RISK MANAGEMENT STRATEGY 2022				**Version 1.4 Post Workshop**
Explanation of Scoring				
	Value	**Likelihood**	**Impact**	
	1	**Remote**: may only occur in exceptional circumstances	**Insignificant:** • no impact on service • no impact on reputation • complaint unlikely • litigation risk remote	
	2	**Unlikely:** expected to occur in a few circumstances	**Minor:** • slight impact on service • slight impact on reputation • complaint possible • litigation possible	
	3	**Possible:** expected to occur in some circumstances	**Moderate:** • some service disruption • potential for adverse publicity - avoidable with careful handling • complaint probable • litigation probable	
	4	**Probable:** expected to occur in many circumstances	**Very Serious:** • service disrupted • adverse publicity not avoidable (local media) • complaint probable • litigation probable	
	5	**Highly Probable** expected to occur frequently and in most circumstances	**Major Disaster:** • 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	
RISK FACTOR IS CALCULATED AS:	**RISK FACTOR = (LIKELIHOOD x IMPACT) + IMPACT**			
	FINAL SCORE VALUES		**Major/extreme risk**	15+
			Moderate risk	8-14
			Minor risk	4-7
			Very Minor risk	1-3

EXPLANATION OF TEXT COLOURS –
Black is as 2021
Red is other amendments or additions

NATURE OF RISK	PREVIOUS RISK SCORE SEPT 2020	CURRENT CONTROLS	REQUIRED CONTROLS	RESPONSIBILITY	LIKELIHOOD (1-5)	IMPACT (1-5)	EXISTING RISK SCORE JULY 2021	CHANGE
1. GOVERNANCE								
1.1 Charity lacks direction, strategy, and forward planning	6	Current Land Management and Business Plans in place, which are reviewed and updated annually to take account of changing circumstances.	Interim review and end of term full review of 2022 -2027 LMP	Board /CEO / Conservation Manager	1	3	6	NC
1.2. Trustee body lacks relevant skills, knowledge, commitment, or capability.	6	All new trustees asked to complete skills audit form.		Board CEO / STTB	1	3	6	NC
		All Board members are given appropriate induction and training. Attendance log maintained.	Continue to identify areas where further trustee training required. Review effectiveness of training through feedback reports.					
		Skills requirements are identified and highlighted to nominating bodies when advising that a trustee appointment is needed.						
		Workshops are used to both allow topics to be further explored and to re-enforce training.						
		Charity employs suitably qualified and experienced staff to provide relevant knowledge.						
		External professional advice is sought where necessary.						
			Implementation of proposed governance changes would provide longer term mitigation and/or control					
1.3. Trustee body is influenced by a dominant few including Board failing to appropriately scrutinise committee decisions	9	All trustees regularly attend and take part in Board meetings.		Board	2	3	9	NC
		All trustees are provided with committee papers and are able to attend committee meetings where they are not a committee member and contribute at the Chair's discretion		CEO / STTB/CM/FAM				
		Chair to ensure all trustees in attendance at meetings have the opportunity to contribute.						
		All trustees encouraged to attend training to make them aware of the law and their obligations as charity trustees.						
		Officers provide the Board with relevant information and advice to ensure no ultra vires decisions taken.						
		Minutes and papers are added to Board Members intranet						
		Chair's Workshops provide opportunity for open non-decision-making debate and to build relationships between trustees.		Chairs/ V Chairs/ CEO and STTB				

