

Creggan Enterprises Ltd – Risk Register 2026

Governance Risks

Potential risk	Potential impact	Steps to mitigate risk
The charity lacks direction, strategy and forward planning	<ul style="list-style-type: none"> • the charity drifts with no clear objectives, priorities or plans • issues are addressed reactively with no strategic reference • needs of beneficiaries not fully addressed • financial management difficulties • loss of reputation 	<ul style="list-style-type: none"> • update strategic plan setting out the key aims, objectives and policies • update financial plans and budgets • use of job plans and targets • monitor financial and operational performance • regular feedback from beneficiaries and funders
Trustee body lacks relevant skills or commitment	<ul style="list-style-type: none"> • charity becomes moribund or fails to achieve its purpose • decisions are made bypassing the trustees • resentment or apathy amongst staff • poor decision making reflected in poor value for money on service delivery 	<ul style="list-style-type: none"> • review and agree skills required • implement competence framework • implement trustee training and induction • review and agree Board recruitment processes
Trustee body dominated by one or two individuals, or by socially / politically connected individuals	<ul style="list-style-type: none"> • trustee body cannot operate effectively as strategic body • decisions made outside of trustee body • conflicts of interest • pursuit of personal agenda • culture of secrecy or deference • arbitrary over-riding of control mechanisms 	<ul style="list-style-type: none"> • consider the structure of the trustee body and its independence • agree mechanisms to manage potential conflicts of interest • review and agree Board recruitment and appointment processes in line with governing document • agree procedural framework for meetings and recording decisions

Potential risk	Potential impact	Steps to mitigate risk
Trustees are benefiting from charity	<ul style="list-style-type: none"> • poor reputation, morale and ethos • adverse impact on overall control environment • conflicts of interest • possibility of regulatory action 	<ul style="list-style-type: none"> • ensure legal authority for payment or benefit • consider alternative staffing arrangements • implement terms and procedures to authorise/approve expenses and payments • agree procedures and methods to establish fair remuneration conducted separately from 'interested' trustee (remuneration committee/benchmarking exercise etc)
Conflicts of interest	<ul style="list-style-type: none"> • charity unable to pursue its own interests and agenda • decisions may not be based on relevant considerations • impact on reputation • private benefit 	<ul style="list-style-type: none"> • agreed protocol for disclosure of potential conflicts of interest (standing item in Agenda) • procedures in place for 'standing down' on certain decisions • review Board recruitment and selection processes
Ineffective organisational structure	<ul style="list-style-type: none"> • lack of information flow and poor decision-making procedures • remoteness from operational activities • uncertainty as to roles and duties • decisions made at inappropriate level or excessive bureaucracy 	<ul style="list-style-type: none"> • use of organisation chart to create a clear understanding of roles and duties • delegation and monitoring should be consistent with good practice and constitutional or legal requirements • review structure and the need for constitutional change
Activities potentially outside objects, powers or terms of gift (restricted funds)	<ul style="list-style-type: none"> • loss of funds available for beneficiary class • liabilities to repay funders • loss of funder confidence • potential breach of trust and regulatory action • loss of beneficiary confidence • taxation implications (if non-qualifying expenditure) 	<ul style="list-style-type: none"> • agreed protocol for reviewing new projects to ensure consistency with objects, powers and terms of funding • financial systems in place to identify restricted funds and their application

Potential risk	Potential impact	Steps to mitigate risk
Loss of key staff	<ul style="list-style-type: none"> • experience or skills lost • operational impact on key projects and priorities • loss of contact base and expert knowledge 	<ul style="list-style-type: none"> • transition and succession planning • document systems, plans and projects • implement training programmes • agree notice periods and handovers • review and agree recruitment processes
Reporting to trustees (accuracy, timeliness and relevance)	<ul style="list-style-type: none"> • inadequate information resulting in poor quality decision making • failure of trustees to fulfil their control functions • trustee body becomes remote and ill-informed 	<ul style="list-style-type: none"> • put in place proper strategic planning, objective setting and budgeting processes • timely and accurate project reporting • timely and accurate financial reporting • assess and review projects and authorisation procedures • have regular contact between trustees and senior staff and managers

