Risk Management policy

This policy will be reviewed on an annual basis

1. **Pippins Pre-School and Nursery risk management model**

1.1 Pippins recognises that risk management is essential to its governance and to sustainable operation of its services. Risk management in Pippins will be designed to ensure: -

- the identification, assessment and management of risk is linked to the achievement of the charity's objectives;
- all areas of risk are covered - for example, financial, governance, operational and reputational;
- a risk exposure profile can be created that reflects the trustees' views as to what levels of risk are acceptable;
- the principle results of risk identification, evaluation and management are reviewed and considered;
- risk management is ongoing and embedded in management and operational procedures.

1.2 Pippins will regularly review and assess the risks it faces in all areas of its work and plans for the management of those risks.

1.3 There are risks associated with all Pippins activities - they can arise through things that are not done, as well as through ongoing and new initiatives. Risk exposure for Pippins will vary depending on circumstance. For example, Pippins may be willing to expose itself to higher risks as the size of our reserves/size of our organisation increases. Risk tolerance may also be a factor in what activities are undertaken to achieve objectives, Pippins will therefore ensure that there is an appropriate balance taken between higher and lower risk activities.

These considerations will inform the trustees in their decision as to the levels of risk they are willing to accept.

1.4 Trustees need to let staff know the boundaries and limits set by their risk policies to make sure there is a clear understanding of the risks that can and cannot be accepted.

2. **Identifying our Risks**

2.1 As part of its business planning process, a risk register will be developed. This register is a 'living document' and forms the baseline for further risk identification. Pippins recognises that new risks will appear and other risks will become less or more severe or may disappear over the lifetime of the plan. Risk identification is therefore an ongoing process within Pippins. When new risks are identified by a trustee or staff member, these will be documented in the risk assessment and faults folder referred to the Health and Safety officer who will implement improvements and in consultation with the Trustee Health and Safety

officer update the risk register accordingly. Pippins will also annually review the risks identified in the Pippins risk register.

2.2 In undertaking this, staff and trustees will consider:

- pippins objectives, mission and future developments plan
- the nature and scale of our activities
- the outcomes that need to be achieved;
- external factors that might affect Pippins such as legislation and regulation;
- the Pippins reputation with its major funders and supporters
- past mistakes and problems that Pippins has faced;
- the operating structure – for example if we established a trading arm;
- comparison with other charities working in the same area or of similar size; and
- examples of risk management prepared by other charities or other organisations

2.3 In developing Pippins risk register, trustees and staff will identify/update risks in the following areas

- governance;
- operational risk
- finance risk
- environmental and external risk

Thorough daily risk assessments for all areas of the pre-school and nursery are completed filed the designated area. Any issues are reported to the Health and Safety officer and recorded in the risk assessment and faults folder. Action anything immediately to ensure the environment is safe

Risk assessments are completed for trips and outings by a competent staff member for example park visits or our annual Eggesford trip.

3. Assessing, monitoring and Evaluating risk

3.1 Identified risks need to be put into perspective in terms of the potential severity of their impact and likelihood of their occurrence. Assessing and categorising risks helps in prioritising and filtering them, and in establishing whether any further action is required.

3.2 When a new risk arises, the Health and Safety officer in consultation with the Trustee Health and Safety officer will then assess the risks identified by staff and trustees based on how likely they are to occur and how severe their impact using the methodology set out at appendix 1

3.3 They will identify those risks that are major and propose appropriate actions to mitigate these risks. This will update Pippins risk register and will be approved by the Chair and or treasurer (if a financial risk).

3.4 Where a trustee subsequently has a concern about the risk register, s/he should initially seek agreement to amendment via email and if s/he is still not satisfied raise the issue at the next board meeting

3.5 Examples of possible actions to mitigate risk are set out in appendix 2

Termly risk assessments are conducted by Pippins Health and safety officer and the Trustee Director Health and Safety officer

This policy was adopted at a meeting of Pippins Pre-school & nursery

Held on Wednesday 30th September 2026

Signed on behalf of the Management Trustee Directors

Role of signatory (e.g. Chair etc.) Chair

Commenced 2009 - Reviewed 08.10.2025

Appendix 1

Risk Assessment Methodology

Impact

Descriptor	Score	Impact on service and reputation
Insignificant	1	• no impact on service • no impact on reputation • complaint unlikely • litigation risk remote
Minor	2	• slight impact on service • slight impact on reputation • complaint possible • litigation possible
Moderate	3	• some service disruption • potential for adverse publicity - avoidable with careful handling • complaint probable • litigation probable
Major	4	• service disrupted e.g. long-term sickness • adverse publicity not avoidable (local media) • complaint probable • litigation probable • sudden loss of funding
Extreme	5	• service interrupted for significant time • major adverse publicity not avoidable (national media) • resignation of senior management • resignation of board • major premises related issue e.g. burglary • loss of beneficiary confidence

Likelihood

Descriptor	Score	Impact on service and reputation
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

Actions that could be taken to mitigate risks

The following are examples of possible actions:

- the risk may need to be avoided by ending that activity
- the risk could be transferred to a third party (e.g. use of a trading subsidiary, outsourcing or other contractual arrangements with third parties);
- the risk could be shared with others (e.g. a joint venture project);
- the charity's exposure to the risk can be limited (e.g. establishment of reserves against loss of income, phased commitment to projects);
- the risk can be reduced or eliminated by establishing or improving control procedures (e.g. internal financial controls, controls on recruitments, personnel policies);
- the risk may need to be insured against (this often happens for residual risk e.g. employer's liability, third party liability, theft, fire).

In assessing the actions to be taken, the costs of management or control should be considered in the context of the potential impact or likely cost that the control seeks to prevent or mitigate. It is possible that the process may identify areas where the current or proposed control processes are disproportionately costly or onerous compared to the risk they are there to manage. A balance will need to be struck between the cost of further action to manage the risk and the potential impact of the residual risk.