		Terms of reference for committees agreed by Board are set out in Governance Handbook. Committees make recommendations which have to be confirmed by the Board.						
		Quorum for Board meetings set at 10 - over 1/3rd of Board members.						
		Code of Conduct (revised 2020) provides a framework for good practice.						
1.4. Trustee/s has conflict of interests	9	Trustees asked to complete a register of interests and to update it regularly.	Chair to remind trustees to do this at each Board meeting.	Board	2	3	9	NC
		Conflict of Interest policy (updated in 2017).						
		All meetings have an agenda item under which trustees are reminded to declare any interests in agenda items.						
		Board members requested every year to submit an annual Disclosure of Related Party Transactions.						
		Trustees provided with training on conflicts of interest and are encouraged to seek advice if they are unsure when a conflict exists.	Implementation of proposed governance changes would provide longer term mitigation and/or control. Currently some Board members have an inherent conflict of loyalty because of the method of appointment.					
		The Board has adopted a Code of Conduct and training is provided to highlight requirement for Board members to act only in best interests of MHT.	Resolve any outstanding issues regarding the Code of Conduct so that all Trustees have signed up to it					
		Register of interests maintained on Trustee's intranet.						
1.5. Trustee body is unduly influenced by local government or other bodies Risk of board being inquorate due to exclusion on conflicted members	6	Conflict of Interest policy adopted in 2017 includes provisions for dealing with the potential conflict of interest of trustees who have a conflict of loyalty	Implementation of proposed governance changes would provide longer term mitigation and/or control. (The Board is currently composed of a high proportion of trustees appointed by local authorities)	Board	1	3	6	NC
		Code of Conduct and training which highlight requirement for Board members to act only in best interests of the charity (MHT).						
		All Board and Committee meetings have an agenda item under which trustees are reminded to declare any interests in agenda.	-					
1.6. Trustee body has poor structure and/or obscured lines of delegation.	9	Terms of Reference for Board, Committees and chairs are fully defined in Governance Handbook.	.	Board	2	3	9	NC
		All Board Members are mindful of their strategic role						
		Scheme of Delegation set out in Governance Handbook.	Periodically review terms of reference and scheme of delegation, at no more than 5-year intervals					
		Terms of reference for temporary emergency Covid Contingency Committee put in place. Face to face meetings resumed but with reduced number of meetings.	Board to review when contingency arrangements are to end. Review precautionary measures as necessary.					

Decisions of board not followed up Internal disputes		Actions generated by meetings are logged in minutes and followed up by staff. Updates reported back to Board / Committees. Governance Handbook, Code of Conduct and Charity Commission guidance set out requirements to act collaboratively in decision making.	Regularly review existing policies and identify those to be updated.	CEO / STTB				
1.7. Poor reporting to Trustees	**6**	Regular updates given on ongoing work at Committee/Board meetings and via email and written updates Trustees able to request additional information including expert advice where needed. Trustees given training to help identify what information they require.		Board CEO/Management Staff	1	3	**6**	NC
1.8. Potential for ultra vires decision making and provision of sufficient information to Trustees to enable appropriate decisions to be made	12	New Trustees given induction including the powers and duties of trustees, highlighting the need to act within those powers. Appropriately qualified officers provide papers for trustees on items for decision, including background information, identified risks and options. Officers advise to ensure no ultra vires decisions taken. Powers and duties of Board are summarised at the start of the governance handbook, which is provided to all trustees. Policies and guidelines (e.g. land acquisition, easements) set out information to be provided to enable decisions to be taken. Trustees given training to help identify what information they require. Auditors provide independent inspection and assessment that the charities' financial procedures comply with relevant financial regulations.		Board CEO and STTB	2	4	12	NC
1.9 Covid-19 related lockdown restrictions impacting on governance	10	Monitoring of ongoing regulation and advice from Government on Covid restrictions or guidelines			4	2	10	NC
2. COMPLIANCE								
2.1. Breaches under charity law	6	Staff and Trustees are provided with training on current Charity Commission guidance and relevant legislation. Annual financial audit carried out in accordance with SORP. Accounts lodged with Charity Commission in timely manner. MHT adheres to charity law and Charity Commission guidelines. Professional advice to be sought if lawfulness of any activities is in doubt. Trust's solicitors issue regular updates on charity law and guidance. Where relevant the Board are updated and policies and procedures are reviewed and amended.		Board Governance Committee CEO/ STTB	1	3	6	NC

