

# Maximising your impact

Whilst minimising your risk



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[www.ecclesiastical.com/charityinsurance](http://www.ecclesiastical.com/charityinsurance)

# Contents

About this guide	2
Maximising impact from your trustees	3
Maximising impact from your volunteers	5
Maximising impact from your fundraising activities	7
Maximising impact from collaborative working	9
Having a plan B – don't let your assets let you down	11
Take control – carry out a risk assessment	13
Risk assessment calculator	15

## About this guide

At Ecclesiastical, through our close relationship with Charity Finance Group (CFG) and our thousands of charity and not for profit customers, we understand the new challenge to prove and communicate your impact, above and beyond delivering your services day to day.

That's why we're delighted to sponsor the Impact Leadership Conference 2013 held by CFG and NPC, and also wanted to take the opportunity to provide you with this guide to maximising your impact while minimising your risk.

As an insurer of the not-for-profit sector for 125 years, we have a wealth of guidance to support you in day-to-day delivery, so you can be sure your activities are safe and effective – allowing you to deliver maximum impact and really deliver on your mission.

“ Charities and social enterprises that hope to engage, inform and inspire their stakeholders try to communicate clearly the impact of their work. From local groups run by volunteers to national charities employing thousands of staff, all social organisations should tell their stakeholders how they are fulfilling their purpose and achieving the change that they seek. ”

*(Source: Principles of good Impact Reporting, ACEVO, CFG, Institute of Fundraising, NCVO, New Philanthropy Capital, Small Charities Coalition, Social Enterprise UK, SROI Network)*

### About Ecclesiastical

- We've been insuring not-for-profit organisations for over 125 years
- Voted as the best charity insurer for the last 5 years running\*
- Claims satisfaction – 98% of our commercial claims customers were satisfied with the overall service in 2011\*\*
- 2010 winner and 2011 finalist for the Underwriting Service Award for Voluntary, Care and Education Underwriting Team of the Year
- Winner of the best use of Risk Management in Financial Services award 2011

### Our ownership & charitable commitment

We're a UK company owned by a registered charity – Allchurches Trust – and every year we give all our available profits to charity, making us one of the top 15 corporate donors in the UK\*\*\*

\* FWD research, 2007 - 2011 Brokers & charities voted us the best.

\*\* Based on 340 Ecclesiastical commercial property claims customers whose claims we settled and responded to our 2011 claims survey

\*\*\* DSC Guide to Company Giving 2011/12



## Maximising impact from your trustees

Recruiting the right trustees with the right level of skills and experience has always been a difficult task. If the trustee is taking the job seriously, there is a great weight of responsibility they need to bear on their shoulders.

By becoming a trustee of a charity, the person has similar responsibility to that of a director of a company. This means it carries the same responsibilities as becoming a director of a commercial organisation.

Trustees are subject to what is called 'joint and several liability' which means any individual trustee can be held responsible for the acts of any of their co-trustees.

### Trustee responsibilities

Every registered charity has to have a form of governing document which clearly lays out what it can and cannot do:

- Trustees have a duty of care to be fully aware of this document and to ensure that funds are not used inappropriately or outside its remit.
- Trustees need to be particularly careful when delegating management or operational responsibilities. Larger charities may have paid management and administrative teams, but the ultimate decision makers are still the trustees, so it is essential that due diligence is exercised and demonstrated in appointing and delegating.
- Equally, there are areas of law that can impact on the day-to-day activities of a charity such as health and safety legislation, employment laws, data protection and human rights. As a director of the charity, a trustee automatically has legal responsibilities under a broad range of legislation so it's important to be aware of this.

### Attracting and keeping trustees

The 'market' for trustees is more competitive than ever. But there's a great deal you can do to make your charity the kind of organisation a trustee will want to support.

- First of all you can make your charity's purpose and vision very clear. Sell what your charity's purpose is, make its goal inspiring and motivating.

