Social Care Association of Ireland
Risk Management Policy
Policy Created: 2018

Version 4 – August 2022

Social Care Association of Ireland's Board of Directors is ultimately responsible for the successful operations of Social Care Association or Ireland and the risks associated. The monitoring of risk management activities is delegated to the Board of Social Care Ireland. The responsibility for development and management of the risk assessment plan and strategies contained therein rests with the Board Chairperson who may delegate this to a named individual on the Board.

It is policy of Social Care Association of Ireland to conduct a risk assessment quarterly and record on the Risk Register. This is prepared by the Board Chairperson in conjunction with the Board of Directors and reviewed at a meeting of the Board. Once reviewed and accepted by the Board Chairperson it is to be presented to the full Board quarterly.

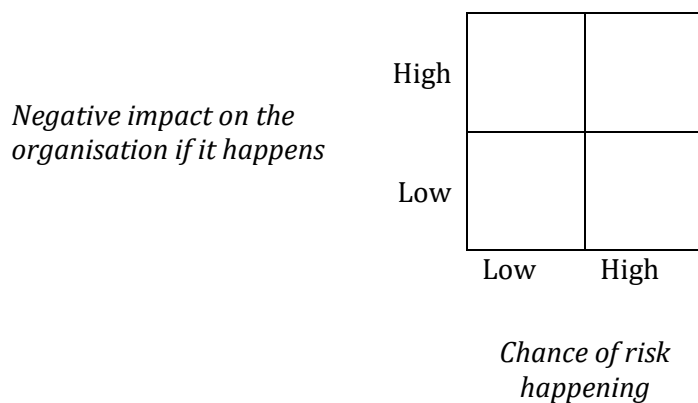The Risk Assessment should comprise the following steps:

1.   Risk Identification

The risks to Social Care Association of Ireland are normally categorised under 6 headings: Financial, Human, Operational, Technological, Physical, and Intangible

All staff and stakeholders should be consulted in drawing up a list of identified risks.

2.   Risk Assessment

Each identified risk should be plotted on a graph of the likelihood of a risk occurring against the damage it would cause to Social Care Association of Ireland if it occurs as per the chart below:

Negative impact on the organisation if it happens

	High	
	Low	
	Low	High

Chance of risk happening

3.   Risk Management

A written strategy for managing each risk needs to be developed and reviewed annually by the Board.

Social Care Association of Ireland
Sample Risks
(Version 4 – August 2022)

Governance & Management Risk

Potential Risk	Potential Impact	Potential Risk Mitigation Steps
Organisation lacks direction and forward planning	• Organisation drifts with no clear objectives, priorities or plans • Issues addressed on a piecemeal basis with no strategic reference • Needs of beneficiaries not fully addressed • Financial Management Difficulties • Loss of reputation	• Create strategic plan which sets out key aims and objectives • Create work plans with targets down from strategic plan • Monitor financial and operational performance • Seek feedback from beneficiaries and funders
Governing body lacks relevant skills and commitment	• Organisation fails to achieve purpose • Decisions are made that bypass the governing body • Resentment or apathy amongst paid staff • Poor value for money on service delivery	• Replace Board vacancies • Provide relevant training • Develop role descriptions for all governing body members • Succession planning for new Board Members

Operational Risk

Potential Risk	Potential Impact	Potential Risk Mitigation Steps
Member satisfaction	• Complaints from Members • Loss of fee income • Loss of significant contracts or claims under the contract • Negligence claims • Risks to reputation	• Set up quality control procedures • Have and use proper complaints procedure • Benchmark service • More timely responses to issues raised by securing additional Administration support
Fundraising/Donations/Sponsorship	• Unsatisfactory returns • Reputational risk, depending on fundraising methods used • Actions of agents and commercial fundraisers • Compliance with legal regulations	• Have appraisal, budgeting and authorisation procedures in place • Review regulatory compliance • Monitor adequacy of financial returns achieved • Review complaints in relation to fundraising • Report fundraising activities in annual report • Adopt the 'Statement of Guiding Principles for Fundraising'

Financial Risk

Potential Risk	Potential Impact	Potential Risk Mitigation Steps
Reserves Policy	• Inability to meet planned objectives and commitments • Lack of liquidity to respond to new needs or requirements • Risks to reputation if policy cannot be justified	• Have a reserves policy and ensure it is linked to business plans, activities and identified financial and operating risks • Review policy regularly
Dependency on income sources	• Cash flow and budget impact of loss of income source	• Identify major dependencies • Ensure an adequate reserves policy • Draw up diversification plans
Inappropriate or loss-making fundraising activities	• Resources withdrawn from key objectives • Resources and energy diverted from profitable fundraising • Accountability issues • Risk to reputation	• Monitor and review business performance and return • Ensure adequate budgeting and financial reporting for each specific activity • Appraise viability of fundraising activities • Ensure adequate authorisation procedures for any funding provided by the organisation • Include funding and performance in financial reporting system
Fraud or error	• Financial loss • Risk to reputation • Regulatory action •Impact on funding	• Ensure proper financial control procedures • Segregate duties • Set authorisation limits • Improve security of assets • Get insurance

SOCIAL CARE IRELAND
EDUCATION || CARE || MANAGEMENT

Compliance Risk

Potential Risk	Potential Impact	Potential Risk Mitigation Steps
Lack of compliance with legislation and regulation (own governing document, employment law, equality law etc.)	• Fines, penalties, censure • Loss of licence to undertake a particular activity • Employee or consumer action for negligence • Risk to reputation	• Identify key legal and regulatory requirements • Allocate responsibility for key compliance procedures • Undertake compliance monitoring and reporting • Prepare for compliance visits • Consider reports from regulators, auditors and others, such as staff, and action at appropriate level ● Ensure Board Members partake in relevant Training opportunities
Taxation	• Penalties and interest • Loss of income through failure to utilise tax reliefs • Reputational risk	• Ensure PAYE compliance procedures are in place • Allocate staff responsibilities

Environmental Risk

Potential Risk	Potential Impact	Potential Risk Mitigation Steps
Public perception	• Impact on voluntary income • Impact on voluntary input • Impact on use of service by beneficiaries • Ability to access grants or contract funding affected	• Communicate with supporters and beneficiaries • Produce and circulate a quality annual report • Ensure good public relations
Relationship with funders	• Deteriorating relationship • Impact on funding and support available	• Maintain regular contact with all funders, especially major funders • Undertake regular and appropriate project reporting • Meet funders' terms and conditions
Demographics	• Impact of demographic distribution of supporters and/or beneficiaries • Increasing or decreasing supporter class • Increasing or decreasing beneficiary class	• Research supporter base profile • Research beneficiary base profile and understand beneficiary needs • Establish future resource requirements from research

This Policy will reviewed annually and be updated as and when necessary.