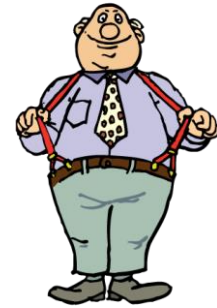


Risk Management

This isn't a section to scare you. This is about trying to identify the things that might go wrong, and taking sensible steps to reduce the chances of their happening. It is not about eliminating risk: who, after all, really wants to wear a belt and braces?



Consider whether you give one person the role of devil's advocate (constructively!) to try and identify weaknesses and find ways to overcoming them. So here are where some of these risks may arise, and what you can do about them:

Governance

Much of what you will be doing during the period leading up to and including a building project, and afterwards, will be unfamiliar. If you try and muddle along without accepting that you have to make some special roles and responsibilities clear, and be careful in choosing the right people for your team, you run the risk of suffering some major impacts on your church.

Key person risk

Try and ensure that key people share what they are doing with at least one other person, that documents they are writing are available to others, and that their roles are clearly defined.

Strategic Fit

Here we're talking about the strategic fit of your building project – does it respond to the mission purpose(s), and have the mission purpose(s) been well founded?

Fundraising and income generation

There are some obvious and less obvious risks in this section – matching fundraising to the scope of the building project – and the reverse – is the most obvious one, but also its effect on operating income.

Legal and contractual

Careful scoping, shortlisting, supplier selection and clarity of contract are all components in mitigating this risk

Programme/timings

Are there some dependencies which might trip you up? A building project has lots of operations where one cannot start until a previous one is complete. Or a tenant cannot start until the building is open.



Risk Management

Commercial risks (inflation, procurement)

Will costs vary against the estimate and what you fund-raised? Are your suppliers in good financial health?

Financial issues (e.g. VAT, contingency)

Try and avoid surprises but plan for some!