Kendal Snowsports Club – Risk Management Policy

The charity has a clear risk management policy and process to identify and manage all types of risks, and embed risk management into the charity's work. CC26 provides guidance.

Responsibilities

The Committee has overall responsibility for ensuring that there is an appropriate system of controls, financial and otherwise in place and working effectively. Oversight is provided by the Trustees. The systems of financial control are designed to provide reasonable, but not absolute, assurance against material mis-statement or loss. These include:

- a strategic plan and an annual business plan and budget approved by the Trustees;
- regular consideration by the Committee of financial results and variance from budgets;
- delegation of authority and segregation of duties as per the KSC constitution
- management of risk.

The overall risk framework is managed by the Committee. The Trustees exercise oversight and scrutiny through the Committee meeting minutes.

Risk Appetite

Risk appetite is the level of risk an organization is prepared to accept. It isn't easy to define what this might be, but it is important for there to be an understanding across the team of what the maximum level of risk tolerance is.

Managing Organisational Risk

Strategic Risk. Longer-term risk is assessed in the Strategic Plan

In-year. Risk is managed using the risk management cycle and framework, which are outlined below.

Risk Management Cycle

Risk is usually managed by means of a cycle of identification, quantification, management and review and is the responsibility of the committee and trustees.

- **Identification.** Identify the various risks that may materialise.
- **Quantifying.** Assess and quantify these risks.

- **Managing.** Take appropriate action to manage these risks. This is usually the weakest area in a risk management framework. Risks can be managed as follows:
  - **Avoidance.** Action that can be taken to avoid a risk occurring.
  - **Mitigation.** Action that can be taken to reduce the impact a risk may have, if it occurs.
  - **Buying Out**. Generally, this is done using insurance.
  - **Accepting.** Risk cannot be eliminated entirely and any steps taken to manage risk must be reasonable, as resources are not unlimited in terms of money and time. Equally, adopting a purely risk averse approach limits opportunity.
- **Reviewing.** Risks should be reviewed as regularly as is necessary, depending on their likely probability and impact in the light of changing circumstances. This may be done on an ongoing basis, at appropriate points in projects or at regular meetings.

Risk Framework

- Allocate individuals to take responsibility for leading on each category (Governance, External, Regulatory, Financial and Operational) area.
- Decide if the categories allocated are the most suitable and, if not, change these.
- Invite individuals from across all functional areas to provide effective assessment of all risk areas. This should include at least the Chair, and committee and might also include:
  - Some or all members of the Trustees.
  - External individuals who know the organisation well.

Risk level acceptable, does not pose substantive threat to objectives	**Risk level high** and poses potential threat to achieving objectives	**Key Risk - too high** and poses serious threat to achieving objectives.
Less than?	More than?	More than?

Reported To		
Risk lead (Chair)	Committee	Trustee
Managed By		
Committee	Risk lead (Chair)	Trustee

- **Key Risks.**
- Key risks (and possible amber risks) should be included in the Risk Management Plan spreadsheet with their likelihood and impact scores and the appointment of whoever leads on each risk.
- Risk leads should then identify what action will be taken and include this in the relevant section:
  - Avoidance – will help prevent the risk occurring.
  - Mitigation – will reduce the impact if it did occur.

- Once the plan has been completed, it should be reviewed by the Chair/Committee/Trustees to ensure that the:
    - Various actions are realistic and will be delivered.
    - Estimates are prudent.
- The Risk Management Plan should be reviewed by the Committee and approved by the Trustees annually with updates presented to each meeting.
    - Where risk management action isn't working as planned, the action being taken and expected outcome should be reported immediately to the Committee / Trustees.
- **Other Risks.** Responsibility for action to manage other risks should be delegated down and may be managed in several ways, including:
    - Having risk as a standing agenda item at Trustee or other meetings.
    - Including risk responsibilities in job descriptions.
        - This could include appointing an individual with specialist expertise to coordinate managing a risk across the charity.
        - For example, for safeguarding or H&SW.
    - Automatically including as part of the planning process for projects and programmes.
    - Signage and information in newsletters – eg H&SW, safeguarding, environmental.

Training

Training should be provided as necessary. In some areas, such as H&S

In others, will be achieved through specific risk management courses, documentation or on-the-job training or mentoring.

Version Control - Approval and Review

Version No	Approved By	Approval Date	Main Changes	Review Period
V001	Committee	Apr 24	Initial draft approved	Annually

Useful links:

Charity Governance Code: 4 Decisions, Risk, Control
HSE: Charities
CFG: Charity Fraud Guide
ICAEW: Risk Management
CFG: Rethinking Risk
Gov.uk: Data Protection Act
CC: Fundraising legally and responsibly

Charity Commission

How to manage risk in your charity
Charities and Risk Management
CC: Charities, fraud and financial crime
Managing International Risk
CC: Charities and terrorism
CC: Protecting charities from abuse for extremist purposes
CC: Moving and receiving funds safely
CC: Keeping money safe

Institute of Risk Management

Risk management standards

There are also several free **NCVO training videos** available via the link below:

Know How Non-Profit: how to carry out risk assessments

Glossary of Terms

- **Avoidance** – action taken to avoid a risk occurring.
- **Appetite** – the level of risk an organisation will accept.
- **Budget** – the annual planned allocation of resources to fund the business plan.
- **Mitigation** – action taken to reduce the impact of a risk that occurs.
- **Strategic Plan** – the long-term plan for TCG, which is formally reviewed annually.