

DRAFT RISK REGISTER - HALE COMMUNITY CENTRE

			May 2023					
Risk areas Risk Identified	Risk Rating	Potential impact	Control procedure	Mitigated Risk Rating	Monitoring process	Responsibility	Further action required	Date of review
1. Governance and Management								
The organisation lacks direction, strategy and forward planning	II	<p>The organisation drifts with no clear objectives</p> <p>Issues are addressed piecemeal with no strategic reference.</p> <p>Loss of reputation.</p> <p>Business does not operate at potential</p>	<p>Centre Manager in place</p> <p>An overall long-term strategic plan which clearly defines the Centre’s mission and objectives</p> <p>Centre has a constitutional document (mem & Arts)</p> <p>Regular board meetings where strategic issues are reviewed and discussed</p>	II	<p>Board monitors activities and progress and provides support for Centre Manager as required</p> <p>Regular reviews and progress reports are submitted to board</p> <p>Schedule of yearly activity drafted and updated.</p>	<p>Board</p> <p>Centre Manager</p>		

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Trustee body lacks relevant skills or commitment	I	Charity fails to achieve its purpose Resentment or apathy amongst staff Lack of expertise at Board level.	A formal recruitment process, that identifies and communicates to all skills and commitment required of Trustees Trustee training	II	Annual Trustee skills review	Chair Centre Manager	Regular skills review and forward planning to inform future trustee recruitment Consider board succession Assess Trustee needs re training	Annual 2020 board meeting
Lack of Review for Trustees and Board Board of Trustees dominated by one or two individuals, or by connected individuals	II	Trustee board cannot operate effectively Decisions made bypassing trustees Pursuit of personal agenda rather than Centre's own goals	Consider the structure of the board and their independence Procedural framework for meetings and recording decisions	II	During recruitment request disclosure of any past or existing relationships that may impact or conflict with their role as Trustee and share conflict of interests policy An evaluation of the effectiveness of board meetings – through discussion at meeting	Board Chair	Include a declaration of interests question on the agenda at the start of each board meeting To be followed up	At a 2020 Board meeting.

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<p>Organisational Structure</p> <p>Centre Manager and staff roles</p> <p>Reporting mechanisms to Board</p>	I	<p>Lack of support for Centre Manager</p> <p>Staff over burdened</p> <p>Insufficient staff</p> <p>Lack of time for management.</p>	<p>Delegation and monitoring consistent with good practice and constitutional and legal requirements</p>	I	<p>Quarterly staff meetings to discuss operations and ensure clear task roles for staff</p> <p>Submission of Centre Manager's report (detailing operations) to the board for review and discussion at board meetings</p> <p>Board supports Manager</p>	<p>Centre Manager</p> <p>Board</p>	<p>Annual review of organisational structure</p>	<p>July Board meeting</p>
<p>Lack of performance management system</p>	II	<p>Ineffective time management</p> <p>Staff skills underutilised.</p>	<p>Procedures for monitoring efficiency to ensure development consistent with changing business demands.</p> <p>Regular review of any training that might be needed.</p>	II	<p>Management to identify objectives, monitor performance and formulate objectives for staff appraisals</p> <p>Annual staff appraisals</p> <p>Annual appraisal of Centre Manager</p>	<p>Centre Manager/ Chair</p> <p>Centre Manager</p> <p>Chair</p>	<p>Continue monitoring the need for further staff development</p> <p>Annual appraisals</p>	<p>Annual</p>

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Activities potentially outside objects	II	Loss of funds available to achieve the Centre's objectives Liabilities to repay funders Enquiry from Charity Commission May become liable to taxation?	Procedures for reviewing new projects to ensure consistency with objects, powers and terms of funding Financial systems to identify restricted funds and their application	II	Board review new strategies and projects to ensure they comply with the Centre's Articles	Board		Annual
Loss of staff	IV	Project progress slowed or even temporarily halted Loss of skills.	Min. 1 months' notice required for resignations Establish a skills sharing culture Maintain a pool of volunteers who can provide staff cover	II	Centre to promote sufficient and reliable IT infrastructure (storing of data). Regular staff and volunteer meetings Regular pay reviews in relation to the sector wages.	Centre Manager Board	Continue working towards longer term goal of building reserves to cover additional staffing costs. Board to consider staff retention strategies to avoid staff turn- over	Annual

