

Office Risk Report – November 2021

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 on the internet 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.



MEDIUM	Rank	Risk
	1	Shortage of staff and current staff capacity may not be maximised
	2	Implications for the Office of relevant provisions in pending legislation
	3	Stakeholders may view certification targets and level of reporting output as inadequate
	4	Client capacity may negatively impact on their ability to facilitate audits and examinations
	5	Unreasonable complainant conduct may negatively impact on staff and management
	6	Health and safety of staff due to prolonged working from home and more complex needs
	7	Inappropriate data retention and release
	8	Ineffective ICT systems leading to inability to effectively operate or manage our business
	9	Change to blended working environment not adequately managed
	10	Disclosures made to the Office are not responded to appropriately

RMC conclusions

The RMC reviewed progress being made in managing risks as outlined in the risk treatment actions and considered emerging and reported risks. There were no risks reported on the risk reporting system.

The RMC's overall conclusion in November 2021 is that the top three residual risks now facing the Office relate to resourcing and capacity issues, the implications of provisions in pending legislation and the expectations of stakeholders regarding audit timeliness and the level of reporting output.

The risk of non-compliance with regulatory (corporate) requirements has been reduced and no longer features in the top ten, due to the further strengthening of related controls.