

The Parish of St. Mary with St. Peter

Risk Management

Introduction

The Charities Act requires that all PCCs with an annual income greater than £250,000 carry out risk reviews and include a statement in their Annual Report confirming that this has been done and that suitable actions have been taken. Whilst smaller PCCs are not required to comply with this, it is recommended, from a best practice perspective, that they do so.

However, it is important to place Risk Management in context and not to be overwhelmed by bureaucracy. Smaller churches should keep things simple; to spend a small amount of time focusing on a few significant risks. Enough should be done to reap the benefits of Risk Management without it becoming burdensome and unproductive.

A risk is the threat that an event or action will adversely affect a church's ability to carry out its ministry and mission. One way of categorising risks is as follows:

- **Operational:** a risk that threatens a church's ability to exercise its ministry and mission.
- **Financial:** a risk that threatens the financial health of a church. Many non-financial risks have a financial impact
- **Reputational:** a risk that threatens the way in which the church and its members are regarded by the local and wider community.
- **Statutory and legal:** the risks created by the need to satisfy the requirements of Health and Safety, Employment law, Charities and Child Protection legislation.

We note that risks are linked, but they are taken separately in this document.

The task includes identifying risks, assessing risks (by likelihood and impact), deciding on and taking action, reviewing regularly and making a Risk Management Statement in the Annual Report.

In addition, see:

The Diocese of Norwich *Risk management: A step by step guide for PCCs.*

www.norwich.anglican.org/finance/documents/Risk%20Management.doc

last accessed 29 November 2010

The Charity Commission *Charities and Risk Management: A guide for trustees.*

<http://www.charitycommission.gov.uk/Library/guidance/cc26text.pdf>

last accessed 29 November 2010

Operational Risk

Risk	Likelihood	Impact	Action
Inability to hold run the activities of the church. Activities require a functioning church building, having personnel and other necessary materials.	Medium	Low / Medium	Church buildings and equipment are maintained and kept in good repair, complying with all appropriate legislation. All church records are kept in secure safes.

Financial Risk

Risk	Likelihood	Impact	Action
Funding problems, which reduce the ability of the churches to carry out our aims and objectives. This may arise from financial loss arising from misappropriation of funds either accidentally or deliberately or failure of giving.	Medium	High	See <u>Investment and Reserves Policy</u> published in the Annual Report.
Loss of cash, whether in collections, by fund raising, or donations and loans, either by accident or deliberate taking.	Medium	Low	Practice to include regular banking, encouragement to not make payment to the PCC by cash, clear records for expenses, good practice with cheque signatories and cash counting, and regular emptying of collecting boxes.

Reputational Risk

Risk	Likelihood	Impact	Action
Words, deeds and publications of the church officers or members may positively or negatively influence the reputation of the Church and, more importantly, the Lord Jesus Christ in the town, with those we have occasional contact or regular members.	Medium	Medium	All that we say and do is to be governed by the <u>Parish Vision Statement</u> , which can be found on the Parish Website.

Statutory and Legal Risk

Risk	Likelihood	Impact	Action
Our buildings are places of worship and work and we note large civic services or festivals and occasional performances.	Low / Medium	Medium / High	See <u>Public Liability Insurance</u> , <u>Employers Liability Insurance</u> and <u>Health and Safety Policy</u> which are available from the Parish Office. In addition we have and use accident books and ensure the procedures for all catering undertaken comply fully with the Food Safety (General Food Hygiene) Regulations 1995. All are monitored regularly.
The parish is in regular contact with Children and Young People and Vulnerable Adults.	Medium	High	<u>See Policy for Safeguarding of Children, Young People and Vulnerable Adults</u> , and <u>Policy for Outings and Insurance</u> found on the Parish Website. All are monitored regularly.