

Cumberland Area Quaker Meeting – Risk Policy & Register

Last updated: May 2024

Risk Management Plan and Policy

The purpose of the risk management plan and policy is to allow Cumberland Area Quaker Meeting to identify potential risks, and to allow for mitigation strategies to be developed and tracked. Risk is the threat that an event or action will adversely affect an organisation's ability to meet its business objectives and execute its strategies successfully. Risk management is the process by which the organisation establishes a procedure aimed at minimising the impact of risks.

CAQM Trustees will regularly review and assess the risks faced by the organisation in all areas of its work and plan for the management of those risks. Risk is an everyday part of charitable activity and managing it effectively is essential if the Trustees are to achieve their key objectives and safeguard CAQM's funds and assets. This document outlines our approach and appetite to risk, identifies major risks that apply to CAQM and assists in making decisions about how to respond to the risks we face. We will make an appropriate statement regarding risk management in our annual report.

CAQM Risk Appetite

The Risk Appetite below is based on our assessment of the risks identified under seven risk categories identified.

Risk Appetite Key:

| Colour Code | Risk Appetite | Description – Philosophy & Tolerance |
|-------------|-----------------------|---|
| Zero | Averse – 0.1 – 5 | Averse - Avoidance of risk is the core objective, unwilling to accept any extremely low amount of uncertainty |
| Low | Minimalist – 5.1 – 10 | Minimalist - Extremely conservative, willing to accept a low amount of uncertainty |
| Medium | Cautious – 10.1 – 15 | Cautious - Preference for safe delivery, willing to accept a certain amount of uncertainty |
| High | Flexible – 15.1 – 20 | Flexible - Will take strongly justified risks and expect some uncertainty |

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| Extreme | Open – 20.1 - 25 | Open - Will take justified risks and fully expect and accept uncertainty |
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| Category | Subcategory | Risk Appetite | Description – Philosophy & Tolerance |
|----------------------------------|----------------------|---------------|--|
| Operational | Process | Minimalist | Extremely conservative, willing to accept a low amount of uncertainty |
| | People | Minimalist | Extremely conservative, willing to accept a low amount of uncertainty |
| | Systems | Minimalist | Extremely conservative, willing to accept a low amount of uncertainty |
| Strategy | Strategy | Minimalist | Extremely conservative, willing to accept a low amount of uncertainty |
| Governance | Process | Minimalist | Extremely conservative, willing to accept a low amount of uncertainty |
| | Compliance | Averse | Avoidance of risk is the core objective, unwilling to accept any extremely low amount of uncertainty |
| Compliance (legal or regulatory) | Regulatory | Averse | Avoidance of risk is the core objective, unwilling to accept any extremely low amount of uncertainty |
| | Legal | Averse | Avoidance of risk is the core objective, unwilling to accept any extremely low amount of uncertainty |
| Financial | Internal Controls | Minimalist | Extremely conservative, willing to accept a low amount of uncertainty |
| | Liquidity / Reserves | Minimalist | Extremely conservative, willing to accept a low amount of uncertainty |
| Environmental | Environmental | Minimalist | Extremely conservative, willing to accept a low amount of uncertainty |
| Reputational | Reputational | Minimalist | Extremely conservative, willing to accept a low amount of uncertainty |

Risk Management Process



Risk Management Scoring

Risk likelihood:

1 = lowest probability

5 = highest probability

| Description | Risk Level/Score | Impact on Service and Reputation |
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| Remote | 1 | May only occur in exceptional circumstances |
| Unlikely | 2 | Expected to occur in a few circumstances |
| Possible | 3 | Expected to occur in some circumstances |

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| Probable | 4 | Expected to occur in many circumstances |
| Highly Probable | 5 | Expected to occur frequently and in most circumstances |

Risk consequences:

1 = lowest risk

5 = highest risk

| Description | Risk Level/ Score | Impact on Service and Reputation |
|----------------------------|------------------------------|--|
| Insignificant | 1 | No impact on service or reputation; Complaint unlikely and litigation risk remote |
| Minor | 2 | Slight impact on service or reputation; Complaint or litigation possible |
| Moderate | 3 | Some service disruption and potential for adverse publicity but avoidable with careful handling; Complaint and/or litigation probable |
| Major | 4 | Service disrupted; Adverse publicity not avoidable; Complaint and/or litigation probable |
| Extreme/Showstopper | 5 | Service disrupted for significant time; Major adverse publicity - national media; Major litigation expected; Resignation of senior staff and / or board; Loss of confidence in the organisation |

Risk Scale:

The risk likelihood and the risk consequences are then plotted on the following matrix to give a Risk Scale:

| Risk Likelihood | Risk Consequence | | | | |
|-------------------|--------------------|------------|---------------|------------|-------------------------------|
| | Insignificant 1 | Minor 2 | Moderate 3 | Major 4 | Showstopper / Extreme 5 |
| 5 Highly probable | Medium | High | High | Severe | Severe |
| 4 Probable | Medium | Medium | High | High | Severe |
| 3 Possible | Low | Medium | Medium | High | High |
| 2 Unlikely | Low | Medium | Medium | Medium | High |

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| | 1 Remote | Low | Low | Low | Medium | Medium |
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L = Low (Score 0 - 3)
M = Medium (Score 4 - 9)
H = High (Score 10 - 16)
S = Severe (Score 17 - 25)

RISK REGISTER

| | RISK What can happen & how | Risk Likelihood | Risk Consequence | Risk Score | Inherent Risk Scale | Controls | Persons responsible |
|----------|---|------------------------|-----------------------------|-----------------------|--------------------------------|--|--------------------------------|
| 1 | General | | | | | | |
| 1.1 | Criminal charges brought against leader/s or members. | 1 | 3 | 3 | L | None | |
| 1.2 | Adverse publicity or loss of reputation. | 1 | 3 | 3 | L | Adherence to existing policies as in Quaker faith & Practice. Contact Friends House for media advice. | Trustees, AM Clerk |

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| 1.3 | Breakdown of tolerance from neighbours due to disturbance from activities at MHs | 1 | 3 | 3 | L | Good room hire agreements More likely from room hire activities | LQMs Friends i/c lettings |
| 1.4 | Charity Trustees exceed or fail in their responsibilities. | 1 | 3 | 3 | L | Trustees to be aware of Terms of Reference & Governing Document Newly appointed Trustees to receive training. | Trustees |
| 1.5 | Issues arising from CAQM website. | 1 | 3 | 3 | L | | |
| 2 | Staff including self-employed contractors | | | | | | |
| 2.1 | Inability to fill role of e.g. cleaner (or get these tasks done). | 2 | 2 | 4 | M | MoU defines who is responsible at LMs Trustees need to define guidance re. use of self-employed contractors. | Trustees and those in MoUs |
| 2.2 | Inadequate performance of staff. | 2 | 1 | 2 | L | A statement of duties including specifying the name of the supervisor. Trustees need to draw up a model statement of duties for use throughout CAQM | Trustees and those in MoUs |
| 2.3 | Sickness or long term absence of staff. | 2 | 1 | 2 | L | | |

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| 2.4 | Health and Safety violations leading to legal action or adverse publicity. | 1 | 3 | 3 | M | A statement of duties including specifying the name of the supervisor. Trustees need to draw up a model statement of duties for use throughout CAQM | Trustees and those in MoUs |
| 2.5 | Inappropriate relations or unbecoming conduct of staff. | 1 | 2 | 2 | L | | |
| 2.6 | Accident or harm to staff working alone on the CAQM premises. | 1 | 3 | 3 | L | Statement of Duties must specify that self-employed contractor has a mobile 'phone at all times. Trustees need to draw up a model statement of duties for use throughout CAQM | Trustees and those in MoUs |
| 3 | Children, Young People & Vulnerable Adults | | | | | | |
| 3.1 | Child protection and safeguarding issues. | 1 | 4 | 4 | M | All working with children to be DBS checked. All members to be aware of the CAQM safeguarding policy. | Trustees, Safeguarding Coordinator |
| 3.2 | Complaints or concerns about children or young people etc. | 1 | 4 | 4 | M | CAQM Safeguarding policy. All complaints taken seriously; advice from Quaker Life at Friends' House | Trustees, Safeguarding Coordinator |
| 3.3 | Persons attending CAQM's MfWs who are on Sex Offenders Register. | 1 | 4 | 4 | M | This relies on the police & probation service advising us of such people. Has happened in Carlisle LM. | LM Clerks, E&O |