#### Top tip

Why not download the Charity Commissions Guide: 'The Essential Trustee' at [www.charity-commission.gov.uk](http://www.charity-commission.gov.uk)



- You can also improve the day-to-day running and organisation of your charity so that it is clear you are doing a great job, and could only do more given the support of a skilled trustee.
- You should also focus on those potential trustees who have a real understanding of your work and possible previous connection to your cause.
- Ensure all trustees, (like employees and volunteers) go through an effective induction process so that they are fully prepared for the job which they are taking on.
- Be clear about the true extent of their duties and responsibilities by discussing this with them, and with the Charity Commission if necessary. Their guide 'The Essential Trustee' is particularly useful.

## Key cover: Trustee Indemnity Insurance

Although not a legal requirement, this particular insurance cover is often considered essential by charities when seeking to recruit high calibre trustees, and by potential trustees themselves.

Any concern a potential trustee may have about the personal liabilities they are assuming can be eased through the provision of trustee indemnity insurance. It can provide a reassuring safety net – if a trustee makes an honest mistake, trustee insurance is there to protect them.

Purchasing this cover has been made easier by The Charities Act 2006. However, the following wouldn't be covered:

- reckless acts
- criminal fines or penalties imposed by public authorities
- any costs arising from a conviction for fraud or dishonesty

Insurance is there to cover the unexpected, not an intentional wrongdoing.

Insurance doesn't replace the need for good risk management of course. The two should come hand-in-hand. Proper procedures and good governance reduce the likelihood of anything happening in the first place. This means thoroughly assessing the risks associated with your activities and putting in place measures to minimise those risks.

It's a responsible approach like this which will reassure trustees and help to attract them in the first place. Given the current economic climate, recruiting the right calibre of trustee is only likely to get more challenging in the future. So you need to sell your charity, what it stands for and what it achieves. You also need to reassure trustees that you can offer them protection should an unfortunate incident occur.

## Claims examples:

Trustees may need to call upon trustee indemnity insurance for a variety of reasons.

### What could happen?

- Claims could arise as a result of improper investment of the charity's funds for example. If a trustee unintentionally invests funds in a company which subsequently folds and as a result all of the charity's money is lost.
- Other awkward legal situations might call for trustee indemnity insurance. In one case part of a charity's building was sub-let when the charity didn't actually have permission from the landlord. The landlord sought compensation from the charity, which insurance was able to cover.



# Maximising impact from your volunteers

Volunteers are an essential part of your workforce and will have significant impact on what your charity achieves. In many cases they are the face of your charity. The challenge that many organisations in the voluntary sector face is that volunteers do not always regard themselves as the equivalent of an employee.

Perhaps understandably, volunteers give up their own time and would not normally have any form of contractual arrangement with the organisation. However, in the context of Health & Safety and the implications for employers' liability, volunteer workers simply cannot be regarded, or regard themselves, as free agents.

This, of course, is a two-way street. Whilst the voluntary organisation has a legal obligation to regard itself as the employer, the volunteers themselves are obliged to play their role in ensuring the welfare of themselves, their colleagues and members of the public. They must fully understand their own responsibilities to comply with good working practices and work within the parameters set out by their "employer" to meet Health & Safety requirements.

## Charity's responsibilities

For any voluntary organisation, meeting the requirements of duty of care means ensuring that your volunteers are not put in a situation where they could be at risk. It would be impossible to give a definitive list of potential at-risk situations and it is up to each organisation to:

- carry out their own risk assessments
- identify potential hazards
- evaluate the risks and decide on reasonable precautions to prevent injury.



## Top tip

Attention on health and safety issues has significantly increased since the introduction of the Corporate Manslaughter Act 2007 (effective from 6 April 2008) as a result of which companies or organisations can be found guilty of corporate manslaughter following serious management failures resulting in a gross breach of duty of care leading to a fatality. This Act is linked to existing Health & Safety requirements and penalties include unlimited fines.

