Scientific Committee on Antarctic Research

Risk Management Policy

Approved on 16 February 2017

Notes:

Resources used in developing this draft:

The Risk Management Policy template recommended by PEM.

http://www.smallcharities.org.uk/resources-governance-risk/
https://www.gov.uk/government/publications/charities-and-risk-management-cc26
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/509704/cc26_lowink.pdf
http://www.kingstonsmith.co.uk/upload/pdf/chartiesrisktoolkitfinal.pdf
http://www.sayervincent.co.uk/wp-content/uploads/2015/07/RiskManagementMadeSimple-SayerVincent-July2015.pdf
http://www.diycommitteeguide.org/code/principle/risk-management
http://www.thirdsector.co.uk/manage-volunteer-risks/finance/article/1184268

As part of their overall duties of management, the trustees must ensure that the major risks to which the charity is exposed are reviewed and that systems are established to mitigate those risks.

The trustees consider that a major risk is one which, if it materialised, would have a significant adverse impact on the charity's ability to function and achieve its purposes, namely initiating, developing and coordinating high quality international scientific research in the Antarctic region (including the Southern Ocean), and on the role of the Antarctic region in the Earth system. The trustees recognise that risks can arise not only from the charity's activities but also from failure to act or exploit opportunities.

The trustees do not consider that all risks should be avoided. They are not averse to taking reasonable risks as part of their strategy to achieve the charity's objectives. However, they wish to be made aware of the major risks the charity faces so that they can plan how to manage those risks and mitigate their effects.

The trustees have therefore appointed the President and Executive Director to review major risks and make recommendations to the trustees as to how to manage them.

The trustees expect all staff and volunteers when engaging in any activity to consider the risks it poses and to act in accordance with any recommendations made for risk management.

The trustees expect that staff and volunteers will not engage in significant types of activity which are not similar to activities the trustees are already aware of, without first having made to the trustees a proper proposal for the charity engaging in such activity, including an analysis of the risks such activity might pose to the charity. Such new forms of activity might include, for example, new forms of fundraising or new forms of sustained service provision.

The trustees have the same expectation in relation to significant increases in activities already pursued by the charity or significant changes in the way those activities are pursued.

The trustees recognise their obligations under the Charity Commission's guidance on Reporting Serious Incidents: guidance for charity trustees'. The trustees will ensure that major risks are reported to the Charity Commission and/or other relevant authorities as and when required by law and in accordance with the Commission's guidance.

The Executive Committee will regularly review the operation of this policy.

Adopted by:

Date Policy Adopted: _____

SCAR's Risk Assessment and Management Policy implementation:

1. Identify risks and the potential impacts

Risk could be categorised as follows:

- **Strategic** - external risks, setting and meeting objectives
- **Operational** - risks arising from the services we provide or the activities we carry out
- **Financial** - risks facing the organisation in terms of internal systems, planning, funding, etc
- **People** - risks associated with the employment of staff and the involvement of volunteers
- **Governance and Regulations** - risks involved with management of the organisation and legal regulations and responsibilities.

2. Assess the degree of impact and likelihood of each risk

The following charts can be used as a guide to assess the likelihood and impact of risks defined in step 1.

Degree of Impact

Descriptor	Score	Impact on service and reputation
Insignificant	1	• no impact on service • no impact on reputation • complaint unlikely • litigation risk remote
Minor	2	• slight impact on service • slight impact on reputation • complaint possible • litigation possible
Moderate	3	• some service disruption • potential for adverse publicity - avoidable with careful handling • complaint probable • litigation probable
Major	4	• service disrupted • adverse publicity not avoidable (local media) • complaint probable • litigation probable
Extreme/ Catastrophic	5	• service interrupted for significant time • major adverse publicity not avoidable (national media) • major litigation expected • resignation of senior management and board • loss of beneficiary confidence

Likelihood

Descriptor	Score	Example
Remote	1	may only occur in exceptional circumstances
Unlikely	2	expected to occur in a few circumstances
Possible	3	expected to occur in some circumstances
Probable	4	expected to occur in many circumstances
Highly probable	5	expected to occur frequently and in most circumstances

We can develop a 'heat map' to help visualize our risks. This works on a scoring of $xy+y$ where x is likelihood and y is impact. This formula multiplies impact with likelihood then adds a weighting again for impact. The effect is to give extra emphasis to impact when assessing risk. It should be remembered that risk scoring often involves a degree of judgement or subjectivity. Where data or information on past events or patterns is available, it will be helpful in enabling more evidence-based judgements. Some suggest an even greater weighting for impact and use a formula of $xy+2y$.

In interpreting the risk heat map below, likelihood is x and impact is y. The colour codes are:

Red - major or extreme/catastrophic risks that score 15 or more
Yellow - moderate or major risks that score between 8 and 14
Blue or green - minor or insignificant risks scoring 7 or less

Likelihood	Overall Risk				
Extreme/ Catastrophic 5	10	15	20	25	30
Major 4	8	12	16	20	24
Moderate 3	6	9	12	15	18
Minor 2	4	6	8	10	12
Insignificant 1	2	3	4	5	6
	1 Remote	2 Unlikely	3 Possible	4 Probable	5 Highly Probable

3. Define risk management procedures and needs

This includes identifying what control procedures would be needed to limit the risk and what we are already doing or what needs to be done to implement those procedures. We will also need to identify an implementation timeframe for each item, who is responsible and how progress will be monitored. We should make sure that all the risk management issues are spread amongst more than one person to ensure everything is monitored by more than one person/position.

4. Review our risk

We will need to periodically review our risk policy and progress towards risk management and reduction. It is suggested that this is done regularly, so probably at the yearly excom meetings. However as we are going through this initial process, we may need more frequent review to ensure progress on getting this into compliance.