NHS Lothian
Internal Audit Report 2022/23
Communications – Freedom of Information Requests

Assurance Rating: Moderate Assurance

Date: 9 November 2022

Contents

Timetable

- Date closing meeting held: 17 October 2022

- Date draft report issued: 31 October 2022

- Date management comments received: 9 November 2022

- Date Final report issued: 9 November 2022

- Date presented to Audit and Risk Committee: 21 November 2022

Executive Summary

Introduction

The last Communications review was undertaken in 2018/19 and focused on the organisation's public engagement arrangements. NHS Lothian are currently undertaking an internal review of practices and policies looking at internal communications, and so this area will be considered for a future internal audit review but will be out of scope for this audit. As such, in discussion with management, the area of focus for the 2022/23 audit was to focus on Freedom of Information (FoI) requests. As Communications audits are cyclical, we will again come back to another area of communications in the future.

The Freedom of Information (Scotland) Act 2002 (The Act) came into force on the 1st of January 2005 and gives everyone a legal right to request information held by a Scottish Public Authority. The Act aims to increase openness and accountability across the public sector by ensuring that individuals have the right to access information held by Scottish Public Authorities. Any recorded information contained in all paper records (including staff notebooks), electronic records, microfiche, audio and visual material, which cannot otherwise be withheld under the exemptions contained in the legislation, can be requested. The Act requires responses to be issued within 20 working days of receipt of the request.

NHS Lothian has a dedicated FOI Communications Manager (Band 6) who is responsible for coordinating and collating responses for requestors. There is also additional resource, at a maximum WTE 0.5 (Band 5) (Committee Administrator and FOI Officer) and admin support provided by Support Officer(s) all have FOI within their job descriptions.

NHS Lothian policy is to publish responses to requests for information under the FoI Act.

Scope

The scope of the audit was to evaluate the adequacy of internal controls in place around Freedom of Information requests and review the design and operating effectiveness of the controls to mitigate against the identified potential risk areas.

Approach

Through our planning work we identified the following risks which formed the basis of the audit work undertaken.

- There is a lack of knowledge and expectations over the Freedom of Information request process and as a result, requests are not effectively managed.

- Freedom of information requests are not acknowledged and responded to in line with agreed response times which could lead to investigation by the Scottish Information Commissioner.

- There is inadequate oversight resulting in information breaches for non-compliance with FoI (Scotland) Act.

- The organisation does not hold an accurate and up to date listing of what information is available to the public which is resulting in an increased number of repeated FOI requests.

A complete list of staff involved in the audit and documents reviewed can be seen at Appendix 1.

Acknowledgments

We would like to thank all staff consulted during this review for their assistance and cooperation

Limitations in Scope

Please note that our conclusion is limited by scope. It is limited to the risks outlined above. Other risks that exist in this process are out with the scope of this review and therefore our conclusion has not considered these risks. Where sample testing has been undertaken, our findings and conclusions are limited to the items selected for testing.

This report does not constitute an assurance engagement as set out under ISAE 3000.

Executive Summary

Summary of Findings

We have concluded that the controls in place in respect Freedom of Information requests provides a **MODERATE** level of assurance. The table below provides a summary of the findings. The ratings assigned are based on the agreed internal audit rating scale (**Appendix 2**).

Detailed findings, recommendations and agreed management actions are found in Section 2 of this report.

Moderate Assurance			
HIGH	**MEDIUM**	**LOW**	**ADVISORY**
-	3	2	1

Ref	Issue	H	M	L	A
2.1	**Risk area as per scope:** **Freedom of information requests are not acknowledged and responded to in line with agreed response times which could lead to investigation by the Scottish Information Commissioner** FOI requests that breach the 20 day threshold are not managed appropriately, with information not routinely uploaded to the Request and Response Register	-	1	-	-
2.2	**Risk area as per scope:** **There is inadequate oversight resulting in information breaches for non-compliance with FoI (Scotland) Act** Reporting of FOI data is not being made to the most appropriate forum	-	1	-	-
2.3	**Risk area as per scope:** **There is inadequate oversight resulting in information breaches for non-compliance with FoI (Scotland) Act** There is no explicit approval provided by senior staff prior to issuing responses	-	1	-	-

