



Penny Royal Almshouses

Registered charity no. 240660

Old Windsor United Charities

Risk Management Policy

Statement of General Policy

The trustees of Old Windsor United Charities recognise and accept their responsibilities to ensure that risk management is approached comprehensively throughout the organisation.

Major risks are those that would have a significant impact and a likelihood of occurring. If they arose they would have a major impact on the almshouse charity in the following areas:

- Governance
- Operations
- Finances
- Environmental or external factors such as public opinion
- Old Windsor United Charities’ Trustees compliance with law or regulation.

The current Risk Assessment is attached and shows the measures that are being undertaken to mitigate the risks.

The Old Windsor United Charities will:

- regularly review the risks it faces in all areas of its work
- assess these risks to determine their severity and the likelihood of occurrence
- take appropriate action to manage risks that have been identified
- review the risk assessment yearly and report thereon in the trustees’ annual report.

This policy has been approved for issue by the trustees of Old Windsor United Charities

Signature:.....

Name:.....

Date:.....

Reviewed 24th January 2024

Appendix A - Risk Assessment

See Policy folder document: ‘24.01.24 OWUC Risk Assessment Working Document.xlsx

Appendix B

Assessing and Scoring risks.

There are many different ways to score risks, the example below uses a scale of 1-5 for both likelihood and impact. An overall score is created by multiplying the likelihood and impact scores. These can then be colour coded to make it easier to read at a glance.

In interpreting the risk heat map below, likelihood is x and impact is y. The colour codes are:

Red - major or extreme/catastrophic risks

Amber - moderate or major risks

Blue or green - minor or insignificant risks

Impact	Extreme/Catastrophic	5	5	10	15	20	25
	Major	4	4	8	12	16	20
	Moderate	3	3	6	9	12	15
	Minor	2	2	4	6	8	10
	Insignificant	1	1	2	3	4	5
			1	2	3	4	5
			Remote	Unlikely	Possible	Probable	Highly probable
			Likelihood				

Table reproduced from risk management for charities: getting started supplementary guidance. Institute of Risk Management

As well as assessing the scores it is also important to establish what these scores represent. The tables below will help you to guide your own impact and likelihood definitions

Likelihood	Certainty	Number of instances	Time period
Highly probable / Very high (5)	Almost certain	1/10	Once in 3 months
Probable / High (4)	More likely than not	1/100	Once in a year
Possible / Medium (3)	Fairly likely	1/1,000	Once in 5 years
Unlikely / Low (2)	Unlikely	1/10,000	Once in 10 years
Remote / Very low (1)	Extremely unlikely	<1/10,000	Not in 50 years

Level of impact	Strategic	Operational	Financial	Reputational	Compliance
Very High	Would require a fundamental change in organisational strategic/critical objectives.	Fundamental organisational changes would need to be implemented. Delay of 1 year + in delivery of project.	If the risk materialised the cost to the charity would be greater than £3 million.	Significant and irreparable damage to reputation. Sustained negative publicity resulting in loss of public/professional/political confidence in the charity.	Serious breach of governance regulations that would lead to status of the charity being reviewed.
High	Would require a significant shift from organisational strategy/critical objectives that would require BoT input.	A significant amount of work would need to be done at all levels to resolve the matter. Delay of 6-12 months delivery on the project.	If the risk materialised the cost to the charity would be between £1 million and £3 million.	Significant and irreparable damage to reputation. High negative impact on the charity's reputation. Could impact on charity's ability to influence public/professionals/politicians. Generates significant number of complaints.	Significant breach of governance regulation requiring immediate notification of regulatory bodies.
Medium	Would impact on the organisational strategic/critical objectives and would require management discussion.	A significant amount of work would be required by a team to repair operational systems. Delay of 3-6 months in delivery of project.	If the risk materialised the cost to the charity would be between £500k and £1million.	Minor damages but widespread. Significant localised low level negative impact on the charity's reputation/ generates limited complaints.	Breaches governance regulations and would require significant work to rectify.
Low	May have an impact on achieving organisational strategy but this could be resolved.	Low level processes would need to be revised but the matter could be resolved. Delay of 1-3 month's in the delivery of project.	If the risk materialised the cost to the charity would be between £100k and £500k.	Minor damages in a limited area. May have localised, low level negative impact on the charity's reputation/ generates low level of complaints.	May breach low level governance regulations but can be rectified.
Very Low	Little impact on the organisational strategy.	Has no impact on the day to day operation of the charity. Less than 1 months delay in delivery of project	If the risk materialised the cost to the charity would be no more than £100k.	Has no negative impact on the charity's reputation/no media interest.	No impact on the charity's governance structures.