



Risk Management	
Reference: GN41	Effective date: 6 June 2016
Page no: 1 of 5	Approved: 12 September 22
Last revision date: 19 August 2022	Next revision due: August 24

1. Introduction.....	1
2. Purpose of the Policy	1
3. Roles and responsibilities.....	1
4. Risk registers.....	2
6. Risk appetite statements	3

1. Introduction

- 1.1. This policy sets out Windmill City Farm's approach to risk and risk management, and the mechanisms it uses to identify, assess, report, and manage risk. It provides guidance on responsibilities for risk management, and information about how we document risks and responses.
- 1.2. Windmill City Farm actively manages risks through its strategies and policies, through its procedures and controls, and through mitigation plans and actions which are recorded in its risk registers:



2. Purpose of the Policy

- 2.1. As a Charity, Windmill City Farm is required to have a robust system of risk management in place, which is confirmed by our trustees in the annual report. This policy helps to ensure that The Farm is complying with this requirement.
- 2.2. The purpose of the Risk Policy is to set out Windmill City Farm's approach to recording, assessing, and managing risks. It sets out the parameters for managing risks, to ensure that the level of risk we accept in a given situation is balanced against the expected benefit. It sets out how risks are communicated and escalated appropriately, and how we provide assurance that we are doing this effectively.

3. Roles and responsibilities

- 3.1. **We are all responsible for risk management**, and we can all contribute to making risk management more effective. There are some specific responsibilities for particular groups of people at The Farm.
- 3.2. **Trustees** are required to ensure that we have effective risk management systems in place. They oversee the arrangements that The Farm has in relation to risk, and review, comment and take action on key risks to delivering the Charity's strategic aims.



Risk Management	
Reference: GN41	Effective date: 6 June 2016
Page no: 2 of 5	Approved: 12 September 22
Last revision date: 19 August 2022	Next revision due: August 24

3.3. **Trustees approve this risk policy**, and set the Charity's risk appetite and tolerance level. They review these annually, as part of their annual review of the effectiveness of risk management and the overall risk profile of the organisation.

3.4. **Trustees** receive routine reports from committees and from the Chief Executive which include recognition, explanation and escalation of risks. Individual trustees are members of the sub-committees of the Board. These measures ensure that trustees are sighted on and engaged in discussion about The Farm's risks as part of normal business.

3.5. **Trustees** ensure Windmill City Farm complies with its legal requirement to:

- Make a risk management statement in the trustees' annual report
- Include in the business review a description of principal risks and uncertainties facing the organisation.

3.6. The organisation manages risk at many different levels:

- **The senior leadership team** is responsible for identifying and managing strategic risks. They ensure that there are arrangements to support people to work in a way that minimises operational risks. They also ensure that there are processes in place for risks to be appropriately documented, managed and escalated and cascaded throughout the organisation.
- The Chief Executive reflects relevant risks in its routine reporting to the Board and its committees.
- **All staff** are responsible for managing day to day risks as part of their normal practice. Everyone has a role in identifying and escalating risks through their local risk registers, and for implementing actions when these have been agreed.
- The Finance Sub-group reviews the key risks to financial and operational performance, escalating risks for the attention of the Board where it is determined that this is appropriate.
- The Personnel Sub-group oversees matters relating to staff issues including adherence to relevant legislation
- The Trustee Safeguarding Lead ensure systems of leadership and accountability are in place and actively used for safeguarding children and vulnerable adults in the organisation.

4. Risk registers

4.1. We have a system of interconnected **risk registers (see Appendix 1 'risk assessment method')** which enable us to articulate, assess and record mitigation actions in relation to risks which arise over time. We have a process to escalate and cascade risks, so that we can ensure that risks are communicated properly and so that we can track the actions and review their effectiveness. We use our risk registers to prompt discussion at team meetings and in our line management meetings.

4.2. The following table summarises specific risk registers held, their location and frequency of update:

Log	Location	Update frequency	Who's responsible
Strategic risk	Server document	6 months	Board of Trustees
Building inspection	Farm Office, paper file	Annual	H&S sub-group
Schools	Server document	Annual	Schools officer
H&SC clients	Farm Office, paper files	As clients join	H&SC Manager
Garden tasks	Gardens Office, Server	Annual	Gardens Manager
Nursery	Nursery Office, Server	6 months	C&FS Manager
Café	Server documents	Annual	Café Manager



Risk Management	
Reference: GN41	Effective date: 6 June 2016
Page no: 3 of 5	Approved: 12 September 22
Last revision date: 19 August 2022	Next revision due: August 24

Risk appetite

- 4.3. **Risk appetite** is the level of risk that trustees are willing to take and tolerate in the pursuit of our objectives.
- 4.4. **Trustees** are responsible for setting out the risk appetite and risk tolerance within which decisions and mitigation plans relating to risk are framed.
- 4.5. **Trustees** consider their risk appetite for particular matters using the following categorisation:
- Zero (avoid)
 - Averse (minimum continuation and high scrutiny of mitigations)
 - Conservative (proceed with caution and report regularly)
 - Receptive (proceed with light-touch monitoring)
 - Unlimited (proceed)
- 4.6. Whilst there are some matters for which trustees will not accept any risk, trustees recognise that risk is necessary in order for us to develop, take opportunities, and have an impact – and consider that in many cases, taking risks which are clearly understood and are actively managed is in line with Windmill City Farm's strategic objectives.
- 4.7. Trustees expect to have sight of risks and related controls through routine reporting so that they can be assured that risks are proportionate and are managed over time.

