

Roman Catholic Diocese of Paisley

Scottish Charity No. SC013514

Risk Management Policy



Introduction

This policy:

- Is a formal acknowledgement that the trustee board is committed to maintaining a strong risk management framework. The aim is to ensure that the Roman Catholic Diocese of Paisley (the “Diocese”) makes every effort to manage risk appropriately by maximising potential opportunities whilst minimising the adverse effects of risks.
- Should be used to support the internal control systems of the Diocese, enabling the charity to respond to operational, strategic and financial risks regardless of whether they are internally or externally driven.

Risk policy objective

- To confirm and communicate the Diocese’s commitment to risk management.
- To establish a consistent framework and protocol for determining appetite for tolerance of risk and for managing risk.
- To assign accountability to management and staff for risks within their control and provide a structured process for risk to be considered, reported and acted upon throughout the organisation.

Risk policy statement

The trustees and executive management of the charity believe that sound risk management is integral to both good management and good governance practice.

Risk management should form an integral part of the Diocese’s decision-making and be incorporated within strategic and operational planning.

Risk assessment will be conducted on all new activities and projects to ensure they are in line with the charity’s objectives and mission.

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Risk Management Policy (continued)

Any risks or opportunities arising will be identified, analysed and reported at an appropriate level.

A risk register covering key strategic and operational risks will be maintained and updated at least four times a year and more frequently where risks are known to be volatile.

All staff will be provided with adequate training on risk management and their role and responsibilities in implementing this.

The Diocese will regularly review and monitor the effectiveness of its risk management framework and update it as considered appropriate.

Reports will be made to the trustee board each quarter of continuing and emerging high concern risks and those where priority action is needed to effect better control.

Individual error and incident reports will be required from individual staff where a reportable event is identified. The procedures for this are set out in a separate “notifiable events policy” which is specified within our crisis management plan. Such incidents which are considered to pose a significant threat to the charity, financial or otherwise, will be escalated in accordance with the crisis management plan.

Organisational roles

The role of the trustee board

- To ensure that a culture of risk management is embedded throughout the Diocese
- To set the level of risk appetite and risk tolerance for the organisation as a whole and in specific circumstances
- To communicate the Diocese’s approach to risk and set standards of conduct expected of staff
- To ensure risk management is included in the development of business plans, budgets and when considering strategic decisions
- To approve major decisions affecting the charity’s risk profile or exposure
- To satisfy itself that less fundamental risks are being actively managed and controlled
- To regularly review the charity’s approach to risk management and approve changes to this
- To receive reports from external consultant and any other relevant parties and to make recommendations on this.

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The role of the senior management team and external consultant

- To ensure that risk management policy is implemented throughout the organisation
- To anticipate and consider emerging risks and to keep under review the assessed level of likelihood and impact of existing key risks
- Provide regular and timely information to the trustees on the status of risks and their mitigation
- To implement adequate corrective action in responding to significant risks: to learn from previous mistakes and to ensure that crisis management plans are sufficiently robust to cope with high levels of risk.

The role of project and team managers

Project and team managers are responsible for managing specific project specific operational risks and for ensuring that risks are reported upon in a timely fashion through designated lines of reporting.

Interaction with internal control systems

Risk management forms part of the Diocese's system of internal controls and should be read in conjunction with the policies and detailed control procedures to be specified in our Internal and Financial Controls and Procedures Document. This document will set out in detail operational limits within which individuals may act in particular circumstances in order to minimise the risk of fraud or error. These limits cover amongst other things – control over bank payments and receipts, authorisation and processing of expenditure and approval required at particular level of decision making.

In addition the charity expects to meet minimum standards required by legislation and best practice in operational areas covering the following:

- IT and data protection
- HR
- Health & Safety
- PQASSO
- Governance
- Financial accounting and reporting
- Management of volunteers

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Risk Management Policy (continued)

The risk of falling short of these standards is mitigated as far as possible by ensuring that appropriate policies and working practices are adopted in each of these key areas and that staff are adequately experienced and trained to manage this. Where necessary, external advice is sought to supplement internal expertise.

This policy was approved by the Diocesan Trustees on: 24 May 2017

The next review is due on or before: 31 May 2017