		Charity Governance Conference attended by some Chairs and Senior Staff with relevant information fed through to Governance Committee and Board		Governance Committee				
2.2 Failure to comply with Malvern Hills Acts	8	New Board members given induction, including the powers and duties of trustees and highlighting the need to act within those powers.		Board	1	4	8	NC
		Powers and duties of Board are summarised at the start of the Governance Handbook, which is provided to all trustees.		CEO/ STTB				
		Any review of a policy document checked to ensure complies with the Acts.						
2.3 Breach of general legislation or regulations.	8	Staff and Trustees receive appropriate training to ensure they are aware of all relevant legislation and regulations.	Maintain awareness of any changes to the law and regulations relevant to the charity's operations.	Board CEO/ STTB	1	4	8	NC
2.4. Breach of H&S legislation	12	External H & S advisor appointed to monitor compliance with Health and Safety procedures, check appropriate policies are in place and advise of changes in legislation. Advisor makes annual inspections.		CEO/Board	2	4	12	NC
		H&S policy in place and Reportable Incident procedures are followed.	Regularly review H&S processes and policy in light of any statutory or regulatory changes.	Staffing Committee				
		Relevant policies on e.g. risk assessment, tree safety etc in place. Frequent internal reviews carried out throughout Covid pandemic.						
		H & S issues reported as standing item to Staffing Committee and to Board.						
		A near-miss or 'safety alert' system is in place						
		H & S procedures and risk assessments regularly reviewed and updated in light of current legislation and advice.						
		Organisation obtains updates on all H & S regulations that apply to its activities.						
		All staff undertaking operations where there is a legal training requirement are provided with relevant certificated training.						
		Current electrical safety and gas certification for buildings are in place.	Provide fire safety / extinguisher training for staff (postponed due to Covid).					
2.5. Breach of protected area/wildlife/environmental legislation	8	Relevant bodies were consulted on, and made input into, the Land Management Plan 2021-26.		LMC	1	4	8	NC
		Staff, Board and user groups notified of any new designations and are kept appraised of any new discoveries/ developments that might lead to further designations on MHT land	Assess and evaluate resource implications of any new designations.	Conservation Manager				
		Accurate mapping/recording and flagging of protected status land within our land holding identified in LMP and Geographical Information System (GIS).		CEO				
		Ongoing liaison with statutory protective organisations Natural England (NE), Forestry Commission (FC), Historic England (HE), Environment Agency (EA) etc.	Improved liaison to be sought with RPA and NE post Covid restrictions.					

		All staff and contractors undertaking work on MHT land are appraised of all designations, schedules, protected species etc.						
		Utility companies operating on Trust land are alerted to seek all consents from Trust and relevant external bodies.						
		Professional staff with relevant qualifications experience and training are employed by the Trust.						
2.6. Breaches of General Data Protection Regulations. (GDPR)	8	Policies on data handling and retention periods established and processes for Data Subject Requests set up. Training for staff undertaken.	Review and monitor updates to UK legislation.	FAR CEO & Finance Manager	1	4	8	NC
		External Data Protection Officer and GDPR advisor appointed 2020. Review of data policies and processes undertaken	Ensure GDPR compliance is included where relevant in all policies (e.g. Code of Conduct).					
		Audit of all data held undertaken 2020.	Review application of retention policies by staff and Trustees.					
		Limited personal data handled.						
		Use of separate MHT email addresses for all Trustees and trust business.						
		DVLA audit handling of data relating to vehicles and owners.						
3. EXTERNAL RISKS								
3.1. Loss of reputation	12	Information about the Board's activities is freely available on its web site, including papers for meetings and minutes.		BOARD CEO, CCO and Management	2	4	12	NC
		The Trust deals promptly with questions from the public in a spirit of openness and transparency.						
		Trustees and Staff work to ensure compliance with the Malvern Hills Acts, Charity Law and Charity Commission guidance.						
		Meetings of the Trust open to the public except where exempt information is discussed.						
		Regular press releases are made to ensure the public are aware in advance of any significant activities the Trust plans to carry out and the reasons for them.	Review and update PR/Communications procedures and plan.					
		Uptake of press releases and feedback is monitored.						
		Social media pages established and regularly updated by authorised staff.						
		Social media policy in place covering staff and Trustees. Statements and press releases are only issued through the office to ensure consistency and accuracy.						
		Web site kept under regular review and updated to provide readable current information across platforms and formats.	Website platform and accessibility to be reviewed.					