Operational risks

Potential risk	Potential impact	Steps to mitigate risk
Covid-specific risks Cost of living risks Energy / price hike risks	<ul style="list-style-type: none"> • physical health risks for staff, tenants, customers, participants etc • impact on staff morale and mental health • negligence claims and liabilities for non-compliance • reputational risks • loss of rental income • higher cost base (increasing financial risks) 	<ul style="list-style-type: none"> • create appropriate wellbeing, H&S procedures/processes to protect staff/customers etc • support staff to work remotely • invest in appropriate infection control measures and equipment • ensure organisation and all tenants in compliance with public health guidance • make arrangements with tenants in relation to rent breaks etc • avail of appropriate government financial mitigation measures (funding etc) • take appropriate financial (restraint) measures to ensure organisational sustainability • source additional tenants

Potential risk	Potential impact	Steps to mitigate risk
Service provision – customer/tenant/participant satisfaction	<ul style="list-style-type: none"> • beneficiary complaints • loss of grant/rental income • negligence claims • reputational risks 	<ul style="list-style-type: none"> • agree quality control procedures • implement complaints procedures • benchmark services and implement complaints review procedures
Project or service development	<ul style="list-style-type: none"> • compatibility with objects, plans and priorities • funding and financial viability / sustainability • project viability • skills availability 	<ul style="list-style-type: none"> • appraise project, budgeting and costing procedures • review authorisation procedures • review monitoring and reporting procedures
Competition from similar organisations / providers (either as a social landlord or community programme provider)	<ul style="list-style-type: none"> • loss of income • reduced fund-raising potential • reduced public profile • reduced profitability of trading activities 	<ul style="list-style-type: none"> • monitor and assess performance and quality of service • review market and methods of service delivery (remain competitive) • agree fund-raising strategy • ensure regular contact with funders • monitor public awareness / profile
Suppliers, dependency, bargaining power	<ul style="list-style-type: none"> • dependency on suppliers • lack of supplier to meet key operational objectives • non-competitive pricing • insufficient buying power 	<ul style="list-style-type: none"> • use competitive tendering • put procurement procedures in place • authorised suppliers listing • monitor quality/timeliness of provision • use service level agreements
Capacity and use of resources including tangible fixed assets	<ul style="list-style-type: none"> • under-utilised or lack of building/office space • plant and equipment obsolescence impacting on operational performance • mismatch between staff allocations and objectives • spare capacity not being utilised or turned to account 	<ul style="list-style-type: none"> • agree building and plant inspection programme • agree repair and maintenance programme • agree capital expenditure budgets • undertake efficiency review • seek capital support funding / finance

Potential risk	Potential impact	Steps to mitigate risk
Security of assets	<ul style="list-style-type: none"> • loss or damage • theft of assets • infringements of intellectual property rights 	<ul style="list-style-type: none"> • review security arrangements • create asset register and inspection programme • agree facility management arrangements • have safe custody arrangements for title documents and land registration • manage use of patent and intellectual property • review insurance cover
Fund-raising (Grant finding and income generation)	<ul style="list-style-type: none"> • unsatisfactory returns • reputational risks of 'unsuitable' funding source • actions of management agents and PR agencies • compliance with law and regulation 	<ul style="list-style-type: none"> • implement appraisal, budgeting and authorisation procedures • review regulatory compliance • review funding strategy compliance • monitor the adequacy of financial returns achieved (benchmarking comparisons) • stewardship reporting in annual report
Employment issues	<ul style="list-style-type: none"> • employment disputes • health and safety issues • claims for injury, stress, harassment, unfair dismissal • equal opportunity and diversity issues • adequacy of staff training • child protection issues • low morale • abuse of vulnerable beneficiaries 	<ul style="list-style-type: none"> • review recruitment processes • agree reference and qualification checking procedures, job descriptions, contracts of employment, appraisals and feedback procedures • implement job training and development • implement health and safety training and monitoring • be aware of employment law requirements • implement staff vetting and legal requirements (e.g. NI Access checks) • agree a whistle-blowing policy
High staff turnover	<ul style="list-style-type: none"> • loss of experience or key technical skills • recruitment costs and lead time • training costs • operational impact on staff morale and service delivery 	<ul style="list-style-type: none"> • review interview and assessment processes • agree fair and open competition appointment for key posts • agree job descriptions and performance appraisal and feedback systems • conduct 'exit' interviews • review rates of pay, training, working conditions, job satisfaction

