

EASY TO READ

version

POLICIES AT HONEYCOMB GROUP



Policy name:

Risk Management Policy

This policy was created to:

Help Honeycomb Group identify and manage risks that could affect our customers, services, staff, and long-term goals. It ensures that decisions are made responsibly and that we stay prepared for potential challenges.

What this policy covers

- How we spot, assess, and manage risks across the organisation
- The different levels of risks: strategic, operational, and major projects
- How we rate risks by likelihood and impact
- What steps we take to control or reduce risks
- Who is responsible for risk monitoring and action
- How we report risks and keep improving

Our Goals

- Protect our customers, staff, reputation, and services
- Make sure we are well-prepared for the future
- Act quickly and responsibly when risks arise
- Provide clear reporting and accountability at all levels
- Meet our legal and regulatory responsibilities

Key Terms

- **Risk:** Anything that could stop us from reaching our goals, such as financial loss, data breaches, service failure, or reputational harm.
- **Risk Appetite:** The level of risk the Board is willing to accept.
- **Risk Score:** A number that reflects how likely a risk is to happen and how serious the impact would be.

- **Three Lines of Defence:** A way of checking risk controls:
 - Day-to-day staff responsibility
 - Specialist teams (compliance, quality)
 - Independent reviews like audits
- **Residual Risk:** The risk that remains after controls are in place.
- **Strategic, Operational, Project Risks:** Risks affecting the whole organisation, daily operations, or specific major projects.

Our Approach

- Identify risks early through planning, changes in law, business updates, or customer feedback
- Rate risks on a scale from “Minor” to “Catastrophic” and “Very Unlikely” to “Almost Certain”
- Use a clear scoring system to prioritise action
- Apply controls such as policies, audits, training, or insurance
- Use colour-coded ratings (red, amber, green) to show how effective our controls are
- Take one or more of these actions based on the risk:
 - Tolerate it (do nothing if the risk is low)
 - Treat it (reduce or control it)
 - Transfer it (e.g. through insurance)
 - Terminate it (stop the activity causing the risk)
 - Take the opportunity (if the risk leads to a new benefit)
- Regularly monitor and update risks as things change
- Train staff and board members to understand and manage risks

Legal Compliance

The policy follows rules from:

- The Regulator of Social Housing
- UK GDPR and the Data Protection Act 2018
- Charity law for Honeycomb Charitable Services
- Audit and governance best practices

Performance Monitoring

- All risks are tracked using risk registers and scored for severity
- High-level risks are reported to the Executive Team and Board
- Actions are recorded and reviewed using colour codes (e.g., “on target”, “at risk”)
- Internal audits and other checks ensure our controls are working
- A Risk Panel meets regularly to review restrictions and progress
- The Board receives updates on the biggest risks at every meeting

Data Protection

We handle all risk-related personal data in line with the UK GDPR and Data Protection Act 2018. We only share information when necessary and always store it securely.

Review

This policy is reviewed every three years or sooner if there are changes in law or regulations. The Executive Director and Risk Management Group oversee updates.

Date of Policy: August 2024