			Annual events programme to be reinstated following lifting of Covid-19 restrictions to facilitate engagement with the community and stakeholders and inform them of important aspects of the Trust's work.					
3.2. Adverse publicity, loss of confidence, loss of influence, impact on staff morale Public misinformed about the Trust	12	Public and local media are informed in advance of significant planned works, meetings, and activities.		Board CEO / CCO and Managers	2	4	12	NC
		Wherever appropriate communications include explanation that the Trust is a charity and the relevant Acts governing the Trust's operation, to reduce public misconceptions of the Trust.						
		Social media used to better publicise and explain our work.						
		Complaints policy in place to deal promptly with complaints from members of the public.	Monitor complaints and regularly brief/update staff and trustees on contentious issues and appropriate responses.					
		Staff are alerted to issues at an early stage and able to contribute towards their resolution.						
		News sources and social media are monitored for misinformation about the Trust and corrections of fact issued promptly wherever appropriate.						
		Where appropriate engage directly with stakeholders to correct misinformation.						
3.3. **Impact of demographic changes and the impact of known development** e.g. SWDP	9	Weekly monitoring of planning applications in order to comment on applications which impact on the Hills and Commons.		CEO Board Secretary	2	3	9	NC
		Monitoring of progress of all Local Authority strategic planning e.g. Minerals plan, SWDP, Neighbourhood Plans and contribute to public consultations as appropriate.	Maintain watching brief on implementation of relevant plans					
3.4. Impact of Government policy, changes in legislation and regulations Including ongoing uncertainty in relation to any changes to Agri-Environment schemes	20	Update Staff training in employment law, health and safety, Equalities Act etc.		Board CEO and STTB CEO / CM	3	4	16	↓
		Trust is in receipt of regular updates from professional advisors and monitors relevant publications.	Consider any changes which occur and respond accordingly.					
		Monitor development of proposals for future Agri-environment schemes.	Make contingency arrangements for operational areas that may be impacted.					
		The Trust liaises with NE over changes to Agri-environment schemes, protected species / habitats and SSSI legislation.	Make further efforts to ensure improved liaison (including site visits with NE staff and others) post lifting of Covid restrictions					
			Ensure timely applications are submitted for all available schemes.					
			Implement proposed governance changes to provide long term mitigation and more flexibility to respond to changes in funding options					

		Liaising with statutory bodies over any changes to Scheduled Monuments, listed buildings or related legislation.						
3.5 Impact of local campaigns by groups or individuals diverting organisational focus Charities work diverted and funds expended on issues being repeatedly raised or through vexatious complaints	15	Local press is monitored for reports of projects or campaigns conflicting with the MH Acts.		CEO	**3**	3	12	↓
		Provide appropriate and robust response through all appropriate media channels setting out the Trust's position and brief chairs trustees and staff on any new upcoming issues.						
		Meetings held with relevant-partners/stakeholders to ensure the Trust's position is clear.	Promote wider understanding of MHT's duties and objects with outside organisations and the wider public through a programme of public engagement.					
		Trustees and staff are always aware of the objects of the charity and do not allow external campaigns to divert focus or decisions to matters outside those objects.	Review public education and stakeholder communication processes to reinforce messages and public information about the charity's objects.					
		Policies or Board decisions on individual issues are adhered to.	Revise Abusive Vexatious Persistent Complainant Policy					
4. OPERATIONAL RISKS								
4.1. Contract and supply	6	Professional advice is taken on terms and conditions for major contracts.		Board FAR CEO / Finance Manager	2	2	6	NC
		Procedures/thresholds in place for obtaining quotations for larger contracts or items. Level at which quotations/tenders must be obtained is specified in Accounting Policies and Procedures Manual.						
		Full tender process set out in Accounting Policies and Procedures Manual.						
		Ensure those who tender are appropriately qualified /certified and carry relevant insurance. Tenders checked for required certification and declarations.						
		Tender process includes trustees in vetting and authorisation of major contracts.						
		Anti-bribery Policy in place.						
		Contracts monitored and reviewed.						
		Large contracts re-tendered regularly every three years.	Trustees are provided with list of major contracts (with any significant clauses highlighted).					
4.2. Capacity and use of physical resources Suitability of buildings for their use impacting on operations	9	Ensure funding available for necessary improvements to buildings, purchase of new machinery etc.		CEO/FAR/Board CEO and Finance Manager	2	3	9	NC
		Suitability and use of lower shed reviewed 2019/20.	Plans and options to be reviewed again in 2022					
		Manor House 2nd floor improvements implemented.	Other improvements still to be undertaken. New lower shed facility and Manor House building improvements to be developed 2022.					
		Building maintenance and inspection programme in place.	Monitor implementation.					
Plant machinery obsolescence impacting on operations/safety		Replacement policy in place and programme updated as part of Business Plan 2022-2027 with costings identified for major items e.g. vehicles, plant.	Supply chain issues may affect timing. Review forward plan of equipment needs/replacements .					

