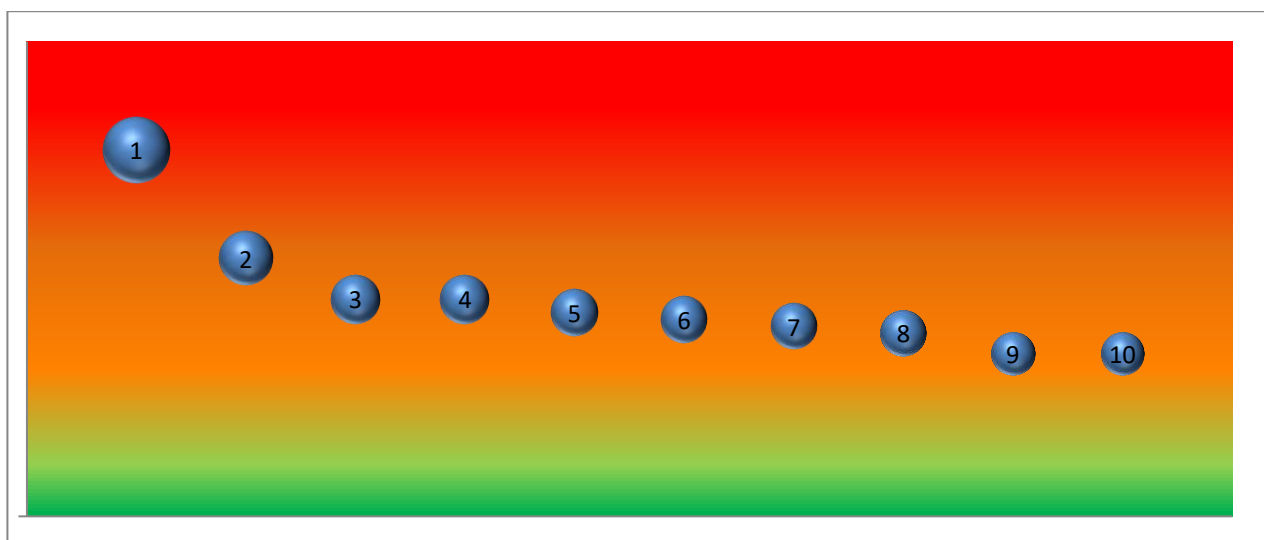


Office Risk Report – Quarter 4 2019

The Office has a risk management process in operation with a risk management committee (RMC) comprising the three directors of audit overseeing the process. The RMC meets every quarter and assesses progress in managing the risks recorded on the Office’s risk register and emerging risks.

As part of the risk management process within the Office, the RMC publishes the corporate risk register every quarter setting out the top 10 risks which are shown on a risk ‘heat map’. These are the ‘residual’ risks taking account of mitigating controls. Each risk has a summary explanation in the attached table. The RMC’s overall assessment of progress in managing the risks rated as ‘high’ is given in the ‘conclusions’ section.

Risk Heat Map



Rank	Risk
1	Inadequate processes to maximise staff capacity
2	Resources not aligned with strategic objectives
3	Non-compliance with regulatory (corporate) requirements
4	Unlawful data release
5	Downtime due to external cyber attack
6	Disclosures not responded to appropriately
7	Ineffective ICT systems leading to inability to effectively manage our business
8	Dilution of culture due to higher turnover
9	Stakeholders may view targets as not meeting their needs
10	Client capacity may negatively impact on their ability to facilitate audits

RMC conclusions

The RMC reviewed progress being made in managing risks as outlined in the risk treatment actions. It also considered emerging risks. It noted that there were no risks reported on the Office's risk reporting system.

The RMC's overall conclusion at November 2019 is that the risk on inadequate processes to maximise staff capacity remains as 'high' notwithstanding progress made to date.