5. Risk appetite statements

- 5.1. Trustees have considered their risk appetite in relation to some key risk themes for the charity, to determine the following statements:
- 5.2. **Safeguarding:** Trustees have zero appetite for risks which might result in failures to properly safeguard children and vulnerable adults in line with their statutory duties.
- 5.3. **Fraud:** Committing fraud is a criminal offence, and any fraud, whether within or perpetrated against a charity is a Serious Incident which must be reported to the Charity Commission. Trustees have zero appetite to accept risks which could expose Windmill City Farm to fraud.
- 5.4. **Regulatory compliance:** Trustees have an adverse appetite for risks relating to matters of compliance, and require our response to compliance risks to be proportionate to the likelihood and severity of financial and reputational damage.
- 5.5. **Reputation:** Trustees have an averse appetite for risks relating to our reputation, recognising that we rely on our reputation to support our relationships with funders, partners and members of the public, and that our reputation enables us to deliver our strategic objectives.
- 5.6. However, Trustees recognise that we will sometimes need to deliver messages that are not universally popular and that might attract negative comment, in the course of delivering our objectives, in line with our values and consistent with our voice. Trustees are comfortable with us doing so as long as risks are recognised and there are appropriate mitigation measures in place.
- 5.7. **Health and safety:** Trustees are ultimately responsible for ensuring that risks to the general health, safety and well-being of staff, volunteers and members of the public are properly managed and mitigated, and have a legal duty to act on risks that threaten the working environment or safety of equipment.
- 5.8. Trustees recognise that some of the core activities delivered on the farm may carry some health and safety risks. They also recognise that appropriate exposure to risk can be beneficial, particularly in childhood development. Adults are entitled to take risk and make personal choices about how they engage with activities on the farm. Trustees therefore have a conservative appetite



Risk Management	
Reference: GN41	Effective date: 6 June 2016
Page no: 4 of 5	Approved: 12 September 22
Last revision date: 19 August 2022	Next revision due: August 24

for health and safety risks as they relate to our core activities, and will support the continuation of these activities as long as documented mitigations are in place.

- 5.9. **Creativity and innovation:** Trustees have a receptive appetite for the pursuit of opportunity through new partnerships and projects, in recognition that this is how we will deliver the most impact. This appetite would be balanced against the level of financial risk.
- 5.10. **Financial uncertainty:** Trustees are conservative to risks relating to pursuing opportunities where there might be financial uncertainty.
- 5.11. Windmill City Farm's risk appetite is not static, and trustees recognise that there may be variations to acceptable levels of risks under particular circumstances. Trustees expect to be consulted where such a variation is significant. Trustees will review the risk appetite statement in the light of specific exceptions and at least annually.

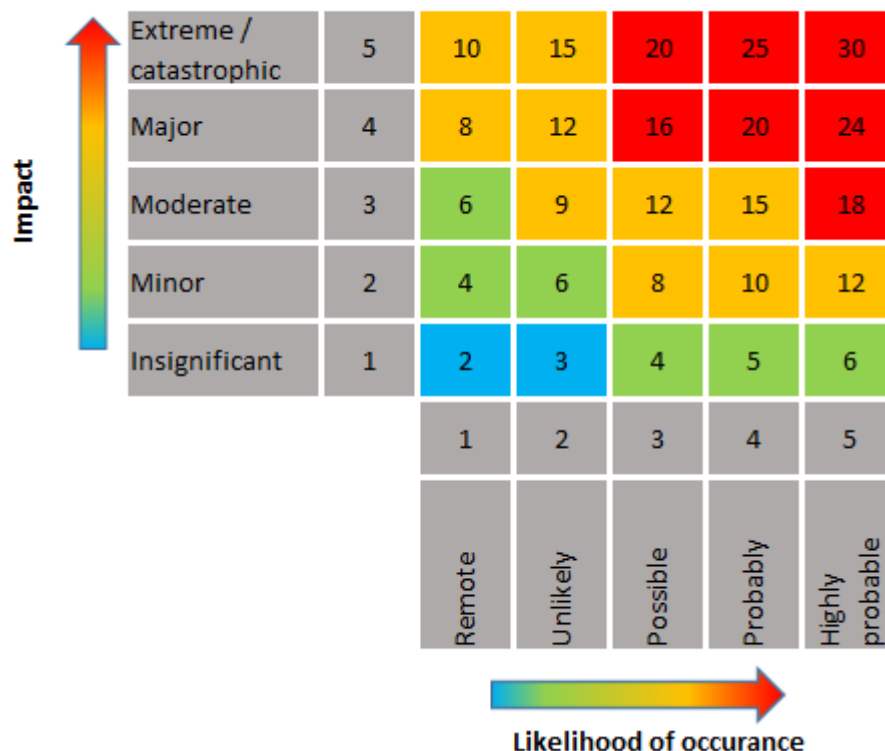


Risk Management	
Reference: GN41	Effective date: 6 June 2016
Page no: 5 of 5	Approved: 12 September 22
Last revision date: 19 August 2022	Next revision due: August 24

Appendix 1

Risk assessment method

Risk rating (based on Charity Commission guidance document CC26)



Definitions

Extreme/catastrophic – service disrupted for considerable period, financial loss threatens financial viability, major adverse publicity (nationally), resignation of senior management/Board, loss of public/political confidence

Major – service disrupted/major loss, some adverse publicity cannot be avoided, complaint/litigation likely

Moderate – some service disruption/loss, adverse publicity can be managed, complaint/litigation probable

Minor – slight impact on service/finance/reputation, complaint/litigation possible

Insignificant – no impact on service/finance/reputation, complaint/litigation unlikely.

Scores are a way of ranking risk and assessing relative acuity. They are not absolute. This risk assessment method weights impact over likelihood, in line with Charity Commission guidance.