



## Risk Management Strategy

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### Applicable CHA Objectives:

- To provide quality, affordable housing that meets the changing needs of our customers and to ensure fair access to housing within our area.
- To manage the houses provided, in a professional and cost-effective manner, for the benefit of our local community and the environment.
- To provide a first class maintenance service which offers value for money and ensures the comfort and safety of our residents while achieving high levels of satisfaction
- To ensure local decision making and community control, we will encourage our tenants and other customers to influence our policy and participate in decisions, which may affect them.
- To work in partnership with others, supporting our tenants and other customers, to maximise opportunities for physical and socio-economic regeneration in Clydebank
- To ensure that our resources are adequate to deliver our objectives by investing in our people, demonstrating value for money and through robust procurement practices.
- To promote social inclusion by applying principles of equality and diversity to everything we do.

### Applicable SHR Regulatory Standards:

- The governing body leads and directs the RSL to achieve good outcomes for its tenants and other service users.
- The RSL is open about and accountable for what it does. It understands and takes account of the needs and priorities of its tenants, service users and stakeholders. And its primary focus is the sustainable achievement of these objectives.
- The RSL manages its resources to ensure its financial well-being while maintaining rents at a level that tenants can afford to pay.
- The governing body bases its decision on good quality information and advice and identifies and mitigates risks to the organisation's purpose.
- The RSL conducts its affairs with honesty and integrity.
- The governing body and senior officers have the skills and knowledge they need to be effective.
- The RSL ensures that any organisational changes or disposals it makes safeguard the interests of, and benefit, current and future tenants.

**Any breach or non-compliance with legislation/regulatory requirements in relation to this Policy constitutes a Notifiable Event and the Regulator will be informed via the SHR Portal.**

***This policy can be made available on request in a variety of different formats, such as on CD, in large print and translated into other languages.***

# Clydebank Housing Association Limited

## Risk Management Strategy

### 1. INTRODUCTION

Clydebank Housing Association has a moral and statutory duty of care to its tenants, other customers, employees, contractors and assets. This duty will be met by ensuring that risk management plays an integral part in the management of the Association at a strategic and operational level.

Standards 3 and 4 of the Scottish Housing Regulator's Regulatory Standards of Governance and Financial Management refer to both financial risk and risk to the Association's purpose and what it expects Committees to consider and comply with in terms of assessing risk in these areas.

The Association will apply a risk management cycle to identify, analyse, control and monitor the strategic and operational risks it faces. This strategy document sets out how this will be done. The Association's internal audit function will be responsible for ensuring that the cycle is rigorously applied.

Risk management is an active process that requires co-operation by all managers and employees. The Association aims to make all employees aware of these risks through training and communication and through participation in the Business Planning process.

**The underlying principle that shapes the Risk Management Strategy is that the Management Committee and the Association is risk averse.**

### 2. THE CATEGORIES OF RISK TO BE MANAGED

The Association 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-demographic	Legal
Technological	Physical
Legislative	Contractual
Environmental	Technological
Competitive	Environmental
Customer/citizen	

### 3. WHEN RISK ASSESSMENTS WILL BE UNDERTAKEN

Risk management will build on the Association's existing management arrangements. Strategic risk assessments will take place as a part of the business planning process and prior to making any decisions about significant changes in strategic policy (e.g. relating to growth, diversification and investment). Operational/task-based risk assessments will be completed on a cyclical basis depending on the scale of individual risks. Full operational risk assessments will be undertaken annually in all areas of Association activity.

The Association maintains strategic and operational risk portfolios detailing all completed risk assessments. These will be used to inform ongoing risk management work.

#### **4. ROLES AND RESPONSIBILITIES**

The roles and responsibilities of Clydebank Housing Association are set out below: -

##### **Management Committee**

To take overall responsibility for the development, implementation and review of the risk management strategy; and to oversee the effective management of risk by managers of the Association.

##### **The Chief Executive**

To ensure that the risk management strategy is implemented on a day-to-day basis and that risk is managed effectively across the Association.

To develop and maintain the strategic risk portfolio for the Association.

##### **Section Heads**

To manage risk effectively in their particular service areas (e.g. finance, housing management, maintenance etc.) by completing operational risk assessments and maintaining associated portfolios.

##### **Employees**

To manage risk effectively in their job and develop/maintain individual task-based risk assessments.

##### **Support Services – EVH/ACS**

To support the Association in the effective development, implementation and review of the risk management strategy.

##### **Internal Audit**

To ensure that the risk management cycle is being rigorously applied and that risks are being effectively managed as a result.

#### **5. RISK FINANCING**

Risk financing is an important element of risk management. The Head of Finance and Corporate Services will liaise with operational staff to determine an appropriate balance between losses that are to be financed through external insurance cover, and losses to be met directly from our own resources (self insurance). This will be considered by the Chief Executive and the Management Committee prior to final agreement. The approach selected will be influenced by:

- Our capacity to meet the direct cost of exceptional and significant value risks
- The previous loss experience
- The commercial rates offered by the insurance market.

## **6. ALLOCATING RESOURCES TO RISK MANAGEMENT**

Clydebank Housing Association is fully committed to resourcing the effective management of risk. Resources will be required for three inter-related purposes:

- To raise awareness of risk management
- To pay for insurance and retained risks
- To implement risk control actions

The required resource contributions will be identified through the Association's operational planning and budgeting process, following completion of the strategic and operational risk assessment exercises. The allocated resources will be clearly set out in the business plan.

## **7. WORKING WITH KEY PARTNERS**

The Association will work closely with tenants, other customers, contractors, employees and partners in completing and updating the strategic and operational risk assessments. We will also encourage the adoption of a sound risk management approach in partners' strategic and operational working.

## **8. BASIS AND CYCLE FOR STRATEGY EVALUATION**

The risk management registers will be evaluated on a six-monthly basis via an action plan review for those risks deemed to be high to assess progress against targets for:

- Reducing the frequency of damaging events occurring
- Reducing the severity of the consequences

These targets will be set out in the risk portfolios.

## **9. KEY RISK DOCUMENTS/PORTFOLIO**

- a) Risk Management Strategy
- b) Operational Risk Assessments (Business Plan)
- c) Task Based Risk Assessments (Departmental) and linked to
- d) Employee/customer Welfare Risk Assessments (EVH/ACS Control Manual)
- e) Risk Register – Details of actual losses experienced by Association (financial, uninsured, damage to reputation, etc.)
- f) Six monthly Management Committee risk review reports (via Performance Reports)

## **10. TRAINING**

Regular staff and committee risk management training will be undertaken to ensure knowledge and skills are kept up to date and are sufficient to manage risks whilst at the same time, delivering business objectives.

## 11. EQUALITY

We will not discriminate on the grounds of Age, Disability, Gender Reassignment, Marriage and Civil Partnership, Pregnancy and Maternity, Race, Religion or Belief, Sex, and Sexual Orientation.

### For Office Use Only – Actions

Customer Consultation Required/Arranged	No
Intranet Update	Yes
F Drive Update	Yes
Website Update	Yes
Leaflet change required?	No
Newsletter Promotion?	No
Other information updated, e.g. posters, automatic email responses, post cards, answering machine messages, etc.	No
Equality Impact Assessment completed	Yes