



## RISK MANAGEMENT POLICY

Designated person responsible: Chief Commissioner and CEO  
Overall responsibility: IGG's Board (Executive Committee)  
Effective from: June 2024  
Next Review Date: June 2027

## **Introduction**

Risk Management is a key governance function for any organisation. Irish Girl Guides uses a proactive approach to Risk Management, balancing the costs of managing risks with anticipated benefits and undertaking contingency planning in the event that risks are realised.

This policy outlines how Irish Girl Guides manages risks. The document outlines the methodology used by Irish Girl Guides to manage and mitigate against risks that may pose a threat to the organisation.

Risk Management implementation is the responsibility of the Board (Executive Committee), leaders, staff and of the organisation. The Board (Executive Committee) should ensure that all leaders, other volunteers and staff have an awareness of the importance of Risk Management.

It is the responsibility of all Board members, Volunteers and Staff to identify, analyse, evaluate, respond, monitor and communicate risks associated with any activity, function or process within their relevant scope of responsibility and authority.

## **Understanding Risk**

Risk can be defined as a situation involving exposure to danger, or a threat requiring something to be protected. It is an inherent feature of all activity, and it can arise from inaction as well as action. Usually risk is perceived negatively; the likelihood that something unpleasant or unwelcome will happen. In organisational terms, risks are normally seen as the possibilities great or small, that the organisation will be damaged in some way because of a particular hazard. Risk can also be viewed in a more positive manner; for instance, as a chance to improve internal practices or to seize external opportunities when they arise.

Organisations of all types and sizes face a range of risks that may affect the achievement of their objectives. These objectives may relate to a range of the organisation's activities, from strategic initiatives to its operations, processes, and projects, and be reflected in terms of societal, environmental, technological, safety and security outcomes, commercial, financial, and economic measures, as well as social, cultural, political, and reputational impacts.

As a not-for-profit, volunteer-led organisation that provides programmes of leadership and development and other non-formal education programmes to young people aged between 5-30 years, Irish Girl Guides (IGG) is committed to ensuring that the highest standards expected by the public are maintained.

This policy formalises the risk management requirements for Irish Girl Guides and complements processes already in place to ensure that any risk that may be inherent in activities undertaken is recognised and well managed.

Risk is inherent in many aspects of Guiding, for example, the failure of the Board (Executive Committee) in respect of governance obligations; staff unavailability; member dissatisfaction, damage to buildings or workspace; inability to raise sufficient income; and failure to comply with health and safety or other legal obligations. Running a Unit meeting, taking youth members on overnight events, purchasing new camping equipment, running a national event, or carrying out the day-to-day operations of the organisation. All those involved in Guiding manage risk continuously, sometimes consciously and sometimes without realising it, but not always in a systematic way. At times, the nature of risk is apparent, such as in conducting an

abseiling exercise. At other times, risk will not be so apparent and may manifest in the form of new legislation or policy change.

Risk management is fundamental to all volunteer and staff members of IGG and all risk associated with organisational functions and activities must be managed systematically. This involves managing risks that are both internal and external to IGG and managing these risks in the same systematic way.

Risk Management is an iterative process consisting of steps, that, when undertaken in sequence, to enable continuous improvement in decision making and performance.

The IGG Risk Management Policies and procedures are designed to give assurance that, despite any risk that may be inherent in our activities, the levels of residual risk are acceptable and effective controls are in place to minimise the potential for harm or loss to IGG or to its stakeholders. Importantly, the policy provides a planning basis from which to manage potential benefits for the organisation through the management of risk.

The IGG Risk Management Policy and procedures requires all volunteers and staff to be 'risk aware' in the context of management systems, planning processes and practices.

### **Purpose**

A risk is an uncertain event which may occur in the future preventing or delaying Irish Girl Guides ability to realise its vision, mission and objectives.

This policy:

- Is a formal acknowledgment that the Board (Executive Committee) of IGG is committed to maintaining a strong risk management process.
- Is intended to ensure that IGG takes all reasonable steps to manage risk appropriately by maximising potential opportunities whilst minimising the adverse effects of risk.
- Is intended to support the internal control systems of the organisation, thus enabling IGG to respond to, and manage, risks regardless of whether they are internally or externally driven.

IGG is committed to embedding Risk Management principles and practices into the:

- organisational culture
- decision making processes.
- business information systems
- strategic and operational planning of programs and activities
- financial processes

### **Statement of Principles:**

- Sound risk management practice is integral to both good management and good governance practice.
- Risk management forms an integral part of IGG's decision-making in all areas and is incorporated within strategic and operational planning.
- Risks are identified for all new national and regional events, activities, and projects.
- Risks and opportunities arising will be identified, analysed, and reported at the appropriate level and managed accordingly.
- A risk register covering key risks in all areas will be maintained and updated.

## **Responsibilities**

The Board (Executive Committee) has the overall responsibility of risk management in IGG.

The Board (Executive Committee) is responsible for:

- ensuring that IGG is seen as managing risk within the context of good organisational governance practice.
- ensuring that a culture of risk management is championed and supported throughout the organisation.
- setting the level of risk appetite and risk tolerance for the organisation as a whole and in specific circumstances
- ensuring risk management is included in the development of business plans, budgets and when considering strategic decisions.
- approving major risk management decisions affecting IGG profile or exposure.
- satisfying itself that fewer fundamental risks are being actively managed and controlled.
- regularly reviewing IGG's approach to risk management and approve any changes.
- communicating IGG's approach to risk and setting standards of conduct expected of staff and volunteers.
- ensuring that reports will be made to the Board (Executive Committee) 3 times a year, or more frequently where required, of continuing and emerging high-concern residual risks and those where priority action is needed to effect better control.
- ensuring an annual review of the Risk Register is completed.

The CEO and Operations Manager are responsible for:

- implementation of the culture of risk awareness amongst staff and maintaining the National Office Risk Register and associated policies.
- ensuring that the risk management policy is implemented throughout the organisation.
- anticipating and consider emerging risks and to keep under review the assessed level of likelihood and impact of existing key risks.
- providing regular and timely information to the Board (Executive Committee) on the status of risks and their mitigation
- ensuring risk controls and treatments are effectively applied.
- ensuring that staff are provided with adequate training on risk management and their role and responsibilities in implementing good practice.

The volunteers and staff are responsible for:

- actively undertaking risk assessments and managing risks identified
- communicating risks identified to staff line managers, other leaders, commissioners or committee chairperson.
- Implementing control measures to limit a risk.

## **Management of Risk**

The purpose of a risk management system is to reduce the likelihood of each risk occurring and minimise the impact of each risk where possible. The Chief Commissioner and CEO are responsible for keeping the risk register up to date and ensuring the appropriate risk assessments are carried out and kept relevant. Any significant failures of control systems are properly reported and actioned by the Management Committee and/or Executive

## **Identification of Risk:**

- National standing committees report on any risks identified through their own committee meetings to the Chief Commissioner/CEO
- Risk management for new projects are identified as part of project planning
- New identified risks are properly recorded and evaluated by the Chief Commissioner and CEO

In addition, IGG expects to meet minimum standards required by legislation and to achieve best practice in operational areas covering the following:

- IT and data protection
- HR management
- Health & Safety practice
- Corporate governance
- Financial accounting and reporting
- Management of volunteers
- Compliance with regulatory norms, including charity law.

The risk of falling short of these standards is mitigated as far as possible by ensuring that appropriate policies and working practices are adopted in each of these key areas and that staff and volunteers are adequately experienced and trained to manage this. Where necessary, external advice is sought to supplement internal expertise.

## **Process for Managing Risks**

### **Risk Register**

The Board (Executive Committee) via the CEO maintains the Risk Register that lists all of the risks that may impact on the organisation and its ability to function. A risk Assessment should be completed and submitted to the CEO for review.

The Risk Register lists all risks identified by the Board, Volunteers and Staff of Irish Girl Guides. The format for processing risk is undertaken through the following categories

The Risk Register contains the following headings and information:

<b>Risk Category</b>	<b>Risk Description</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Controls</b>	<b>Control Score</b>	<b>Risk Score</b>	<b>Responsibility</b>	<b>Review</b>	<b>Comment</b>
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### **Risk Category**

IGG identify risks under the following categories, which may have both internal and external elements; and they are further categorised based on likelihood of happening and should they happen, what would be the impact on the organisation.

For all risks identified IGG will have control measures in place to mitigate the risk. There is always room for improvement so the organisation will endeavour to identify what more it can do about mitigating risks to the organisation.

### **Human Resources**

This section directly relates to employees and is currently categorised under a variety of headings: staff recruitment, learning and development, quality workforce, health and welfare.

## Governance

This section relates to the members responsible for governance in the organisation as well as to the organisational structure. Risks examples of such: directors not knowing or living up to their responsibilities, conflict on the board, conflicts of interest not properly managed, nonadherence to the governing documents.

## Security of Assets

This section relates to the security of assets in IGG, from the buildings to the information held by the organisation.

## Financial Risks

This section relates to all financial risks in the organisation and includes failure to meet financial management and reporting requirements; failure to maintain prudent financial reserves; failure to plan to meet future needs; and failure to properly assess and understand the financial viability of the organisation.

