

## Risk Management Policy

### **Purpose:**

A risk management policy guides how the Association assesses and responds to risks which we will inevitably encounter in managing and delivering our services. This ensures that risks are removed, minimized or managed to maximise safety for all and ensure viability, quality and accountability of our services.

### **Scope:**

This policy will apply to stakeholders of the NFPTA.

### **Policy Statement: Our commitment**

The NFPTA is committed to the responsible identification and management of risks which may arise during the delivery of services and the general management of the charity. Specifically, we will review risk once annually at Management meetings.

### **Procedures:**

A risk management plan is maintained for our association which lists identified risks and actions we will take to control or minimize those risks.

The management team are responsible for developing and maintaining the Risk management Policy.

The purpose of the risk management statement is to give readers of the Trustees' annual report an insight into how the charity handles risk and an understanding of the major risks the charity is exposed to.

The form and content of the statement reflects the size and complexity of our charity's activities and structure. The Policy comprises:

- an acknowledgement of the Trustees' responsibility
- an overview of the risk identification process
- an indication that major risks identified have been reviewed or assessed
- confirmation that control systems have been established to manage those risks
- new risks are properly reported and evaluated

- any significant failures of control systems are properly reported and actioned
- there is an adequate level of understanding of individual responsibilities for both implementation and monitoring of the control systems
- any further actions required are identified
- Trustees consider and review the annual process
- Trustees are provided with relevant and timely interim reports

The Trustees monitor risk by:

- ensuring that the identification, assessment and mitigation of risk is linked to the achievement of the charity’s operational objectives
- considering the risks attached to significant new activities or opportunities
- considering the financial impact of risk as part of operational budget planning and monitoring.

Risks	Mitigation
Strategy:	Create a strategic Plan, Key aims, objectives and Priorities
Financial Controls:	Agree Financial Procedures; review regularly reserves & Investment.
Cash flow sensitivities:	Ensure adequate information flow, monitor arrangements & reports; consider diversification.
Investments:	Review & agree investment policy; obtain professional advice; consider diversity, prudence & liquidity. Implement adequate reserves policy.
Fraud/error:	Review Financial Controls.
Relationship with Funders:	Ensure regular contact and briefings to major funders. Report fully on projects, Meet funders Terms and Conditions.
Compliance with Legislation:	Identify key legal/regulatory requirements; monitor legal changes.

**Other Related Policies:**

Investment  
Financial Controls  
Business Plan

**Policy Review Frequency: annually**  
**Responsibility: Management Team**

**Date: 12<sup>th</sup> October 2020**  
**Approved AGM 10<sup>th</sup> October 2020**