Potential risk	Potential impact	Steps to mitigate risk
Volunteers	<ul style="list-style-type: none"> • lack of competences, training and support • poor service for beneficiaries • inadequate vetting and reference procedures • recruitment / dependency 	<ul style="list-style-type: none"> • review and agree role, competencies • review and agree vetting procedures • review and agree training and supervision procedures • agree development and motivation initiatives
Health, safety and environment	<ul style="list-style-type: none"> • staff/customer/participant injury • product or service liability • ability to operate (see Compliance risks) • injury to beneficiaries and the public 	<ul style="list-style-type: none"> • comply with law and regulation • full risk assessment in place for each activity/programme • train staff and compliance officer • put in place monitoring and reporting procedures • adequate insurance coverage in place • regular planned maintenance schedule
Disaster recovery and planning	<ul style="list-style-type: none"> • computer system failures or loss of data • destruction of property, equipment, records through fire, flood or similar damage 	<ul style="list-style-type: none"> • agree IT recovery plan • implement data back-up procedures and security measures • review insurance cover • create disaster recovery plan including alternative accommodation
Procedural and systems documentation	<ul style="list-style-type: none"> • lack of awareness of procedures and policies • actions taken without proper authority 	<ul style="list-style-type: none"> • properly document policies and procedures • audit and review of systems
Information technology	<ul style="list-style-type: none"> • systems fail to meet operational need • failure to innovate or update systems • loss/corruption of data • lack of technical support • breach of data protection law 	<ul style="list-style-type: none"> • appraise system needs and options • appraise security procedures • implement measures to protect data • agree implementation procedures • use service and support contracts • create disaster recovery procedures • consider outsourcing • review insurance cover for any insurable loss

Financial Risks

Potential risk	Potential impact	Steps to mitigate risk
Budgetary control and financial reporting	<ul style="list-style-type: none"> • budget does not match key objectives and priorities • decisions made on inaccurate financial projections or reporting • decisions made based on unreliable costing data or income projections • inability to meet commitments or key objectives • poor credit control • poor cash flow and treasury management • ability to function as going concern 	<ul style="list-style-type: none"> • link budgets to business planning and objectives • monitor and report in a timely and accurate way • use proper costing procedures for product or service delivery • ensure adequate skills base to produce and interpret budgetary and financial reports • agree procedures to review and action budget/cash flow variances and monitor and control costs • regularly review reserves and management accounts
Reserves policies	<ul style="list-style-type: none"> • lack of funds or liquidity to respond to new needs or requirements • inability to meet commitments or planned objectives • reputational risks if policy cannot be justified 	<ul style="list-style-type: none"> • link reserves policy to business plans, activities and identified financial and operating risk • regularly review reserves policy and reserve levels
Cash flow sensitivities	<ul style="list-style-type: none"> • inability to meet commitments (overheads and loan repayments) • lack of liquidity to cover variance in costs • impact on operational activities 	<ul style="list-style-type: none"> • ensure adequate cash flow projections (prudence of assumptions) • identify major sensitivities • ensure adequate information flow from operational managers • monitor arrangements and reporting

Potential risk	Potential impact	Steps to mitigate risk
Dependency on income sources	<ul style="list-style-type: none"> • cash flow and budget impact of loss of income source 	<ul style="list-style-type: none"> • identify major dependencies • implement adequate reserves policy • consider diversification plans
Pricing policy	<ul style="list-style-type: none"> • unplanned loss from pricing errors • cash flow impact on other activities • loss of tenants if uncompetitive • affordability of services to beneficiary class 	<ul style="list-style-type: none"> • ensure accurate costing of service charges and tenancies • compare with other service providers • notify and agree price variations with tenants • monitor tenant satisfaction • develop pricing policy for activities including terms of settlement and discounts
Borrowing	<ul style="list-style-type: none"> • interest rate movements • ability to meet repayment schedule • security given over assets • regulatory requirements 	<ul style="list-style-type: none"> • appraise future income streams to service the debt • appraise terms (rates available fixed, capped, variable etc) • appraise return on borrowing • use appropriate professional advice
Pension commitments	<ul style="list-style-type: none"> • under-funded defined benefit scheme • impact on future cash flows • failure to meet due dates of payment • regulatory action or fines 	<ul style="list-style-type: none"> • use actuarial valuations • review pension scheme arrangements (eg money purchase schemes) • review procedures for admission to scheme and controls over pension administration
Inappropriate or loss-making non-charitable trading activities	<ul style="list-style-type: none"> • resources withdrawn from key objectives • resources and energy diverted from profitable fund-raising or core activities • regulatory action, and accountability • reputational risk if publicised 	<ul style="list-style-type: none"> • monitor and review business performance and return • ensure adequacy of budgeting and financial reporting within the subsidiary or activity budget • review and agree adequate authorisation procedures for any funding provided by charity (prudence, proper advice, investment criteria) • report funding and performance as part of charity's own financial reporting system • appraise viability

