

Document 501	Risk Management Policy & Strategy for the Board of Carriglea Cáirde Services
What is this?	<p>This is:</p> <ol style="list-style-type: none"> 1. The Risk Management Policy for the Board of Carriglea Cáirde Services
Governance Code Sections:	2.3 (a) 5.3 (d)
Notes:	<p>The Board of Carriglea Cáirde Services categorises risks into six categories – Financial, Human, Operational, Technological, Physical, & Intangible.</p> <p>The Board has oversight through the Risk and Services committee of Operational Risks, which are identified by the Quality Committee.</p> <p>The key point is for the organisation to have a document in which all risks are listed, prioritised, controlled and monitored.</p>

Risk Management Policy

Carriglea Cáirde Services

Risk Management Policy

Carriglea Cáirde Services' Board of Directors is ultimately responsible for the successful operations of The Service and the risks associated. The monitoring of risk management activities is delegated to various sub-committees of the Board. The responsibility for development and management of the risk assessment plan and strategies contained therein rests with the Chief Executive Officer who may delegate this to a named individual on the staff team.

It is policy of Carriglea Cáirde Services to conduct a risk assessment annually. This is prepared by the Chief Executive Officer with the management team and reviewed at a meeting of the Board. Once reviewed and accepted by the Board it is to be presented to the full Board annually.

The Risk Assessment should comprise the following steps:

Alter the section in red by adapting to the Carriglea Cáirde Services risk register.

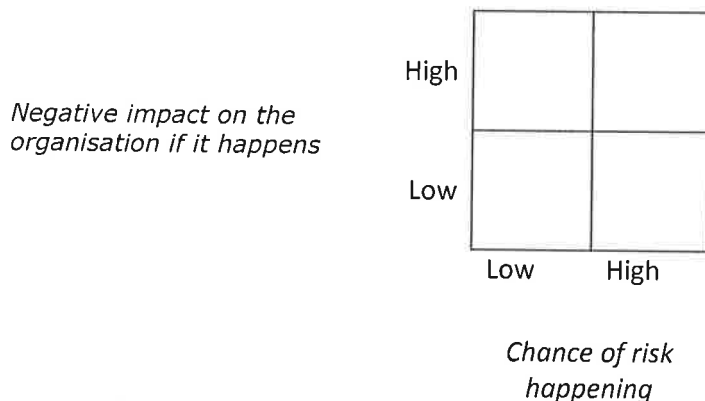
1. Risk Identification

The risks to Carriglea Cáirde Services' are normally categorised under six headings: Financial, Human, Operational, Technological, Physical, and Intangible

All staff and stakeholders should be consulted in drawing up a list of identified risks.

2. Risk Assessment

Each identified risk should be plotted on a graph of the likelihood of a risk occurring against the damage it would cause to Carriglea Cáirde Services if it occurs as per the chart below:



3. Risk Management

A written strategy for managing each risk needs to be developed and reviewed annually both by the Board and the management team.

Governance & Management Risk

Risks to be considered include but are not limited to the following

Potential Risk	Potential Impact	Potential Risk Mitigation Steps
Organisation lacks direction and forward planning	<ul style="list-style-type: none"> • Organisation drifts with no clear objectives, priorities or plans • Issues addressed on a piecemeal basis with no strategic reference • Needs of beneficiaries not fully addressed • Financial Management Difficulties • Loss of reputation 	<ul style="list-style-type: none"> • Create strategic plan which sets out key aims and objectives • Create work plans with targets down from strategic plan • Monitor financial and operational performance • Seek feedback from beneficiaries and funders
Governing body lacks relevant skills and commitment	<ul style="list-style-type: none"> • Organisation fails to achieve purpose • Decisions are made that bypass the governing body • Resentment or apathy amongst paid staff • Poor value for money on service delivery 	<ul style="list-style-type: none"> • Undertake skills review of current governing body members • Provide relevant training • Develop role descriptions for all governing body members • Recruit new governing body members with relevant skills and commitment
Conflicts of interest	<ul style="list-style-type: none"> • Organisation hampered in its ability to pursue own interests and agenda • Decisions may not be based on relevant considerations • Impact on reputation 	<ul style="list-style-type: none"> • Establish written protocol for disclosure of potential conflicts of interest • Have procedures for standing down on certain decisions • Ensure appropriate recruitment and selection process