		Updated Electrical Certification for all buildings 2019.	St Anns Well scheduled for November 2022					
4.3. Security of Assets	6	Adequate security measures for buildings and other infrastructure.		FAR	1	3	6	NC
		Security of Lower Shed upgraded 2020.	Additional security options to be reviewed as part of building redevelopment.					
		Security at Upper Shed reviewed spring 2021.	Additional security options to be reviewed.					
		Asset register maintained and regularly reviewed.		CEO				
		Routine inspections of buildings ongoing.						
		Fire Risk Assessments updated 2019.		Finance Manager				
		Annual review of insurance cover.						
		Cyber security system upgrade and online backups implemented 2021.						
4.4. Employment issues	**6**	Human Resource advice available through consultant and newsletters. Additional advice taken from e.g. ACAS when required.		Staffing Committee	1	3	**6**	NC
		Management kept up to date on relevant legislation and good practice, including training as required.		CEO and All Managers				
		Staff Handbook and Induction programme provided for new staff.						
H &S		Regular Health and Safety at Work advisory information obtained.						
Breaches of employment law		Staff Handbook reviewed on regular basis. Staff notified of any changes to Handbook.						
Adequacy of staff training		Training budget maintained and training plans produced for all staff, reviewed at annual appraisals.						
Staff Morale		Managers operate 'open door' policy. Staff consulted on any significant changes.						
		Regular staff meetings undertaken involving all staff.						
		Benchmarking completed 2022.	To be repeated no later than 2024					
Lack of capacity to cover staff absences		Duality of 'Key function' roles undertaken 2019.	Explore further volunteer involvement to optimise for various roles within the organisation.					
4.5. Loss of key staff	**12**	Annual appraisals completed and job descriptions updated.		Staffing Committee	2	4	**12**	NC
Disputes		Clear disciplinary and grievance procedure within Staff Handbook.		CEO and all Managers				
Loss of expertise very specific to the organisation		Duality of 'Key function' roles undertaken 2019.						
		Monitor working conditions, job satisfaction and update training.						
		Review of job descriptions to be completed 2022						
Training costs		Training register updated at appraisals.						

Operational impact on service delivery		HR Advice available through retained consultant.						
		Staff structure and organisational needs considered in the annual review of the Business Plan and in response to short term changes in circumstances e.g. by Covid						
Staff morale		Benchmarking completed 2022.	Review additional options - i.e. use of sabbaticals and work placements.					
		Exit interviews are undertaken with feedback where relevant to Staffing Committee.						
Succession and contingency planning		Key staff insurance investigated 2019.	Review staff capacity and skills range of staff teams in light of potential unexpected loss of staff.					
4.6. Volunteers:	**6**	Role descriptions in place for volunteers.		CEO	2	2	**6**	NC
		Wider development of volunteering roles identified in Business Plan.	Further develop range of volunteering roles within MHT with relevant procedures, induction, and training.	Staffing Committee				
Loss of volunteers, failure to make appropriate use of volunteers, lack of training and support		Improvements to Lower Shed identified to provide better volunteer use and functionality.	Finalise plans for building and implement					
		Volunteers invited to events programme, volunteer social events and offered other training opportunities through the year.	Recruit and train further volunteers to provide spare capacity for certain job roles - e.g. warden and field staff functions.					
Safety of volunteers		Risk assessments undertaken for all Volunteer tasks.						
		Volunteers provided with uniform and PPE.						
		Safeguarding Policy in place and reviewed 2021	Policy to be reviewed regularly					
Risk of Volunteers overstepping role		Induction and regular liaison and updates from staff provided.	Review and update training on dealing with public					
		Procedures put in place to enable some volunteer roles to safely resume post pandemic.	Regularly review procedures in light of any changing Government Covid guidelines.					
4.7.1 Health Safety, and Environment	**12**	External H & S consultant engaged.	Maintain ongoing review and update of H & S systems to include: H & S Policy and Organisational Risk Assessment. Appointed Persons and Advisors. Maintain regular Provision and Use of Equipment Regulation compliance checks. Regularly update COSHH listing and COSHH Risk Assessments. Review lone worker policy	All Managers Board	2	3	**9**	↓
H & S Policy training and internal systems		Regular updates of H & S legislation received.						
		Incident Forms produced and monitored.						
		Regular fire alarm testing and PAT testing of electrical appliances.						
		On-going Staff training to refresh skills and safety awareness.						
		COSHH listing undertaken.						
		Lone Working Policy in place - reviewed 2017.						
		Site and Activity Risk Assessments in place for all regular locations and activities. Risk Assessment training updated 2022						
		Safeguarding Policy reviewed 2021.	Review and update safeguarding policy for 2022					
		Appropriate numbers and proportions of staff trained in First Aid. Certification dates are monitored, and training updated as required.	Extend level of FAW trained staff among Field Staff team,					

