



Emmanuel Epsom (EE)

Risk Management policy

1. General policy

- 1.1 The **trustees** of EE acknowledge that the responsibility for the management and control of the **church** rests with them and that an integral part of this management and control is the development of a risk management policy.
- 1.2 Our policy is to identify and manage the possible and probable risks that the **church** may face in the short and medium term as an integral part of governance to help ensure that:
- Significant risks are known and monitored, enabling the **trustees** to make informed decisions and to take timely action;
 - The **church** makes the most of opportunities and develops them with a confidence that any risks will be properly managed ;
 - The **church's** aims are more successfully achieved;
 - Forward and strategic planning is improved.
- 1.3 The **trustees'** overriding responsibility is to develop, oversee and put into place systems, procedures and controls that enable the **church** to be successful in achieving the purposes for which it was established and to be honouring to God.
- 1.4 In so doing, the **trustees** recognise and accept that not all risks can or should be avoided or fully mitigated but would seek to mitigate, as far as is possible, those that it considers to pose the most serious threat to the future viability and success of the **church**.
- 1.5 In general, the **trustees** would classify the risk profile of the **church** as **low**, recognising that this profile may change or vary:
- Over time;
 - When applied to specific activities or operations e.g. investments;
 - In the light of external circumstances and influences.
- 1.6 In constructing this policy, the **trustees** have paid due consideration to the Charity Commission guidance "How to manage risks in your charity".

2. Identifying and assessing risks

- 2.1 The managing trustees will identify the risks that the church faces in a systematic way recognising that risks can impact all parts of the charity including those associated with the following areas:
- Governance risks – including strategic and leadership;
 - Reputational risks;
 - Operational risks;

- Financial risks;
- External risks;
- Compliance with the law and other regulations.

2.2 Once identified, each major area of risk is then formally assessed considering both the seriousness of the risk and the likelihood that, without any action, the risk is likely to occur. A combination of the two factors identifies the most serious risks faced by the **church**.

2.3 The **trustees** accept that risk assessment is not an exact process and that a degree of subjectivity will have to be applied when assessing both the seriousness and the likelihood of any risk.

2.4 The operating environment and the associated risks faced by the **church** will change over time. As a result, the identification and the assessment of risk will be reconsidered if:

- Circumstances change that are considered to impact the ability of the **church** to achieve its goals;
- Legislation or other regulations are introduced or amended such that they impact the successful operation of the **church**;
- There are significant changes in the **church's** key personnel.

2.5 In the event that nothing occurs to cause risks to be re-assessed, a review of all risks will take place on an **annual** basis. Leaders in specified risk areas will report into trustees listing risks, mitigating actions and residual risks. A strategic register of top-level risks will be maintained by the trustees and reviewed as necessary.

2.6 Controls that are designed to mitigate financial risks are reviewed by the **trustees** on an **annual** basis.

3. Managing the identified risks

3.1 Once identified and assessed, the **trustees** will determine how to manage each risk, either by:

- Seeking to avoid the risk altogether, which may mean the **church** scales back, or even stops altogether, its work in certain areas;
- Accepting the risk, understanding that not all risks can or should be avoided;
- Transferring the risk or its impact to a third party. The most recognised form of risk transference is through the use of insurance. However, in some situations, the **trustees** may consider the outsourcing of certain activities to more specialist providers;
- Seeking to mitigate or control the risk (see 3.2).

3.2 In cases where the **trustees** seek to control the risks, actions taken may include:

- Changes to operating practices or procedures;

- The introduction or implementation of new systems or processes;
- Amending the role of volunteers and staff, even removing them altogether in extreme cases.

4. Residual risk

4.1 The residual risk is that which remains once the **trustees** have managed the risk in the ways set out in 3.1.

4.2 This level of residual risk is considered by the **trustees** of EE to be acceptable when pursuing the objectives of the church.

5. Adoption of this policy

5.1 The **trustees** of **church** formally accepted this policy at the **trustees** meeting held on 2nd May 2021.