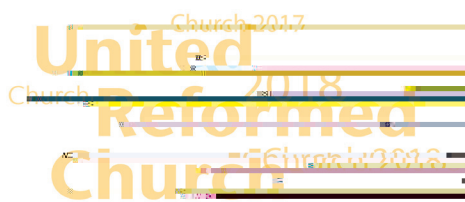


# Paper L2

## URC Trust

The Church's risk assessment  
and management process





# The Church's risk review process

1. In 2000 new regulations embodied in a SORP (Statement of Recommended Practice) required larger charities to include in their annual report to the Charity Commissioners confirmation that the trustees had reviewed the major risks to which the charity was exposed and the systems they have established to mitigate those risks.
2. In 2005 Assembly committees and those responsible for central church activities were asked to identify, rate and propose mitigation for the major risks they faced in their particular sphere of the church's work. Responses were directed to Michael Davies, who prepared a composite matrix for report to the MCAG in May 2005. It ran to nine pages including an introductory page explaining the background.
3. This process has continued since 2005, with a few changes. MCAG was replaced by the URC Trust as charity trustee for the church's assets. Until 2016 the whole matrix (which by this time had grown to 34 pages) was circulated to all recipients, who had to identify sections applying to them. Subsequently customised matrices have been circulated for each committee/group, which is much easier for them but much more demanding to set up and administer. Whilst those involved take the process on board, it is clear that the whole exercise is viewed by many as an unwelcome chore.
4. In the early years Michael Davies prepared a matrix and a report for the trustees, spent a session with the General Secretary and then presented the findings. Later an additional member of the finance committee was added to this process and with the Deputy General Secretary formed a small team to manage the process and forward a detailed report to the finance committee and then the URC Trust.
5. As the risk management process became more time-consuming and bureaucratic, questions began to be asked as to whether the cumbersome annual review undertaken by the URC was necessary or appropriate in the current format. In their final report to finance committee and Trustees in 2017 the team proposed, and the Trust agreed:  
*to set up a small panel to consult with the existing risk group, to consider the broader issues referred to in the 2017 report to the finance committee and Trustees regarding the Risk Management Policy for the central administration of the URC.*
6. The review panel was accordingly called and met at Chu.5 (iSfcs()5.5 (y)0[T)u17 J J0 To212 0 Tdpe )0.5

which are the responsibility of the URC Trust and need to be monitored by it; and secondly, those relating to the management and programmes of the Church, which

