

- Assurance mapping is a technique used to coordinate assurance activities to ensure resources are used in the most efficient and effective way.
- Drawing up an assurance map involves the mapping of assurance coverage provided by different assurance providers against the key risks in an organisation.
- The purpose of coordinated assurance is to ensure that there is a comprehensive risk and assurance process with no duplicated effort or potential gaps.
- Assurance maps assist to identify and address any gaps or duplications in the organisation's risk management and assurance processes.
- The mapping is done across the organisation to understand where the overall risk and assurance roles and accountabilities reside.
- Assurance maps could have the following columns:

<b>Significant risk category*</b>	<b>Inherent risk rating</b>	<b>Residual risk rating</b>	<b>Management's (risk owner's) role</b>	<b>Internal assurance</b>	<b>External assurance</b>	<b>Other assurance</b>

\* The name of the risks listed here should correspond directly with the risk register. If the risk register changes, the assurance map should also change.

- Each significant unit within an organisation could have its own assurance map. Alternatively, the internal audit activity may play a coordinating role in developing and completing the assurance map for the organisation.
- If significant risks with inadequate assurance coverage or areas of duplicated assurance coverage, can be identified, senior management and the board should consider changes in assurance coverage for these risks.
- The internal audit activity should consider areas of inadequate coverage when developing the internal audit plan.
- In organisations where the Chief Audit Executive (CAE) is required to express an opinion on the organisation's governance, risk management and control processes, the CAE needs to understand the nature, scope and extent of the integrated assurance map to consider the work of other assurance providers before presenting such an opinion.
- In organisations not requiring the CAE to provide an overall opinion, the CAE can act as the coordinator of assurance providers to ensure there are either no gaps in assurance, or the gaps are known and accepted. The CAE reports on any lack

of input/involvement/oversight/assurance over other assurance providers and if the CAE believes that the assurance coverage is inadequate or ineffective, he informs senior management and the board accordingly. Assurance maps offer an effective way of communicating this coordination.

Organisations are sure to reap the rewards of well-managed combined assurance efforts. The following **benefits of combined assurance** have been identified:

- All the assurance efforts within an organisation are coordinated and focus on the key risks.
- Remedial actions taken are prioritised and thoroughly tracked.
- Business disruptions are minimised.
- Reporting to boards and committees on risk management is coordinated and improved.
- The cost of assurance may be reduced.
- Demands by assurance providers to expand their scope may be reduced and better managed.
- Combined assurance plans and reports will support the audit committee and the board when they make their control assessment statements in the integrated reports.

The following **critical success factors** have been identified to help ensure successful combined assurance efforts:

- Successful combined assurance efforts require the support of executive management and the buy-in of all participants.
- A party should be identified to drive the combined assurance effort. (This could be the internal audit activity.)
- The combined assurance framework should be discussed with all assurance providers and agreement should be reached on the methodology, risk language and technology used to manage the process.
- The quality of assurance providers and the assurance provided should be evaluated and monitored.

- The organisation's management should be clear on the organisation's risk appetite, tolerance, desired level of assurance required and the party that should be responsible for providing such assurance.
- The combined assurance approach should be clearly communicated throughout the organisation.
- All involved should have a clear understanding of the plan, its objectives, processes and outputs.