

# **Shephed Word of Life Church – Risk Management Policy**

## **Purpose**

This policy explains the underlying approach to risk management and identifies the roles and responsibilities of the Trustees and Members.

## **Underlying approach to risk management**

Risk management is the identification of potential events or situations, which could cause significant adverse outcomes for the Church, its members, visitors or anyone connected to the church, in any way.

We believe in the absolute sovereignty and goodness of our Heavenly Father, and his unending love for the church. We know that He is in control of all things, all-powerful, all-knowing, and all-wise. Therefore, we are not subdued with fear, knowing all things will ultimately work out for our good.

Nevertheless, we are to be responsible, not careless, or negligent, in protecting and nurturing each other and those around us, guarding the reputation of the church. We are to carry out the work of the church responsibly and with due care and attention.

We also want to obey the law of the land and work within the policies and principles of the Charity Commission.

Therefore, we have a responsibility to take reasonable measures to manage risk.

Risk can be considered in two parts: -

1. The likelihood of it happening
2. The potential impact if it does

Managing risk can address either or both or can choose to accept that we will accept that risk and take no action to avoid it.

A most important part of this is to uphold the church and all of our activities in prayer, and to be thankful for God for all his ongoing protection.

## **Areas of Risk**

Broadly, risks can be categorised into:

1. Financial risk – risk of significant loss, unexpected major expense or liability, significant loss of income, ongoing expense exceeding income, running out of money. This is covered in detail by the Financial Policy and our church Insurance Policy
2. Personal risk – health and safety risk due to accident, fire, criminal attack, abuse etc. Partly covered by the Health & Safety and Safeguarding Policies.
3. Reputational risk – damage to the reputation or standing of the Church or any of her members.

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4. Legal and compliance risk – transgression of charity or other law (including data protection). Partly covered by the Church Constitution and the Data Protection and Privacy Policy.
5. Operational risk – inability of the church to function or operate due to pandemic, loss of premises or equipment, unavailability or illness of elders, deacons, and key personnel.
6. Property risk – damage to the property, loss of access or use of the property.

Note that some of these categories overlap – for example property and legal risk can create financial risk, financial risk can impact operational risk etc.

### **Responsibility of the Trustees**

The Trustees will:

- Set the tone and influence the culture of risk management within the Church.
- Own and manage the overall Risk Register and review it on a regular basis.
- Approve major decisions affecting the risk profile or exposure.
- Identify new risks and manage – or ensure the management of – significant risks to reduce the likelihood of adverse results.
- Take overall responsibility for the Church Constitution and all policies – maintaining, communicating and ensuring adherence to them by themselves and the members but have delegated day-to-day responsibility to specific individuals.

### **Responsibility of specific Deacons**

1. The Finance Deacon has specific responsibility for identifying, mitigating and managing finance risk in line with the agreed Financial Policy. Specific risks should be reported to the Trustees.
2. The Property Deacon has specific responsibility for all risks related to the premises, including health & safety, security, and fire safety which is covered by the Health and Safety Policy.
3. The Administrative Deacon has specific responsibility for data protection, in line with our Data Protection and Privacy Policy.

### **Role of members**

1. Adhere to policies and other risk management guidance and decisions.
2. Be risk-aware and notify the Trustees or the appropriate Deacon of any potential risk which could have an adverse outcome.

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### Risk Register

1. The Trustees should maintain an active Risk Register containing
  - a. All significant risks in the various categories mentioned above
  - b. For each one, a measure of the likelihood of it happening (Low-Medium-High) and the adverse impact if it did (Low-Medium-High)
  - c. For each one, a note of actions to reduce or eliminate the likelihood or adverse impact, or a note to accept the risk and take no action
  - d. All actions to have a person responsible
  - e. A note when actions have been completed
2. The Register should be reviewed on a regular basis (at least annually) and made available to Members.
3. The initial version of the Risk Register should include significant risks which have already been mitigated, and by what means.

### Contact details

David Bottomley is the person to contact with any questions relating to this policy

### Versions

This policy should be reviewed annually.

<b>Version</b>	<b>Prepared by</b>	
<b>1.0</b> July 2022	David Bottomley (finance deacon)	Initial Version
<b>2.0</b> Sept 2022	David Bottomley (finance deacon)	Small amendment after officers; review
<b>3.0</b> Sept 2024	Richard Hassall	