

AVP Stoke Internal Risk Management Policy and Procedure

1. Policy Statement

AVP Stoke is committed to identifying, assessing, managing, and mitigating risks that could affect its operations, beneficiaries, reputation, and finances. We aim to safeguard the charity's ability to deliver its services effectively and achieve its mission. This policy outlines how risks are managed within the charity and how we ensure compliance with best practices and legal requirements.

2. Purpose of the Policy

The purpose of this policy is to:

- Ensure that AVP Stoke proactively identifies and manages risks to protect the charity and its stakeholders.
 - Minimise the impact of risks on the charity's operations and reputation.
 - Comply with Charity Commission requirements and best practice guidance.
 - Create a culture of risk awareness among trustees, staff, and volunteers.
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3. Scope of the Policy

This policy applies to:

- Trustees
- Staff and volunteers
- Partners and stakeholders involved with AVP Stoke

This policy covers risks related to:

- **Operational:** day-to-day activities, staffing, service delivery

- **Financial:** financial sustainability, funding, fraud, and mismanagement
 - **Compliance:** legal, regulatory, and statutory obligations
 - **Reputation:** public perception, communication, and external relationships
 - **Health and Safety:** ensuring the physical safety of staff, volunteers, and service users
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4. Risk Management Process

AVP Stoke adopts a systematic approach to managing risk through the following steps:

4.1 Risk Identification

- Regular assessments are conducted to identify potential risks to the charity.
- Trustees, staff, and volunteers are encouraged to identify risks in their areas of responsibility.
- Key risks are recorded on a **Risk Register**.

4.2 Risk Assessment

- Once risks are identified, each is assessed based on:
 - The likelihood of it occurring
 - The potential impact on the charity if it does
- Each risk is assigned a **Risk Rating** (e.g., low, medium, high) based on its likelihood and potential impact.

4.3 Risk Mitigation

- For each identified risk, we develop strategies to reduce the likelihood of the risk occurring or to lessen its impact if it does.
- We may implement procedures, policies, staff training, or external support to address these risks.
- For high-risk areas, we may have specific contingency plans.

4.4 Risk Monitoring and Review

- The risk environment is monitored regularly. The **Risk Register** is reviewed quarterly by the Trustees.
- Any new or emerging risks are recorded, and existing risks are reassessed.
- Risk mitigation strategies and controls are updated as needed.

4.5 Reporting

- The trustees receive regular updates on the status of the charity's risks and the effectiveness of controls.
 - Serious or significant risks are reported to the Charity Commission where required.
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5. Risk Categories

5.1 Operational Risks

- **Staffing Issues:** Risks associated with staff turnover, skill gaps, or absenteeism.
 - *Mitigation:* Ensure regular staff training, conduct staff surveys, and maintain a healthy work environment.
- **Service Delivery:** Risks related to the charity's ability to deliver its services effectively.
 - *Mitigation:* Establish service delivery standards and regularly review processes.

5.2 Financial Risks

- **Loss of Funding:** A significant risk to the charity's finances is the loss of funding from key donors or grant-making bodies.
 - *Mitigation:* Diversify funding sources and maintain positive relationships with funders.
- **Fraud and Financial Mismanagement:** Risks relating to the theft or misuse of charity funds.
 - *Mitigation:* Implement financial controls (as outlined in the charity's Financial Controls Policy), regular audits, and monitoring.

5.3 Compliance Risks

- **Failure to Meet Legal and Regulatory Requirements:** Risks associated with not complying with charity law, tax laws, health and safety regulations, and other statutory requirements.
 - *Mitigation:* Regularly review legal obligations and policies, seek advice when needed, and ensure proper staff training.

5.4 Reputational Risks

- **Public Perception:** Risks to the charity's reputation due to negative publicity or poor communication.
 - *Mitigation:* Develop a clear communication plan, maintain transparency, and act swiftly if issues arise.

5.5 Health and Safety Risks

- **Injury or Illness:** Risks to the health and safety of staff, volunteers, and service users.
 - *Mitigation:* Conduct regular health and safety assessments, provide staff and volunteer training, and ensure safe working conditions.

6. The Risk Register

AVP Stoke maintains a **Risk Register** to document all identified risks, their assessments, and the mitigation strategies in place. This document will be reviewed quarterly by the Trustees and updated as necessary.

The Risk Register includes:

- A description of the risk
 - The likelihood of occurrence (low, medium, high)
 - The potential impact (low, medium, high)
 - The mitigation strategy in place
 - The person responsible for managing the risk
 - The date the risk was last reviewed
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7. Responsibilities

7.1 Trustees

- Oversee the overall risk management process and ensure the policy is adhered to.
- Regularly review the **Risk Register** and monitor the effectiveness of mitigation strategies.

7.2 Staff and Volunteers

- Identify potential risks in their areas of responsibility.
- Report risks promptly to the relevant person (usually the manager or a trustee).

7.3 Risk Manager (if applicable)

- Responsible for overseeing the implementation of risk management strategies and ensuring the ongoing monitoring and updating of the **Risk Register**.
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8. Risk Management Training

- All staff and trustees must undergo risk management training to understand their roles in identifying and managing risks.
 - The training will be reviewed and updated regularly to reflect changes in laws and best practices.
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9. Incident Management and Escalation

If a risk materialises into an incident, AVP Stoke has clear procedures in place for managing and responding to such incidents. The **Incident Reporting Procedure** will be followed, and the matter will be escalated to the Board of Trustees for immediate action.

10. Review and Monitoring

This Risk Management Policy will be reviewed annually by the Board of Trustees and updated as needed.

Last reviewed: 1st January 2025