St Francis
Nursery and Family Centre

Risk Management Policy and Procedures

Last updated: November 2024

Contents

1. Introduction

The Catholic Children's Society (CCS) recognises the importance of effective risk management to achieve its charitable objectives. This policy sets out CCS's approach to risk management across all our services and functions. It outlines how we will identify, assess and manage risks and provides a framework for a systematic and proactive approach to risk management to protect the charity, its beneficiaries, and stakeholders.

2. Scope

This policy applies to all trustees, employees, volunteers, and stakeholders involved in our work. It covers all aspects of the charity's operations including governance, finance, reputation, service delivery and safeguarding. It should be read in conjunction with our:

- Business Continuity and Contingency Plan
- Safeguarding Policy and Procedures
- Health and Safety Policy

3. Risk Management

CCS will manage risk through a process of identification, quantification, management and review. Risks will be identified through creating an organisational culture of learning from previous negative occurrences or 'near misses', regular communication with staff around potential risk and developing and reviewing robust risk assessments.

Identified risks will be assessed based on likelihood, severity and overall impact to determine the level of risk. Risk Assessments will also outline what action can be taken to avoid a risk occurring, reduce the impact a risk may have if it occurs and how to protect from the impact.

Reviewing and learning from incidents is central to managing risk. Risks which do arise will be placed on a risk register and monitored closely by the Senior Management Team (SMT) and the Board of Trustees. CCS recognises that risk cannot be eliminated entirely and any steps taken to manage risk must be reasonable. We also recognise that adopting a purely risk adverse approach may limit opportunities to meet our objectives and careful consideration must be given to how risk is managed.

4. Responsibilities

The Board of Trustees has overall responsibility for ensuring that there is an appropriate system of controls in place and that these are working effectively. The CEO and Senior Management Team will be responsible for designated areas of risk management and will delegate appropriately. The SMT will regularly review risk assessments and risk registers. All staff and volunteers also have a role in identifying and reporting risks within their respective areas of responsibility.

5. Reporting and Communication

5.1 Organisation Risk Assessment

The Board of Trustees will receive an annual organisational wide risk assessment setting out key risks, likelihood of occurrence, severity of impact and overall risk. Control procedures will be outlined, including steps that will be taken to monitor the risk and who has overall responsibility for this.

The risk assessment will break down risks across key areas including:

- Governance and Management Risks
- IT and Cyber Security Risks
- Operational Risks
- Safeguarding Risks
- Financial Risks
- External Risks
- Reputational Risks
- Health and Safety
- Compliance with Law and Regulations

The organisation risk assessment is a live document and will be kept under regular review by the SMT. Key risks and mitigation efforts will be communicated to all relevant stakeholders promptly and clear lines of responsibility and reporting will be established. Any significant changes to this assessment will be reported to the board.

5.2 Risk Register

Whereas the organisation Risk Assessment covers more general potential risks faced by the organisation, the Risk Register will provide more specific information on any significant risks that have arisen which could impact the reputation, wellbeing or financial operations of the charity.

Our work with vulnerable families brings inherent risks, such as safeguarding concerns; these day-to-day risks will be dealt with separately via our line-management structure and relevant policies and procedures. The Risk Register will be for higher level risks that could have broad and far-reaching consequences. This includes any issue which would fall within the Charity Commission's definition of a 'Serious Incident'. This is defined as:

An adverse event, whether actual or alleged, which results in or risks significant:

- *Harm to your charity's beneficiaries, staff, volunteers or others who come into contact with your charity through its work.*
- *Loss of your charity's money or assets.*
- *Damage to your charity's property.*
- *Harm to your charity's work or reputation.*

Examples of risks that should be added to the risk register include, but are not limited to:

Governance and management

- Unexpected loss of key personnel.
- Any serious breach (or risk of breaching) the Charity Governance Code.