Ref	Issue	H	M	L	A
2.4	**Risk area as per scope:** **There is a lack of knowledge and expectations over the Freedom of Information request process and as a result, requests are not effectively managed** Training provided to staff responsible for the handling of FOI requests is not formalised or available	-	-	1	-
2.5	**Risk area as per scope:** **There is a lack of knowledge and expectations over the Freedom of Information request process and as a result, requests are not effectively managed** Guidance and procedural documentation should be reviewed and update.	-	-	1	-
2.6	**Risk area as per scope:** **There is inadequate oversight resulting in information breaches for non-compliance with FoI (Scotland) Act** There is no explicit approval provided by senior staff prior to issuing responses	-	-	-	1
TOTAL		**-**	**3**	**2**	**1**

Executive Summary

Main Findings

There is a framework in place, directed by documented instruction and guidance, to advise senior management and staff on how Freedom of Information requests should be managed. Bespoke software is utilised for the recording and ongoing monitoring of requests and reporting   However, we identified areas for improvement including the management of requests breaching the 20 day threshold, alongside the current reporting arrangements.

These findings are discussed in full within our Management Action Plan below.

Follow Up

Approximately two weeks following issue of the final Internal Audit report, a member of the Audit Team will issue an 'evidence requirements' document for those reports where management actions have been agreed.

This document forms part of the follow up process and records what information should be provided to close off the management action.

The follow-up process is aligned with the meetings of the Board's Audit & Risk Committee. Audit Sponsors will be contacted on a quarterly basis with a request to provide the necessary evidence for those management actions that are likely to fall due before the next meeting of the Audit and Risk Committee.

Risk area as per scope: Freedom of information requests are not acknowledged and responded to in line with agreed response times which could lead to investigation by the Scottish Information Commissioner	MEDIUM
Finding 2.1– FOI requests that breach the 20 day threshold or not managed appropriately, with information not routinely uploaded to the Request and Response Register	

Control

All FOI requests are logged in the first instance into Vuelio, the communications IT package that is used to manage the receipt and handling of all FOI requests. Vuelio will automatically assign a reference number and the start date of the request.

Thereafter, the FOI Team will endeavour to forward the request to the most appropriate member of staff on the same working day it has been received, using the contact list maintained by the Team. Once done staff within the FOI Team will monitor the response time for each request and contact services/departments accordingly. Advised normal practice is after 10, 15 and 20 days if no response received before then. Staff should maintain regular (weekly) contact after the 20 day deadline.

Requesters are provided with acknowledgement on receipt of their request. Further communication is sent on day 22 advising them of the delay. Staff will also respond if additional information is required, or the requestor has followed up before then.

All completed requests can be accessed using a link to the Request and Response Register on the Board's internet pages.

Observation

Sample testing on 24 complete requests was carried out to confirm that acknowledgement communication had been sent to the requestor as soon as possible following receipt, and that the request had been forwarded on to the appropriate contact within one working day.

While we found that requests from this sample are being actioned and acknowledged promptly, it was noted from the sample that one request (FOI Ref 5835) had not been picked up from the junk email folder for 53 days.

We also reviewed all FOI requests processed from 1 April 2021 to 31 March 2022 and 1 April 2022 to 30 June 2022 and noted that 22% of all requests received during financial year 2021-22 breached the 20 day deadline and 15% this financial year until 30 June. Some of the problem areas have recently introduced central contact points (Women's Services, Children's Services and Cancer Services) and this has helped. This is something the FOI Team continue to encourage and will work on further with Site Directors.

We undertook additional testing on a sample of 15 requests made since 1 April 2021 that have breached the 20 day limit confirm that the requestor had been advised of the delay to the request, and that chaser emails had been issued by the FOI Team enquiring on progress.

From the sample reviewed, requesters are not being routinely advised of delays to their request. There was no evidence to indicate that NHSL had proactively advised of delays, instead this was only done where the requester had contacted the FOI team for an update (although this had been noted for only one instance out of 8 follow-up requests (FOI Ref 5912)). Elsewhere, the chasing of longstanding requests also appears to be inconsistent, with evidence of this observed for 10 of the 15 requests. Of those, the timescales for issuing reminders has varied from 14 days to 166 days (average 52 days).

With the exception of one request from the sample of 24, made on 28 January 2022 and responded to on 2 March 2022, all requests are available for review through the Request and Response Register. However, testing on the acknowledgement of request had noted two instances where the request had not been uploaded to the Request and Response Register (FOI Ref 5233 and Ref 6376).

Finding 2.1 – Continued

Recommendation

Staff should develop a monitoring spreadsheet to record when an individual has been advised of delays to their request, alongside the dates when the requests were chased up with the service or department, which should be at appropriate intervals. Additionally staff should be reminded that completed requests are uploaded to the Request and Response Register promptly. Where this is not possible, clear justification for this should be recorded.