Lack of quality or low retention and recruitment of volunteers	IV	<p>Poor volunteer recruitment and retention</p> <p>Poor volunteer support, management and training</p>	<p>Training planned for key volunteers</p> <p>Volunteer recruitment process established and protocol developed.</p>	II	Volunteer requirements and policy assessed annually by Centre Manager	Centre Manager	Ensure continuing support and training offered to volunteers without exploiting them.	Annual
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2. Operations and activities programme								
<p>Programme Objectives – poor outcomes, attendance or lack of available funding to deliver objectives</p>	<p>II</p>	<p>Failure to deliver on programme objectives</p> <p>Failure to focus on our core mission or duplication of the offer in our locality</p> <p>Lack of willing participants</p> <p>The audiences needs are not addressed</p> <p>Loss of direction and focus.</p>	<p>A focused strategy that clearly defines what our objectives are and how we plan to achieve them</p> <p>Consulting local groups & communities; conducting research to assess current provision & areas of need</p> <p>Clearly defined audience groups and profiles</p> <p>Feedback from participants on activities confirming whether their needs were addressed.</p>	<p>II</p>	<p>Ongoing monitoring of programme strategy & implementation, followed by focused fundraising activity.</p> <p>Ongoing development of the mailing list for new participants (families, children and adults)</p> <p>Monitoring and review success of programme</p> <p>Ongoing market research</p> <p>Offer targeted events</p>	<p>Board</p> <p>Centre Manager</p>	<p>Effective and meaningful engagement with the community to assess needs</p>	<p>Annual</p> <p>Quarterly</p>

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2. Operations and activities programme (cont'd)								

Poor promotions, marketing and advocacy for activities	IV	<p>Little or no awareness of the Centre's activities and programme on offer amongst our audiences</p> <p>Little or no take up of activities/programmes on offer</p> <p>Reduced fundraising potential.</p>	<p>To have a clear annual marketing plan that complements and supports programmed activities</p> <p>To ensure adequate staff time/consultancy and funds, are provided to support the promotion and marketing of programme.</p>	IV	<p>Regular review of marketing and communications activities.</p> <p>Regular review of marketing skills in the team</p>	Centre manager	<p>Annual review of communications strategy</p> <p>Continue working on marketing strategy.</p>	Annual
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Insufficient evaluation (quantitative & qualitative) and insufficient opportunity for users to feedback their experiences.	II	Lack of evidence to support future funding bids Lack of evidence to support existing funding reports Lack of evidence to shape and inform future programming Users/audience unable to take an active role in shaping a programme aimed at them	Ensure both informal and formal evaluation procedures are set in place for all activities and projects Ensure all 'data' is collated in a usable, standard and secure format Ensure users and audiences are consulted at every opportunity in development of new projects Ensure evidence and feedback gathered is used and not just shelved to gather dust	II	Centre Manager/Chair to monitor.	Board Centre Manager	Continue to review of evaluation questions to ensure the right data is captured and is meaningful for planning and attracting new resources Continue to work on customer surveys and analyse the data Undertake a time limited evaluation of customer feedback and provide feedback to trustees as part of business planning review	Annual
Competition Failure to maintain links with organisations	IV	Competitors attract funding and audience away from the Centre Loss of business and successful activities	Conduct ongoing research into 'competitors' existing offer Create opportunities for partnership/co-operative working in	IV	Centre Manager to maintain good external relations with potential competitors to ensure a more collaborative working relationship.	Board Centre Manager		Annual

Failure to monitor competition			favour of competitive working.					
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Disaster Recovery and planning	II	<ul style="list-style-type: none"> • Computer system fails / Permanent loss of information • Destruction of equipment, premises, stock and records through fire, flood or similar damage. 	<ul style="list-style-type: none"> • Business continuity plan • Maintain good practice • Implement protocol for all staff • Separate hard drive • Insurance (including loss of business). 	I	<p>6 monthly review</p> <p>Regular fire drills</p>	<p>Board</p> <p>Centre Manager</p>	Business continuity strategy to be developed	Annual
Information technology Web server crash Website failure	II	<ul style="list-style-type: none"> • Systems fail to meet needs • Reduced productivity • Loss/corruption of data • Lack of technical support 	<ul style="list-style-type: none"> • Appraisal of system needs and options • Investment in new software/hardware • Use of IT support consultants 	I	<p>Reviewed annually or as necessary updates of website</p> <p>Maintain procedures to ensure regular systems back up.</p>	Centre Manager	<p>Further investment as finances permit</p> <p>Continue to seek funding opportunities.</p>	Annual

