

The Norwood Society is aware that there are always risks in running its activities but understands how to identify, assess and minimise them to an acceptable level.

AIMS:

1. To ensure that the Society is fully aware of the risks it might encounter during its day-to-day activities.
2. To recognise what the risks are.
3. To assess the impact of any risks.
4. To minimise risks and ensure that they are kept at an acceptable level.

OBJECTIVES:

1. Identify the risks
 - a. Governance
 - i. Ensure that the Trustees and Executive Committee have the skills necessary to manage the Society.
 - ii. Ensure that the Governance document enables the Trustees and Executive Committee to adjust the management of the Society when necessary.
 - b. External
 - i. Ensure the good reputation of the Society is maintained.
 - ii. Ensure relevant legislation is understood and complied with.
 - c. Financial
 - i. Ensure finances are sound and able to withstand disruption.
 - ii. Ensure the Society has sound financial practices.
 - d. Operational
 - i. Ensure the Society is well managed on a day-to-day basis.
 - ii. Ensure Trustees and Executive Committee members have skills appropriate for their roles.
 - iii. Ensure good communication between Society members.
 - iv. Ensure the Society has a good organisational culture.
2. Analyse the risks; identified risks should be assessed for their impact on the Society:
 - a. The likelihood of the risk happening.
 - b. The impact of the risk on the Society if it happens.

PROCEDURE

1. Each risk is scored for its likelihood of occurring and its impact on the Society.

Score

Likelihood of risk occurring

- 1 Rare: not likely to happen or will only happen in exceptional circumstances.
- 2 Unlikely: not expected to happen, but there is a remote possibility that it will occur.
- 3 Possible: may occur on some occasions, but not frequently.
- 4 Likely: is likely to occur or will happen on more occasions than not.
- 5 Certain: Likely to occur in the majority of cases.

Impact

Score Level of impact

Possible consequences if risk occurs

- | | | |
|---|---------------|--|
| 1 | Insignificant | <ul style="list-style-type: none">• No impact on service• No impact on reputation• Complaint unlikely• Litigation risk remote |
| 2 | Minor | <ul style="list-style-type: none">• Slight impact on service• Slight impact on reputation• Complaint possible• Litigation possible |
| 3 | Moderate | <ul style="list-style-type: none">• Some service disruption• Potential for adverse publicity – avoidable with careful handling• Complaint probable• Litigation probable |
| 4 | Significant | <ul style="list-style-type: none">• Service disrupted• Adverse publicity not avoidable (local media)• Complaint probable• Litigation probable |
| 5 | Major | <ul style="list-style-type: none">• Service interrupted for significant time• Major adverse publicity not avoidable (national media)• Major litigation expected• Resignation of senior management and board• Widespread loss of beneficiary confidence |

If one or more of these consequences is possible give it the related score.

2. Calculating the initial risk score

The initial risk score is calculated by multiplying the likelihood score by the impact score.

Initial risk score	Level	Action level
1–8	Low risk	Accept risk. To be managed at the activity level.
9–16	Medium risk	Management action required to reduce risk level to low
17–25	High risk	Significant risk. Board action/awareness required.

3. Prioritise the risks

Prioritise risks to focus on; it's better to manage the most serious risks properly than to manage a full list weakly.

4. Reduce and control the risks

The level of each risk must be controlled to a level that the Society is happy with.

List the controls that are in place for a risk, rescore its likelihood and impact to get a residual risk score. Is the residual risk:

- a. At an acceptable level (ie the same level as your target risk score)
- b. Too high, which means there's a need to identify additional actions to reduce the risk further (eg putting in place more controls, improving existing controls, stopping the activity, or insuring against or contracting out the risk) – this will give the Society an action plan that can be reviewed
- c. Low levels can enable stopping or reducing some controls.

5. Monitor and review risks

- a. Once the key risks have been identified and it has been decided how to deal with them, they should be recorded in a register.
 - b. Monitor and review the risks and plans, taking account of changing circumstances.
 - c. Review the risk register at least once a year and whenever there are incidents that suggest the controls in place aren't working well.
 - d. Report findings to members when necessary.
6. This policy will be published on the Society's website.
 7. This policy will be reviewed annually.

Adopted: 27 April 2022 Stuart Hibberd, Chair

Date of Review: April 2023