Visit: [www.hsc.gov.uk](http://www.hsc.gov.uk) for further information

Charities with paid employees and volunteer workers should be aware that:

- Under Health & Safety (H&S) regulations, the law makes no distinction between paid or authorised voluntary workers.
- Volunteers working for a charity have responsibilities to comply with good working practices and should work within any parameters set out by the charity to meet H&S requirements. It is the charity's responsibility to take reasonable steps to ensure that volunteers understand these requirements.
- As an employer, a charity has a legal duty of care to ensure the safety of anyone working for them and for anyone affected by those workers' activities.

## Employers Liability Insurance

Employers' liability insurance covers the legal liability of an employer for injury caused to an employee whilst acting in the course of their employment. Within the charity insurance context, some insurers treat volunteers as employees for the purpose of insurance - check this with your insurance broker or insurer to understand what cover you have.

Here are some typical situations that might arise:

- Street or door-to-door collections: is the location safe, if you are putting volunteers into a difficult environment? There could be a legal liability if they are attacked or assaulted.
- Manual handling: charity shop workers moving and lifting boxes of heavy goods such as books could be in danger of back injury. Over a third of all over-three-day injuries reported to the Health and Safety Executive (HSE) each year are caused by manual handling.
- Working at height: another possible risk for shop volunteers or for anyone working on a voluntary basis to maintain or clean premises where it may be necessary to use ladders. Again, there are specific Regulations that apply, the Work at Height Regulations 2005, which apply to all work at height where there is a risk of a fall liable to cause personal injury.
- Volunteer drivers: the HSE deems a vehicle to be a place of work in the context of employment. If your organisation has a vehicle such as a mini bus driven and maintained by volunteers, you are legally responsible to ensure that it is roadworthy and that the people driving are fully competent.

Of course, no organisation relying on the efforts of volunteers wants to turn away offers of help or discourage volunteers from an active involvement but both sides must be alert to the risks.



## Claims example – case study:

A case we handled recently involved someone who was working voluntarily as a general handyman. He worked without supervision and generally undertook most tasks on his own initiative but the organisation he was doing the work for were aware of his activities.



Having heard of a specific problem, he set about an attempt to rectify it and during the course of his work. There was an accident, and he was seriously injured.

No one had specifically asked him to carry out this task and there had been no risk assessment. However, the activity was deemed to be in breach of the organisation's legal obligations and the "employer" was held liable.

Organisations need also to think about more far reaching consequences of a breach of duty of care. Many volunteers are also in full-time paid employment. If they are injured in the course of their voluntary work and the organisation is found liable, the claim may also include costs representing a loss of earnings from the full-time job.

# Maximising impact from your fundraising activities

With pressure on to deliver more for less and some of the traditional sources of finance becoming severely limited, there will inevitably be a greater dependence on fundraising.

This in turn has made the environment for fundraising increasingly competitive and when budgets are cut, it's easy to think cutting corners won't do any harm. Charities and their supporters may need to be more creative in their thinking and, inevitably, the attraction of more hazardous fundraising activities may well increase.

## Types of fundraising event:

The Institute of Fundraising defines three different types of fundraising event:

- In-house events which are completely organised by the beneficiary charity's employees and/or volunteers
- Sub-contracted events - where specialist third party providers are used
- Third-party events - where, often, the charity will know little about the planned fundraising activity.

Implications for both employers' liability and public liability can differ for each.

## Charity's responsibilities

Generally, the risk element for a charity depends on its involvement in the organisation and execution of the activity: the higher the involvement, the greater the exposure to risk.

Logically then, by handing all of this over to a specialist third party provider you should be able to distance yourself from risk. In theory, the use of a specialist event organiser creates a legal firebreak should a participant or spectator be injured at the event as liability should rest with the contractor rather than with your charity.

To ensure a firebreak exists, your charity must check:

- **Correct insurance cover is in place** - if the sub-contractor doesn't have public liability cover your charity could be held legally liable for any injury or damage which occurs as a result of the event.
- **The contractor belongs to a recognised trade body** - there are a number of trade associations that event organisers may belong to, most of which of conduct. For

example, companies that provide bungee jumping should be members of BERSA (British Elastic Rope Sports Association) which offers certification for bungee jumping providers.

