

Risk Management Policy

Charity Commission guidance document *Charities and Risk Management (CC26)* updated and published 1 June 2010 explains how trustees can identify, assess and manage risks to their charity. It begins:

"Charity Trustees should regularly review and assess the risks faced by their charity in all areas of its work and plan for the management of those risks. Risk is an everyday part of charitable activity and managing it effectively is essential if the Trustees are to achieve their key objectives and safeguard their charity's funds and assets."

In response the Trustees of the Suffolk Naturalists' Society (SNS) prepared this Risk Management Policy and an associated Risk Register.

1. Principles of Risk Management

SNS Trustees recognise that they should on a regular basis:

- Identify the major generic and specific risks that apply to the charity
- Assess the likely occurrence, severity and potential impact of these risks
- Implement control measures to manage and/or reduce those risks considered unacceptable or a threat to the charity
- Carry out periodic monitoring and re-assessment of risks

2. Classification of risks

SNS Trustees are aware that risks to a charity fall into a number of categories:

- Governance risks in relation to the charity's organisation and personnel
- Operational risks relating to the range of activities undertaken by the charity for and on behalf of the membership and the wider public
- Financial risks affecting the ability of the charity to operate in a solvent manner and meet all of its financial obligations
- External risks relating to the public perception and reputation of the charity and its ability to remain as a viable organisation
- Compliance risks relating to the legal responsibilities and regulatory requirements affecting the conduct and operations of the charity

3. Creation of a Risk Register

SNS Trustees will create and maintain a register of the risks that they consider may affect the operation of the charity and its good governance.

The Risk Register, set out in tabular form, will:

- Identify generic and specific risks that Trustees consider currently affect the charity
- Assess each risk through scoring Likelihood x Severity to give a 'Gross Risk' score
- Set out control measures to manage and/or reduce the risks to leave a 'Net Risk' score
- Identify the Trustee(s) responsible for managing and monitoring the risk
- Set out any further action that needs to be taken in the period ahead, normally within the next calendar year

The following scoring system will be used to guide assessment of risk:

Likelihood of occurrence scores

- 1 remote - may only occur in exceptional circumstances
- 2 unlikely - expected to occur in a few circumstances
- 3 possible - expected to occur in some circumstances
- 4 probable - expected to occur in many circumstances
- 5 highly probable - expected to occur frequently and in most circumstances

Severity of impact scores (on operations, reputation and likelihood of complaint or litigation)

- 1 insignificant no impact, complaints unlikely and litigation risk remote
- 2 minor slight impact, complaints possible and litigation just possible
- 3 moderate some impact and adverse publicity, complaints or litigation possible
- 4 major operations disrupted, adverse publicity unavoidable, litigation probable
- 5 extreme operations suspended, major adverse publicity and litigation expected

Multiplying Likelihood (x) by Severity of impact (y) gives Gross Risk scores (xy).

These can be visualised in a 'heat map' and interpreted as follows:

- 1 > 3: minimum risks, few control measures necessary
- 4 > 9: moderate risks, implement some controls
- 10 > 12: significant risks, implement stringent controls
- 15 > 25: extreme risks, avoid all activity

5	5	10	15	20	25
4	4	8	12	16	20
3	3	6	9	12	15
2	2	4	6	8	10
1	1	2	3	4	5
	1	2	3	4	5

Note that this system has no absolute validity but should be used to raise awareness of the nature of risks affecting SNS and management of these risks through due diligence.

Reporting of risk management

SNS Trustees will make this Risk Management Policy and the Risk Register that flows from it publicly available on the SNS website or otherwise share it with members on request.

Trustees recognise that it is good practice to make appropriate statements to members regarding risk management on a regular basis. At the charity's Annual General Meeting, the Chair will report to members on the status of the Risk Register.

Adopted by SNS Council: 21st January 2019
 Reviewed and revised: March 2026
 Revision adopted by SNS Council: 30th March 2026