

# POLICY

## 4.3 RISK MANAGEMENT



Supporting Procedure:	N/A	
Other Related Documents:	PHCC Risk Management Plan 2017	
Category:	Organisation	
Type:	Strategic	Dates:
Last Review By:	Jane O'Malley and Patricia Sutton	09/02/2017
Issued By:	Not Issued	dd/mm/yyyy
Approved By:	Board of Management	20/04/2017

### Introduction

PHCC recognises that risk management is an integral part of good management practice. Risk management is an essential element in achieving strategic objectives.

By understanding and managing its risks, PHCC can provide greater certainty and security for its internal and external stakeholders. PHCC will be better informed, more decisive and function with increased confidence to achieve its purpose.

The purpose of this policy is to define the risk management principles and methodology for PHCC, provide details of the structures and processes in regards to the management of risk within the organisation and ensure consistent application of risk management processes to all activities undertaken.

### Definitions

For the purposes of this Policy:

**'Risk'** is the chance of something happening that will have an impact upon objectives. It is measured in terms of consequences and likelihood. Risk arises out of uncertainty. Risk is the exposure to the possibility of such occurrences as economic or financial loss or gain, physical damage, injury or delay, as a consequence of pursuing or not pursuing a particular course of action. The concept of risk has three elements:

- The perception that something could happen;
- The likelihood of something happening; and
- The consequence if it happens

**'Risk Management'** is the coordinated activities which come together to optimise the management of potential opportunities and adverse effects. While it is not possible to have a totally risk-free environment, it may be possible to treat risk by avoiding, reducing, transferring, or accepting the risks

**'Risk Management Plan'** is the PHCC document that contains the methodology to assess risk (Matrix), the risk register and planned improvements or initiatives to respond to risk (the Risk Treatment Strategies)

**'CEO'** means Chief Executive Officer

**'Board'** means the Association Members of PHCC

**'Employee'** means all paid employed persons of PHCC

**'Stakeholder'** means any person or entity with which PHCC interacts

**'Volunteer'** means anyone providing unpaid assistance to PHCC

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### Policy Statement

#### 1. Risk Approach

- 1.1. PHCC will adopt a structured and consistent approach to assess and treat all types of risk, at all levels and for all activities in the organisation
- 1.2. Our approach to risk management will be consistent with this policy and procedures
- 1.3. We will accept risk in order to achieve or exceed our objectives, provided that we first understand the risks and have modified those risks as necessary so that they are within our risk criteria
- 1.4. We will assess and treat risk as part of planning, delivery and decision making at all levels of the organisation
- 1.5. To provide consistency and confidence, we will undertake these risk management activities in accordance with our internal standards
- 1.6. We will ensure we have the resources, delegations and organisational arrangements to make this possible, and we will establish an assurance program in line with Section 2 to confirm that this has been achieved.

#### 2. Responsibility

- 2.1. The Board is responsible for the establishment, implementation, review and approval of the risk management plan and process, including determining our risk criteria
- 2.2. The Governance Steering Committee is responsible for overseeing the risk management system and ensuring its adequacy and will report to the Board annually
- 2.3. The CEO is responsible for monitoring and reviewing the risk register at least once per year for completeness, continued relevance of risk assessment, effectiveness of risk management plan and timeliness of implementation of risk treatment strategies, taking into account changing circumstances
- 2.4. The CEO will report to the Board of Management at least once per year that the organisation's risk management and internal compliance and control system is operating efficiently and effectively in all material respects
- 2.5. The CEO is also responsible for:
  - 2.5.1. Successfully promoting, sponsoring and coordinating the development of a risk management culture throughout the organisation, including incorporating into induction process for all
  - 2.5.2. Guiding the inclusion of risk management in all strategic and operational decision making
  - 2.5.3. Understanding the major risks within their area of control incorporating both opportunity and negative risks
  - 2.5.4. Managing risks to meet PHCC's strategic objectives
  - 2.5.5. Developing and maintaining risk management standards, providing technical risk management support and associated tools and practices
- 2.6. All Employees are responsible for applying our standards to assessing and treating risks in their business areas, and monitoring the correct functioning and ongoing applicability of controls.

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### 3. Stakeholders

- 3.1. We recognise the legitimate interests, knowledge and experience of our internal and external stakeholders, and will regularly communicate and consult with them with respect to risks which may impact on them.

### 4. Assurance and Improvement

- 4.1. We recognise that the internal and external environment in which we operate is constantly changing, and that we must recognise and adapt to those changes, improving wherever possible
- 4.2. Accordingly we will monitor and review all aspects of our risk management using risk-based assurance processes, and improve whenever we can.