- **Proof of previous events and testimonials from past clients** - providing evidence of their expertise.

## Top tip

On occasion a charity will not know about a fundraising activity until the cheque with the proceeds drops on its desk. However, some fundraisers will ask a charity to endorse its venture or will be responding to a major appeal such as Children in Need. These activities are defined by the Institute of Fundraising as 'in aid of' fundraising.

The Institute recommends that organisations 'should consider providing third party event organisers with a checklist of issues to consider' and in its Code of Fundraising Practice Guidance for 'In Aid Of' Volunteers, it provides an advisory letter which includes the need for insurance.

Visit: [www.institute-for-fundraising.org.uk](http://www.institute-for-fundraising.org.uk)

## Key cover: Public Liability Insurance

Public liability insurance protects you as a charity should a member of the public be injured or their property damaged arising from your negligence. Undoubtedly, the distinct nature of a charities structure, can potentially expose it to particular liabilities.

With unique and complex personnel structures, encompassing full-time and part-time employees, volunteers, external paid-for fundraisers and third-party organisations to deliver services, the charity sector is uniquely exposed to a greater range of liability risks.

For a liability claim to succeed negligence has to be proved. To prove negligence there needs to be a failure in the duty of care. By following the guidance overleaf the potential for this is reduced.

## Six ways to reduce your liability risk

### 1. Understand your charity's responsibility under the law

As a charity, it's important to understand the difference between employers and public liability risk. In addition, understanding what constitutes a liability risk and what your legal responsibilities are will help you know where you stand in case you're ever affected.

### 2. Undertake risk assessments regularly

This is far less exhaustive than it may sound. And apart from complying with the law, making regular assessments of your premises will help identify risks that you may not have previously acknowledged. See our checklists and calculators on pages 13-15.

### 3. Keep accurate and timely records

If a case is brought against you, your ability to demonstrate documented proof of when health and safety assessments were undertaken will be critical in demonstrating your thoroughness and credibility.

### 4. Ensure that all members of staff know their liability 'boundaries'

Whether full or part-time employees or volunteers, ensure that everyone working for you knows the nature of their liability to the charity – and their individual responsibilities. By putting this in writing (both to them as individuals but also held in a central place), you can ensure they know what's expected of them and what the boundaries are.

### 5. Ensure that any contractors acting as your agents, are suitable

If you use the services of contractors, ensure that they're suitable and competent to perform the tasks asked of them, by carrying out due diligence before you agree to work with them. However, once they are engaged, leave them to run their operation to ensure that you do not assume responsibility for their staff in the event that something goes wrong.

### 6. Consider an insurer who specialises in handling charities' needs

Not all insurers are the same and not all insurers have the experience to judge when a claim has a genuine chance of winning, when it looks advisable to settle – and when to fight it. Ask your broker about insurers who have a specific track record in supporting and protecting charities, or better still, those which are owned by a charity and understand the way you work, like us.

## Claims example:

The importance of due diligence – the case of *Bottomley v Todmorden Cricket Club*

Without due diligence when using specialist providers charities can expose themselves to a degree of risk. This is illustrated in the case of *Bottomley v Todmorden Cricket Club*.

This case, decided by the Court of Appeal, saw a cricket club held liable for injury to a person who was voluntarily assisting a stunt team organising a dangerous firework display. The stunt team had performed at the club previously. On this occasion, the club was aware that a hazardous stunt was going to be performed but had no formal contract, had not carried out a risk assessment and had no clear idea of what was going to happen.

The stunt team had no public liability insurance and no written safety plan. The Appeal Court judge concluded that they had neglected to take basic, reasonable precautions to ensure that the stunt team had the required competencies and were insured. They had therefore failed in their duty of care and were jointly liable with the stunt team for the injury that occurred.

A key failing was that the club took the capabilities of the stunt team on trust. When using specialist providers it is essential to take steps to confirm that the contractor is competent.



# Maximising impact from collaborative working

With donations down, grants reduced and the demand for charities' services rising sharply, the idea of a number of charities coming together to reduce costs by collaborating with each other or some form of third party provider is a strong one and can help towards demonstrating your impact.