Management should also introduce regular reporting to the site/department leads of all outstanding requests under their area of responsibility.

Management Response

Delays in response times are due to staffing issues which will hopefully improve going forward. There is no requirement to post responses to the web, however NHS Lothian does this to be open, transparent and helpful. The ability to keep up to speed with this is dependent on capacity, which has to be prioritised towards processing responses.

Management Action

A Job Description (JD) is being processed to recruit additional full time resource to assist with all aspects of the FOI function. Timescales to complete recruitment are subject to waiting times for JD to be approved through the NHSL job evaluation process which is currently prioritising clinical posts.

Responsibility :	Target Date:
Director of Communications, Engagement and Public Affairs	**31 May 2023**

Risk area as per scope: There is inadequate oversight resulting in information breaches for non-compliance with FoI (Scotland) Act	MEDIUM
Finding 2.2 – Reporting of FOI data is not being made to the most appropriate forum	

Control

The Information Governance Working Group meets quarterly with a remit to assess and monitor information governance activities across NHS Lothian. An information governance report is provided at each quarterly meeting, which includes FoI requests.

Observation

Papers from three meetings (January 2022, May 2022 and August 2022) of the Information Governance Working Group were reviewed to confirm that all information relating to FOI requests is being regularly reported. Data included is as follows:

- Number of requests received since last reported period;
- Number responded to within timescale
- Late response
- Closed / withdrawn
- Failed to respond

The data is reported also to the Digital Oversight Board and Digital & IT Executive Team. However, while this is appropriate for information relating to the Board's IT and information governance framework, this is not appropriate forum for the reporting of information relating to freedom of information requests. Furthermore, it was noted that the same statistics had been reported in May 2022 and August 2022.

Risk

Without appropriate oversight of the data reporting the management of FOI requests, there is a risk that senior staff are unbale to take necessary action where improvement is required.

Recommendation

Management should review the reporting arrangements for this information and consider the relevance of reporting information of this nature to the Information Governance Working Group. The most appropriate audience should be identified and reporting requirements amended to reflect this.

Staff should also ensure that the data reported is correct and relevant to the reporting period.

Management Response

Reporting has always been via IGWG. No submission was made to IGWG meeting in August, as OSIC had changed systems and returns were incomplete.

Management Action

Consideration will be given to the most appropriate group for Freedom of Information (FOI) reporting – e.g. this may be quarterly reporting FOI performance by exception to Executive Leadership Team (ELT) (e.g. breaches or other issues. This would give ELT oversight of, for example, poor FOI response performance by particular services to precipitate improvement actions.)

Responsibility:	**Target Date :**
Director of Communications, Engagement and Public Affairs	**16 December 2022**

Risk area as per scope: There is inadequate oversight resulting in information breaches for non-compliance with FoI (Scotland) Act	MEDIUM
Finding 2.3 – There is no explicit approval provided by senior staff prior to issuing responses	

Control

All FOI requests are reviewed and approved for release by the NHS Lothian Medical Director, Director of Communications and Executive Director for the service. Final approval before publication is given by NHS Lothian Nurse Director.

Observation

Sample testing on 15 requests processed from 1 April 2022 to 30 June 2022 was carried out to confirm that they had been approved for publication by the appropriate staff.

However, the FOI Team does not consistently save the approval email from the Nurse Director in the FOI case folders. We were only able to obtain 8 of the 15 selected from review.

Also, we were advised that it has been agreed that if no response is received from the Director of Communications, Medical Director and Executive Director it can be assumed that the response has been validated and can be sent to Nurse Director for approval. This would not be the preferred practice and would advise that a validation response is obtained.

Finally the letters to the requester from the Nurse Director to the requester records the names of the FOI team members.

Risk

Without the explicit approval to issue and publish FOI responses, there is a risk that responses to FOI requests will be made without the appropriate checks for accuracy and relevance. Furthermore, while the signing of the responses by the Nurse Director demonstrates adequate seniority and responsibility, the inclusion of the names of the FOI Team presents a risk the some individuals requesting information will attempt to contact them directly and without following the appropriate process.

Recommendation

It is recommended that approval to issue responses is provided by all relevant staff in all instances. Responses should also be suitably anonymised.

Management Response

Approval Process - agreed this should be more formally. Responses should be signed off (an actual return) before going to Nurse Director.

Management Action

Process change to formal sign off to be agreed and consideration given to the recommendation for anonymised responses. The generic FOI address (foi@nhslothian.scot.nhs.uk) is always included.

Responsibility	**Target Date**
Director of Communications Engagement and Public Affairs	**30 November 2022**

Risk area as per scope: There is a lack of knowledge and expectations over the Freedom of Information request process and as a result, requests are not effectively managed	LOW
Finding 2.4 – Training provided to staff responsible for the handling of FOI requests is not formalised or available	

Control

The Freedom of Information Communications Manager has obtained the FOI Practitioner Certificate. Elsewhere the FOI Officer has received in-house training around the handling of FOI requests. Training has also been received through seminars, conference, updates and information provided by the Scottish Information Commissioner.

Additional members of staff assisting the FOI Team have been provided with access to all relevant guidance and provided with training . Their specific roles do not require further unless they wish to take on additional responsibilities.

Work is also progressing in the development of a nationally approved LearnPro FOI module which, once concluded, will be rolled out for NHS Lothian staff to refer to.

Observation

While it is noted that the FOI Team is relatively small and does not have a frequent turnover of staff, no local induction materials have been developed that can be followed by staff involved in the receipt and handling of FOI requests. However, all the team have been trained.

Also, responses to the testing outlined in Finding 2.1 noted that while staff across NHS Lothian are aware of freedom of information requests through completion of the Board's Information Governance LearnPro module, this mandatory module is brief and only advises staff of the 20 day deadline and some exemption criteria, providing the FOI Communications Manager's email address (this should ideally be the FOI generic email address).

Some staff had also noted that no formal training had been received on the FOI requests process and while the FOI Team would respond to specific queries, there would be benefit in the provision of training to further support them in their duties.

Risk

Without comprehensive guidance and instruction provided through induction and training there is a risk that staff are not adequately aware of FOI process and the importance of their roles in ensuring that requests are received and handled appropriately. This could incur unnecessary delays to the request process.

Recommendation

Management should ensure that formal induction procedures are developed for use within the FOI Team. Thereafter a means of delivering additional training to support those wanting more information than provided in the Information Governance LearnPro module, should be developed and rolled out for staff across NHS Lothian.

Finding 2.4 - Continued

Management Response

The FOI team is under considerable pressure to manage responses to a far greater volume of responses than was the norm when the team was originally resourced. Consequently, more strategic work to design and promote resources to support staff within the team and across the organisation has had to take a back seat.

The risk that staff across Lothian are not adequately aware of their roles and responsibilities in ensuring FOI requests are responded to accurately and timeously is acknowledged. In particular, guidance needs to be developed to support staff to improve the quality of their responses, thereby reducing the amount of 'to and fro' that is often required to formulate a response, resulting in a more efficient service. There is also a need to develop and promote guidance about the FOI process itself including information about the consequences of breaching deadlines, a simple 'best practice' guide to formulating responses, and an overview of when exemptions apply. It should, however, be recognised that this does not apply to all staff as it is senior staff with management responsibilities who are involved in the processing of FOI requests.

Services should also be encourage to identify FOI leads (plural) in their area.

Additional training for FOI staff would be also be helpful.

Management Action

Having recently secured funding for a Band 5 post a job description is being developed. This post will provide the essential additional capacity needed to allow work to design 'best practice' information and training materials for staff to improve quality of responses and allow and to enable more quality control of responses that come in.

Timescales to complete recruitment are subject to waiting times for job description to be approved through the NHSL job evaluation process which is currently prioritising clinical posts.

Responsibility:	Target Date:
Director of Communications, Engagement and Public Affairs	30 November 2023

Risk area as per scope: There is a lack of knowledge and expectations over the Freedom of Information request process and as a result, requests are not effectively managed	LOW
Finding 2.5 – Guidance and procedural documentation should be reviewed and updated	

Control

This review has noted that there are several documented procedures to assist staff on the management of FOI requests.

Dealing with Requests for Information: A Guide for all Staff incorporates the Board's requirements under the Freedom of Information (Scotland) Act 2002 and the Environmental Information (Scotland) Regulations 2004 (EIR). An additional basic guide (Handling FOISA Requests) has been developed for all staff, maintained by the Freedom of Information (FOI) team and available to staff across NHS Lothian on request.

Local procedures have also been produced by and for the use of staff within the FOI team and with direct responsibility for the administrative requirements of receiving and managing FOI requests (Procedure for FOI EIR),

Elsewhere procedures have been developed within Pharmacy and Medicine to facilitate the disclosure of information under the Act by setting out good administrative practice that the NHS Lothian Pharmacy Senior Management and FOI Communications Manager will follow when handling requests for information relating to medicines (FOI Process for Medicines and Pharmacy NHS Lothian).