Potential risk	Potential impact	Steps to mitigate risk
		<ul style="list-style-type: none"> • consider transfer of undertakings to separate subsidiary
Fraud or error	<ul style="list-style-type: none"> • financial loss • reputational risk • loss of staff morale • regulatory action • impact on funding 	<ul style="list-style-type: none"> • review financial control procedures • segregate duties • set authorisation limits • agree whistle-blowing anti-fraud policy • review security of assets • identify insurable risks

Environmental / External / Reputational Factors

Potential risk	Potential impact	Steps to mitigate risk
Public perception	<ul style="list-style-type: none"> • impact on income • impact on use of services by beneficiaries • ability to access grants or contract funding 	<ul style="list-style-type: none"> • communicate with supporters and beneficiaries • ensure good quality reporting of the charity's activities and financial situation • implement public relations training/procedures
Adverse publicity	<ul style="list-style-type: none"> • loss of funder confidence or grant aid • loss of influence • impact on morale of staff • loss of beneficiary confidence 	<ul style="list-style-type: none"> • implement complaints procedures (both internal and external) • agree proper review procedures for complaints • Follow steps in Media Policy (re: crisis management strategy for handling significant incidents) - including consistency of key messages and a nominated spokesperson
Relationship with funders	<ul style="list-style-type: none"> • deterioration in relationship may impact on funding and support available 	<ul style="list-style-type: none"> • ensure regular contact and briefings to major funders • report fully on projects • meet funders' terms and conditions

Potential risk	Potential impact	Steps to mitigate risk
Demographic consideration	<ul style="list-style-type: none"> • impact of demographic distribution of participants/beneficiaries • increasing or decreasing beneficiary class 	<ul style="list-style-type: none"> • profile beneficiary base • profile and understand beneficiary needs • establish evidence base to forecast future funding requirements
Government policy	<ul style="list-style-type: none"> • availability of government and third party grant funding • impact of general legislation or regulation on activities undertaken • change of policy as a result of Covid or Brexit leading to a moderate to major economic shock (affecting customer base, supplier base and general public) 	<ul style="list-style-type: none"> • monitor proposed legal and regulatory changes • consider membership of appropriate umbrella bodies • consider professional and best practice advice • monitor activities of sector • work with tenants to mitigate impact of economic depression (reduced disposable income, price hikes etc etc)

Compliance Risk (legal)

Potential risk	Potential impact	Steps to mitigate risk
Compliance with legislation and regulations appropriate to the activities, size and structure of the charity	<ul style="list-style-type: none"> • fines, penalties or censure from licensing or activity regulators • loss of licence to undertake particular activity (see operational risks) • employee or consumer action for negligence • reputational risks 	<ul style="list-style-type: none"> • identify key legal and regulatory requirements • allocate responsibility for key compliance procedures • put in place compliance monitoring and reporting • prepare for compliance visits • obtain compliance reports from regulators (where appropriate) - auditors and staff to consider and action at appropriate level

Potential risk	Potential impact	Steps to mitigate risk
Regulatory reporting requirements	<ul style="list-style-type: none"> • regulatory action • reputational risks • impact on funding 	<ul style="list-style-type: none"> • review and agree compliance procedures and allocation of staff responsibilities
Professional advice	<ul style="list-style-type: none"> • lack of investment strategy or management • failure to optimise fiscal position • contract risks • failure to address compliance risks 	<ul style="list-style-type: none"> • identify and ensure access to professional advice • identify issues where advice is required • conduct compliance reviews
Taxation	<ul style="list-style-type: none"> • penalties, interest and 'back duty' assessments • loss of mandatory or discretionary rate relief • failure to utilise tax exemptions and reliefs 	<ul style="list-style-type: none"> • review PAYE compliance procedures • review VAT procedures • file timely tax returns • understand exemptions and reliefs available (direct tax and VAT) • take advice on employment status and contract terms and tax • implement budget and financial reporting identifying trading receipts, and tax recoveries

Key Risk Breakdowns:

Risk area/risk identified	Cost of living / energy cost hike impact on rental income
Likelihood of occurrence (score)	possible (4)
Severity of impact (score)	minor (2)
Overall or 'gross' risk	moderate (8)
Control procedure	<ul style="list-style-type: none">• support tenants to access financial supports• make individual rental arrangements (rent holidays etc)• seek mitigation funding• seek potential replacement tenants
Monitoring process	<ul style="list-style-type: none">• bi-monthly reporting by manager to trustees/CEO
Responsibility	Management Team / Trustees
Further action required	<ul style="list-style-type: none">• new initiatives to be approved by trustees unless included in current business plan• review of ongoing situation
Date of review	<ul style="list-style-type: none">• when appropriate• next trustee meeting

Risk area/risk identified **Brexit-impact on operations**

Likelihood of occurrence (score) possible (4)

Severity of impact (score) minor (2)

Overall or 'gross' risk moderate (8)

Control procedure

- give appropriate direction and advice to tenants (particularly our anchor tenant in relation to pricing) in the understanding that Brexit may affect end customer disposable income (through price hikes)
- provide supports and advice in respect of employment/benefits etc through dedicated programming or signposting
- seek mitigation funding
- seek potential replacement tenants
- build and maintain key cross-border and cross-community stakeholder relationships

Monitoring process

- bi-monthly reporting by manager to trustees/CEO

Responsibility Management Team / Trustees

Further action required

- new initiatives to be approved by trustees unless included in current business plan
- review of ongoing situation

Date of review

- when appropriate
- next trustee meeting

Risk area/risk identified **Serious health & safety issue on site (e.g. a fatal accident)**

Likelihood of occurrence (score) remote (1)

Severity of impact (score) extreme (5)

Overall or 'gross' risk moderate (10)

Control procedure

- review and agree H&S and regulatory compliance procedures and allocation of staff responsibilities
- appropriate H&S/First Aid resources on site (FA Kit / Defib etc)
- appropriate H&S, First Aid and facilities training arranged
- appropriate insurance cover & legal support arranged
- best practice observed, third party support or assessment considered
- planned maintenance and compliance schedule adhered to (i.e. regular site inspections, site risk assessments, fire risk assessments and drills etc.)

Monitoring process • bi-monthly reporting by manager to trustees/CEO (H&S become standing item on Agenda)

Responsibility Management Team / Trustees

Further action required

- new initiatives to be approved by trustees unless included in current business plan
- review of ongoing situation
- liaise with Medical Centre staff on site to see if we can agree an emergency protocol

Date of review

- when appropriate
- next trustee meeting

Appendix (Risk Metrics)

Impact

Descriptor	Score	Impact on service and reputation
Insignificant	1	<ul style="list-style-type: none">• no impact on service• no impact on reputation• complaint unlikely• litigation risk remote
Minor	2	<ul style="list-style-type: none">• slight impact on service• slight impact on reputation• complaint possible• litigation possible
Moderate	3	<ul style="list-style-type: none">• some service disruption• potential for adverse publicity - avoidable with careful handling• complaint probable• litigation probable
Major	4	<ul style="list-style-type: none">• service disrupted• adverse publicity not avoidable (local media)• complaint probable• litigation probable
Extreme/Catastrophic	5	<ul style="list-style-type: none">• 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

Likelihood

Descriptor	Score	Example
Remote	1	may only occur in exceptional circumstances
Unlikely	2	expected to occur in a few circumstances
Possible	3	expected to occur in some circumstances
Probable	4	expected to occur in many circumstances
Highly probable	5	expected to occur frequently and in most circumstances

In interpreting the risk heat map below, likelihood is x and impact is y.

	Likelihood - Remote 1	Likelihood - Unlikely 2	Likelihood - Possible 3	Likelihood - Probable 4	Likelihood - Highly probable 5
Impact - Insignificant 1	2	3	4	5	6
Impact - Minor 2	4	6	8	10	12
Impact - Moderate 3	6	9	12	15	18
Impact - Major 4	8	12	16	20	24
Impact - Extreme / Catastrophic 5	10	15	20	25	30

The image below shows the same heat map with colour codes.

The colour codes are:

- Red - major or extreme/catastrophic risks that score 15 or more
- Yellow - moderate or major risks that score between 8 and 14
- Blue or green - minor or insignificant risks scoring 7 or less

Impact	Extreme/ Catastrophic	5	10	15	20	25	30
	Major	4	8	12	16	20	24
	Moderate	3	6	9	12	15	18
	Minor	2	4	6	8	10	12
	Insignificant	1	2	3	4	5	6
			1	2	3	4	5
			Remote	Unlikely	Possible	Probable	Highly Probable
			Likelihood				