

# BUCKINGHAM ALMSHOUSES AND WELFARE CHARITY

## Risk Management Policy

### 1/ Policy statement

Risk management in the context of this policy relates to the risks that might affect the Charity with regard to its almshouses, the residents, the trustees and the secretary, and the systems and processes the Charity uses for its day-to-day running, and how these risks might be mitigated.

### 2/ Purpose

It is necessary for there to be a system of identifying and managing risks to help ensure that key areas of risk from both internal and external sources are identified and considered. If the possibility of risks occurring has never been considered when, almost inevitably, they will, then the Charity will not be prepared to manage them, let alone having taken any steps in the first place to lessen the chances of them happening.

### 3/ Necessary Procedures

This policy should be read in conjunction with the Charity's Disaster Recovery Plan.

### 4/ Risk matrix

The following matrix lists those risks which are perceived as providing a threat to the Charity if they ever occurred, the likelihood of these occurring, the impact they would have and, lastly, their mitigation. It is by no means comprehensive and time and experience may lead to the realisation of the existence of additional risks which had not been considered in the first version of this policy.

<b>LIKELIHOOD</b>	1-4 where 1 is very unlikely and 4 is highly likely
<b>IMPACT</b>	1-4 where 1 is a minimal effect on the Charity's stability and 4 is a great impact

CATEGORY	RISK FACTOR	LIKELIHOOD	POTENTIAL IMPACT	MITIGATION
<b>FINANCIAL</b>	Loan repayments increase dramatically	2	3	Monitor trends / have contingency funding / adjust budgets / optimise use of all resources to minimise debt
	Failure to set adequate Weekly Maintenance Contributions (WMC)	2	2	Annual review, and WMC not to exceed the Equivalent Fair Rent
	Theft of Charity's money / money laundering / fraud	1	3	Effective controls are in place and regularly reviewed
	Investments collapse	2	3	Investment strategy reviewed / contingency resources / risk spread
	Bad debts	2	2	Sufficient and effective debt recovery procedures
	Running out of money	2	4	Regular monitoring of budgets and resources / management of ERF and CMF
<b>BUILDINGS</b>	Significant wear and tear	3	3	Proactive and preventative maintenance / quinquennial survey
	Calamities (fire, earthquake, flooding etc)	2	4	Adequate insurance / emergency planning / prevention and mitigation plans / disaster recovery plan
	Adequate insurance / emergency planning / prevention and mitigation plans / disaster recovery plan	1	3	Insurance reviewed annually
	Repairs not done adequately	2	3	Contract management / adequate inspection of any work / warranty agreements
	Physical hazards in buildings	2	3	Annual inspection of almshouses / all trustees and secretary aware of safety issues

<b>LEGISLATION</b>	Changes to charity law not managed / mitigated	2	2	Strategic review of changes proposed / action taken
	New carbon standards not managed	2	2	Strategic review of changes proposed / action taken
	Not managing changes to legislation	2	3	Strategic review of changes proposed / action taken
<b>DATA MANAGEMENT</b>	Breaches of confidentiality	2	4	Sufficient procedures in place and enforced / training and development of all stakeholders / Confidentiality Policy adhered to
	Non-compliance with GDPR and Data Protection Act 2018	2	3	Strategic review of changes proposed / action taken
	Important data lost and not recoverable	3	3	Disaster recovery systems reviewed regularly in the light of new threats / key paper records duplicated and stored separately / effective internet security / paper records held in secure, fireproof cabinet(s)
	Website and online resources hacked	2	4	Systems reviewed regularly in the light of new threats / adequate firewalls for website and use of antivirus programmes / website management controlled by at least two trustees
	Poor access to the Charity's data	3	3	Secure electronic repository in place / data management strategy developed and monitored to ensure all information is as accessible as needed notwithstanding confidentiality
<b>CONFLICT</b>	Anti-social behaviour by residents / residents upset neighbours	2	2	Keep in close contact with residents and neighbours - proactive dispute prevention / residents sign letter of appointment making them aware of their responsibilities
	Disputes between trustees	2	2	Board meetings chaired well / Code of Conduct reviewed / disciplinary measures invoked if necessary / regular liaison between chair of Board and individual trustees

	Disputes between Board and secretary	2	2	Board meetings chaired well / Code of Conduct reviewed / disciplinary measures invoked if necessary / regular supervision of secretary
	Conflicts of interest	1	3	Conflict of Interest Policy in place and reviewed regularly / trustees asked to update their declarations of interest at each Board meeting
	Conflicts lead to reputational damage	2	3	Code of Conduct enforced
<b>SAFETY</b>	Inadequate safeguarding for the residents	2	3	Safeguarding Policy monitored and reviewed
	Inadequate safeguarding for the trustees / secretary	2	3	Safeguarding Policy monitored and reviewed
	Lone Working Policy ineffective or requirements not applied	3	3	Safeguarding and Lone Worker Policies monitored and reviewed
<b>GOVERNANCE</b>	Lack of successful forward planning	2	3	Compliance and Governance committee is proactive
	Loss of key personnel - secretary or trustee - through retirement or dismissal	1	3	Regular appraisal and review / 360 feedback
	Poor risk management	1	3	Risks Management Policy and mitigations are reviewed on a regular basis
	Unexpected / mishandled litigation	3	2	Ready access to the Charity's solicitor / consider likely risks / mitigate
	Lack of skills in the trustee Board	2	3	Recruitment, and training and development policies in place including induction of all trustees which are reviewed regularly

	Failure to meet the Charity's objects	1	4	All activities and their value are reviewed regularly against the Charity's objects
<b>MANAGEMENT OF RESIDENTS</b>	Inefficient letting procedures	2	2	Review of procedures - are they being conducted smoothly
	Ineffective letting procedures	2	2	Review of procedures - are they fit for purpose
	Lack of residents / vacant units	1	3	Fill vacancies as quickly as possible
	Not meeting the responsibilities expected of the Charity in maintaining and administering the almshouses	2	4	Monitor such arrangements and any changes to legislation / perform residents' survey on a regular basis
	Any systemic discrimination not addressed	2	3	Review and mitigate / residents survey / E&D policy in place and reviewed regularly

## Reference

Charity Commission for England and Wales: Guidance – Charities and risk management (CC26) – published 1<sup>st</sup> June 2010.

## Document Control

<b>Name of Policy:</b>	Risk Management Policy
<b>Version:</b>	v.1
<b>Purpose of Policy:</b>	To set out the potential risks to the Charity, the likelihood of their occurring, the impact if they did occur and their mitigation
<b>Policy applies to:</b>	The secretary to the Charity and all trustees
<b>Approved by:</b>	The Compliance and Governance Committee
<b>Responsible for its updating:</b>	The Compliance and Governance Committee
<b>Final approval by:</b>	The Board of BAWC
<b>Date of approval:</b>	23 <sup>rd</sup> January 2020
<b>Policy first issued:</b>	January 2020
<b>Proposed date of review:</b>	January 2023