

# Cairngorms National Park Authority

## INTERNAL AUDIT REPORT

### Risk Management

August 2016

#### LEVEL OF ASSURANCE

Design	Operational Effectiveness
Moderate	Moderate



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David Cameron	Director of Corporate Services
Audit Committee	

## Restrictions of use

The matters raised in this report are only those which came to our attention during the course of our audit and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. The report has been prepared solely for the management of the organisation and should not be quoted in whole or in part without our prior written consent. BDO LLP neither owes nor accepts any duty to any third party whether in contract or in tort and shall not be liable, in respect of any loss, damage or expense which is caused by their reliance on this report.

# EXECUTIVE SUMMARY

LEVEL OF ASSURANCE (SEE APPENDIX II FOR DEFINITIONS)		SUMMARY OF RECOMMENDATIONS (SEE APPENDIX II)	
Design	 Generally a sound system of internal control designed to achieve system objectives with some exceptions.	High	
Effectiveness	 Evidence of non compliance with some controls, that may put some of the system objectives at risk.	Medium	 2
		Low	 2
		Total number of recommendations: 4	

## OVERVIEW

### Background

As part of the 2016 - 2017 Internal Audit plan, it was agreed that internal audit would review the risk management framework in place within Cairngorms National Park Authority (Cairngorms NPA) and compare this with good practice. The purpose of this review was to provide the Audit Committee with a level of assurance around the current arrangements, and provide management with advice and recommendations for improving the arrangements further.

The Board considered and approved the updated Strategic Risk Register in December 2015. The risk register was developed by management to support the delivery of the 2015 - 2018 Corporate Plan. The Strategic Risk Register format is illustrated at Appendix IV of this report. The risks defined on the risk register are aligned to the strategic priorities outlined in the Corporate Plan and are categorised into a number of key themes, which are as follows:

- 1) Resources
- 2) Government and Policy
- 3) Governance
- 4) Staff and Communications
- 5) Partnerships
- 6) Reputation

# EXECUTIVE SUMMARY

## OVERVIEW

Project risk registers are developed for all major projects, for example the A9 Dualling project, in accordance with a template provided in the organisation's Project Management Toolkit. The template enables staff to identify and assess the risks; fully consider the causes, consequences and existing and additional mitigations; set timescales for applying these; and identify any interdependencies.

Risks are assessed by Cairngorms NPA to consider the likelihood of the risk occurring and what the consequence on the organisation would be if that risk was to occur. Likelihood is categorised on a scale of 1 to 5, with one representing almost certain not to happen and five almost certain. Impact is also assessed on a scale of 1 to 5, with one representing insignificant and 5 representing catastrophic. Likelihood and consequence scores are then multiplied together to obtain a total gross risk score, which is illustrated at Appendix V of this report. The risks are then categorised as Low, Medium, High or Extreme based on the total gross risk score assessed.

The Terms of Reference of the Audit Committee outlines its responsibility for overseeing Cairngorms NPA's risk management and corporate governance arrangements. Risk management responsibilities of the Management Team (MT) and Operational Management Group (OMG) are outlined in a document which supports the OMG Terms of Reference. The responsibility for developing and overseeing the Strategic Risk Register and agreeing mitigation plans lies with the MT, in addition to developing the policy on risk and overseeing risk management. The OMG is responsible for advising on strategic risks and implementing agreed mitigation plans to manage operational project risks.

Cairngorms NPA's risk management processes are supported through reporting arrangements at a strategic and management level. The Strategic Risk Register is reviewed by the Board within a biannual Strategic Risk Management and Corporate Performance Report prepared by the Director of Corporate Services. The Board is provided with an opportunity to identify any potential strategic risks not currently included on the risk register as part of the review, in addition to commenting on the draft assessment of the risks identified and the adequacy of the proposed mitigation. The Board is also provided with an annual overview of the risk management activities in an Annual Report from the Audit Committee. In the most recent Annual report presented to the Board in September 2015, the Committee outlined its intention to oversee the implementation of the new strategic risk register tailored to the 2015 - 2018 Corporate Plan.

The reporting arrangements also include a quarterly review of the Strategic Risk Register by the Audit Committee, where members consider any updates and additional risks which should be incorporated in the Strategic Risk Register. Senior management review the Strategic Risk Register at monthly OMG meetings to consider the appropriateness of the coverage of the risk register in addition to the action being taken to manage and mitigate risk.

