



Risk Management Policy

1. Introduction

This policy is based on the Third Age Trust's: 'Risk Management Policy Template' which in turn is based on the Charity Commissions guidelines. The purpose of this document is to ensure that Islington u3a is aware of its risks and is actively managing them.

Risk management is the process of identifying, evaluating, and controlling risks, and is an important part of future-proofing Islington u3a. Anything that could potentially stop Islington u3a (iu3a) from achieving its aims should be seen as a risk. Identifying and understanding these risks will help put the right measures in place to prevent them from happening. The aim is not to eliminate all risks entirely (this would be very difficult and not cost effective), but rather to reduce the risk to a level that iu3a is comfortable with.

2. Identifying the Risks

The first step is to identify possible risks applicable for iu3a. The Charity Commission suggests (CC26) that each charity review risk under the following headings as a framework:

- **Governance risk:** In order to run your u3a, the committee should have the right skills for the role (either through prior experience or developed through mentorship and training with previous members in the role). Without a skilled committee (or a committee willing to learn), your u3a is at risk. This includes understanding trustee responsibility.
- **Financial risk:** This may have an impact on your ability to achieve your financial obligations. These risks include the risk of fraud through transferring physical cash to a bank account, or theft.
- **External risk:** This includes the reputation of your u3a, and any threat to the name or standing of your u3a (and the wider movement's reputation). It may be caused by your members (past and present), or committee members. Changes to government policy may also impact your u3a's ability to operate successfully.
- **Operational risk:** This is a threat to your u3a caused by a breakdown in internal procedures. This risk may come from your committee not having the policies and procedures in place to run the u3a effectively.
- **Regulatory and compliance risk:** This refers to the risk of failing to comply with legislation. Following the u3a guidance and advice documents on the national website will help compliance with reporting rules and charity legislation can help prevent your u3a from falling foul of regulations (and reputational damage).

All identified risks are recorded in the iu3a Risk Register. This is updated annually.

3. How to Analyse Risk

Once a risk has been identified, it is important to assess the likelihood of the risk occurring, and the impact it would have on iu3a if it did occur. The Executive Committee (EC) shall develop a collective view of risks existing to iu3a.

All the possible implications of the risk, some of which might not be obvious, should be considered. For example, there may have a new Chair on the EC that does not have experience as a Chair. There is a moderately high likelihood of this happening, and the impact on the u3a could be moderate. In order to mitigate this risk, the board can ensure all new trustees are fully inducted and offer their support when required.

4. Reducing and Controlling Risks

Having identified the risk the EC shall determine all current in place mitigation processes that would lower the impact if that risk were to occur.

It can help to think about all the controls your u3a has in place to reduce the likelihood or impact of a risk. For example, if the risk is fraud, the controls are likely to focus on measure to decrease this risk, such as reviewing your financial policy, always having dual signatories, etc (please refer to our finance guidance on our website).

Once you've listed all the mitigation actions that you have in place for a risk, you can re- score its likelihood and impact to get a residual risk score to ensure that the mitigations are going to be effective in lowering this risk to an acceptable level.

5. Monitoring Risks Regularly

Risks change over time and the EC shall hold a regular risk management review once a year. This is to monitor whether the controls in place are still necessary, still working and if there are any new risks to deal with.

6. Changes to our privacy policy

This policy may change from time to time. It is available on the Islington u3a website: <https://islington.u3asite.uk/governance/>

7. Queries

If you have any questions regarding this Policy, please contact us by:

- Telephone - 07784 336219
- Email - iu3amembers@outlook.com
- Post – Membership Secretary, Islington u3a, 5 Jessop Court, Graham Street, London, N1 8LG

8. Adoption and Review

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