Procurement utilise the helpdesk software to log FOI requests passed to them by the FOI Team to maintain a record, ensuring that they are answered promptly and consistently.

Observation

While the Guide for all Staff, has recorded the individual email addresses of the individual FOI team members, it has not recorded the generic FOI email address - foi@nhslothian.scot.nhs.uk. The FOI Team now sits within the NHS Lothian Communications Team, however the Guide has not recorded this (the Communications intranet pages have also not been updated to reflect this).

The Guide for all Staff is also unavailable through the NHS Lothian intranet as the FOI Team has no dedicated page. Also, the Guide For All Staff was prepared in January 2020, with no evidence of review since then.

The Handling FOISA Requests guidance has recorded that the FOI Team is part of the Finance Department, however, responsibility and oversight has now passed to the Communications Department. This is also dated January 2020, with no instruction recorded for the ongoing review / update.

The Pharmacy guidance is not available through the Drugs and Therapeutics internet pages. It is available only through SharePoint, with the link provided by the FOI Team. This was approved by the Pharmacy Strategic Services Team (October 2015) and the Pharmacy Specialist Services Group (February 2016), before ratification by the Information Governance Assurance Board (June 2016). It was due to be reviewed in June 2018.

Testing was carried out to determine what other departments have developed local procedures to direct staff on the handling of FOI requests pertinent to their area. From a list of 17 clinical areas/departments from a sample population of 166 approached and with the exception of Pharmacy and Procurement, none reported that such procedures were in place.

It was also noted that four individuals identified in the FOI Internal Contacts List were no longer working in NHS Lothian

Risk

Without adequate control over the review and publication of all guidance and procedural documentation, there is a risk that staff are not informed of the duties around the handling of FOI requests. As result, requests may not be received and acted upon promptly and appropriately.

Also, without an accurate list of all staff with responsibility for responding to FOI requests, there is a risk that delays will occur while the appropriate individuals are identified and the request directed to them.

Finding 2.5 - Continued

Recommendation

Management should review all procedures currently in place, updating information that is incomplete, incorrect or no longer relevant. Once done a timetable for the ongoing review of the guidance should be established and adhered to

Management should consider the procedures that have been developed locally within Pharmacy and advise departments across NHS Lothian and where FOI requests are most likely to be made of the potential benefits of developing them. Thereafter, they should be reviewed both by the FOI Team and local management to ensure that they are appropriate and available for staff to refer to.

Staff should also review the FOI internal contacts list, updating this where necessary and identifying appropriate points of contact for receiving and responding to FOI requests, which would ideally be one named individuals and another to deputise in their absence.

Management Response

FOI processes other that the switch to the FOI email address have not changed in the last few years. The move to Communications (in the last few months) has not affected these process at this time. Contact list is a continual work in progress due to frequent changes.

Management Action

1.Processes in place will be updated and Communications changes included. Processes should be available via the external webpage which has a link form the Intranet - this will be reinstated.

2.We will continually work to update contacts as change occurs.

Responsibility:	Target Dates:
FOI Communications Manager	1. **16 December 2022** 2. **Continuous**

Risk area as per scope: There is inadequate oversight resulting in information breaches for non-compliance with FoI (Scotland) Act	ADVISORY
Finding 2.7 – Listings of all information available to the public is not maintained, with no trend analysis on requests carried out	

Control

Members of the public are able to access a number of NHSL Publications using links provided through the FOI internet page. This includes strategies, capital developments, consultation and other key documents. When responding to FOI requests, individuals will also be advised where the information requested is available online and directed to this.

Observation

However, NHS Lothian does not maintain a listing of all information that is available to the public, and which is subject to regular review and update. Furthermore, trend analysis is not routinely conducted to identify instances of repeated FOI requests to inform staff on what information should be made public.

Risk

Without this there is a risk that the Board does not hold an accurate and up to date listing of what information is available to the public which may result in an increased number of repeated FOI requests.

Recommendation

Management should formally consider the benefits associated with a comprehensive listing of all information held and available to the public, following this a decision should be taken on whether there is sufficient resource available to develop this and maintain it going forward.

Management Response

Re. publicly available information list:
This is not an FOI function:.The Publication Scheme, managed by Corporate Services, provides links to key corporate documents such as key strategies, Policy Hub / Policy Online.