# EXECUTIVE SUMMARY

## OVERVIEW

### Scope and Approach

The scope of our review was to assess whether a suitable risk strategy and policy is in place and whether the structure, roles, and responsibilities for risk management are clear, including the respective roles and responsibilities of the Board, Audit Committee and Management. We assessed whether Cairngorms NPA has robust systems for identifying and evaluating all significant strategic and operational risks, and whether mitigating controls, net risk and target risk are sufficiently identified and agreed. We also assessed whether the reporting arrangements in place for risk management are appropriate and whether appropriate risk management training is being provided.

Our approach was to review key documentation in relation to risk management and interview key staff to assess whether the design of the controls is appropriate and these controls are operating effectively and as described. We also assessed these against our risk management maturity assessment model. Our summary assessment of risk management maturity is shown at Appendix VI.

### Good Practice

We are pleased to report that the roles and responsibilities for risk management of the Audit Committee and management have been clearly defined. A Strategic Risk Register is maintained and mitigating controls and actions are sufficiently identified and agreed by management. Effective reporting arrangements are in place for risk management, which include review of the Strategic Risk Register at each Audit Committee meeting and review of a Strategic Risk Management and Corporate Performance Report by the Board twice per year.

### Key Findings

Notwithstanding the elements of good practice noted above we have found areas where further improvements could be made. We have listed these improvements below:

- **Risk management policy** - Whilst a risk management policy was developed by Cairngorms NPA a number of years ago, management have advised that this document is no longer being utilised as guidance and does not reflect the current risk management process; therefore there is no current documentation of the organisation's strategy, approach and responsibilities for the management of risk across the organisation.
- **Project risk registers** - Project risk registers are developed for all major projects in accordance with a template provided in the organisation's Project Management Toolkit. However, we note that some project risk registers have not been developed in line with this template. For example, the residual risk which remains after taking account of the relevant mitigations has not been defined in some of the project risk registers reviewed as part of our audit testing.

# EXECUTIVE SUMMARY

## OVERVIEW

- **Risk Management training** - Staff with risk management responsibilities do not receive mandatory training. Whilst we recognise the team have prior experience of risk management, we are recommending that confirmation is sought that responsible staff are aware of the organisation's risk management principles and practices.
- **Risk management reporting** - There is an opportunity for management to provide the Audit Committee with a more detailed analysis of specific risks on the Strategic Risk Register on a regular basis.

### Conclusion



We are able to provide moderate assurance over the design and operational effectiveness of the controls in place relating to risk management. We consider improvements could be made by developing a risk management policy and by ensuring all project risk registers are developed using a consistent approach aligned to the Strategic Risk Register. Further improvements could be made by ensuring that staff with risk management responsibilities confirm they know and understand the organisation's risk management approach. Management should also consider providing a more detailed analysis of specific risks on the Strategic Risk Register.

We have provided management with a populated risk management maturity model, to demonstrate the current maturity status and actions which can be taken to further develop the risk management processes. We have assessed certain elements of the current risk management maturity as 'managed' and 'defined' with aspects of 'aware'. This represents average performance in the sector, reflecting that although some elements of practice are very strong, for example the detail recorded in some project risk registers, there is nevertheless a need for greater consistency and for formal documentation of the framework. The definitions used in our risk management maturity assessment model are shown at Appendix VII. The lighter shading on the model represents levels of risk maturity which the current practices satisfy elements of, but where not all elements are in place to fully satisfy the definition of that level. The model can be used by management to plan, monitor and report on risk management improvements. Internal audit will periodically review risk management maturity and assess the continuing operation of the risk management arrangements.

## RISKS REVIEWED GIVING RISE TO NO FINDINGS OF A HIGH OR MEDIUM SIGNIFICANCE

- ✓ Cairngorms NPA may not have adopted a systematic process in identifying, evaluating and measuring its key strategic and operational risks.
- ✓ Cairngorms NPA may not have adequate reporting to its committees and the Board in relation to risk management activities.