IT, cyber and information security

- CCS IT systems breached by a threat actor.
- Increased threat of risk of cyberattack/ransomware.
- Personal data breach (which reaches the ICO threshold for reporting).
- Significant system vulnerabilities identified.
- Loss, or potential loss of data that is critical to the functioning of the organisation.

Operational

- Issues which may impact the delivery of services (e.g. pandemic, property damage).
- Concerns raised by regulatory bodies regarding the quality of provision (e.g. Ofsted).
- Issues raised by professional bodies regarding the work of any CCS employee/volunteer.
- Any serious breach of professional standards by an employee.
- Any legal proceedings relating to the actions of a CCS employee / volunteer.

Health and safety

- Any significant breach of health and safety standards.
- Any serious concerns regarding CCS's ability to operate a safe working environment.

Safeguarding[1]

- Any allegations made against CCS staff or volunteers.
- Any cases where the LADO has been informed regarding the conduct of a CCS staff member or volunteer.
- Any serious failure by CCS to safeguard an adult or child.
- Any significant safeguarding incident at a CCS setting.
- Any loss or breach of safeguarding data.

Financial

- Loss or potential loss of significant income.
- Any fraudulent activity that has been identified or suspected.
- Any unexpected costs that are likely to be incurred and cause operational challenges.
- Legal claims made against the charity which may result in damages being awarded.

Reputational/external

- Any adverse publicity/media coverage which may impact the operations of the charity.

Fundraising

- Breaches of the code of fundraising practice.
- Risks to current practice that may impact income streams over the longer-term.

[1] Limited information may be shared via the Risk Register in order to protect confidentiality and not prejudice any ongoing investigations. This will be agreed with the Chairman and designated 'HR' Trustee.

Compliance with laws and regulations

- Any illegal activity identified.

The Risk Register will provide senior managers, and the board of trustees, with a means by which they can clearly review:

- The nature of a specific risk
- The actions taken to address this
- The potential impact of this risk
- Who is responsible for dealing with the risk and over what timeframe.

The board of trustees will be informed whenever a new risk is added to the register.

5.3 Financial Risk and Going Concern Assessment

The Finance Committee will meet quarterly to review management accounts, cash flow, investment performance and any potential financial risks. A Finance Report, including the minutes from each finance committee meeting, will be included as a permanent agenda item for each board meeting. A fundraising report will also be included.

In addition, a Going Concern Assessment will be reviewed by the board of trustees annually and will include information on:

- Processes and controls
- Financial position and forecast
- Sensitivity analysis and contingency planning

5.4 Safeguarding

As this is an area of high risk, safeguarding will be kept under regular review. In addition to our standard reporting and monitoring requirements (as set out in our safeguarding policy and procedures), safeguarding will be a permanent agenda item at SMT meetings. The board of trustees will also receive regular reports as follows:

- March: Overview of safeguarding concerns raised in the first half of the academic year.
- June/July: Adult safeguarding report and policy/procedure review.
- September: Overview of safeguarding concerns raised the previous academic year.
- November: Child safeguarding report and policy/procedure review.

Additional reports will be submitted as required.

5.5 Annual Trustees' Report

In our annual report, the Board of Trustees will report on the steps taken to manage and mitigate risk, including any potential future risks that have been identified.

6. Review and continuous improvement

The risk management policy and procedures will be reviewed annually (or as needed) and lessons learned from risk events will be used to improve risk management practices. Staff will also receive appropriate training in risk management principles and practices.

7. Risk Management Procedures

These procedures set out how risk will be identified, assessed and managed across all services and functions at CCS. It will guide staff and managers through a systematic and proactive approach to risk management.