		<ul style="list-style-type: none">• Loss of business and reduced publicity.	<ul style="list-style-type: none">• Creating back-ups weekly.					
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<p>Breach of Landlord's covenants</p>	<p>II</p>	<ul style="list-style-type: none"> • Deterioration of relationship with Landlord • Forfeiture of leases • Premises not properly maintained • Damage to buildings causing financial loss. 	<ul style="list-style-type: none"> • Maintain good working relationship with Landlord' • Ensure compliance with leases • System for reporting issues arising to Landlord and recording response received 	<p>II</p>	<p>All matters to be recorded as they arise</p> <p>Board to seek legal advice if necessary.</p>	<p>Centre Manager</p> <p>Board</p>		<p>Annual</p>
<p>Employment Issues</p>	<p>II</p>	<ul style="list-style-type: none"> • Employment disputes • Health & safety issues • Claims for injury, stress, harassment, unfair dismissal, equal opportunities issues, • Adequacy of staff training • Low morale. 	<ul style="list-style-type: none"> • Regular update of Staff handbook - Recruitment processes, job descriptions, contracts of employment, appraisals and feedback procedures • Job training and development • Health & Safety monitoring and training • Staff vetting and legal requirement checks • Diversity and Equality protocol. 	<p>I</p>	<p>Annual review</p> <p>Regular staff and volunteer meetings.</p>	<p>Centre Manager/</p> <p>Chair</p> <p>Board</p>		<p>Annual</p>

<p>Assault (physical or verbal) on staff</p>	<p>II</p>	<ul style="list-style-type: none"> • Injury to staff • Damage to property 	<ul style="list-style-type: none"> • Staff protocol and briefing • Panic button 	<p>I</p>	<p>Review at staff and volunteer meetings.</p>	<p>Centre Manager Board</p>		<p>Annual</p>
<p>Contract Risk</p>	<p>I</p>	<ul style="list-style-type: none"> • Onerous terms and conditions within key contracts • Non-compliance with Centre's objectives 	<ul style="list-style-type: none"> • Cost/project appraisal procedures. • Authorisation procedures • Advice on terms and conditions • Performance monitoring arrangements. 	<p>I</p>	<p>Annual review</p>	<p>Centre Manager Board</p>		<p>Annual</p>

3. Financial risks								
Budgetary control and financial reporting	II	<ul style="list-style-type: none"> Budget is not realistic Decisions made on inaccurate financial projections or reporting Inability to meet commitments or key objectives Poor cash flow Ability to function as going concern. 	<ul style="list-style-type: none"> Budgets linked to business planning and objectives Timely and accurate monitoring and reporting Procedures to review and action budget/cash flow. 	II	<p>Monitoring and review at board meetings.</p> <p>Monthly review by Centre Manager and Treasurer.</p> <p>Ensure adequate financial reporting.</p>	Treasurer Centre Manager Chair	Keep Centre's bookkeeping needs under review	Annual
Low/falling bookings	IV	<ul style="list-style-type: none"> Insufficient revenue. 	<ul style="list-style-type: none"> Ensure pricing competitive Ensure adequate marketing and market research 	II	Quarterly reports to board	Centre Manager Chair Treasurer		Annual

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Dependency on income sources	IV	<ul style="list-style-type: none"> Cash flow and budget impact of income loss Restriction on ability to implement business plan Failure of business. 	<ul style="list-style-type: none"> Identification of major dependencies. Adequate reserves policy and reserves Diversification plans. 	II	<p>Monthly review of cash flow and quarterly review of budget,</p> <p>Appropriate fundraising strategy</p> <p>Implement marketing strategy.</p>	<p>Chair</p> <p>Board</p> <p>Centre Manager</p> <p>Treasurer</p> <p>Bookkeeper</p>		Annual or as required
Relationship with funders	II	<ul style="list-style-type: none"> Deterioration in relationship may impact on funding and support available Failure to meet funding budget. 	<ul style="list-style-type: none"> Regular communication and briefings with major funders Compliance with funders terms conditions and objectives 	II	Quarterly	<p>Chair</p> <p>Centre Manager</p>	Continue focus on grant funding and new partnerships in relation to the strategic aims identified in the business plan.	Annual
<p>Fraud or error</p> <p>Staff/Trustee dishonesty</p> <p>Theft/breakages</p>	II	<ul style="list-style-type: none"> Financial loss Risk to reputation Action from Charity Commission Impact of future funding 	<ul style="list-style-type: none"> Financial control procedures Segregation of duties Authorisation limits Maintain insurance 	II	<p>Monthly and quarterly review.</p> <p>Develop due diligence procedures for all applicants</p>	<p>Chair</p> <p>Centre Manager</p> <p>Treasurer</p>		Annual

