

Temple Court Chambers

Risk Management Procedures and Guidance

(as amended on 1st July 2022)

Summary

The purpose of this document is to provide a management framework to ensure that levels of risk and uncertainty are properly managed within Chambers.

As risk management is an ongoing process, the Head of Chambers will be required to analyse and consider all risks faced by chambers annually commencing 1st July 2023, and to review these procedures.

This document will define the following:

- the process that will be/has been adopted by TCC to identify, analyse and evaluate risks;
- how risk mitigation strategies will be developed and deployed to reduce the likelihood and/or impact of risks;
- how often risks will be reviewed, the process for review and who will be involved;
- roles and responsibilities for risk management;

Introduction

The purpose of risk management is to ensure levels of risk and uncertainty are identified and then properly managed in a structured way, so any potential threat is appropriately managed to ensure the project is completed successfully.

The objectives of the risk management policy are to identify, assess and mitigate risks where possible and to continually monitor risks within chambers, as other risks or threats emerge or a risk's impact or likelihood changes.

As risk management is ongoing, the Head of Chambers has decided that there should be a review annually.

Where required, the process of risk identification, assessment and the development of countermeasures will involve consultation with all members of chambers and the clerking team if so appropriate.

1. Risk Assessment

Identification

Risk identification involves determining which risks or threats are likely to affect TCC. It involves the identification of risks or threats that may lead to quality (fitness for purpose) being reduced or compromised.

TCC has determined that the following persons will in future be responsible for ensuring that these procedures are reviewed on a regular basis and that risks identified are graded according to likelihood:

MR CHARLES MANNAN

TCC has identified the following fundamental risks as at the date of this document:

1. Loss of data
2. Departure of members of Chambers
3. Budget Forecasts not being met
4. Insufficient work for members of chambers
5. The burden on members in a small set of regulatory requirements

Loss of data

Loss of Data is a fundamental risk to chambers. Loss involves for example theft and fire as well as a malfunction of chambers servers and computers. As at the date of these amendments, it is noted that chambers does not have servers or computers, as chambers currently operates from serviced offices where only telephone messages are received and members may utilise facilities for conferences and/or meetings, as may chambers. Our clerk works from home and all members also work from home. As such chambers does not have data.

Departure of Members of Chambers

This involves a large scale departure of members leading to the eventual closure of chambers, though the current composition of a Head of Chambers and Door Tenants, make this scenario somewhat different.

Budget Forecast Not Being Met

The Head of Chambers believes that this is a fundamental risk as currently the financial 'insurance' comes solely from the Head of Chambers.

Insufficient Work for Members of Chambers

This involves gaps in members diaries, exacerbated recently because of covid. As at the date of these amendments, members work from home.

The Burden of Regulation

The Head of Chambers believes that the burdens on members times in a small set, is significant. In a large set, chambers can allocate one person full time per year to deal with regulation. Resources are significant. In a small set, resources are finite and members times are at a premium. With one Head of Chambers and a small membership, it is believed that this burden is significant.

Analysis and Evaluation

The Head of Chambers believes that risks should be evaluated to determine the **likelihood** of a risk or threat being realised and the **seriousness**, or impact, should the risk occur.

'**Likelihood**' is a qualitative measure of probability to express the strength of our belief that the threat will emerge (generally ranked as Low (L), Medium (M) or High (H)).

'**Seriousness**' is a qualitative measure of negative impact to convey the overall loss of value from a project if the threat emerges, based on the extent of the damage (generally ranked as Low (L), Medium (M), High (H) or Extreme).

From this risks will be graded as A, B, C, D or N according to the following matrix:

Likelihood	Seriousness				
		Low	Medium	High	EXTREME
Low		N	D	C	A
Medium		D	C	B	A
High		C	B	A	A

The ratings for likelihood and seriousness determine a current grading for each risk that in turn provides a measure of the project risk exposure at the time of the evaluation.

Loss of Data

It is believed that currently the Head of Chambers can conclude that the likelihood of there being a loss of data is very low and therefore not serious. This is because TCC currently works from serviced offices with no data as it has no servers or computers.

In addition the system previously used by the clerks is the LEX online management system. This system stores and records all incoming case details, aged debts, payment summary, percentage breakdowns for the calculation of professional indemnity insurance and so on. The system is currently designed so that it is online and therefore not susceptible to data loss. In addition all our data is backed up by LEX.