With over 74%\* of charities considering working collaboratively with another organisation over the coming 12 months according to a Charity Commission survey, the idea has found considerable traction. Indeed, the same survey found that 45%\*\* of respondents had already collaborated with at least one charity over the previous two years.

## Charity's responsibilities

It is easy to conceive of how hard-pressed trustees, keen to maintain the financial viability of their charity, would be drawn to the idea of what seems a relatively painless solution. But collaborative arrangements, particularly those of an informal nature in which no detailed written agreement exists, can generate risk. Trustees need to give serious consideration to these, ideally before they embark on any new initiative.

The right structure can help those involved provide the best possible service for beneficiaries, create a trusted group brand, reduce costs, enjoy increased buying power – and benefit from working with like-minded organisations, while retaining distinct cultures and identities.

## Do you collaborate?

Ask yourself these questions:

- Does your charity share assets (such as computers, for example), premises or people with other charities or organisations?
- If you share facilities with another company, have you drawn up clear lines of responsibility in relation to your respective public liabilities?

## Things to consider

There are unlikely to be any legal barriers to working collaboratively, but charities should look to draw up legal agreements or contracts and trustees must properly exercise their duty of care. Consider the possible risks involved in collaborative working and, if necessary, seek specialist professional advice.

- Formal arrangements enable charity trustees to better identify and manage risks. They can include contracts, service level agreements and memoranda of understanding. Any agreement needs to protect each party's interests and take account of the risks, without incurring unreasonable administration costs or over-complicating the relationship.
- Formal contracts may mitigate some legal risks, and may also protect charities from risks to their assets and reputation.
- Key to a successful collaboration is good governance, flexibility and a balanced input from all members.



## Reduce your risks

82% of collaborating charities felt that their experience had been successful, 29% thought their collaboration had been very successful, and 5% said it had not been successful.\*

However, not all had managed their shared risks by formalising them in a manner that would produce a satisfactory outcome in the event of a claim. The majority of collaborating charities had been engaged in informal collaborative arrangements over the past two years (83%). Worryingly, only a quarter (26%) had entered into formal agreements.\*\*

From an insurance perspective, there are several key areas that pose a particular risk in a collaborative arrangement. Take a look at the following points.

- **A lack of clarity around who is insured can lead to gaps in cover** – What is the type and extent of your current cover? Is it still valid if you are working collaboratively with others? Dual insurance can become an issue when both parties have their own individual policies as claims can be a long and tedious process if insurers are left arguing about who is liable and who should pay.
- **A lack of record-keeping can also present problems** – Ensure you keep records up-to-date about your insurable interests as these will be hard to prove without them. Equally, if an individual from one charity contacts their insurer about a claim for the other charity, it would be impossible to provide help if their relationship had not been made known to their insurer.
- **A lack of information on shared and individual liability needs addressing** – Make sure there is a clear definition and accounting for what each charity is responsible for, and therefore liable for. Put this in writing. It's not just your assets that stand to be affected if something goes wrong, but your reputation too. That's why it's important to have a clear, formal agreement that's in proportion to the relative risks and complexity of the collaboration.

\* Charity Commission. Strength in numbers research – November 2010

\*\* NCVO. Charity Forecast – 17 March 2012

## Key covers: How can you protect yourself

- Talk to your broker, tell them about your collaboration and seek advice
- Ask the organisation you are collaborating with for a copy of their insurance so your broker can check for any gaps or duplication
- Keep your insurer and broker up-to-date if anything changes or with any new arrangements
- Take legal advice if you need help in documenting responsibilities and liabilities
- Ensure key people and trustees are in agreement before you start working
- Ensure everyone, including volunteers, understands their responsibilities and communicate with stakeholders before you start collaborating.



## Having a plan B – don't let your assets let you down

Disaster strikes when you least expect it. Hopefully, a disaster will never happen, but if it does you need to be prepared so that the disruption to your organisation is kept to the absolute minimum to allow you to keep on delivering maximum impact. Whilst you are not operating at full capacity, your income could be significantly reduced and your charity may never fully recover and this will have a significant impact on your performance.

