

National Maritime Museum RISK MANAGEMENT POLICY STATEMENT

Introduction

This statement gives the Museum's policy for operating a risk management process embedded into the Museum's organisation - at all levels from strategic planning to our everyday activities.

Risk Management

Risk management is the process of identifying and assessing the risks to the successful achievement of the Museum's Mission and Objectives then taking appropriate action to manage them.

POLICY

The Museum will operate a systematic and effective process of risk management following the Museum's **Code of Practice on Risk Management**. This document will be updated as and when to take account of lessons learned and good practice.

The Museum will monitor and control both the process of risk management and the risks themselves to ensure its continuing effectiveness; continuing value for money is being achieved; and that opportunities for the Museum's advancement are not being rejected.

The Museum's commitment

The Museum believes that in order to progress and improve as an organisation, risks will need to be taken. However, these must be measured risks ie assessed and appropriately managed so that the benefit outweighs the possible loss or damage to the Museum. If the Museum is aware of a potential problem that may arise in the future, it plans in the present a course of action that will negate or reduce that risk. Managing risk effectively does not reduce opportunities, but it ensures that the Museum is able to respond to the risks that arise when it takes these opportunities. Indeed, the process of risk identification, assessment and management can itself lead to the identification of opportunities.

The governance requirement

The Board of Trustees and the Director, as Accounting Officer, have responsibilities to maintain a System of Internal Control that ensures value for public money. A major element of this System is effective risk management and the Director/Accounting Officer is required to provide a statement in the annual accounts certifying that such a system is in place and is effectively operated. The Museum's System of Internal Control, and the risk management component of it, needs as a minimum to be sufficient to satisfy the scrutiny of the Department of Culture Media and Sport, the National Audit Office, HM Treasury, and the Public Accounts Committee.

Code of Practice on Risk Management

This Policy is to be read in conjunction with the Museum's Code of Practice on Risk Management – circulated to all staff with this policy and available at all times on the Intranet or via managers.

06 January 2003