4.7.2 Risk of Covid infection of staff in the course of their employment	**16**	Adherence to Government Guidelines relating to Covid 19, including undertaking risk assessments, managing face-to-face meetings, regular disinfecting of contact points, reorganisation of offices and working methods.	Continue to update and implement precautions in light of any change in Government Guidance or circumstances.		3	3	**12**	↓
		Public counter precautions and other procedures to reduce risk of infection from Covid 19 in place.	Review all Covid precautions for public areas regularly					
4.8. Wider Safety: public and property	**12**	Hill-fire risks are identified and taken into account in habitat and access management. Staff regularly liaise with HWFRS over fire management on hills, access and emergency response planning.	Continue to develop internal major incident emergency planning procedures in coordination with HWFRS and other emergency services	CEO/Board/LMC	3	3	**12**	NC
		Public access provision (paths, bridges, gates, stiles etc) are regularly monitored and maintained to standard.	Review access networks and maintain routine inspections of surfaced paths.	CEO, Operations Manager and Conservation . Manager.				
Risks between public user types		Guidance on cycling on the Hills prepared and distributed. Cycle paths waymarked. Cycling off permitted paths monitored and identified unauthorised routes taken out of use.	Increase signage, patrols and education on footpaths required as a result of reported walker/cyclist conflicts.					
Injury to public from quarries etc		Ongoing monitoring and review of safety at quarry sites. Program of quarry safety fencing checks and repairs undertaken at least once a year.						
		Liaison with West Mercia Police / HWFRS/ MHDC and NE to support public safety efforts at Gullet Quarry. Safety provisions at Gullet Quarry reviewed and improved with police and fire brigade.						
		External Safety Consultant undertakes site visits, inspections and reviews and recommends any changes to practices.						
Tree safety		Annual tree inspections in accordance with Tree Safety Policy.	Increased survey, monitoring and works on Ash Dieback Disease (ADD) trees to continue 2022					
4.9. Tree disease - safety and cost implications	15	Staff/volunteers trained to identify signs of disease.		All trained staff/CM/LMC	4	3	15	NC
		Monitoring of spread of all key tree diseases is undertaken, including liaison with other bodies and review of national status reports.						
		Liaison with Forestry Commission (FC) regarding spread of disease.	Monitor all updates on Ash Dieback Disease (ADD) best practice issued by FC and other arboricultural advisory bodies					
		New disease threats identified and mitigation measures in place.		CEO / Conservation Manager				
		Contingency fund against major tree disease established and being reviewed annually at least.						
		Tree safety inspection policy updated July 2019 and monitoring carried out in accordance with that policy.						
		Management plan compiled and being implemented with extra surveys being undertaken by staff to monitor current spread of ADD in order to minimise risk to third parties.	Review ADD Management Plan in light of any advised changes in liability or risk from the disease.					

		When disease found amongst trees on MHT land, safety assessment carried out and action determined.						
4.10 Inappropriate numbers of livestock Risk of poaching, under grazing, not meeting SSSI conditions and increased need of mechanical management	12	10 year Countryside Stewardship or Higher Level Stewardship schemes in place provide continuity of funding to support grazing. 10 year CS scheme secured and underway for Southern Hills from 2020, and for Castlemorton from Jan 2022		Conservation Manager	3	3	9	↓
		Grazing agreements / licences set out numbers of livestock units which graziers should deliver.	Monitor output from new Environmental Land Management Scheme trials.					
		Regular liaison with commoners, graziers and statutory agencies undertaken.						
		Grazing levels and site condition regularly monitored by Conservation staff.						
		The governance review includes proposals for changes to the Acts to enable Common Land unit 16 (CL 16) to be secured, to ensure future viability of grazing there	Whilst progress on this is delayed, investigate what other practical options are available to secure the common.					
4.11. Disaster, recovery and planning Destruction of property (fire/flood etc) resulting in inability to operate	10	IT recovery plan in place. Improved monitoring of IT systems via IT consultants.	Business Continuity Plan to be further developed to cover major IT related disaster.	FAR CEO/Finance Manager	1	5	10	NC
		Important documentation / archives held on site in fireproof storage.	At capacity. Further fireproof storage required and budgeted for 2022.					
		Internal and off-site Data Backup in place.						
		Insurance cover in place and regularly reviewed.	Review in light of any changes to operational scope.					
4.12. Information technology Meeting operational needs Keeping up to date Technical support Data protection	12	Programme of hardware and software upgrades implemented including remote working access	Monitor and provide additional IT capacity in light of changing working practices/Government guidance or restrictions.	FAR CEO/Finance Manager	2	4	12	NC
		Improved capacity in use of GIS.	Provide update training to staff on IT systems they are using.					
		Key staff to have smart phones for effective communications.						
		Technical support provided by independent external experts						
		GDPR appropriate retention policy in place.						
		Insurance in place to cover loss of data and cybersecurity breaches.						
		Electronic filing system has been set up on the server.	Update electronic filing system in line with future GDPR requirements.					
5. FINANCIAL								
5.1. Expenditure levels increasing beyond expectations	15	Regular reporting - Monthly management accounts accessible to trustees, with detailed quarterly report to FAR or Board to ensure spend monitored against budget.	Maintain close monitoring of management figures and expenditure in time of rapid inflation increase	BOARD / FAR	4	4	20	↑

