



## Risk Management Policy

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**Related Documents**

- Risk Management Procedure

## **Translation Statement**

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## **Compliance**

This policy has been drafted to ensure that it complies with current legislation and industry good practice.

## **Equality & Diversity**

Fyne Homes is committed to providing services which embrace diversity and which promote equality of opportunity. As an employer we are also committed to equality and diversity within our workforce. Our goal is to ensure that these commitments, reinforced by our Values, are embedded in our day-to-day working practices.

## **Openness & Confidentiality**

Fyne Homes believes that its members, tenants and other interested parties should have access to information on how it conducts itself. This means that unless information requested is considered commercially sensitive or personally confidential it will be made available on request.

## **Data Protection**

Fyne Homes recognises the importance of data protection legislation, including the General Data Protection Regulation, in protecting the rights of individuals in relation to personal information that we may handle and use about them, whether on computer or in paper format. We will ensure that our practices in the handling and use of personal information during the processes and procedures outlined in this policy comply fully with data protection legislation. More information is available from our Data Protection Officer.

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# Risk Management Policy

## 1. Introduction

- 1.1 Fyne Homes Ltd acknowledges that there are risks associated with its activities, where risk is defined as “the chance of things going wrong”.
- 1.2 Fyne Homes recognises the need for, and value of, a comprehensive Risk Management Policy, which aims to minimise risk and the consequences – both financial and non-financial - should anything go wrong.

## 2. Aim

- 2.1. The overall aim of this policy is to ensure that Fyne Homes outlines the arrangements and processes in which it identifies, categorises, assesses and addresses risks.
- 2.2. To ensure the key risks facing Fyne Homes are regularly reviewed and assessed, together with the steps to avoid or mitigate those risks.
- 2.3. To provide a duty of care to its tenants and employees, and in respect of its assets.

## 3. Links to vision and strategic priorities

- 3.1 This policy aims to fulfil the needs of the Association’s Strategic Priorities and vision ‘Building Sustainable Communities’.

## 4. Roles and Responsibilities

### 4.1 *Management Committee*

4.1.1 The Management Committee has responsibility for ensuring Fyne Homes fulfils the aims and objectives and for promoting the efficient and effective use of staff and other resources.

4.1.2 The Management Committee will:

- Demonstrate high standards of corporate governance at all times, including using the Audit Committee to help them address the key financial and other risks facing Fyne Homes.
- Have responsibility for ensuring that the Fyne Homes’ financial plans are sufficiently robust to manage potential scenarios that would increase cumulative risk to the business and shall demonstrate this through stress testing of 30 year financial plan.
- Risks with a high/escalating residual level on the register are highlighted to the Management Committee on a routine basis.

### 4.2 *Audit Committee*

4.2.1 The Audit Committee is responsible for ensuring proper arrangements exist for risk management and internal control.

4.2.2 It considers and advises the Management Committee on:

- The strategic processes and policies for risk, control and governance and compliance, prior to endorsement by the Management Committee.
- The promotion, co-ordination and monitoring of risk management activities, including regular review and input to the corporate risk map; and
- Assurances relating to the adequacy and governance processes for the organisation, with particular reference to the management of key risks to the achievement of objectives and targets.

#### 4.2.3 The Audit Committee will:

- Review Fyne Home's Strategic Risk Register on at least a six monthly basis, reporting any issues of concern to the Management Committee.
- Review Fyne Homes Risk Management Policy on at least a 3 yearly basis to ensure continuous improvement of the risk management process and culture as appropriate.

### **4.3 Management Team**

#### 4.3.1 In managing risk the Management Team are responsible for ensuring that:

- A system of risk management is maintained to inform decisions on financial and operational planning and to assist in achieving objectives and targets.
- The Management Committee are involved in the risk management system; and the risk registers.

#### 4.3.2 This includes:

- Setting and communicating the risk management Policy;
- Providing leadership and direction over the risk registers; and
- Conducting an annual review of the effectiveness of the system of internal control
- Developing and implementing the process and maintaining the risk registers.
- Facilitating discussions of risk with the management as an integral part of the business plan process.

### **4.4 Line Managers**

#### 4.4.1 Everyone with a line or project management role is responsible for assessing and communicating risks within their sphere of responsibility, including judging when a risk should be considered for inclusion in the strategic risk register.

### **4.5 Risk Owners**

#### 4.5.1 Risk owners are responsible for ensuring that each risk assigned to her/him is managed and monitored over time. Changes, especially increased risk, are always escalated and communicated.

#### **4.6 All staff**

- 4.6.1 Whilst this Policy document sets out defined processes for managing risk, successful risk management can only be accomplished on a day-to-day basis by staff at all levels through their working practices ie complying with relevant policies and procedures relating to their responsibilities and activities.
- 4.6.2 Risk Management does not simply lie inactive in corporate policies and management structures. Risk management is part of every member of staff's responsibilities and virtually everyone has a role in carrying out appropriate risk management by supporting risk identification and assessment, and designing and implementing risk responses.
- 4.6.3 Staff should alert their Line Manager/Head of Department to any potential new risk and contribute to assessing the degree of risk and the measures to eliminate or moderate the risk.
- 4.6.3 This attitude and understanding will be achieved through core briefings, team meetings and one to one sessions, etc.

#### **4.7 Internal Audit**

- 4.7.1 Internal Audit plays a key role in evaluating the effectiveness of, and recommending improvements to, the risk management process. This is based on the systematic review and evaluation of the policies, procedures and operations in place.

### **5. Managing and Reporting**

- 5.1 Fyne Homes will apply a risk management cycle to identify, analyse, control and monitor the strategic and operational risks it faces.
- 5.2 Risk management is an active process that requires co-operation by all managers and employees.
- 5.3 Fyne Homes aims to make all employees aware of these risks through training and communication.
- 5.4 Fyne Homes will take steps to identify and manage strategic and operational hazards and the associated risks under the following headings:

<b>Strategic</b>	<b>Operational</b>
Political	Professional
Economic	Financial
Socio-democratic	Legal
Technological	Physical
Legislative	Contractual
Environmental	Technological
Competitive	Environmental
Customer/Citizen	

### **6. Strategic Risk Register**

- 6.1 The Chief Executive and Management Team will maintain a strategic risk register for Fyne Homes:
- 6.2 Management team will review the Strategic Risk Register on a quarterly basis.

6.3 The Audit Committee will review the Strategic Risk Register at six monthly intervals, and report any issues of concern to the Management Committee.

6.4 The Management Committee will review Strategic Risk Register annually as part of the strategic planning process.

6.5 Risk implications will also be considered and recorded before new developments are undertaken.

## 7. Operational Risk Registers

7.1 Managers shall maintain the operational risk registers for each area of activity:

7.2 Operational risk registers will be reviewed on a quarterly basis, with risk reassessed, any new risks that may need to be added considered, and the appropriate control action taken to be taken noted.

7.3 Risk assessments will be completed on a cyclical basis, or more regularly depending on the scale of the individual risks.

7.4 Operational risk register updates will be submitted to the Management Team on a quarterly basis, with high/escalating risks highlighted and reported to the Management Committee as required.

## 8. Reviewing process

8.1 This policy will be reviewed every three years, and/or where a change in practice arises.

8.2 If there is a procedural delay in the policy revision then the relative legislation in force at the time will prevail.

<b>Version number</b>	<b>Revision Date</b>	<b>Part of doc revised</b>	<b>Reason for revision</b>	<b>Approved by</b>
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