7.1 Key principles and requirements:

These procedures are underpinned by the following key principles and requirements:

- Risk is everyone's responsibility.
- All staff have an important role to play in sharing and learning from previous negative occurrences or 'near misses' and identifying potential risk.
- Risk will be a standard agenda item for all management and team meetings.
- All staff must be aware of any specific requirements of their professional bodies and ensure that their line manager is also aware of these requirements.
- Senior Managers must regularly review and update their analysis of risk if something should change.
- Staff should inform Senior Managers if anything changes or new information comes to light that may impact risk factors.
- Staff and line managers should identify any training needs staff have to ensure they are able to manage risk effectively and can successfully lead any control procedures/ mitigating actions that are delegated to them.
- Senior Managers are responsible for assessing and managing responses to risks and communicating this with all staff and volunteers.
- The CEO is responsible for providing clear and timely communications to the board of trustees on risks identified and actions taken.

7.2 Identifying Risk

All staff and volunteers have an important role to play in identifying and reporting risks within their respective areas of work. They are encouraged to identify areas of uncertainty and not overlook or dismiss risk. Learning from previous negative occurrences and near misses is crucial to ensure that we can identify any potential future risks and manage these effectively.

7.3 Assessing Risk: Likelihood of occurrence

The first step for assessing risk will be establishing the likelihood of occurrence. To help assess this the following questions will be considered:

- Has this risk occurred before and, if so, how often?
- Are there similar risks like this one that have occurred before?
- Can this risk be easily mitigated, or are their factors outside of our control?

CCS will then use a scoring system to estimate the likelihood of the risk, as follows:

Likelihood category	Details	Score
Extremely unlikely	It is not expected that this risk will occur	1
Unlikely	There is a good chance this risk will not occur	2
Moderately likely	This risk could happen, but it might not	3
Highly likely	There is a good chance this risk will occur	4
Extremely likely	It is almost certain this risk will occur at some point	5

7.3 Assessing Risk: Severity of impact

Assessing the consequences/severity of impact of a risk occurring enables us to further evaluate the risk. The following questions will be considered:

- What is the most negative outcome that could come from this risk?
- What are the worst damages that could occur from this risk?
- How hard will it be to recover from this risk?
- Which of the five severity levels most closely matches this risk?

Impact category	Details	Score
Negligible	The risk will have little consequences if it occurs	1
Minor	The consequences of the risk will be easy to manage	2
Moderate	The consequences of the risk will take time to manage	3
Major	The consequences of this risk will be significant and may cause long-term damage.	4
Catastrophic	The consequences of this risk will be so detrimental they may be hard to recover from.	5

7.4 Assessing Risk: Overall risk score

The likelihood score multiplied by severity score will indicate an overall risk score. These will fit into different ranges categorised as follows:

Risk category	Details	Score
Low	Low-risk events that are unlikely to happen and if they do, they will not cause significant consequences.	1 - 8
Medium	Medium-risk events can cause problems, but if action is taken these can be prevented or mitigated well.	9 - 17
High	High-risk events are likely to happen and will have serious consequences if they do. They should be treated as a high priority.	18 - 25

8. Reporting and delegated responsibilities

See Section 4 above on how risk will be recorded and reported.

All newly arising risks or changes to the quantity, severity and likelihood of the risk occurring must be reported to one of the following members of staff:

- CEO
- Head of Finance
- Head of Marketing and Communications
- Head of Fundraising
- Head of Services

Key areas of delegated responsibility are set out below

Risk Areas	Responsible	Risks Related To
Governance and Management	Board of Trustees CEO	Compliance and good governance.
IT and Cyber Security	CEO	IT equipment and online/digital activity.
Operational	SMT	Service specific risks including: clinical risk and compliance; business risks; assets; GDPR; critical incidents and events.
Health and Safety	SMT	Compliance with legal requirements and best practice, including working environments and incidents/accidents.
Safeguarding	Head of Services SMT	Compliance with legal and policy requirements; CCS practice.

Financial	Finance Committee Head of Finance SMT	Financial controls, planning, budgeting, investments and compliance.
Fundraising	Head of Fundraising	Income generation, code of fundraising practice, ethical fundraising.
Reputational and External	SMT	Events external to CCS which may have an impact. Internal actions or events which may harm the professional standing of CCS.