		Process for authorising unbudgeted expenditure set out in the Accounting Policies and Procedures manual		Finance Manager CEO				
		Board and FAR briefed on expected inflation linked cost/income changes.						
Planned projects/ replacement of machinery costs increasing beyond expectations		Business Plan in place includes 5-year budget planning of all major projects and capital expenditure	Review capital item/project costs as set out in Business Plan and Land Management Plan					
		Project list and maintenance works re-prioritised. Delayed projects rescheduled.						
5.2. Car park takings falling below expected income. Inflation rate rising impacting on cost of fuel, in turn is expected to impact on car park takings	9	Car park income monitored against budgets on a monthly basis.		CEO/Finance Manager	2	3	15	↑
		Parking charge increases regularly considered by FAR as part of annual budgeting.						
		New suite of meters with card payment installed 2019 with required registration plate input.						
		Analysis of patterns of parking behaviour, ticket sales and factors potentially affecting income undertaken 2017.	Review of parking fees to be carried out 2022 (delayed as a result of pandemic)					
5.3. Grant funding reducing Major uncertainty now exists over future funding mechanism of existing Agri Environment grant sources	16	Availability largely determined by external factors, not under MHT control. Maintain liaison with NE and others over new agri-environmental grant schemes		Board/FAR CEO/Conservation Manager	3	4	16	NC
		Business Plan identifies possible income streams.	Explore possible further diversification of income streams.					
			Implementation of proposed governance changes would enable to Trust to access a wide variety of income streams currently unavailable					
		Grant-funded budgets are separately identified as restricted or designated funds.	Monitor availability of new grant schemes.					
5.4. Delays to income payments	16	Wherever possible agree payment schedules for all significant payments, e.g. levy & grants.	Monitor receipt of funds against schedule.	BOARD / FAR Conservation Manager	3	3	12	↓
		Ensure requests for payments are made on a timely basis.	Appeal and or object if Government agencies decide to change payment schedules midstream on any current grant arrangements.					
5.3.1 Increased risk of grant scheme funding being reduced by Rural Payment Agency changes to existing agreements	20	Reserves maintained in Stewardship funds to bridge future transition periods. Contingency planning undertaken 2019 against loss of income due to changes in Countryside Stewardship Scheme funding.	Further contingency planning required against loss of income from existing agri-environmental grant streams.	Board/FAR CEO/Conservation Manager Finance Manager	3	4	16	↓
		Regular monitoring and reporting to Board/FAR of arrears of payment from RPA for Higher Level Stewardship and CS scheme.						
		~~Appeal and complaint lodged regarding 2-year arrears lodged and resolved 2021.~~						
5.5. Impairment of Financial Assets	15	Bad debts provisions.		FAR Finance Manager	3	3	12	↓

