



# CALLANDER COMMUNITY DEVELOPMENT TRUST

callandercdt.org.uk

## Risk Policy

### **Purpose**

The purpose of this policy is to provide guidance regarding the management of risk of Callander Community Development Trust (CCDT) to support its charitable aims and purposes, safeguard the charities assets, ensure financial stability and protect the staff and volunteers of CCDT.

The policy reflects the Trustee Duties contained in Section 66 of The [Charities and Trustee Investment \(Scotland\) Act 2005](#) (the 2005 Act).

All trustees of CCDT have a duty to act with care and diligence in the best interests of CCDT. Trustees will act with a higher level of care than they may do with their own finances and affairs and this will be reflected in the duty of care they exhibit with respect to the assets of CCDT.

### **Scope**

This policy applies to all CCDT activities and forms part of its risk management framework, applying to all trustees, employees and volunteers.

### **Risk management Framework**

The Operations Manager is responsible for ensuring that risk management is incorporated in the day-to-day activities of CCDT. The Operations Manager will ensure that all staff and volunteers are continuously improving the risk management policy, ensuring there is a process by which risks identified by staff and volunteers are fed into the risk policy and appropriate revisions, if necessary are made.

## Risk Management Process

CCDT operates a formal risk management process to assess business risks and implement risk management strategies. Steps taken are to identify the types of risks faced, establish the context, analyse and evaluate the risk prioritising them in terms of potential impact and likelihood of occurrence, identifying means of mitigating the risk and monitor and review the risk.

CCDT has integrated risk management into all governance, financial and operational processes.

The following risk categories are included in the risk register and in risk reporting:

- financial
- governance
- external
- compliance and regulations
- operational
- reputation

Risks identified will be added to the register immediately. The register will be reviewed each quarter by the Board and risks that are no longer considered relevant will be removed from the register. Where a risk is identified that is deemed to be of a critical nature a special meeting of the Board will be convened.

This policy will be reviewed by the Board annually.

See Risk Register overleaf.

## Document version control

<b>Version number</b>	<b>Change or update</b>	<b>Author or owner</b>	<b>Date</b>	<b>Approved by Board</b>
1.0	First version	Freddy Bowen-Bate	15.07.24	30.07.24

## Risk Register

Name of activity, event, and location	CCDT Operational Risks	Date of risk assessment		Name of person doing this risk assessment	
		Date of next review			

What hazard has been identified? What are the risks from it?	Risk Rating	Who is at risk?	How are the risks already controlled? What extra controls are needed?	What has changed that needs to be thought about and controlled?
<p><b>A hazard</b> is something that may cause harm or damage.</p> <p><b>The risk</b> is the harm that may occur from the hazard.</p>		For example: Directors, adult volunteers, visitors	<b>Controls</b> are ways of making the activity safer by removing or reducing the risk.	Keep <b>checking</b> throughout the activity in case you need to change or even <b>stop</b> the activity.
Inadequate attention to the requirements of the Articles of Association. CCDT ability to attract support from the community, public agencies and funding bodies.		Directors, Callander community	CCDT meetings and business activities are consistently checked against the provisions of the Articles. All activities are considered for relevance to charitable purposes and as allowed by OSCR. Management Accounts instigated. Published procedures for applying to Hydro Fund for grants.	Subsidiary CCHL placed on high export tariffs providing considerably more funds to parent CCDT from Oct 22 to Oct 23. Community interest in how these additional funds will be allocated to good causes, CCDT operating costs and further investments. CCDT needs to ensure all decisions are carefully recorded and all in accordance with Articles.
Unforeseen events damages CCDT business or requires intervention beyond CCDT means. CCDT resources unable to cope with resultant damage		Directors, community, employees, contractors, property	CCDT meetings held monthly with other more urgent business dealt with by calling additional meetings or by emailing information and decision requests.	Climate change. Community antagonism towards investment decisions.

to commitments, contracts and personnel.			CCDT supported the publishing of a community resilience plan. CCDT Insurance cover	
Key personnel resign. Delivery of essential and committed activities disrupted		Directors, employees, contractors, community	Ability to attract and introduce new Directors, Associate Directors, volunteers, contractors and consultants. Need to document roles and responsibilities more fully so that replacement personnel can effectively continue with delivery of tasks.	Predominance of retired members of the community taking the Directorships may import a need to increase churn. Consider altering meeting arrangements to suit a more diverse diaspora.
Fraudulent appropriation of CCDT assets and funds. Funds available for commitments depleted. Assets and investments damaged.		CCDT, community, employees, contractors	Code of Conduct enforced. Banking arrangements established with normal security measures. Delegated levels of authority to approve expenditure confirmed. Quorate Board decisions required for investment and expenditure above defined limits. Need dual 'signature' enactment on bank drawdown above a defined limit. CCDT Insurance.	Available funds in the various bank accounts have significantly increased over the last few years and should be prudently protected. Asset Register has also significantly grown and includes removable items of value.

