



Risk Management Policy

“Risk” for Charity Commission purposes describes the uncertainty surrounding events and their outcomes that may have a significant impact – either good or bad – on any area of our operations

The Green’s annual income does not begin to approach the level at which the law **requires** a Risk Management Policy to be drawn up, or a Risk Management Statement to be included in our Annual Report to the Charities Commission.

It is nevertheless good practice to develop such a policy and to review it regularly because there are Risks which our charity might face, for example:

- damage to its reputation
- receiving less funding or fewer public donations
- change in government policy e.g. affecting grants, or procedures
- a rise in demand for usage of the Green

The areas for consideration include the following.

Governance

- Inappropriate organisational structure
- Trustee body lacks relevant skills or commitment
- Conflicts of interest

Operations

- Lack of volunteer welfare or safety
- Lack of user welfare or safety

Finance

- Inadequate reserves and cash flow
- Dependency on limited income sources
- Insufficient insurance cover

Environment

- Poor public perception and reputation
- Demographic changes (e.g. an increase in the local population by building)
- Turbulent economic or political environment
- Changing government policy

Compliance with law

- Acting in breach of trust
- Poor knowledge of the legal responsibilities of an employer
- Poor knowledge of regulatory requirements of particular activities (e.g. data collection and storage)

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We identify Risks by

- ✓ experience at work-parties being fed back to Management Support Group and ultimately to Trustees
- ✓ Trustee consideration of Charity Commission or government advice

and have developed a bank of Codes of Practice and Risk Assessments which address these Risks. These are publicly available on our website.

Trustees review this Policy and that documentation regularly. Where appropriate we

- ✓ transfer risk elsewhere (by insurance)
- ✓ avoid activity giving rise to risk (e.g. by not climbing ladders)
- ✓ manage or mitigate the risk (by Codes of Practice and Risk Assessment).

What to include in a Risk Management Statement (e.g. in Annual Report to Charity Commission or at Annual Open Meeting) (NB not mandatory for the Green)

Any such Risk Management Statement should include:

- an acknowledgement of the Trustees' responsibility to identify, assess and manage risks
- an overview of the Green's process for identifying risks
- an indication that major risks have been reviewed or assessed
- confirmation of the systems and processes set up to manage risks

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