Risk of capital assets degrading faster than write off period Value of investment portfolio being negatively impacted by market volatility		Periodic review of accounting policy on write off periods.	Undertake regular review of residual values of assets and amend write-off policy / levels where required.					
		Investment managers adopting broad spread across international portfolio to minimise risks.						
		Monthly reports on investment performance required from Investment managers during period of volatility caused by current Covid 19 pandemic	Monitor investment performance in post-Covid economy.					
5.6. Not meeting conditions for existing grants	15	LMP sets out 5-year programme and grant applicability.	Review in light of recent RPA unilateral changes to scheme	FAR /LMC CEO and Conservation Manager	2	4	12	↓
		Conservation team monitor to ensure conditions of existing grants are being met.	Identify requirements of any new grants and ensure necessary monitoring is undertaken					
		Regular liaison with grant providers.	Where possible revise agreements to minimise vulnerability to MHT from third parties creating a liability for MHT to any breach of grant conditions.					
5.7. Fraud through bank accounts	**8**	Fraud policy in place.		Finance Manager FAR Board	1	4	**8**	NC
		Accounting Policies and Procedures Manual sets out accounting/finance controls	Review training needs for staff relating to fraud.					
		Two signatories are needed on cheque and BACS payments.						
		Procedures checked and approved by auditors.						
5.8. Collusion of staff on financial transactions	**8**	Risk of collusion perceived as higher in small organisation.	Accounting Policies and Procedures Manual to be reviewed.	Finance Manager Board FAR	1	4	**8**	NC
		Internal payment authorisation reviewed and updated in 2019.						
		Clear division of duties between staff ordering and paying for goods/services.						
		Detailed references taken on appointment of finance staff.						
		Annual review of financial controls undertaken with auditors.						
5.9. Failing to make use of tax breaks	9	Specialist advice is taken on VAT when required.		Finance Manager FAR	2	3	9	NC
		Relevant advice taken from auditors when required.						
5.10. Loss of deposits through failure of bank	6	Bank deposits split between 3 providers.	Review distribution of funds on accounts, guarantee levels and banking licences.	Finance Manager FAR Board	1	3	6	NC
		Major capital reserves currently held in investments via Investment Managers.						
5.11. Poor investment returns	15	Board has adopted a medium risk investment policy, which provides a framework within which the Trust's Investment Managers must operate. It was reviewed in January 2020.		Finance Manager	3	4	15	

		Normally, quarterly reports received from Investment Managers and reconciled. Investment Managers report to trustee meeting every 6 months and twice yearly in a meeting with CEO, Chair of FAR and Chair. More frequent (monthly) reports on investment performance required from Investment managers during period of volatility		FAR				
5.12. Pension commitments increasing	**12**	MHT pension provision reviewed (with professional advice) in 2015- 2017 and a strategy agreed to manage the provision of pensions for employees of the Trust and discharge the existing pension deficit.	Review deficit repayment programme as advised at each valuation. Next due 2022.	Finance Manager FAR/Board	2	4	**12**	NC
		New trustees provided with training workshop on the 2015 – 17 review, the background to current pension deficit, calculations and plan for discharge of deficit.						
		Valuations received from WCC actuary every 3 years. Contributions are set to ensure deficit is cleared over 15 year period	Monitor changes to LGPS rules in particular those which might alter regulations affecting termination deficit.					
5.12.1 O**ther employers defaulting within Worcestershire pension fund** Other employers in LGPS cannot pay their contributions/take on an inappropriate level of risk /contributions take them too close to limits of their available expenditure resulting in increase in liabilities. Risk category allocated by WPF = amber Other WPF employers ceasing to exist without prior notice		Since 2011, MHT has not been linked to any other employer in a group the scheme so there is no risk of group liabilities being allocated to MHT.		Finance Manager FAR/Board	3	2	**9**	
		Analysis is performed by WPF to understand the strength of an employer's covenant when setting the terms of admission agreements (that may require bonds) and in setting the term of deficit recovery periods after actuarial valuations with the aim of keeping employer contributions as stable and affordable as possible.	Continue to engage with WPF through employers' forum to keep up to date with the fund position					
		WPF requires contingent assets, bonds or other guarantees when admitting organisations deemed to pose some risk, to provide greater security against outstanding liabilities, including some given by local authorities.						
		WPF has assets of over £2.8 billion and 65,000 members. MHT's share of the assets is less than 1 % of the fund assets						
5.13. Cash takings fraud	6	Meters are emptied and cash counted by 2 members of staff.		Finance Manager FAR CEO	1	1	2	↓
		Takings are reconciled back to meter readings and discrepancies (rare) investigated.						
		Car park meter system with card payment facility installed 2019.	Review reinstatement of provision for cash payment at machines.					
		Auditors carry out detailed check of banked takings and card remittances against meter readings.						
5.14 Theft of cash from property	4	Ticket machines fitted with anti-theft mechanism.	Review cash holding/handling procedures and in-transit security.	CEO Finance Manager. FAR	1	1	2	↓
		Procedures set out in Finance and Accounting Manual for collection and transfer of cash to bank by staff.						
		Most machines switched to card only payment.						
5.15. Reserves policy and level	20	Policy is reviewed annually.		FAM /FAR Board	2	4	12	↓
		Reserve level reported regularly to FAR and Board.	Continue to Monitor reserves and review cost control measures if appropriate.					

		Delayed projects now rescheduled to start	Monitor cost inflation against original estimate and budget capacity.					