

KCA Risk Management Policy

1. Introduction

The purpose of this document is to outline an overall approach to risk management that addresses the risks facing KCA.

Risk management is embedded within the daily operation of the charity. Through understanding and managing the risks, the organisation will be better able to evaluate the impact of a particular decision or action on the achievement of the charity's objectives.

2. Objectives of the Strategy

- To identify objectives, roles and responsibilities for managing risks
- To co-ordinate risk management throughout KCA
- To facilitate compliance with best practice in charity and business governance
- To summarise in the annual report how risks are managed and mitigated at KCA.
- To raise awareness of the principles and benefits involved in the risk management process and to obtain staff commitment to the principles of risk control.

3. Roles and responsibilities

The Centre Manager is responsible for risk management for KCA, and reports directly to the Board of Trustees. The Centre Manager is responsible for:

- Identifying and evaluating potential risks for KCA
- Producing a risk management policy and register
- Reporting to the Board of Trustees on major risks
- Producing and implementing action plans to mitigate risks
- Ensuring that all KCA staff and volunteers are aware of the risks associated with the organisation's activities, the control measures in place and their role in taking action related to these
- Communicating with funding bodies and partnership organisations on any relevant aspects of risk management
- Reviewing key activities undertaken and completing relevant 'risk assessments' (see appendix 2).

The Board of Trustees is responsible for:

- Deciding the approach to risk management within the organisation
- Determining which types of risk are acceptable, and which are not
- Approving major decisions in the context of the organisation's risk strategy
- Monitoring the management of significant risks and ensuring that adequate control measures are in place

All employees are responsible for co-operating with and contributing to discussions as part of the risk management process, implementing such action plans as are required by trustees, and raising any concerns regarding new and potential risks with the Centre Manager.

4. On-going Review

On-going risks and their control measures are monitored through the production of a Risk Register, to be updated annually and approved by the Board of Trustees. The format of the Risk Register is included in Appendix 1 and a traffic light system will be used to identify the highest levels of risk.

In order for this monitoring to be effective, the management committee should ensure that:

- Clear responsibility exists for the management of a particular risk area;
- Appropriate actions are identified to support the counter measures identified, and that these actions are completed;

An action plan should be created as a result of the annual update of the Risk Log, with clear responsibility and timing identified for each action. An update of this, along with a report on each of the highest scoring (red and amber) risk items will be presented at Trustee meetings.

Appendix 1: Risk Register

Risk ref	Description of Risk	Date identified	Likelihood (1 – 3)	Impact (1 – 3)	Overall score (Likelihood X impact)	Owner	Counter measures	Date for review
Political								
1	Change of Administration in 2023 and loss of support for Community Centre from Ward Cllrs	04/05/22	1	3	3	Trustees	Nurture cross party relationships. Get meeting with whichever Cllrs elected in May 2023	May 2023
2	Changing BHCC policy eg set up of new Family Hubs/redevelopment of community buildings/ changing funding priorities - uncertainty for Centre	04/05/22	1	3	3	Trustees	Connect with Community Buildings Network, HKP Community Action to ensure KCA is represented in work ongoing re local policy making	May 2023
Economic								
3	Insufficient funds to operate, due to drop in income, eg core grants and income from lettings not covering full costs on continuing basis; increased competition for unrestricted sources of income; lack of capacity to collaborate with potential competitors who secure funding ahead of KCA; loss of income from regular hirers leaving the Centre	04/05/22	3	3	9	Finance Committee	<p>Monitor and manage funds carefully (eg cashflow tracking). Reduce costs where poss.</p> <p>Build up and maintain 3-6 months funds in reserves. Strategic decision-making around use of reserves</p> <p>Maintain affordable letting fees to maximum rental income. Develop new promotional activities to strengthen profile</p> <p>Continue to diversify income streams as much as poss, eg new grant applications (using recent Manager training); apply in partnership with local orgs.</p>	Quarterly

Risk ref	Description of Risk	Date identified	Likelihood (1 – 3)	Impact (1 – 3)	Overall score (Likelihood X impact)	Owner	Counter measures	Date for review
4	Late payment of hire fees	04/05/22	2	2	4	Centre Manager	Persist with chasing payment. Escalate to most senior contact where necessary. Refuse to continue with letting if absolutely necessary/ situation becomes critical	Quarterly
5	Fraud or error leading to loss of funds	04/05/22	1	3	3	Treasurer	Financial reports presented to trustees every quarter Financial controls policy and procedures in place including segregation of duties re financial authorisation levels and payments Financial systems identify and ringfence restricted funds and their use	Quarterly
Social								
6	Deterioration of / weak relationships with / connection to the community, resulting in loss of use of the Centre and being community-led	04/05/22	2	3	6	Centre Manager	Maintain positive relationships with all stakeholders – listen to and respond to feedback. Engage community to ensure consideration of their perspective and needs, eg survey to inform business plan Hold (summer) event to build relationships and a shared understanding and vision	May 2023