# EXECUTIVE SUMMARY

AREAS FOR IMPROVEMENT			
Ref.	Sig.	Finding Summary	Recommendation
1		<p>Whilst a risk management policy was developed by Cairngorms NPA a number of years ago, management have advised that this document is no longer being utilised as guidance and does not reflect the current risk management process.</p> <p>The project risk register template defines a risk management process structure which categorises the process into a number of key stages including risk identification, initial risk rating, evaluation and mitigations management. However, the risk management framework and process has not been fully documented.</p>	<p>We recommend that a risk management policy should be developed by management and approved by the Board. and distributed to all relevant staff. The following key areas should be described within the document, or by reference to supporting documents:</p> <ul style="list-style-type: none"> <li>• Risk management approach and objectives ;</li> <li>• Risk universe and roles and responsibilities (including the respective roles and responsibilities of the Management Committee, Audit Committee and Management);</li> <li>• Risk management process, including identification, assessment, analysis, appetite, response, mitigation and escalation;</li> <li>• Communication structure;</li> <li>• Monitoring and reporting arrangements;</li> <li>• Risk register format;</li> <li>• Risk prompts and tools;</li> <li>• Risk impact descriptions.</li> </ul>
2		<p>Staff with risk management responsibilities do not receive mandatory training. Whilst we recognise the team have prior experience of risk management, we note that staff with risk management responsibilities are not required to confirm whether they are aware of the organisation’s risk management principles and practices.</p>	<p>We recommend that, on development of a risk management policy, staff with risk management responsibilities are required to sign a checklist to confirm whether they are aware of the organisation’s risk management approach or require further training in this area.</p>

All our findings and recommendations are set out in the following pages and include those of low significance which have not been summarised above.

# DETAILED FINDINGS AND RECOMMENDATIONS

**RISK:** Cairngorms NPA may not have set out clearly its strategic direction and objectives in relation to risk management (including policy, roles and responsibilities, objectives and communication).

Ref.	Finding	Sig.	Recommendation
1	<p>An effective risk management policy clearly sets out an organisation’s approach to risk management and outlines the key objectives, strategies, and responsibilities for the management of risk across the organisation.</p> <p>Whilst a risk management policy was developed by Cairngorms NPA a number of years ago, management have advised that this document is no longer being utilised as guidance and does not reflect the current risk management process.</p> <p>The project risk register template defines a risk management process structure which categorises the process into a number of key stages including risk identification, initial risk rating, evaluation and mitigations management. However, the risk management framework and process has not been fully documented.</p> <p>There is a risk that Cairngorms NPA has not clearly set out its strategic directions and objectives in relation to risk management.</p>		<p>We recommend that a risk management policy should be developed by management and approved by the Board. and distributed to all relevant staff. The following key areas should be described within the document, or by reference to supporting documents:</p> <ul style="list-style-type: none"> <li>• Risk management approach and objectives ;</li> <li>• Risk universe and roles and responsibilities (including the respective roles and responsibilities of the Management Committee, Audit Committee and Management);</li> <li>• Risk management process, including identification, assessment, analysis, appetite, response, mitigation and escalation;</li> <li>• Communication structure;</li> <li>• Monitoring and reporting arrangements;</li> <li>• Risk register format;</li> <li>• Risk prompts and tools;</li> <li>• Risk impact descriptions.</li> </ul>
<b>MANAGEMENT RESPONSE</b>		<b>RESPONSIBILITY AND IMPLEMENTATION DATE</b>	
Agreed.		<p><i>Responsible Officer: Director of Corporate Services</i></p> <p><i>Implementation Date:</i> <i>End December 2016</i></p>	



# DETAILED FINDINGS AND RECOMMENDATIONS

RISK: Cairngorms NPA may not be providing appropriate risk management training.			
Ref.	Finding	Sig.	Recommendation
2	<p>Staff involved in risk management do not receive mandatory risk management training. Management and staff are provided with the opportunity to identify any training needs as part of the formal appraisal process. Whilst a requirement for risk management training could be raised as part of this process, staff with risk management responsibilities are not routinely required to confirm whether they are aware of the organisation’s risk management principles and practices.</p> <p>There is a risk that Cairngorms NPA may not be providing appropriate risk management training.</p>		<p>We recommend that, on development of a risk management policy, staff with risk management responsibilities are required to sign a checklist to confirm whether they are aware of the organisation’s risk management approach or require further training in this area.</p>
MANAGEMENT RESPONSE		RESPONSIBILITY AND IMPLEMENTATION DATE	
<p>Agreed. I think the recommendation for staff to sign a checklist and self-certify awareness of risk management approaches or need for further training is a very practical recommendation that can help avoid staff undergoing unnecessary “mandatory” training.</p>		<p><b>Responsible Officer:</b>  <b>Governance and Information Manager</b></p> <p><b>Implementation Date:</b>            31 March 2017</p>	

# DETAILED FINDINGS AND RECOMMENDATIONS

RISK: Cairngorms NPA may not have adopted a systematic process in identifying, evaluating and measuring its key strategic and operational risks.