In respect of paper files, chambers currently has in place a system which involves returning all briefs to firms of solicitors or in the case of direct access clients, to the lay client. Papers are now received electronically and printed out and placed in members pigeonholes and/or simply forwarded to individual members. As such it is not believed that any data loss is possible or likely.

In future and from the date of this document, the Head of Chambers will consider and review the risks involved in respect of potential data loss and shall minute any discussions on this topic.

Departure of members of Chambers

TCC currently has two members of chambers who are full members and 5 door tenants.

The potential large scale or small scale departure of members is a continuing risk and should always be viewed as a continuing risk, but at this stage this risk is negligible.

Chambers has in the past regularly recruited pupils (with a pause in light of the pandemic) and the Head of Chambers believes it should develop its membership from pupils.

In addition the Head of Chambers believes that henceforth TCC should advertise for new members on a regular 6 monthly cycle.

Budget Forecasts

Budget forecasts are fundamental to the development of chambers. Budget forecasts not being met are regarded as a medium risk at present. TCC must regularly review its budget forecasts and the Head of Chambers must consider budget forecasts on a monthly basis and keep clear records.

It has been determined that henceforth TCC should develop budget forecasts on an annual basis.

TCC employs a firm of chartered accountants. The Head of Chambers has resolved that henceforth the accountants should be given instructions and that such instructions should be renewed by the Head of Chambers on an annual basis.

Insufficient Work for Members of Chambers

This is an ongoing risk for chambers. Lack of work has the effect of members considering alternative chambers. TCC believes that the best way forward is to ensure the marketing of members on a regular and consistent basis, in conjunction with members wishes.

Chambers appreciates that some members may want a small practice and others a busy practice. TCC therefore will endeavour as always to ascertain the wishes of members on an annual basis.

The Burden of Regulation

The compliance with BSB regulation requires members of chambers to dedicate to not only being up to date with regulation, but ensuring that such regulation is dealt with proactively and positively. TCC appreciates that such work in a small set, with limited resources and limited spare human capacity, places a significant burden on members, and certainly on the Head of Chambers. TCC notes that in terms of hours dedicated to regulation work per year, it is notable that it can be as high as 200 hours per year. The risk therefore of Head of Chambers not able to carry out these functions is significant and may feel going to a large set would simply reduce the burden and allow them to focus on their practice. The likelihood is medium and the seriousness is high. TCC will therefore need to actively engage in discussions with the BSB.

2. Risk Mitigation

Mitigation of risks involves the identification of actions to reduce the likelihood that a threat will occur (preventative action) and/or reduce the impact of a threat that does occur (contingency action). This strategy also involves identifying when the action should be undertaken.

Risk mitigation strategies to reduce the chance that a risk will be realised and/or reduce the seriousness of a risk if it is realised should be developed when required.

The following table is useful to determine how risks will be treated in terms of preparation and/or deployment of mitigation strategies.

Mitigation strategies are usually only prepared and/or deployed for Grades A through to C, however where an existing risk graded at D appears likely to be upgraded, mitigation strategies should be prepared.

Grade	Possible Action
A	Mitigation actions, to reduce the likelihood and seriousness, to be identified and implemented as soon as the project commences as a priority.

B	Mitigation actions, to reduce the likelihood and seriousness, to be identified and appropriate actions implemented during project execution.
C	Mitigation actions, to reduce the likelihood and seriousness, to be identified and costed for possible action if funds permit.
D	To be noted; no action is needed unless grading increases over time.
N	To be noted; no action is needed unless grading increases over time.

The JH's of TCC shall at all times be responsible for developing risk management strategies, when a risk is identified by them as being potentially upgraded.

3. Risk Monitoring and Management

Risk monitoring and management shall be the responsibility of CHARLES MANNAN.

Risks shall be monitored on an annual basis by the Head of Chambers and an action plan shall be drawn up when required and/or necessary.

In respect of the risks currently identified in this document, the Head of Chambers believes the following actions are necessary and require implementation in the next financial year:

Loss of Data – CHARLES MANNAN in consultation with LEX, to ensure that the Data Protection Policy is updated and agreement terminated as of 1st July 2022.

Members – CHARLES MANNAN to ensure advertisements for new members commence in April 2023.

Budget Forecasts – CHARLES MANNAN to instruct accountants to produce budget forecast for the next financial year commencing April 2023.

Work For Member – CHARLES MANNAN to arrange meetings in the next financial year with members and draw up marketing strategies for each member, if so required.

Regulation – CHARLES MANNAN to carry out a review of further regulation in the next financial year and produce a report for discussion and follow-up with the BSB.

