



## **Risk Management Policy**

Drafted April, 2016, Revised in April, 2020 and

**Updated June, 2023**

## Scope

This risk management policy forms part of Doctors For You (DFY)'s corporate governance arrangements. This document comprises a Policy Statement, specification of roles and responsibilities, and an outline of DFY's risk management processes. It is also supported by existing related organisation-wide policies. The purpose of this policy is to ensure that the risk management processes adopted by DFY are understood by all members of staff and are clear and transparent to all our stakeholders.

## Definition of Risk

In the context of this policy, risk is defined as the uncertainty in an event or activity which may jeopardise the likelihood that DFY will achieve its objectives.

## Policy Statement

DFY's general approach to risk is to instil a culture of risk awareness throughout the organisation such that every employee considers risk as part of their everyday activities. Where there are considered to be significant risks every staff member has a duty to notify their line manager or relevant colleague to escalate and deal with the issue as appropriate. The strategies for managing risk include:

- Acceptance
- Contingency
- Prevention
- Reduction
- Transference

DFY recognises that in pursuit of its mission and objectives it may choose to accept an increased degree of risk. It will do so subject always to ensuring that potential benefits and risks are understood before any course of action is authorised and that reasonable measures to mitigate risk are established. It will try to adopt best practices in the evaluation and cost effective management of risks to which it is exposed in pursuing its strategic objectives.

DFY's risk appetite is greater in areas where it seeks to expand its range of knowledge, experience and effectiveness, recognising that change and innovation are necessary to deal save human lives in disaster response as a part of our emergency response activities among other. It will however exercise very tight risk management controls in areas such as waste management, quality of equipments, quarantine, sanitary, management of quality and protection of its excellent reputation, and in the safety of its staff and partners.

DFY's Risk Management policy statement is supported by related policies, principally in the following areas:

- Finance Policy
- Monitoring, Evaluation, Learning and Accountability Policy
- Human Resources Policy
- Information Technology Policy
- Insurance

To assist in implementing this policy, we will:

- Identify, analyse and produce a risk management strategy for those risks which might inhibit DFY from achieving its strategic objectives and which would threaten its ongoing survival;
- Raise awareness of and integrate risk management into the way in which DFY is managed;
- Promote an understanding of the importance and value of risk management, particularly associated with development opportunities; and
- Establish, regularly review and maintain registers of the major risks facing DFY.

## Risk Assessment

Risk assessment processes identify an organisation's exposure to uncertainty. This should be approached in a methodical way to ensure that all significant activities in DFY have been identified and all the risks flowing from these activities defined. Activities and associated risks can be classified broadly in the following ways, examples of which include:

- **Strategic** - These concern DFY's long-term strategic objectives and can be affected by such issues as damage to reputation, sovereign and political risks, legal and regulatory changes, and changes in the physical environment.
- **Operational** - These concern the day-today issues that DFY is confronted with as it strives to deliver its strategic objectives.
- **Financial** - These concern the effective management and control of DFY's finances and the effects of external factors such as availability of funding, foreign exchange rates, interest rate movement and other market exposures.
- **Knowledge management** - These concern the effective management and control of the knowledge resources, the production, protection and communication thereof. External factors might include the unauthorised use or abuse of intellectual property, area power failures, and competitive technology. Internal factors might be system malfunction or loss of key staff.
- **Compliance** - These concern such issues as health & safety, environmental, trade descriptions, consumer protection, data protection, employment practices and regulatory issues.

## Risk Registers

Managers and those responsible for operations should regularly review their risks and their management approaches to them, and note them on risk registers. Risk registers should be revised and updated at least annually at the time of preparing the annual budget and the review should consider any significant risks which may affect achievement of budget objectives.

For each significant risk area, every specific risk and its implications should be noted and an assessment made of the Impact (I) of that risk and the Likelihood (L) of it occurring. Both I and L are measured on a scale of 1-3 for low-high respectively. The total value of the risk (T) is the product of multiplying the I and L scores. The register then sets out the management strategy for

mitigating the risk and the revised assessment of the risk, the Residual Risk, assuming that the strategy is effectively carried out. Finally the register must indicate the individual responsible for those actions so they can be held accountable for fulfilling them. Risk registers are completed at different levels of DFY's activities. The DFY Board monitor the key strategic risks for DFY.

### **Roles and Responsibilities in Account Management**

Risk management is embedded throughout DFY. It is not the sole responsibility of senior managers but should be exercised by all staff, particularly those with management or operational responsibilities.

### **Role of the Governing body and Audit Committee**

The DFY Governing Body has a fundamental role to play in the management of risk, some of which may be delegated to Audit Committee. The role is to:

- Approve and monitor the risk management strategy and demonstrate the commitment to effective risk management.
- Set the tone and influence the culture of risk management within DFY. This includes determining what types and levels of risk are acceptable (the so-called risk appetite) and which are not, and to provide a framework within which the appropriate level of exposure to risk can be determined in particular circumstances.
- Annually reviewing DFY's approach to risk management and, if appropriate, recommending changes or improvements to key elements of its processes, policies and procedures.
- Approve major decisions affecting DFY risk profile or exposure.
- Review at least annually DFY'S key strategic risks and the management approaches for each.

### **Role of the Executive Management Team or board of Directors**

- Implementing the DFY risk management policy.
- Ensuring that the major risks associated with significant proposals put to it have been properly considered and can be appropriately managed within the policy framework set by the Board.
- Ensuring that risks are properly managed, reviewing evidence to this effect and ensuring measurement of results as appropriate.
- Communicating DFY policy and information about the risk management programme to all staff, and making it transparent and publicly available.

### **Roles of Managers**

- Identifying evaluating and managing strategic and operational risks in their area of responsibility and bring emerging corporate risks to EMT's attention.
- Ensuring compliance with company policies.
- Ensuring that everyone in their area of responsibility understands their risk management responsibilities and making clear the extent to which staff are empowered to take risks.

### **Roles of Individuals**

- understand their accountability for individual risks.
- understand that risk management and risk awareness are a key part of the DFY's culture.
- report systematically and promptly to senior management any perceived new risks or failures of existing control measures.
- understand how they can enable continuous improvement of risk management processes.
- follow DFY's Whistle Blower Policy if they have concerns that actions are not being taken properly through normal channels.

### **Monitoring and Reporting**

Effective risk management requires a monitoring and reporting structure to ensure that risks are effectively identified and assessed, and that appropriate controls and responses are in place. Regular audits of policy and standards compliance should be carried out and standards performance reviewed to identify opportunities for improvement. Such audits should be managed as part of the DFY annual internal audit programme and Monitoring and Evaluation Programme. The monitoring process should provide assurance that there are appropriate controls in place for the organisation's activities and that the procedures are understood and followed. This should also determine whether:

- the measures adopted resulted in what was intended;
- the procedures adopted and information gathered for undertaking the assessment are appropriate; and
- whether improved knowledge would have helped to reach better decisions, and identify what lessons could be learned for future assessments and management of risks.

### **Incident Reporting**

All incidents (where risks have materialised) will be reported promptly to the relevant EMT member and reflected in the next Report. Specifically any incidents related to staff health and safety will be raised and discussed at every meeting of EMT.

Appendix 2 - Risk Map

	Impact				
Likelihood	Low	Low/Med	Med	Med/ High	High
High					
Med/ High			1		
Med		2			3
Med/Low			4	5	
Low		6			7

Risk	
Risk 1	
Risk 2	
Risk 3	
Risk 4	
Risk 5	
Risk 6	