Operational Risk

Potential Risk	Potential Impact	Potential Risk Mitigation Steps
Service user satisfaction	<ul style="list-style-type: none"> • Complaints from service users • Loss of fee income • Loss of significant contracts or claims under the contract • Negligence claims • Risks to reputation 	<ul style="list-style-type: none"> • Set up quality control procedures • Have and use proper complaints procedure • Benchmark service
Suppliers	<ul style="list-style-type: none"> • Overly dependent on a key supplier • Lack of suppliers to meet operational objectives • Non-competitive pricing/quotes • Insufficient buying power 	<ul style="list-style-type: none"> • Use competitive tendering for larger contracts • Have procedures for obtaining quotations • Set up a list of authorised suppliers • Monitor quality and timeliness of provision • Use service level agreements • Use buying consortia or reductions offered by umbrella groups
Fundraising	<ul style="list-style-type: none"> • Unsatisfactory returns • Reputational risk, depending on fundraising methods used • Actions of agents and commercial fundraisers • Compliance with legal regulations 	<ul style="list-style-type: none"> • Have appraisal, budgeting and authorisation procedures in place • Review regulatory compliance • Monitor adequacy of financial returns achieved • Review complaints in relation to fundraising • Report fundraising activities in annual report • Adopt the 'Statement of Guiding Principles for Fundraising'
Information & Communications Technology	<ul style="list-style-type: none"> • Lack of computer systems • Systems fail to meet operational needs 	<ul style="list-style-type: none"> • Appraise system needs and options • Have systems in place for development, authorisation,

- Failure to innovate or update systems
- Lack of technical support

- implementation and security
- Use service and support controls

Financial Risk

Potential Risk	Potential Impact	Potential Risk Mitigation Steps
Reserves Policy	<ul style="list-style-type: none"> • Inability to meet planned objectives and commitments • Lack of liquidity to respond to new needs or requirements • Risks to reputation if policy cannot be justified 	<ul style="list-style-type: none"> • Have a reserves policy and ensure it is linked to business plans, activities and identified financial and operating risks • Review policy regularly
Dependency on income sources	<ul style="list-style-type: none"> • Cash flow and budget impact of loss of income source 	<ul style="list-style-type: none"> • Identify major dependencies • Ensure an adequate reserves policy • Draw up diversification plans
Inappropriate or loss-making fundraising activities	<ul style="list-style-type: none"> • Resources withdrawn from key objectives • Resources and energy diverted from profitable fundraising • Accountability issues • Risk to reputation 	<ul style="list-style-type: none"> • Monitor and review business performance and return • Ensure adequate budgeting and financial reporting for each specific activity • Appraise viability of fundraising activities • Ensure adequate authorisation procedures for any funding provided by the organisation • Include funding and performance in financial reporting system
Fraud or error	<ul style="list-style-type: none"> • Financial loss • Risk to reputation • Regulatory action • Impact on funding 	<ul style="list-style-type: none"> • Ensure proper financial control procedures • Segregate duties • Set authorisation limits • Improve security of assets • Get insurance

Compliance Risk

Potential Risk	Potential Impact	Potential Risk Mitigation Steps
Lack of compliance with legislation and regulation (own governing document, employment law, equality law etc.) HIQA HSE Charities Regulator	<ul style="list-style-type: none"> • Fines, penalties, censure • Loss of licence to undertake a particular activity • Employee or consumer action for negligence • Risk to reputation 	<ul style="list-style-type: none"> • Identify key legal and regulatory requirements • Allocate responsibility for key compliance procedures • Undertake compliance monitoring and reporting • Prepare for compliance visits • Consider reports from regulators, auditors and others, such as staff, and action at appropriate level
Taxation	<ul style="list-style-type: none"> • Penalties and interest • Loss of income through failure to utilise tax reliefs • Reputational risk 	<ul style="list-style-type: none"> • Ensure PAYE compliance procedures are in place • Allocate staff responsibilities

Environmental Risk

Potential Risk	Potential Impact	Potential Risk Mitigation Steps
Public perception	<ul style="list-style-type: none"> • Impact on voluntary income • Impact on voluntary input • Impact on use of service by beneficiaries • Ability to access grants or contract funding affected 	<ul style="list-style-type: none"> • Communicate with supporters and beneficiaries • Produce and circulate a quality annual report • Ensure good public relations
Relationship with funders	<ul style="list-style-type: none"> • Deteriorating relationship Impact on funding and support available 	<ul style="list-style-type: none"> • Maintain regular contact with all funders, especially major funders • Undertake regular and appropriate project reporting • Meet funders' terms and conditions
Demographics	<ul style="list-style-type: none"> • Impact of demographic distribution of supporters and/or beneficiaries • Increasing or decreasing supporter class • Increasing or decreasing beneficiary class 	<ul style="list-style-type: none"> • Research supporter base profile • Research beneficiary base profile and understand beneficiary needs • Establish future resource requirements from research