### Things to consider

Are there contingency plans in existence to minimise disruption in the event of damage to the buildings by fire, flood, other hazard or personal injury?

- Are essential documents kept in fireproof safes or cabinets?
- Are back up discs/tapes/records kept off site and are you able to restore records/systems from these?
- Are all employees, or volunteers where appropriate, aware of their role in the event of an emergency?
- Who will take the lead in managing the situation?
- Who will talk to the press?
- How are you going to tell staff, service users, volunteers etc. what is happening?

### Charity's responsibilities

On the basis that prevention is better than cure, it is of course preferable not to suffer a loss in the first place. To this end, you should carry out a risk assessment to identify areas which present a hazard. The best people to carry out this exercise are the staff themselves, as they will have first-hand knowledge of the premises.

Having identified the 'risk areas', the degree of risk presented can then be assessed for each area. Many risks can be reduced or controlled by adopting proactive loss reduction measures.

**See page 13-15 for further information on carrying out a risk assessment.**

### Preparing the plan

Having carried out the risk assessment, you will be aware of the hazards which face the organisation. You can now prepare plans that can be put into effect, should an identified hazard materialise.

#### ■ **Appoint a steering committee or team**

This team will assume control in the event of a disaster occurring.

#### ■ **Appoint a Business Continuity Plan (BCP) Co-ordinator**

This is the person in charge of the team; there should also be a deputy co-ordinator. The nominated person should:

- be a senior executive
- have appropriate authority to ensure decisions are implemented immediately

#### ■ **Create objectives of the BCP**

The main purpose of the BCP is to enable the organisation to:

- continue to operate as normally as possible
- progress back to normal working with as short a delay as possible
- cause the least possible inconvenience to all parties
- minimise the risks of accident, injury or ill health to all.

The BCP is comprised of two parts: The first part is the Emergency Plan and the second part is the Recovery Plan.

## Emergency plan

This relates to the first 24 hours of any emergency e.g. in the event of:

- fire
- flood
- terrorist alert/explosion
- serious injury to staff, volunteers and others

The list below covers many of the points to be considered when formulating your emergency plan:

- Evacuation procedure
- Liaison points
- Treatment of casualties
- Hazardous substances
- Temporary accommodation
- Communications
- Protection of property
- Claims notification
- Useful telephone numbers

## Recovery plan

This is the second part of the BCP. It should be designed to come into action after the full extent of the disaster is known.

Following an emergency, the immediate requirements are likely to be:

- Premises
- Furniture
- Plant and machinery
- Specialist equipment
- Telephone/communication equipment
- Stationery

Don't forget communication - it's important for everyone to be kept informed of the organisation's progress towards full recovery. It's also wise to consider and document within your plan both internal communications (including volunteers) as well as external. This continued involvement is not only good public relations practice but will help to preserve relationships for the future. Communication can be by many means but selected based on the content and urgency of your message, such as:

- Telephone calls and answer machine messages
- Text messages
- Email
- Website
- Social media
- PR/newspapers/radio
- Newsletters

Effective communication is also important for other reasons too:

- It will reassure people that you are still 'in business'
- Will let people know how to contact you

Keep suppliers informed: they will need to know where to deliver goods and also changes in normal deliveries of supplies.

## Distribution and storage of the BCP document

The BCP document should be easily accessible and easy to follow. It need not be a bulky document – you should, in fact, aim for a fairly short document.

### Top tip

#### Carry out a practical exercise

The only way to establish the viability of the BCP is to carry out a practical exercise. This does not involve any drastic measures but simply requires you to arrange for the BCP team to meet and carry out a 'desktop' exercise, assuming that the organisation has suffered a serious fire or other disaster – what would you do? Make a note of anything that doesn't work effectively and revise your plan.



## Take control – carry out a risk assessment

Risk assessments are not difficult, but they do take time. It is sensible, therefore, to spread the load as far as is possible and for people to carry out risk assessments in their own particular area such as premises, maintenance, catering, grounds, manual handling or other specialist areas.