Having information publicly available does not increase or decrease the number of requests, however it allows us to use the Section 25 exemption (publicly available). Vuelio does not allow us to carry out trend analysis as it cannot search by topic (freetext).NHs Lothian publishes FOI responses in the interests of transparency although not all Boards do so.

We are not required to proactively publish data in anticipation of what questions may be asked. To do so, in raw form and without context could be misinterpreted, lead to misunderstanding and potentially generate reputationally damaging media coverage.

To publish data in anticipation of where interest may lie would require resource allocation by each service which is likely to be difficult to achieve when services are under pressure and runs the risk of providing an inconsistent level of detail, across NHS Lothian's many services. unrealistic in the current cliate avoid this resource do need to be allocated

Management Action

We will however consult with Vuelio about further report options such as trend analysis to see if this is possible, and can be done without incurring additional spend, to assess if it yields useful intel.

Responsibility:	Target Date:
Director of Communications, Engagement and Public Affairs	**31 March 2023**

Appendix 1 – Staff Involved and Documents Reviewed

Staff Involved

- FOI Communications Manager
- FOI Officer

Documents Reviewed

- Procedures:
  - FOISA Guide for All Staff
  - Procedure for FOI EIR 090922
  - Handling FOISA requests - January 2020
  - FOI Process for Medicines and Pharmacy NHS Lothian June 2016
- Emails and other information relating to requests that took longer then 20 days
- FOI listing of internal contacts
- Listing of all FOI requests 1 April 2021 – 31 March 2022 and 1 April 2021 – 30 June 2022
- Applied FOI exemptions 1 January 2022 – 30 June 2022
- Information Governance Working Group meeting papers January 2022, May 2022 and August 2022
- Emails and other information relating to requests completed within the 20 day deadline

Appendix 2 – Our IA Report assurance levels

The table below shows the levels of assurance we provide and guidelines for how these are arrived at. We always exercise professional judgement in determining assignment assurance levels, reflective of the circumstances of each individual assignment.

Rating	Definition	When Internal Audit will award this level
Significant assurance	The Board can take reasonable assurance that the system(s) of control achieves or will achieve the control objective. There may be an insignificant amount of residual risk or none at all.	There is little evidence of system failure and the system appears to be robust and sustainable. The controls adequately mitigate the risk, or weaknesses are only minor (for instance a low number of findings which are all rated as 'low' or no findings)
Moderate Assurance	The Board can take reasonable assurance that controls upon which the organisation relies to achieve the control objective are in the main suitably designed and effectively applied. There remains a moderate amount of residual risk.	In most respects the "purpose" is being achieved. There are some areas where further action is required, and the residual risk is greater than "insignificant". The controls are largely effective and in most respects achieve their purpose with a limited number of findings which require management action (for instance a mix of 'medium' findings and 'low' findings)
Limited Assurance	The Board can take some assurance from the systems of control in place to achieve the control objective, but there remains a significant amount of residual risk which requires action to be taken.	This may be used when: ▪ There are known material weaknesses in key control areas. ▪ It is known that there will have to be changes that are relevant to the control objective (e.g. due to a change in the law) and the impact has not been assessed and planned for. The controls are deficient in some aspects and require management action (for instance one 'high' finding and a number of other lower rated findings)
No assurance	The Board cannot take any assurance from the audit findings. There remains a significant amount of residual risk.	The controls are not adequately designed and / or operating effectively and immediate management action is required as there remains a significant amount of residual risk(for instance one Critical finding or a number of High findings)

Appendix 2 - Continued

The table below describes how we grade our audit recommendations based on risks

Rating	Description	Possible features
High	Findings that are fundamental to the management of risk in the business area, representing a weakness in the design or application of activities or control that requires the immediate attention of management	- Key activity or control not designed or operating effectively - Potential for fraud identified - Non-compliance with key procedures / standards - Non-compliance with regulation
Medium	Findings that are important to the management of risk in the business area, representing a moderate weakness in the design or application of activities or control that requires the immediate attention of management	- Important activity or control not designed or operating effectively - Impact is contained within the department and compensating controls would detect errors - Possibility for fraud exists - Control failures identified but not in key controls - Non-compliance with procedures / standards (but not resulting in key control failure)
Low	Findings that identify non-compliance with established procedures, or which identify changes that could improve the efficiency and/or effectiveness of the activity or control but which are not vital to the management of risk in the business area.	- Minor control design or operational weakness - Minor non-compliance with procedures / standards
Advisory	Items requiring no action but which may be of interest to management or which represent best practice advice	- Information for management - Control operating but not necessarily in accordance with best practice

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