



# Risk Management Policy

December 2022

## Policy Reference Information

Status	APPROVED
Author	Jane Ferguson
Approval	Trustees
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## Related Policies

Policy Title
Charter Charitable Funds Committee TOR The Charities SORP (FRS102)

## 1. Background

The aim of NHS Lothian Charity (“the Charity”) is to adopt best practice in the identification, evaluation and effective control of risks, to ensure that they are either eliminated or reduced to an acceptable level.

Risk is a factor of every-day life and can never be eliminated completely. All employees must understand the nature of risk and accept responsibility for risks associated with their area of authority. The necessary support, assistance and commitment of senior management will be provided.

## 2. Policy Statement

To support our vision of longer lives, better lived we proactively work to manage and reduce risks which would impact our ability to invest in the promotion of better health and wellbeing, and enhance the experience and care for patients in hospital and communities.

## 3. Commitment

The Charity Trustees acknowledge that efficient and effective management of risk is important in achieving its business objectives. This policy reflects its commitment to sound risk management policies and practices.

## 4. Risk Management Objectives

- Integrate risk management into the culture of the Charity
- Manage risk in accordance with best practice
- Consider legal compliance as an absolute minimum
- Anticipate and respond quickly to social, environmental, financial and legislative change
- Raise awareness of the need for risk management

## 5. Responsibilities

### 5.1 The Trustees

The Trustees are responsible for the general control and management of the charity, which includes the management of risk. The Charities SORP (FRS102) requires of trustees a description of the principal risks and uncertainties facing the charity, as identified by the trustees, together with a summary of their plans and strategies for managing those risks. For this reason, the Risk Management policy is a matter reserved for Trustees.

### 5.2 The Charitable Funds Committee

Trustees have delegated oversight responsibility for risk management to the Charitable Funds Committee (CFC) to:

- Ensure there is a framework for accountability for the management of risk.
- Assess the scope and effectiveness of the system in place to identify, assess, manage and monitor significant risks
- Note a standing agenda item report, taking action where necessary to ensure that monitoring and control is in place.
- Ensure the Charity complies with all aspects of the law, relevant regulations and good practice
- Review the corporate governance statements in the annual report and accounts relating to audit and risk management.

### 5.3 Director

The responsibility of the Director is to:

- Design and implement the policy on risk management
- Encourage good risk management practices
- Ensure risks are managed at the appropriate level
- Identify and evaluate the significant strategic risks faced by the business for consideration by the CFC
- Review the effectiveness of risk management arrangements
- Report regularly to the CFC on the status and management of major risks

## 6. Risk Management Model

The risk management model will include the following key stages:

