Bedfordshire Natural History Society Risk Register (Jan 25)

The Charity Commission expects charity trustees to regularly review and assess the risks faced by their charity and plan for the management of those risks.

Risk management aims to reduce the 'gross level' of risk identified to a 'net level' of risk remaining after action is taken. The register below is based on Charity Commission guidance on risk management[1], with scores rating the likelihood (from 1 – remote – to 5 – highly probable) and severity (from 1 – insignificant to 5 – extreme) of risk producing a final score which is [(likelihood x severity) + severity].

Organisational sustainability

Risk 1 Decline in membership numbers and/or in participation of members in Society activity

Description of risk and impact: Reduction in membership means Society is unsustainable as an organisation, including financially

Likelihood of occurrence: possible (3); ***Severity of impact***: major (4); ***Overall risk***: high (16)

Measures taken to reduce risk:

- maintain existing member interest through sufficient and timely provision of talks, walks, events, newsletter and journal
- promotion of Society at public events
- on-line membership payment makes it easier to join or renew membership
- social media (e.g. Wild About Beds Facebook group) raising awareness of Society

Retained or net risk: medium

Further action required in 2025:

- further engagement with public events
- develop partnerships with other bodies involved with Bedfordshire natural history
- promotion of Society and events through social media channels
- move to more user-friendly website, building on Bird Club experience.

[1] Guidance available at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/589944/CC26.pdf.

Risk 2 Failure to meet core objects, including recording

Description of risk and impact: Decline in recording capacity; reduced/inadequate recording of wildlife; loss of Society's credibility and unique role

Likelihood of occurrence: possible (3); ***Severity of impact***: major (4); ***Overall risk***: high (16)

Measures taken to reduce risk:

- support for existing and new recorders or recording projects through grants (e.g. for otter recording), Scientific Committee, Recorders' meetings, indoor meetings and field meetings

- Special interest groups to help and support Recorder(s) aligned with their interest; identification of potential new Recorders to succeed retiring Recorders within these groups

- Society is member of partnership owning the Bedfordshire & Luton BRMC;

- some key historical records organised and made available to BRMC

Retained or net risk: medium

Further action required in 2025:

- further promoting involvement/training of people who can support Recorders

- identifying species groups which are less well recorded and taking action to address this

- exploring co-initiatives with other bodies – e.g. Wildlife Trust – to improve knowledge of key species or key sites

- identifying past records which need further organisation/compilation for BRMC and acting to remedy this.

Risk 3 Failure to fill key positions (e.g. honorary officers, events organisers); unplanned loss of significant expertise in Council/officers

Description of risk and impact: Loss of expertise resulting in ability to run the Society (including financial and membership management, Council members) or to provide benefits of membership

Likelihood of occurrence: probable (4); ***Severity of impact***: major (4); ***Overall risk***: high (20)

Measures taken to reduce risk:

roles of treasurer, membership secretary and chair filled in past two years

- Bird Report editorial team strengthened
- organisation of indoor events (talks) resolved but more support needed for outdoor events (e.g. walks) and outreach (e.g. presence at events held by others)
- some sharing of roles

Retained or net risk: medium

Further action required in 2025:

- further efforts to promoting involvement of members with the running of the Society, including in events, local networks and publications
- more sharing of roles if necessary to secure volunteers and to promote sharing of expertise
- produce written descriptions of officer roles
- reviewing how Society could operate in absence of key individuals
- planning for future change in officer roles

Financial risks

Risk 4 Underperformance or loss of investments

Description of risk and impact: financial loss through inappropriate investment, severe adverse investment conditions, or institutional failure

Likelihood of occurrence: possible (2); ***Severity of impact***: major (4); ***Overall risk***: medium (12)

Measures taken to reduce risk:

- majority of funds held in well-established FCA regulated fund for charities, which operates a diverse investment portfolio
- current accounts held with major bank

- investments up to £85k with one institution protected under the Financial Compensation Scheme

Retained or net risk: low

Further action in 2025:

- continue to monitor performance of investment fund

Risk 5   Inadequate financial procedures

Description of risk and impact: Inadequate financial procedures (e.g. insufficient people with knowledge about Society financial operations) leading to inability to run the Society, or fraudulent activity (e.g. payments made for personal benefit of Trustee; false expenses) leading to financial loss or regulatory action

Likelihood of occurrence: unlikely (2); ***Severity of impact***: major (4); ***Overall risk***: medium (12)

Measures taken to reduce risk:

- Payments from Society accounts can only be made by authorised signatories

- Expenses only admissible with proper evidence and need to be approved by the Treasurer

- Independent examination of annual Trust accounts

Retained or net risk: medium

Action required in 2025:

- Maintain good information flows on financial activities so that they are timely, adequate and capable of highlighting any unusual transactions;

- Increase knowledge of financial procedures among Finance Committee and Council members

- Summarise financial procedures in a single document

Risk 6 Poor use of funds – e.g. funding given to projects of poor value or associated with other problems (e.g. safeguarding, fraud)

Description of risk and impact: Insufficient consideration when making expenditure decisions results in funds going to projects of low impact or poor value, or raising issues such as fraud or conflict of interest.

