



Risk Management Policy

Introduction

Chichester and Arun Down Syndrome Group recognises that risk management is an important element of good management practice and has an open and receptive approach to identifying, discussing and addressing risks.

Chichester and Arun Down Syndrome Group accepts that risk can never be fully eliminated; therefore, the purpose of this Risk Management Policy is to support the development of a consistent approach to:

- Establishing;
- Analysing; and
- Managing risk;

Thus ensuring that all reasonable steps are taken to mitigate risk.

Scope

This policy applies to all within Chichester and Arun Down Syndrome Group, including: employees, trustees, volunteers and designated agents.

Risk Management Definition

Risk can be defined as the threat, or possibility that an action or event, will adversely or beneficially affect an organisation's ability to achieve its objectives.

Risk Management is a process of identifying, measuring or assessing risk, and developing strategies and procedures to manage it, such as:

- transferring the risk to another party;
- avoiding the risk;
- reducing the negative effect of the risk; and
- accepting some or all of the consequences of a particular risk.

Risk Management, therefore, provides assurance that:

- objectives are more likely to be achieved;
- beneficial occurrences will be more likely to be achieved; and damaging effects will not happen or are less likely to happen.

The management team will also conduct regular reviews to ensure strategies remain relevant in meeting the day-to-day operational needs of the Charity.

Importance of Risk management

Risk management is a key element in supporting the Charity to meet its strategic objectives, and to ensure the continuation of its services.

Each area of the organisation will on occasion encounter risks, and these risks, where possible, need to be:

- identified;
- assessed; and mitigated.

Therefore, risk management must be integrated into the culture of Chichester and Arun Down Syndrome Group with the assistance of this policy, and must be an ongoing and evolving process throughout Chichester and Arun Down Syndrome Group strategy (and implementation of that strategy). It should methodically address all the risks concerning the organisation's activities:

- past;
- present; and in particular, the future.

Risk management must convert the Charity's strategy into:

- planned and operational objectives;
- assigning the operational objectives; and

assigning responsibility throughout the organisation (with each person responsible for the management of risk informed as part of their job description).

The risk management process ensures that the organisation's objectives are clearly defined, resulting in:

- assessment;
- reporting;
- decision-making;
- the action required; and monitoring to ensure reoccurrences are prevented.

Categories of Risk

The key areas that the Charity will encounter risk include:

Strategic

Concerning the strategic objectives of the organisation, which can be affected by areas such as:

- capital available, and changes, e.g. legal and regulatory, reputation and the physical environment.

Operational

These concern the day-to-day issues that the Charity faces in an effort to achieve its stated objectives.

Financial

Relating to the effective management and control of the Charity's finances, and external influences.

Compliance

These concern the effective management and control of:

- health and safety;
- environmental;
- trade descriptions;
- consumer protection;
- data protection;
- employment practices; and regulatory issues.

Within each of these key areas there are key elements that need to be addressed:

Identification

What is the risk?

Risk Management

How critical is this to Charity continuity? Can/should the risk be accepted? How would this risk impact on the Charity?

Mitigation

What procedures are/ should be in place to mitigate the risk? How could the Charity minimise the impact of the risk?

Persons Responsible, Risk Reporting and Communication

It is recognised that there will always be areas of risk which can never be fully eliminated. Staff, Managers, Trustees and Volunteers are all responsible in identifying, assessing and mitigating the risk, where possible. Therefore, risk management will be an integral part of staff and volunteer's induction and supervision programmes, and team meetings, where appropriate.

While training in risk management will be available to all staff, it is mandatory for those staff:

- with management roles, or
- with responsibility for strategic and operational planning; or designated to attend by their line managers.

Staff and Volunteers have a duty of care to ensure that risks are considered, and the appropriate action taken.

Staff/ Volunteers must understand:

- their accountability for individuals' risks;
- how they can enable continuous improvement of the risk management response;
- that risk management and risk awareness are a key part of the Charity culture; the importance of reporting systematically and promptly to management, any perceived new risks, or failures of existing control measures.

If in doubt, Staff/Volunteers must seek advice from their Manager.

Managers and Team Leaders will be responsible for managing risk in each of their respective areas of responsibility, and must:

- be aware of risks which fall into their area of responsibility, the possible impacts these may have on other areas, and the consequences other areas may have on them;
- have performance indicators to monitor the key business and financial activities, progress towards objectives and to identify developments which require intervention;
- have systems which highlight variances in budgets and forecasts, at appropriate frequency, to allow action to be taken; and
- report systematically and promptly to upper management, any perceived new risks, or failures of existing control measures.

The Board of Trustees are responsible for the governance and control of the Charity, and their participation in the key aspects of the Risk Management process is essential.

The Board of Trustees must:

- identify, evaluate and monitor the most significant risks facing the organisation;
- determine the appropriate level of risk exposure;
- ensure appropriate levels of risk awareness throughout the organisation;
- know how the organisation will manage a crisis;
- gain assurance that risks identified are being actively managed, with appropriate controls in place that are working effectively;
- know how to manage communications with the media;
- be assured that the risk management process is working effectively;
- endorse the risk management policy, covering risk management philosophy and responsibilities;
- comply with the Charity Commission's Statement of Recommended Practice (SORP).

The Board of Trustees will also be responsible for the process of selecting and implementing measures to adjust the risk, which can include, for example:

- risk control;
- risk mitigation;
- risk avoidance;
- risk transfer; and risk financing, e.g. insurance.

The system of risk will provide as a minimum:

- effective and efficient operation of the organisation;
- effective internal controls; and compliance with laws and regulations.

Managing, Monitoring And Review

Chichester and Arun Down Syndrome Group seeks to identify, assess and effectively manage all risks in order to remain proactive in supporting the achievement of the Charity's agreed objectives.

The Charity maintains a risk register (attached as Appendix), which records identified key risks and, for each key risk will include its associated risk scores (i.e. low,

medium, high), controls and actions. Each key risk will be aligned with the strategic objectives outlined in the Charity's strategic plan.

The number of key risks to be recorded in the risk register is not rigidly defined. However, it records only those risks that are likely to impede the delivery of strategic objectives and are therefore of significance to the Charity.

The Board of Trustees will review the risk register on a twelve-monthly basis. This process may involve the introduction of new risks, the amendment of existing risks and the deletion of risks that are no longer deemed applicable.

The Risk Incident Report, (example in Appendix 3) is used to ensure effective risk management through a reporting procedure and review structure, to ensure that risks are effectively identified and assessed, and that appropriate controls and responses are established.

The monitoring and review process will determine whether:

- the measures adopted resulted in the intended outcome;
- the procedure adopted and information gathered for the assessment were appropriate;
- improved knowledge would have assisted in reaching better decisions and identifying what lessons could be learned for future assessments, and risk management.

Planning, Projects And Investments

Risk management is integrated into the planning processes, which set out the annual objectives and targets, and allocation of resources necessary for the delivery of the strategic plan. Risks identified during the planning process will be scrutinised by the Board of trustees; reports and/ or adjustments to the risk register will also be organised.

Major projects will require an individual risk register, which will be monitored by the Board of Trustees.

Investments require an assessment of the relative risks versus the relative rewards. The Board of Trustees may use this simple matrix for assessments:

Perceived high reward Perceived low reward

Perceived high risk Pursue with caution Avoid

Perceived low risk Prioritise Safe

Approval and Update

This Risk Management Policy was approved by the Board of Trustees on

Date.....

It will be reviewed regularly and updated as necessary to ensure its effectiveness and compliance with relevant laws and regulations.

Review Control:

Reviewed By	Date Reviewed	Date of next Review