

## Definitions of Audit Assurance Opinion Levels

Assurance	Definition
High Standard.	The system and controls in place adequately mitigate exposure to the risks identified. The system is being adhered to and substantial reliance can be placed upon the procedures in place. We have made only minor recommendations aimed at further enhancing already sound procedures.
Good Standard.	The systems and controls generally mitigate the risk identified but a few weaknesses have been identified and / or mitigating controls may not be fully applied. There are no significant matters arising from the audit and the recommendations made serve to strengthen what are mainly reliable procedures.
Improvements required.	In our opinion there are a number of instances where controls and procedures do not adequately mitigate the risks identified. Existing procedures need to be improved in order to ensure that they are fully reliable. Recommendations have been made to ensure that organisational objectives are not put at risk.
Fundamental Weaknesses Identified.	The risks identified are not being controlled and there is an increased likelihood that risks could occur. The matters arising from the audit are sufficiently significant to place doubt on the reliability of the procedures reviewed, to an extent that the objectives and / or resources of the Council may be at risk, and the ability to deliver the service may be adversely affected. Implementation of the recommendations made is a priority.

## Definition of Recommendation Priority

Priority	Definitions
High	A significant finding. A key control is absent or is being compromised; if not acted upon this could result in high exposure to risk. Failure to address could result in internal or external responsibilities and obligations not being met.
Medium	Control arrangements not operating as required resulting in a moderate exposure to risk. This could result in minor disruption of service, undetected errors or inefficiencies in service provision. Important recommendations made to improve internal control arrangements and manage identified risks.
Low	Low risk issues, minor system compliance concerns or process inefficiencies where benefit would be gained from improving arrangements. Management should review, make changes if considered necessary or formally agree to accept the risks. These issues may be dealt with outside of the formal report during the course of the audit.
Opportunity	A recommendation to drive operational improvement which may enable efficiency savings to be realised, capacity to be created, support opportunity for commercialisation / income generation or improve customer experience. These recommendations do not feed into the assurance control environment.



## Confidentiality under the National Protective Marking Scheme

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Marking	Definitions
Official	The majority of information that is created or processed by the public sector. This includes routine business operations and services, some of which could have damaging consequences if lost, stolen or published in the media, but are not subject to a heightened threat profile.
Secret	Very sensitive information that justifies heightened protective measures to defend against determined and highly capable threat actors. For example, where compromise could seriously damage military capabilities, international relations or the investigation of serious organised crime.
Top Secret	The most sensitive information requiring the highest levels of protection from the most serious threats. For example, where compromise could cause widespread loss of life or else threaten the security or economic wellbeing of the country or friendly nations.