					Protocol for for financial procedures implemented.			
<p>Increased Liabilities</p> <p>Failure to ring fence payments e.g. taxes</p> <p>Workplace pensions</p> <p>Increase in National Living Wage</p>	II	<ul style="list-style-type: none"> Impact of increased costs/outgoings on budget Failure to meet budget. 	<ul style="list-style-type: none"> Realistic budgeting Focus on building reserves Monitor and make budgetary provision. 	II	<p>Maintain good relationship with landlord, suppliers etc.</p> <p>Maintain sound and transparent accounting procedures</p> <p>Centre Manager to report to board quarterly</p> <p>Diarise uplift date.</p>	<p>Centre Manager</p> <p>Treasurer</p>		Annual
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4. External Risks								

Public perception	IV	<ul style="list-style-type: none"> • Impact of future donations, grants • Impact of future development of business. 	<ul style="list-style-type: none"> • Communication with key donors and people of influence • Implement an effective PR and marketing strategy. 	IV	Regular review	Board Centre Manager		Annual
Adverse publicity	II	<ul style="list-style-type: none"> • Loss of donor confidence or funding • Loss of influence in community • Loss of beneficiary confidence. 	<ul style="list-style-type: none"> • Regular consultation with donors/community representatives to prevent • Crisis management plan. 	II	Regular review	Centre Manager Board		Annual

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5. Compliance risk (law and regulation)								
Compliance with the following legislation and regulations: Charity law Companies Act Own constitution Data Protection Act Disability Discrimination Act Employment Law Trustees Act Human Rights Act Health and Safety law Trading Standards	II	<ul style="list-style-type: none"> Fines, penalties or censure Loss of licence to undertake particular activity (<i>Link to operational risks</i>) Employee or consumer action for negligence Risks to reputation Closure. 	<ul style="list-style-type: none"> Identify key legal and regulatory requirements Allocate responsibility for key compliance procedures Compliance reports from Regulators, auditors and staff considered and carried out at appropriate level Monitor requirements re: pensions. 	II	<p>Annual review of aforementioned legislation and regulations</p> <p>Implement diary system to ensure compliance</p>	<p>Centre Manager</p> <p>Chair</p> <p>Board</p>	<p>Need to keep protocols and policies under review</p> <p>Health and safety requirements need to be carefully monitored</p>	Annual

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Regulatory reporting requirements:	II	<ul style="list-style-type: none"> Regulatory action Risk to reputation Impact on funding. 	<ul style="list-style-type: none"> Compliance procedures and allocation of staff responsibilities. 	II	Annual Quarterly review	Board		Annual
Taxation	II	<ul style="list-style-type: none"> Penalties, interest and 'back duty' assessments Loss of income e.g. failure to utilise gift aid arrangements Failure to utilise tax exemptions and relief. 	<ul style="list-style-type: none"> PAYE compliance procedures. Understanding/Training on exemptions and relief available (direct tax and VAT) 	II	Quarterly review	Board Treasurer Bookkeeper		Annual
Inadequate Insurance cover	II	<ul style="list-style-type: none"> Financial penalties Bankruptcy Legal action. 	<ul style="list-style-type: none"> To ensure policies are maintained and adequate cover is provided (public liability to value of £10 million). 	II	Annual review of needs and cover and reviews on project by project basis	Centre Manager Trustee - legal expertise	Quotes and renewal of insurance	Annual

The Board agrees that this assessment shows a true and fair representation of the risks Hale Community Centre faces in the financial year

Signed and dated

Chair of Board of Trustees.....Date.....

Centre ManagerDate.....

Date for next Risk Assessment to be carried out