



Risk Management Policy

1. General Policy

- 1.1 The PCC of St Margaret's Church acknowledge that responsibility for the management and control of the church rests with them. An integral part of this responsibility is the identification, assessment, and management of risk.
- 1.2 This policy seeks to ensure that risks which may affect the church in the short, medium, and longer term are identified, understood, and managed as part of good governance, so that:
 - significant risks are known, recorded, and monitored, enabling informed decision-making and timely action;
 - opportunities are pursued with appropriate confidence and oversight;
 - the charitable purposes of the church are more effectively achieved; and
 - strategic and forward planning is strengthened.
- 1.3 The PCC's overriding responsibility is to establish, oversee, and maintain systems, procedures, and controls that enable the church to fulfil its mission faithfully, sustainably, and in a way that is honouring to God.
- 1.4 The PCC recognise that not all risks can or should be eliminated. Where risks cannot be avoided, the PCC will seek to mitigate them as far as is reasonably practicable, focusing particular attention on those risks that could threaten the church's viability, reputation, legal compliance, or safeguarding responsibilities.
- 1.5 In general, the PCC consider the overall risk profile of the church to be low, recognising that this profile may vary over time, in relation to specific activities or projects, and in response to external circumstances.
- 1.6 In developing and reviewing this policy, the PCC have had regard to Charity Commission guidance, including "How to manage risks in your charity."

2. Identifying and Assessing Risks

- 2.1 St Margaret's Church identifies risks systematically. Risks may arise in relation to:
 - governance and leadership;
 - operations and activities;
 - finance and resources;
 - safeguarding;
 - buildings, health and safety;
 - legal and regulatory compliance;
 - external and reputational factors; and
 - other risks specific to the church's context and mission.

- 2.2 The PCC assess risks by considering both the likelihood of occurrence and the potential impact should the risk materialise. This assessment will inevitably involve judgement, but particular attention will be given to risks with high potential impact.
- 2.3 Risk assessment will be revisited when there are significant changes to activities, strategy, or finances; relevant legislation or regulatory guidance changes; there are material changes in key staff, clergy, or PCC; or a serious incident, near miss, or where an external event indicates that existing controls may be insufficient.
- 2.4 Where no specific trigger arises, a full review of identified risks will take place at least annually.
- 2.5 Financial controls and financial risks will be reviewed annually as part of the budgeting process and the preparation of the annual accounts.

3. Managing Identified Risks

- 3.1 Once risks have been identified and assessed, the PCC will determine the appropriate response. This may include:
 - avoiding the risk by ceasing or altering an activity;
 - accepting the risk where it is low or inherent to the church's mission;
 - transferring the risk, most commonly through insurance or contractual arrangements; or
 - mitigating the risk through appropriate controls and actions.
- 3.2 Risk mitigation measures may include changes to policies, procedures, or operating practices; the introduction of new systems or controls; training for staff and volunteers; clearer delegation and supervision; or restricting or suspending activities where necessary.

4. Residual Risk

- 4.1 Residual risk is the level of risk remaining after mitigation measures have been applied.
- 4.2 Residual risks will be accepted only where the PCC judge them to be proportionate and reasonable in light of the church's charitable purposes.
- 4.3 Decisions to accept residual risks, together with agreed mitigation actions, will be recorded in the church's risk register (Appendix A).

5. Risk Register

- 5.1 The PCC will maintain a risk register in the format set out at Appendix A. The risk register records, for each material risk: the category of risk; an assessment of likelihood and impact; existing controls; further actions required; responsibility for oversight; and the agreed residual risk and review frequency.
- 5.2 The PCC will review the risk register (Appendix A) at least annually, and more frequently where circumstances require (for example, during significant projects, periods of financial pressure, or following incidents/near misses).

- 5.3 The church will ensure that the risk register is used as a live governance tool, informing agenda planning, decision-making, and the prioritisation of actions.

6. Adoption and Review of this Policy

- 6.1 This policy was adopted by the PCC of St Margaret's Church at the PCC meeting held 22 January 2026.
- 6.2 The policy will be reviewed at least every three years, or sooner if significant changes occur.

Appendix A – Risk Register

This risk register is maintained by the PCC and reviewed in accordance with sections 5.1–5.3 of the Risk Management Policy. Likelihood and impact may be scored using the church’s preferred approach (e.g., Low/Medium/High) provided it is applied consistently.

Risk description	Risk category	Likelihood	Impact	Existing controls	Further actions / mitigation	Residual risk & review
Failure in safeguarding practice	Safeguarding / Compliance	Low	High	Policies; safer recruitment; DBS; training; reporting processes; diocesan support	Annual safeguarding action plan; refresher training; periodic audit	Residual: Medium. Review: quarterly
Insufficient unrestricted reserves / cash-flow pressure	Financial	Medium	High	Budget monitoring; reserves policy; dual authorisation; restricted funds tracking	Rolling cash-flow forecast; tighten debtors; scenario planning	Residual: Medium. Review: quarterly
Health & safety incident involving building users	Operational / Buildings	Low	High	Risk assessments; maintenance checks; contractor controls; insurance	Planned maintenance programme; record-keeping; volunteer H&S briefing	Residual: Medium. Review: annually
Damage to listed fabric or project cost escalation during works	Strategic / Project	Medium	High	Professional team; DAC/faculty process; surveys; contingencies; staged approvals	Update cost plan; formal change control; strengthen contractor due diligence	Residual: Medium–High. Review: monthly during works
Data protection breach (personal data / DBS / pastoral data)	Compliance / IT	Low	Medium	Access controls; password management; limited sharing; retention practices	Policy refresh; staff/volunteer GDPR briefing; incident log	Residual: Low–Medium. Review: annually