Likelihood of occurrence: unlikely (2); ***Severity of impact***: moderate (3); ***Overall risk***: moderate (9)

Measures taken to reduce risk:

- decisions on expenditure, including grant schemes, reviewed by Finance Committee, Scientific Committee and/or Council, as appropriate;

- sums granted to outside organisations under grant schemes are small

- reporting required by recipients of grants

- policies on use of funds and conflict of interest prepared

Retained or net risk: low

Further action in 2025:

- further develop forward thinking on use of funds

<u>Governance, operational and compliance risks</u>

Risk 7 Failure to comply with charity requirements (e.g. charity law, reporting deadlines)

Description of risk and impact: Improper management of charity leads to regulatory action or reputational issues

Likelihood of occurrence: unlikely (2); ***Severity of impact***: major (4); ***Overall risk***: medium (12)

Measures taken to reduce risk:

- all Council members aware of key reporting requirements and who is responsible for taking action;
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- Society Secretary prepares annual Charity Commission returns in consultation with Chair, Treasurer and (as necessary) other Council members;

- key Society records (e.g. minutes, policies, finances) identified and stored appropriately

- Trustees aware of and implementing key Charity Commission publications/guidance, including 'The Essential Trustee' (CC3_feb24.pdf)

Retained or net risk: low

Further action in 2025:

- renew declarations that trustees are not disqualified from being a trustee

- set timings for review of Society policies in future years

- further review storage of key Society records

Risk 8 Harm to persons participating in Society activities

Description of risk and impact: Injury or harm to persons through accidents (e.g. on walks) or through safeguarding incidents

Likelihood of occurrence: possible (3); ***Severity of impact***: major (4); ***Overall risk***: high (16)

Measures taken to reduce risk:

- Safeguarding policy in place, published on Society website and highlighted to those organising events

- Risk assessments for meetings and for the nature table/displays have been prepared and are followed by those organising events; risk briefings given to participants

- Children and young people attending events must be accompanied by responsible adults

- Public liability insurance valued up to £5m has been put in place

Retained or net risk: medium

Further action in 2025

- Safeguarding to be periodic item on Council agenda, to ensure Trustees aware of any concerns

Risk 9 Liability of Society or Trustees for mismanagement of Society (e.g. loss of funds)

Description of risk and impact: Mismanagement of Society leads to action (e.g. regulatory, legal) with significant financial or legal consequences for Society or Trustees

Likelihood of occurrence: unlikely (1); ***Severity of impact***: extreme (5); ***Overall risk***: medium (10)

Measures taken to reduce risk:

- Ensure proper management of the Society, including financial propriety, good decision making, and management of risks;

- Liability insurance has been put in place

Retained or net risk: low

Further action in 2025

- Ensure continued proper management of Society

Risk 10 Inappropriate conflict of interest in decision making

Description of risk and impact: Failure to identify and manage actual or perceived conflict of interest leads to decisions not being made in best interest of the Society, or to reputational issues

Likelihood of occurrence: unlikely (2); ***Severity of impact***: medium (3); ***Overall risk***: medium (9)

Measures taken to reduce risk:

- Trustee awareness of Charity Commission guidance on conflict of interest
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- Conflict of interest policy agreed at Dec Council meeting

- Trustees to declare any possible conflict of interest at Council meetings

Retained or net risk: low

Action required in 2025:

- Continue to check for conflicts of interest

Risk 11 Data or information loss or misuse

Description of risk and impact: Loss of paper or electronic records (e.g. due to fire; IT failure) leading to loss of audit trails, minutes, or key documents; failure to comply with data protection regulations

Likelihood of occurrence: possible (3); ***Severity of impact***: major (4); ***Overall risk***: high (16)

Measures taken to reduce risk:

- Ensure key documents are identified; know where they are held; make copies (paper or electronic) and ensure that two or more copies are held in different places;

- Personal data (e.g. membership details, information on wildlife records) held on commercially operated password protected electronic databases

- Privacy policy in place and published on website

Retained or net risk: medium

Further action in 2025:

- confirm storage status of key documents