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| 3.4 | Fear of legislation or litigation deters people from helping or limits range of activities. | 1 | 3 | 3 | L | Nominations committees to present positive information to counter fear. | Noms Cttees Trustees, Safety Coords |
| 4 | Volunteers, including office-bearers e.g. clerks | | | | | | |
| 4.1 | Inability to get enough volunteers for regular activities. | 3 | 2 | 6 | M | Nominations Committees Adopt a more innovative approach to nominations? | Noms Cttees, Area Mtg |

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| 4.2 | Loss of volunteers at short notice. | 1 | 3 | 3 | L | Nominations Committees | Noms Cttees, Area Mtg |
| 4.3 | Volunteers not meeting requirements of the task. | 1 | 3 | 3 | L | Noms Committees follow procedures given in Quaker faith & Practice. | Ditto |
| 4.4 | Volunteers unaware of key policies & guidelines . | 1 | 3 | 3 | L | Implement adequate terms of reference for the post | Noms Cttees |
| 4.5 | Personal abuse/accusations. | 1 | 3 | 3 | L | Elders & Pastoral Friends Handled as per Safeguarding Policy | Trustees |
| 5 | Records and Personal | | | | | | |
| 5.1 | Loss of documents | 1 | 3 | 3 | L | CAQM policies all recently updated Implement BYM recommended Retention Record system | Trustees |

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| 5.2 | Loss/theft of personal possessions. | 1 | 3 | 3 | L | | Trustees to check |
| 5.3 | Disclosure of personal information. | 1 | 3 | 3 | L | LM Clerks to bring this to the attention of Local Meetings Ensure all members & attenders aware of data protection requirement | Trustees & LM Clerks |
| 6 | Third Party use of CAQM Premises | | | | | | |
| 6.1 | Unsuitable lettings. | 1 | 4 | 4 | M | Note at present some LMs have no lettings policy at all There is a need for a CAQM lettings policy template, which can be adapted for use by LMS | Trustees |
| 6.2 | Misuse of premises. | 1 | 3 | 3 | L | | |
| 6.3 | Damage to the reputation of CAQM. | 1 | 3 | 3 | L | | |
| 6.4 | Damage to property. | 1 | 3 | 3 | L | | |
| 6.5 | Misuse of kitchen facilities or poor health and hygiene practice leads to illness or health authority sanctions. | 1 | 3 | 3 | L | Use of kitchen to be covered in lettings policy | |
| 6.6 | Non payment of rent/hire charge. | 1 | 3 | 3 | L | Bookings Clerks to have clear procedures, as defined in lettings policy | LM Bookings Clerks |

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| 6.7 | Inadequate insurance cover. | 1 | 5 | 5 | M | There is a need for someone to scrutinize insurance policies to make certain that cover is adequate. | Trustees |
| 7 | Financial Matters | | | | | | |
| 7.1 | Loss of capital through inappropriate investing. | 1 | 4 | 4 | M | Adherence to CAQM investment policy | Trustees |
| 7.2 | Reduction in investment interest. | 1 | 3 | 3 | L | AM Treasurer reviews products available | AM Treasurer |
| 7.3 | Loss of major donors within CAQM. | 1 | 3 | 3 | L | Need for more Members & Attenders to contribute None possible | All LM Treasurers |
| 7.4 | Individuals withdrawing their financial support but remaining within the CAQM. | 1 | 3 | 3 | L | Controls difficult, if not impossible | All LM Treasurers |
| 7.5 | Fraud or theft of funds. | 1 | 3 | 3 | L | Follow Charity Commission procedures Two signatures for all payments | All treasurers |
| 7.6 | Theft of Sunday offering cash. | 1 | 2 | 2 | L | Ideally a cash book with two signatures should be used. Never keep cash on the premises | LM treasurers |
| 7.7 | Unanticipated significant increase in expenditure. | 3 | 3 | 9 | M | Most likely to incur with property expenditure. Maintain sufficient contingency reserves | Trustees |

