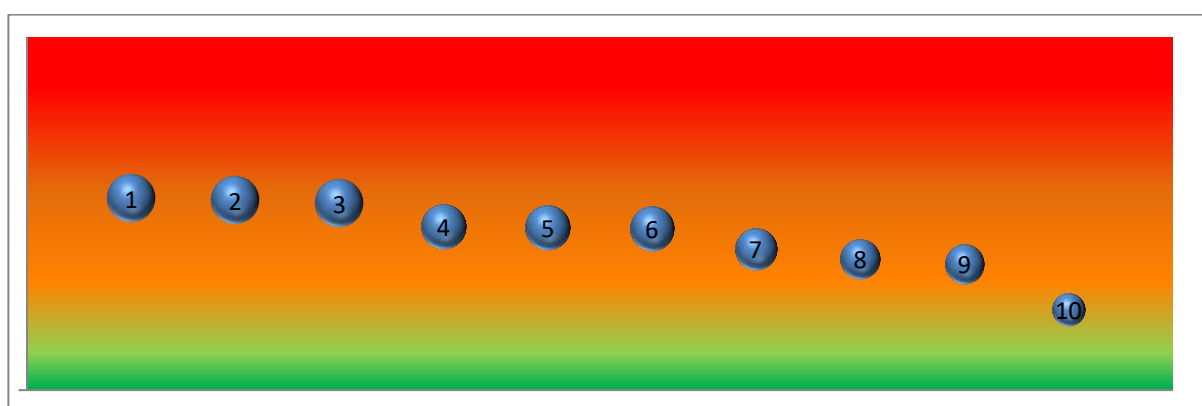


Office Risk Report – November 2023

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.



Rank	Risk
1	Shortage of staff and current staff capacity may not be maximised
2	Disclosures made to/about the Office are not responded to appropriately
3	Implications for the Office of relevant provisions in pending legislation
4	Inappropriate data retention and release
5	Failure to meet corporate obligations with regard to climate action
6	Ineffective ICT systems leading to inability to effectively operate or manage our business
7	Audited body capacity may negatively impact on ability to facilitate audits and examinations
8	Poor communication with audited bodies leads to loss of confidence in the Office
9	Stakeholders may view certification targets and/or performance audit output as inadequate
10	Resource budgets and allocations are not sufficiently aligned to audit risks

RMC conclusions

The RMC does not consider there to be any high-rated residual risks at this time. 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 2023 is that the highest residual risk facing the Office is that there will be a shortage of staff or that current staff capacity may not be maximised. The next two most significant risks relate to the need to respond appropriately to disclosures made to/about the Office and the implications of relevant provisions in pending legislation.