



RISK MANAGEMENT POLICY

1. Introduction

The purpose of this policy is to set out Mind in Croydon's approach to risk management, and the infrastructure and controls in place to ensure that this approach is embedded throughout the organisation.

The policy also sets out the process for adding identified risks and their mitigations to the risk register

2. Scope

This policy should be referred to when considering the design and implementation of any internal controls in response to an identified risk, in order to ensure that the controls put in place are proportionate to the risk and risk appetite pertaining to a particular area.

3. Responsibilities

Risk management is everyone's responsibility. Trustees, staff, volunteers and users should all be made aware of risks to Mind in Croydon as a whole and to individuals and how to reduce those risks.

To allow risks to be managed appropriately they will be stratified as follows:

- i) Strategic risks – requiring quarterly Board review, delegation of detailed review work to committees may occur but must be reported to the Board
- ii) Operational – all other operational risks are managed by the SMT.

The table below summarises the key groups with responsibility for Mind in Croydon's approach to risk:

Group	Responsibilities
Board	Oversight and review of risk management; Consideration of the charity's risk appetite; Quarterly review of the risks identified as strategic risks, a detailed review at least annually; Gaining comfort that identified risks are managed/mitigated appropriately.
Committees (FR&GP)	Regular review of risks delegated to them and reporting on them to the Board; Ensuring that mitigations are enacted and functioning as intended.
Senior Management Team	Quarterly review of the operational risk register. Ensure overall risk register is maintained and reviewed quarterly.
Risk Owners	Ensure that risks for which they are responsible are identified and mitigated against appropriately.
Staff team	Adhere to mitigations in place and contribute to culture of risk management.

4. Risk Owners

The strategic and operational risk registers will record an owner against each risk – where this states “Board” or “FR&GP” the chair of that group will be the owner unless otherwise noted.

5. Risk Register

It is the responsibility of the Risk Owner to monitor their risks and ensure actions are completed and reported on in line with agreed deadlines.

If a new risk is identified by a member of staff, volunteer, service user or trustee, this should be brought to the attention of the Head of Finance and Resources, and will be added to the charity’s risk register, making note of:

- i) The category into which they fall;
- ii) The potential consequences;
- iii) The current score;
- iv) Any mitigations already in place;
- v) Any additional mitigations to be enacted;
- vi) The adjusted risk, once mitigations are accounted for;
- vii) The Owner of the risk.

The risk register is maintained by the Head of Finance and Resources, and reviewed by the SMT on a quarterly basis. Subcommittees review their portion of the risk register on a quarterly basis, ensuring that the right mitigations are in place, and the ratings remain accurate, before the register in full is approved by the Board. If significant new risks are identified these should be discussed as a separate agenda item at the following meeting of the relevant subcommittee and Board.

6. Calculating Risk

In order to assess the level of threat posed by an identified risk, it should be scored as High, Medium or Low on Likelihood and Impact. This table gives the criteria in more detail and considers the different elements of impact.

The risk rating should be calculated taking into account mitigations that are already in place. These mitigations must be recorded in the risk register.

In determining a rating where there are multiple impacts the highest rated impact should be selected.

Likelihood Rating – how likely is the event to occur at some time in the next 24 months?		
Low	Medium	High
Could occur but unlikely	Might occur	Probably will occur

Impact Rating				
		Low	Medium	High
Financial	Income	<£1,000	£1,000-£25,000	>£25,000
	Expense	<£1,000	£1,000-£5,000	>£5,000
	Investment value	< 1%	1% - 10%	>10%

Impact Rating				
		Low	Medium	High
Reputational		<ul style="list-style-type: none"> Single complainant 	<ul style="list-style-type: none"> Social media comment Multiple complainants National Mind engaged Commissioners/ partners/ funders commenting 	<ul style="list-style-type: none"> Hostile coverage in media Multiple staff/ volunteers/ service users complaining Commissioners/ partners/ funders formally requesting explanation
Staff and volunteers	Injury at work	Minor – first aid only	Major – hospital/ time off work	Serious – significant time off work Fatality
	Engagement	Small numbers of staff not actively engaging in work	<ul style="list-style-type: none"> Increase in sick leave statistics Lack of engagement across service or wider staff/volunteer team 	<ul style="list-style-type: none"> Increase in staff and volunteer turnover statistics Strike action
Clients	Injury whilst in MiC building or engaging on activity	Minor – first aid only	Major – hospital visit	Serious – hospital stay Fatality
	Engagement	Not actively engaging in service	Misses service appointments	Leaves service
Service interruption		Disruption in a service for less than a month	Disruption of a service for more than a month	Disruption of multiple services for more than a month
Compliance		Breach of obligation that requires reporting but no penalties or reprimand	Material breach with penalties and/ or reprimand. Directors notified by regulator.	Serious breach. Significant penalties and/or reprimand. Legal action. National Mind engaged.
Business strategy and projects		Minor delay in delivery – overall aim will be achieved. May have an impact on strategy but this can be resolved	Major delay in delivery but with plan to address. Will impact strategy and require Board discussion	Delivery stopped or delayed with no plan to address. Fundamental change to strategy.

7. Risk Matrix

Using the above ratings, the risks can be plotted onto a matrix and given an overall RAG rating.

Impact			
High	Yellow	Red	Red
Medium	Green	Yellow	Red
Low	Green	Green	Yellow
	Low	Medium	High
Likelihood			

8. Risk Appetite

Risks that, including current mitigation, remain **RED** require urgent attention and a clear action plan. If the plan cannot mitigate the risk and insurance is not available the Board must agree that the risk can remain as **RED** or consider whether to stop the activity giving risk to that risk.

Risks that, including current mitigation, are **AMBER** require an action plan to improve the mitigation.

9. Risk Review and Reporting

The risk register with updates on actions will be presented to the Board each quarter.

As actions are completed the Risk Owner should propose the new RAG rating to the Board for approval.

All risks must be reviewed in detail and rerated annually.