The risk assessment process should be overseen and co-ordinated by the person who has overall responsibility for health and safety.

Systematically look at each area of the premises and note all the hazards and risks, and any existing safety measures. Note also any person who may be specifically at risk. You must then note any additional safety measures or 'controls' which will reduce those risks as far as possible. As well as the interior of the buildings, you must also look at the yards, car parks and other external areas.

In addition to the risks arising from buildings you must also carry out risk assessments for activities away from your premises such as visits, outings and fundraising activities. Where five or more people are employed there is a legal requirement to record the significant findings of the risk assessment. We would strongly recommend that written risk assessments are produced irrespective of the number of employees.

### Top tip

For further information on the carrying out a risk assessment view our free risk assessment video modules on the KnowHow NonProfit website

[www.knowhownonprofit.org](http://www.knowhownonprofit.org)

and search for the 'Risk Assessment Toolkit' in the study zone

### Risk assessment checklist

To help you, the following is a checklist of common hazards that you should look for in each area being assessed. If any of these hazards are present then record them and what you need to do about them. Look for any other hazards that may not be included in the checklist, such as specific activities or pieces of equipment that may cause harm.

- Accidents and first aid
- Fire safety
- Electrical safety
- Gas safety
- Control of hazardous substances
- Plant and machinery
- Slips, trips and falls
- Internal lighting
- Falls from a height
- Food hygiene
- Manual handling
- Display screen equipment
- Hazardous buildings/glazing
- Personal safety
- Other activities and hazards



# Risk assessment calculator

You can calculate a risk rating in order to prioritise the implementation of the additional safety measures required if you need to.

Any risk which could result in a serious injury or a fatality must receive priority attention.

## Likelihood

The likelihood of something happening can be graded as:

- 1** = Low (seldom)
- 2** = Medium (frequently)
- 3** = High (certain or near certain)

## Severity

The severity of injury if something does happen can be graded as:

- 1** = Low (e.g. minor cuts and bruises)
- 2** = Medium (e.g. serious injury or incapacitated for 3 days or more)
- 3** = High (e.g. fatality or a number of persons seriously injured)

Having assessed both likelihood and severity, a risk rating can be calculated by multiplying the likelihood by the severity. This will give a rating from 1 to 9.

## Risk rating matrix

The implementation of additional controls can then be prioritised as follows:

Likelihood	<b>3</b>	<b>3</b>	<b>6</b>	<b>9</b>
	<b>2</b>	<b>2</b>	<b>4</b>	<b>6</b>
	<b>1</b>	<b>1</b>	<b>2</b>	<b>3</b>
		<b>1</b>	<b>2</b>	<b>3</b>
		<b>Severity</b>		

## Risk rating

- 1 – 2 = low priority
- 3 – 4 = medium priority
- 6 – 9 = high priority

- With low priority, no action at all may be required
- With medium priority, additional control measures may be required or a different method of working adopted
- With high priority, it may be necessary to stop the particular activity, or restrict access to the area until action has been taken.

We hope you've found this guide useful – for further information visit [www.ecclesiastical/charityinsurance](http://www.ecclesiastical/charityinsurance)

# Why not ask us if we can help guide you through this complex subject?

Ecclesiastical has been insuring not-for-profit organisations for 125 years. Today, we insure thousands of the nation's charities of all sizes and complexities – including youth and children's charities, pastime clubs, advice and support groups and many more. So it's no wonder we've been voted best charity insurer for the last five years running by both charities and brokers<sup>+</sup>.

Charities name our quality of service, our value-for-money cover and understanding of the market as key reasons why they consider us the best charity insurer.

Speak to your broker for more information about our approach to the charity and not-for-profit sector, or visit [www.ecclesiastical.com/charityinsurance](http://www.ecclesiastical.com/charityinsurance) to find a broker.

<sup>+</sup> Of those brokers who named an insurer in the survey, the majority named Ecclesiastical as the best insurer for insurance.

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