<p>Income from CCHL and other Grants insufficient to cover committed expenditure.</p>		<p>CCDT, community, employees, contractors</p>	<p>Management Accounts instigated including annual Budget and continuous review of commitments being made. Accounting Policy document approved by the Board proposes that one year of operating costs and commitments is held in reserved but this will need to be kept under review as the asset base, operating costs and commitments grow. Board provided with current and up-to-date financial information during all investment decision making.</p>	<p>Fluctuating revenue stream from CCHL and Grant funding bodies makes confirmed available funds difficult to predict. Funding agencies less likely to make Grants whilst CCDT demonstrates significant turnover including unrestricted funds (so having one year Reserves is unhelpful in attracting Grants)</p>
<p>Financial commitments made without sufficient secured funding.</p>		<p>CCDT, community, employees, contractors</p>	<p>Management Accounts instigated including annual Budget and continuous review of commitments being made. Accounting Policy document approved by the Board proposes that one year of operating costs and commitments is held in reserve but this will need to be kept under review as the asset base, operating costs and commitments grow. Board provided with current and up-to-date financial information during all investment decision making. Commitments only made</p>	<p>Fluctuating revenue stream from CCHL and Grant funding bodies makes confirmed available funds difficult to predict. Funding agencies less likely to make Grants whilst CCDT demonstrates significant turnover including unrestricted funds (so having one year Reserves is unhelpful in attracting Grants)</p>

			where there are existing funds and resources available.	
Contractual commitments made without human resources to deliver the requirements.		Directors, employees, Volunteers, contractors, consultants	Board provided with current and up-to-date financial information during all investment decision making. Commitments only made where there are existing funds and resources available.	As commitments and assets grow there is an increasing requirement to service them with competent and capable management. Reliance on volunteers may not be appropriate so further expenditure on contractors and consultants will be needed.
Staff or Volunteers harmed whilst carrying out activities on behalf of CCDT.		Directors, employees, Volunteers	CCDT Insurance. Maintenance of assets and property.	As the assets register grows there is an increasing requirement to carry out maintenance with competent and capable management. Reliance on volunteers may not be appropriate so further expenditure on contractors and consultants will be needed.
Property deterioration creates dangerous environment for public and users.		Directors, Volunteers, employees, Contractors, consultants, Public	CCDT Insurance. Maintenance of assets and property.	As the assets register grows there is an increasing requirement to carry out maintenance with competent and capable management. Reliance on volunteers may not be appropriate so further expenditure on contractors and consultants will be needed. 55 Main Street is an old sandstone building that has been variously altered and maintained through its life to this date so some elements of the structure and fabric may be expected to require enhanced interventions of maintenance in future years.

<p>Property deterioration diminishes value and investment returns.</p>		<p>CCDT</p>	<p>CCDT Insurance. Maintenance of assets and property.</p>	<p>As the assets register grows there is an increasing requirement to carry out maintenance with competent and capable management. Reliance on volunteers may not be appropriate so further expenditure on contractors and consultants will be needed. 55 Main Street is used for the Visitor Information Centre and Holiday Let Flat which both require levels of attractiveness and safety to be maintained to attract the users and secure the income streams from each.</p>
<p>Catastrophic damage to property renders it unusable.</p>		<p>CCDT, community, users</p>	<p>CCDT Insurance.</p>	<p>Force Majeure, terrorism, vehicular damage, ram-raiding of ATM.</p>
<p>Loss of reputation with the community and governmental/public bodies. Inability of CCDT to continue delivering services and Grants to good causes in the community which support the local economy and wellbeing of the population.</p>		<p>CCDT Directors, community</p>	<p>All CCDT considerations of proposed activities and means of securing funding necessitates an assessment of the political support needed from the community and governmental agencies. Reputational risk is a key driver in making any decisions as they have to be made in the best interests of the Callander community.</p>	
<p>Failure to deliver appropriate and acceptable Accounts/Audits/Reports to statutory authorities timeously. Penalisation with fines and other curbs on CCDT activities.</p>		<p>Directors, employees, contractors, community</p>	<p>Appointed professional Finance Officer and Company Secretary to operate management accounts and keep formal records of activities and decisions. Formal Accounts submitted to OSCR and Companies House as required.</p>	<p>Financial Turnover including restricted and unrestricted Grants and Gift Aid will exceed the limits thus requiring full consolidated accounts and a formal Audit. Consider whether VAT registration is appropriate.</p>

			June 22 Review by OSCR found that CCDT was appropriately managing activities within the Terms of the Articles of Association.	
Change of Laws / statutory requirements makes CCDT business untenable.		CCDT	CCDT Board consider the Regulatory framework during all decision making and take professional advice as appropriate.	