Risk ref	Description of Risk	Date identified	Likelihood (1 – 3)	Impact (1 – 3)	Overall score (Likelihood X impact)	Owner	Counter measures	Date for review
Operational								
7	Loss of key staff, through resignation, or other employment issue, eg grievance/long-term sickness absence	04/05/22	3	2	6	Chair	Good management of staff to mitigate risks including offering as good as possible salary / benefits / flexible working / support etc. Be aware of things that could pull staff away and take restorative action Support ongoing professional development Succession planning, document systems, plans and projects Follow good employment practice as per policies	Quarterly
8	Breach of Health and Safety regulations leading to financial penalty	04/05/22	1	3	3	Centre Manager	Keep Health & Safety policy under review, ensure all staff understand their role / responsibilities re implementation. Put in place monitoring and reporting procedures Comply with law and regulation Have a named member of staff responsible for all checks. Ensure risks assessments, PAT testing and office inspections all complete.	Quarterly

Risk ref	Description of Risk	Date identified	Likelihood (1 – 3)	Impact (1 – 3)	Overall score (Likelihood X impact)	Owner	Counter measures	Date for review
9	Issue re building security / tenure /maintenance, resulting in disruption to use in some way	04/05/22	1	3	3	Centre Manager	<p>Monitor leasing arrangement (HCA from LA or KCA Church).</p> <p>Ensure repair and maintenance programme is clear and agreed</p> <p>Ensure and regularly review appropriate insurance provision is in place, incl for disruption to business continuity.</p>	May 2023
10	Building inaccessible due to unforeseen closure and therefore groups unable to access venue	04/05/22	2	3	6	Centre Manager	<p>Monitor ongoing Covid regulations. Follow previous protocols re comms to hirers, decision-making around safety measures etc</p> <p>Monitor impact on finances and make informed decisions re how to manage this.</p>	Quarterly until Covid “passes”
12	Government closedown of work places due to force majeure event. For example, continuing pandemic	04/05/22	2	3	6	Trustees	<p>Revert to Business Continuity Plan from 2020 learning which details arrangements for temporarily working remotely/closing Centre etc</p>	June 2023
13	Lack of volunteers needed to maintain a good level of service at the Centre and engage the community	04/05/22	2	3	6	Centre Manager	<p>Review and agree roles, vetting procedures, induction, training and supervision procedures etc</p> <p>Advertise roles and recruit volunteers, eg link with</p>	Quarterly

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							businesses for volunteering. Broaden volunteer base to mitigate reliance on small number of volunteers Ensure appropriate insurance cover for volunteers.	
Technical								
14	Failure of key IT systems, website, database or servers	04/05/22	1	3	3	3	IT system in place including robust back-up Allocate some budget to invest in updating IT equipment each year Check backing up of finance system	September 2022
15	Failure to maintain and develop technical skills in the staff team needed to operate systems and provide services which use technology	04/05/22	2	2	4	Centre Manager	Monitor staff development needs through supervision Maintain updated website Buy in expert advice and support as needed	May 2023
Reputational								
15	Reputation tarnished or negative publicity eg from event, press story, social media content and interactions	04/05/22	2	2	4	Centre Manager	Consider reputation risks of each event and avoid any obvious conflict of interest. Clear comms protocol in place and monitor social media	May 2023
16	Breach of GDPR/ data protection legislation, unauthorised release of	04/05/22	1	3	3	Centre Manager	Awareness of GDPR/data protection legislation and robust policy and	May 2023

Risk ref	Description of Risk	Date identified	Likelihood (1 – 3)	Impact (1 – 3)	Overall score (Likelihood X impact)	Owner	Counter measures	Date for review
	personal data to a third party						management and training for all staff Necessary systems and processes in place	
17	Serious safeguarding / child or adult protection investigation	04/05/22	1	3	3	Centre Manager as Safeguarding Lead	Regular staff meetings, training and 121s to ensure staff equipped to provide good and correct advice Keep safeguarding policy under annual review, led by trustee Monitoring of safeguarding log and learning from cases	September 2022
18	Other significant complaint/incident	04/05/22	2	3	6	Centre Manager	Ensure good management practice and policies in place Trustees monitor and learn from any incidences	Quarterly
Governance								
19	Charity lacks direction, strategy and forward planning	04/05/22	1	3	3	Trustees	Ensure clear direction and business plan in place Monitor financial and operational performance Get feedback from community and funders Make sure all projects are in line with the agreed strategic plan.	May 2023

Risk ref	Description of Risk	Date identified	Likelihood (1 – 3)	Impact (1 – 3)	Overall score (Likelihood X impact)	Owner	Counter measures	Date for review
20	<p>Insufficient trustees / trustees lack necessary skills</p> <p>Failure to meet good governance standards as defined by Charity Commission and Code of Good Governance</p>	04/05/22	3	3	9	Chair	<p>Review and agree skills required on the Board.</p> <p>Analyse need and target new people with appropriate skills and experience</p> <p>Implement agreed recruitment processes and secure/induct/support new trustees</p>	September 2023
21	Miss key deadlines for submitting annual return, accounts etc to Companies House and Charity Commission	04/05/22	1	3	3	Centre Manager	<p>Set reminder in calendar each year</p> <p>Trustee meeting prior to deadline to have sign off of reports as standard agenda item</p>	May 2023

Appendix 2: Risk Assessment Form

Risk Assessment for:	Assessment Date:
Location:	Review Date:
	Assessor(s):

What are the hazards?	How can the hazards cause harm?	Normal control measures	Are adequate control measures in place? Yes / No	Action required	Action by who?	Action by when?	Done