



# TAI CANOLBARTH CYMRU MID-WALES HOUSING

Yn barod **amdani** **Equal** to the challenge

## Risk Management Policy

<b>Strategic Aim:</b>	To minimise risks through a suitable system of controls which control and manage the level of risk such that the residual risk after any mitigating actions can be borne without serious permanent damage to the Association.
<b>Reference No:</b>	Risk Management v2 (2015)
<b>Date Of Issue:</b>	Initial issue 2009, updated 2011, 2015
<b>Next Review Date:</b>	August 2018
<b>Departments Affected:</b>	All departments
<b>Approved By/Date:</b>	Board of Management July 2015 For consideration F&A Committee June 2015 Board of Management November 2011
<b>Lead Officer:</b>	Charles Brotherton, Director of Finance
<b>Statutory Compliance:</b>	Welsh Government Regulatory Requirement

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# **Title: RISK MANAGEMENT**

## **Policy Statement:**

1. The Association aims, through this policy, to ensure that all risks associated with the delivery and provision of the Association's services are minimised and, wherever possible, eliminated. The Association will recognise both its strategic risks which will be monitored by the Board through the Finance & Audit Committee and operational risks which will be monitored by the Performance Management Team.
2. Each time the Association considers undertaking a new activity or service, an assessment of the strategic risk will be carried out and a report will be presented to Board. Where there are no strategic risks, no further report will be necessary.
3. Where the Association undertakes an event/activity at a location away from the Association's offices, a Risk Assessment will be carried out by the member of staff leading the event.

## **Definition**

4. All businesses operate in an environment of risk. Risk is defined as the uncertainty of outcome, whether positive opportunity or negative threat, of action and events. Risk has to be assessed in respect of the combination of likelihood of something happening, and the impact that arises if it does happen.
5. The Association will:
  - (i) Satisfy all mandatory and statutory responsibilities and duties.
  - (ii) Ensure the health and safety of those who provide and those who use our services.
  - (iii) To the best of its ability, comply with the nine strands of diversity to those who provide, and those who use our services.
  - (iv) Promote safe working practices aimed at the reduction and elimination of risk.
  - (v) Promote awareness of risk issues and their management through a programme of communication and training.
  - (vi) Establish a systematic and consistent approach to risk assessment.
  - (vii) Introduce a risk management process, which determines priorities in dealing with identified risks and ensures that the Board receives informed recommendations.
  - (viii) Wherever possible, minimise costs associated with risk.
  - (ix) Where possible transfer risk to third parties. This will include taking out insurance to cover the risks.
6. The Association will implement this policy in line with the principles agreed from time to time within the Risk Management Strategy.

## **Key Performance Areas:**

1. The Director of Finance, in conjunction with the Performance Management Team, will prepare a risk map of Strategic Risks and report to Finance & Audit Committee on a quarterly basis.

2. The Director of Finance, in conjunction with the Performance Management Team, will prepare a risk map of Operational Risks which will be reported quarterly to the meeting of the Performance Management Team and included in the metrics reporting system which is presented to Board on a monthly basis.

<b>Strategic Aim:</b>	To minimise risks through a suitable system of controls which control and manage the level of risk such that the residual risk after any mitigating actions can be borne without serious permanent damage to the Association.	
<b>Date of Issue:</b>	September 2009	
<b>Review Date:</b>	October 2010 November 2011 June 2015	
<b>Departments/Sections Affected:</b>	All.	
<b>Approved By:</b>	For consideration by Finance and Audit Committee June 2015	
<b>Lead Officer:</b>	Director of Finance	
<b>Statutory Compliance:</b>	Requirement of Welsh Assembly Government, Housing Directorate.	
<b>Strategic Risk Factors:</b>	See Business Significant Risk Map.	
<b>Equality Impact Assessment</b>	<i>How does/will this policy ensure needs are met fairly, particularly with regard to race, gender, disability etc.?</i>	N/A
	<i>Is it felt that this policy might affect different groups adversely. If so, what is the justification for this and is it legally permissible?</i>	No groups or individuals are expected to be adversely affected
	<i>Have any representative groups in the locality been asked for their opinion and if so, what was the outcome?</i>	No.
<b>Tenant Engagement</b>	<i>How does/will this policy ensure the needs of tenants are met?</i>	The object of this policy is to ensure risk is minimised to ensure services are maintained and avoid the risk materialising.
	<i>How is it felt this policy will impact on the rights and obligations of tenants?</i>	It is not envisaged that this policy affect tenants' rights and obligations.
	<i>Have tenants been consulted and were the outcomes of that consultation taken into account when considering the introduction of this policy?</i>	At this time, tenants have not been consulted on this policy.

## **MID-WALES HOUSING ASSOCIATION** **RISK MANAGEMENT STRATEGY**

The Association is committed to maintaining the long term health of the organisation in terms of financial stability, management of resources and the quality of service provision. The Association will seek to minimise risks through a suitable system of controls which manage the level of risk such that the residual risk after any mitigating actions can be borne without serious permanent damage to the Association.

Risk management is the process by which we:

- Identify risks in relation to the achievement of our objectives.
- Assess their relative likelihood and impact.
- Respond to the risks identified, taking into account our assessment and risk tolerance.

Review and report on risks to ensure the risk map is up to date, to gain assurance that responses are effective, and identify when further action is necessary.

### **Principles**

- The Association will not commit to any new activity until a thorough and effective risk analysis has been completed.
- The Association will not undertake an activity with an uncertain outcome where the sole intended purpose is to make a financial gain.
- Where a proposed activity or venture has a residual risk that is unacceptable and there is no means of reducing the risk to an acceptable level, the project will be rejected.
- The Association will maintain an effective control framework designed to contain risks where cost effective to do so and to manage risks effectively.
- The authority and responsibility to take decisions involving risk will be appropriate to the level of risk and will be clearly defined and communicated.
- Major external threats to the Association will be identified and monitored and contingency plans made to effectively respond in the event of such threats materialising.
- Where it is cost effective to do so the impact of risks materialising will be minimised by appropriate insurance cover or other indemnity from third parties with which the Association is operating.
- Where possible the impact of risks arising will be transferred to other organisations.
- The Association will endeavour to ensure a prudent “risk averse” philosophy while evaluating the acceptable level of risk involved with any project.
- At all times the Association will endeavour to provide a high degree of Service Delivery within a changing environment.
- As part of the Association’s risk analysis, included will be a review mechanism where risks will be anticipated and evaluated.

Date Approved: September 2009  
Review Date: October 2010  
November 2011  
June 2015