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| 7.8 | Inaccurate accounting. | 1 | 3 | 3 | L | Use acceptable/recommended accounting procedures. Independent examiner. | Trustees |
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| 8 | Premises and Property AM Premises – Meeting Houses | | | | | | |
| 8.1 | Inadequate plans in case of fire. | 1 | 4 | 4 | M | Adequate provision of and good maintenance of fire extinguishers. Agreed and well circulated fire drill procedures. Regular fire drills. Instruction of all leaders in "What to do in case of a fire". | Trustees |
| 8.2 | Serious Damage or Total loss through fire, flood, explosion, falling objects or terrorist action. | 3 | 4 | 12 | H | Keswick no longer covered for flood damage: need own reserves. Adequate insurance cover | |
| 8.3 | Loss or damage due to unauthorised entry, theft, vandalism etc. | 1 | 3 | 3 | L | Making sure that premises are secure at all times; register of key holders | LM Clerks and Trustees |

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| 8.4 | Significant failure of essential services (power, heating, water). | 1 | 3 | 4 | L | | LM Clerks |
| 8.5 | Injury due to poor maintenance of the buildings. | 1 | 4 | 4 | M | | Trustees |
| 9 | Premises and Property Detached Burial Grounds | | | | | | |
| 9.1 | Injury to visitors | 1 | 3 | 3 | L | Add to public liability insurance cover. Relevant disclaimer notices; locked gates where practicable. | Trustees |
| 9.2 | Damage due to unauthorised entry. | 1 | 3 | 3 | L | Check if covered in property insurance None possible | Trustees |

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| 10 | Disability Discrimination | | | | | |
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| 10.1 | CAQM fails to comply with DDA regulations. | 1 | 3 | 3 | L | DDA exemption for some buildings | Trustees |
| 10.2 | Complaints received that discrimination is "practised" by the non consideration of those with special needs. | 1 | 3 | 3 | L | E&O and others to be aware of CAQM policies. | Monitoring by Trustees |
| 10.3 | Failure to consider disability issues when setting up a programme or project and thus creating an excluded section of LMs. | 1 | 3 | 3 | L | Ditto | Ditto |
| 11 | Information Technology | | | | | | |
| 11.1 | Hardware failure or loss of office holders' PCs. | 1 | 3 | 3 | L | AM policy required re. data security Regular backups | Trustees |
| 11.3 | Accidental corruption of databases | 1 | 3 | 3 | L | Regular backups | Trustees |
| 11.4 | Corruption of databases etc.. | 1 | 3 | 3 | L | Policy required Adequate regular backups | Trustees |
| 11.5 | Virus and malware attack. | 1 | 3 | 3 | L | Good anti-virus package | Trustees |

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| 12 | Legal and Compliance | | | | | | |
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| 12.1 | Changes in Charity Law. | 1 | 3 | 3 | L | Memorandum of Understanding to give guidance to LMs QSC checks TARs and issues guidance | Trustees |
| 12.2 | Serious failure to achieve proper Governance of Charity. | 1 | 3 | 3 | L | QSC monitors AMs' TARs | Trustees & QSC |
| 12.3 | Prosecution, litigation or complaint due to lack of relevant licences. | 1 | 3 | 3 | L | Most likely with planning and building regulations Employ qualified experts | Trustees |
| 12.4 | Litigation or complaint against the CAQM re Data Protection. | 1 | 3 | 3 | L | Need to update/create data retention policy AM's Data Protection Policy | Trustees |
| 12.5 | Legislation or regulations incompatible with CAQM's principles and ethos. | 1 | 3 | 3 | L | Advice from BYM as all Quakers would be affected. | Monitoring by Trustees |