## Health and Safety

This section relates to all health and safety matters for staff, volunteers and visitors in both buildings and at events or activities.

## Service Delivery

This section relates to the quality of service that is provided by IGG. It relates to strategic and operational risks which impact volunteers or staff completing their duties and responsibilities. It includes capacity and capability at all levels of the organisation to manage the business side of Guiding.

## Compliance

This section includes risks relating to failure to comply with legal or regulatory requirements, for example: legislation in respect of charity regulation; health and safety; child protection; data protection; employment law; or company law. Failure to have an appropriate level of insurance in place is also a compliance risk.

## Reputational Risk

This section relates to the reputation of the organisation from internal and external risks. This includes ensuring that IGG consider the actual and perceived impact of the decisions it takes, ensuring that all decisions are taken in line with the best interests and charitable purpose of IGG.

Risk Category	Risk Description	Likelihood	Impact	Controls	Control Score	Risk Score	Responsibility	Review	Comment
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## Risk Description

Describing something as a “risk” is a convenient way of describing an unknown state that may occur in the future (and, consequently, may not). If something has occurred, it is a fact or an issue. If something will occur, there is no uncertainty and therefore no “risk”.

### Likelihood

An assessment of the probability of future occurrence, how likely it is that the risk will occur and how frequently it has occurred in the past.

### Impact

An assessment of the impact of the risk on Irish Girl Guides CLG and external stakeholders if the risk were to occur

Each risk is scored on a scale of 1 – 5 in terms of

<b>Likelihood</b> Scale of 1 – 5	<b>Impact</b> Scale of 1 - 5
1 = Rarely, if ever	1 = No significant impact
2 = Possible	2 = Minor impact
3 = Likely	3 = Significant but containable impact
4 = Very Likely	4 = High impact
5 = Unavoidable / already occurring	5 = Extremely detrimental impact

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### Risk Controls

Controls are an existing strategy used to maintain or modify a risk and may include any process, policy or practice and are an ongoing function of the business. Risk control involves implementing measures to reduce the probability or impact of potential risks. This may include strategies such as implementing safety procedures, creating backup systems, or employing preventative measures to reduce the likelihood of bad outcomes.

Once a risk has been categorised IGG can put in place safeguards to control the risks. There are a number of options for controlling risk:

1. Avoid the risk – This may mean not undertaking an activity or stopping an existing activity completely because the risks associated with it are too great.
2. Prevent the risk – This involves taking action to reduce the likelihood of a loss. The development of robust policies and procedures is key to prevention.
3. Minimise the risk – IGG can take action to reduce the consequences of a loss should it occur, for example, by having a contingency plan in place or by sharing the risk with a willing partner/organisation.
4. Accept the risk – IGG may be prepared to accept some risks. For example, if the cost of preventative action significantly outweighs the likelihood and potential impact of the risk, it may decide to accept the risk.
5. Transfer the risk – This is usually done by passing the risk to an insurance company. It is also done using outsourcing and sub-contracting.

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## Control Score

The Control measures are further categorised and scored using the following scoring system:

1 = Controls highly effective
2 = Controls effective, but could be improved
3 = No controls / controls are ineffective

## Risk score

The Risk score is determined by multiplying the risk impact by the risk likelihood by the effectiveness of the controls. If the likelihood is 8 and the impact is 5, and the control score is 1, then risk score is 40.

The following classification is used on the risk register to highlight / prioritise risk:

Risk Level	Risk Icon with sample number	Action / Response
High (25 +)	25	Requires Board Discussion
Medium (13 to 24)	13	Board Review
Low (0 to 12)	0	Management Review

This score includes an Action or Response and determines what is required by the Board.

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## Responsibility

A risk owner (there can be more than one) for each risk who should be somebody that is empowered to take on the risk mitigation actions.

## Review

This is an action to review and update: The risk register is a living document that should be reviewed and updated regularly as the organisation progresses. This ensures that new risks are captured, and existing risk assessments and response strategies are adjusted as needed based on the latest project information and external factors.

## Comment

This should highlight any comments or highlight specific actions that are needed. Actions are a new planned, temporary strategy applied to maintain or achieve the target level of risk after controls are applied.

## Risk Monitoring

Risk management is not a once-off process. It is vital that the controls are implemented and then monitored on an ongoing basis. This is reported at Executive three times per year or sooner if a new high risk is identified.



An annual review of the Risk Register is completed and reported to Board (Executive Committee). This review includes reviewing how previously identified risks may have changed and ensures that new risks are assessed as they arise. Risk monitoring must also determine whether the risk controls themselves are effective.