Ref.	Finding	Sig.	Recommendation
3	<p>Project risk registers are developed for all major projects in accordance with a template provided in the organisation’s Project Management Toolkit. The template enables staff to identify and assess the risks; fully consider the causes, consequences and existing and additional mitigations; set timescales for applying these; and identify any interdependencies.</p> <p>However, some project risk registers have not been developed in line with this template. For example, the residual risk which remains after taking account of the relevant mitigations has not been defined in some of the project risk registers reviewed as part of our audit testing.</p> <p>There is a risk that there is not a consistent approach for developing risk registers throughout the organisation.</p>	●	<p>We recommend that all project risk registers should be developed using a consistent approach aligned to the Strategic Risk Register.</p> <p>We recognise that management have identified that in practice projects evolve their own approach to developing risk registers and have accepted this, providing the project teams are recognising and managing risk. However, implementing a consistent approach for developing risk registers will ensure risks are being assessed and understood consistently throughout the organisation, ensure consistent high quality and will improve the process for escalating and de-escalating risks to the Strategic Risk Register.</p>
<b>MANAGEMENT RESPONSE</b>			<b>RESPONSIBILITY AND IMPLEMENTATION DATE</b>
<p>Agreed. While the key point remains to ensure that risks are recognised, documented and managed, we accept that risk registers should ideally be in a consistent format to aid review and escalation processes. We will reinforce the need for use of the template to support consistency of practice in our project management communications and internal reviews.</p>			<p><b>Responsible Officer:</b>  <b>Governance and Information Manager</b></p> <p><b>Implementation Date:</b>            31 March 2017</p>

# DETAILED FINDINGS AND RECOMMENDATIONS

RISK: Cairngorms NPA may not have adequate reporting to its committees and the Board in relation to risk management activities.			
Ref.	Finding	Sig.	Recommendation
4	<p>Cairngorms NPA's risk management processes are supported through reporting arrangements at a strategic and management level including a quarterly review of the Strategic Risk Register by the Audit Committee.</p> <p>There is an opportunity for management to further improve the reporting arrangements by providing the Audit Committee with a more detailed analysis of specific risks on the Strategic Risk Register on a regular basis.</p>	●	<p>Management should also consider providing a more detailed analysis of specific risks on the Strategic Risk Register by outlining the context of the risk, the key elements of the risk, the basis on which risk scores are determined, current position and mitigating controls in detail. This should be completed on a quarterly basis for one individual risk at a time and reviewed by the Audit Committee.</p>
MANAGEMENT RESPONSE		RESPONSIBILITY AND IMPLEMENTATION DATE	
<p>Agreed. We see this as an excellent idea to support a more detailed evaluation of risk position on a regular basis and will work with the Audit Committee to identify which risk should be appraised in detail at each forthcoming meeting.</p>		<p><i>Responsible Officer: Director of Corporate Services</i></p> <p><i>Implementation Date:</i> <i>End December 2016</i></p>	

# OBSERVATIONS

## Implementation of risk mitigations





Whilst mitigating controls and actions have been defined on the Strategic Risk Register for each risk, a target risk score and date for these to be achieved have not been defined for all risks. However, we recognise that the mitigating actions relating to some of the risks defined on the Strategic Risk Register are ongoing; including the risk of public sector finances constraining capacity to allocate sufficient resources to deliver corporate plan and the risk of wider national political changes and policy direction forcing change away from current objectives. An update on the status of the mitigating actions for each risk is provided by management within the comments section of the register in addition to the trend of the risk score in comparison with previous assessments.




# APPENDIX I - STAFF INTERVIEWED

NAME	JOB TITLE
David Cameron	Director of Corporate Services

BDO LLP appreciates the time provided by all the individuals involved in this review and would like to thank them for their assistance and cooperation.

# APPENDIX II - DEFINITIONS

LEVEL OF ASSURANCE	DESIGN of internal control framework		OPERATIONAL EFFECTIVENESS of internal controls	
	Findings from review	Design Opinion	Findings from review	Effectiveness Opinion
<b>Substantial</b> 	Appropriate procedures and controls in place to mitigate the key risks.	There is a sound system of internal control designed to achieve system objectives.	No, or only minor, exceptions found in testing of the procedures and controls.	The controls that are in place are being consistently applied.
<b>Moderate</b> 	In the main there are appropriate procedures and controls in place to mitigate the key risks reviewed albeit with some that are not fully effective.	Generally a sound system of internal control designed to achieve system objectives with some exceptions.	A small number of exceptions found in testing of the procedures and controls.	Evidence of non compliance with some controls, that may put some of the system objectives at risk.
<b>Limited</b> 	A number of significant gaps identified in the procedures and controls in key areas. Where practical, efforts should be made to address in-year.	System of internal controls is weakened with system objectives at risk of not being achieved.	A number of reoccurring exceptions found in testing of the procedures and controls. Where practical, efforts should be made to address in-year.	Non-compliance with key procedures and controls places the system objectives at risk.
<b>No</b> 	For all risk areas there are significant gaps in the procedures and controls. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Poor system of internal control.	Due to absence of effective controls and procedures, no reliance can be placed on their operation. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Non compliance and/or compliance with inadequate controls.

Recommendation Significance	
<b>High</b> 	A weakness where there is substantial risk of loss, fraud, impropriety, poor value for money, or failure to achieve organisational objectives. Such risk could lead to an adverse impact on the business. Remedial action must be taken urgently.
<b>Medium</b> 	A weakness in control which, although not fundamental, relates to shortcomings which expose individual business systems to a less immediate level of threatening risk or poor value for money. Such a risk could impact on operational objectives and should be of concern to senior management and requires prompt specific action.
<b>Low</b> 	Areas that individually have no significant impact, but where management would benefit from improved controls and/or have the opportunity to achieve greater effectiveness and/or efficiency.

# APPENDIX III - TERMS OF REFERENCE

## BACKGROUND

As part of the preparation of the 2016 - 2017 Internal Audit Strategy and plan, it was agreed that internal audit would review the risk management framework in place within Cairngorms NPA and compare this with good practice, using our risk management maturity model.

## PURPOSE OF REVIEW

The purpose of this review is to provide the Audit Committee with a level of assurance around the current risk management arrangements, and to provide management with advice and recommendations for improving the arrangements further. The review will also allow internal audit to obtain a detailed understanding of the current risks, and thereby inform the development of the internal audit strategy 2016-2019 and internal audit plan 2016-17. The deliverables will include an internal audit report and also a populated risk management maturity model, to demonstrate to management in detail the assessed maturity status, and the actions which can be taken to further develop the risk management processes.

## KEY RISKS

Based upon the risk assessment undertaken during the development of the internal audit operational plan, through discussions with management, and our collective audit knowledge and understanding the key risks associated with the area under review are:

- Cairngorms NPA may not have set out clearly its strategic direction and objectives in relation to risk management (including policy, roles and responsibilities, objectives and communication);
- Cairngorms NPA may not have adopted a systematic process in identifying, evaluating and measuring its key strategic and operational risks;
- Cairngorms NPA may not have adequate reporting to its committees and the Board in relation to risk management activities;
- Cairngorms NPA may not be providing appropriate risk management training.

# APPENDIX IV - RISK REGISTER FORMAT

Risk	Ref	<u>Resp</u>	LL	IM	Mitigation	LL	IM	Comments	Trend
Theme									
Risk 1	A1		5	5		3	3		
Risk 2	A2		2	5		2	4		
Risk 3	A3		4	5		2	4		



# APPENDIX V - RISK SCORING


## Risk Rating Matrix

5	LOW	MED	HIGH	EXT	EXT
4	LOW	MED	HIGH	HIGH	EXT
3	LOW	MED	MED	HIGH	HIGH
2	LOW	LOW	MED	MED	MED
1	LOW	LOW	LOW	LOW	LOW
LIKELIHOOD	1	2	3	4	5
CONSEQUENCE					

L x C  
 Score 0 - 5 = Low  
 Score 6 - 10 = Medium  
 Score 12 - 16 = High  
 Score 20 - 25 = Extreme

# APPENDIX VI - RISK MATURITY ASSESSMENT MODEL

	Risk Governance	Risk Identification and Assessment	Risk Mitigation and Treatment	Risk Reporting and Review	Continuous Improvement
<b>Enabled</b>	Risk management and internal control is fully embedded into operations. All parties play their part and have a share of accountability for managing risk in line with their responsibility for the achievement of objectives.	There are processes for identifying and assessing risks and opportunities on a continuous basis. Risks are assessed to ensure consensus about the appropriate level of control, monitoring and reporting to carry out. Risk information is documented in a risk register.	Responses to the risks have been selected and implemented. There are processes for evaluating risks and responses implemented. The level of residual risk after applying mitigation techniques is accepted by the organisation, or further mitigations have been planned.	High quality, accurate and timely information is available to operational management and directors. The board reviews the risk management strategy, policy and approach on a regular basis, e.g. annually, and reviews key risks, emergent and new risks, and action plans on a regular basis, e.g. quarterly.	The organisational performance management framework and reward structure drives improvements in risk management. Risk management is a management competency. Management assurance is provided on the effectiveness of their risk management on a regular basis.
<b>Managed</b>	Risk management objectives are defined and management are trained in risk management techniques. Risk management is written into the performance expectations of managers. Management and executive level responsibilities for key risks have been allocated.	There are clear links between objectives and risks at all levels. Risk information is documented in a risk register. The organisation's risk appetite is used in the scoring system for assessing risks. All significant projects are routinely assessed for risk.	There is clarity over the risk level that is accepted within the organisation's risk appetite. Risk responses appropriate to satisfy the risk appetite of the organisation have been selected and implemented.	The board reviews key risks, emergent and new risks, and action plans on a regular basis, e.g. quarterly. It reviews the risk management strategy, policy and approach on a regular basis, e.g. annually. Directors require interim updates from delegated managers on individual risks which they have personal responsibility.	The organisation's risk management approach and the Board's risk appetite are regularly reviewed and refined in light of new risk information reported. Management assurance is provided on the effectiveness of their risk management on an ad hoc basis. The resources used in risk management become quantifiably cost effective. KPIs are set to improve certain aspects of the risk management activity, e.g. timeliness of implementation of risk responses, number of risks materialising or surpassing impact-likelihood expectations.
<b>Defined</b>	A risk strategy and policies are in place and communicated. The level of risk-taking that the organisation will accept is defined and understood in some parts of the organisation, and it is used to consider the most appropriate responses to the management of identified risks. Management and executive level responsibilities for key risks have been allocated.	There are processes for identifying and assessing risks and opportunities in some parts of the organisation but not consistently applied in all. All risks identified have been assessed with a defined scoring system. Risk information is brought together for some parts of the organisation. Most projects are assessed for risk.	Management in some parts of the organisation are familiar with, and able to distinguish between, the different options available in responding to risks to select the best response in the interest of the organisation.	Management have set up methods to monitor the proper operation of key processes, responses, and action plans. Management report risks to directors where responses have not managed the risks to a level acceptable to the board.	The Board gets minimal assurance on the effectiveness of risk management.
<b>Aware</b>	There is a scattered, silo-based approach to risk management. The vision, commitment and ownership of risk management have been documented. However, the organisation is reliant on a few key people for the knowledge, skills and the practice of risk management activities on a day-to-day basis.	A limited number of managers are trained in risk management techniques. There are processes for identifying and assessing risks and opportunities, but these are not fully comprehensive or implemented. There is no consistent scoring system for assessing risks. Risk information is not fully documented.	Some responses to the risks have been selected and implemented by management according to their own perception of risk appetite in the absence of a board-approved appetite for risk.	There are some monitoring processes and ad hoc reviews by some managers on risk management activities.	Management does not assure the Board on the effectiveness of risk management.
<b>Naïve</b>	No formal approach developed for risk management. No formal consideration of risks to business objectives, or clear ownership, accountability and responsibility for the management of key risks.	Processes for identifying and evaluating risks and responses are not defined. Risks have not been identified nor collated. There is no consistent scoring system for assessing risks.	Responses to the risks have not been designed or implemented.	There are no monitoring processes or regular reviews of risk management.	Management does not assure the Board on the effectiveness of risk management.



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