



## WSRA POLICY NO M3: Risk Management Policy

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Trustees should review the risks that the charity faces on a regular basis. By managing risk effectively, trustees can help ensure that:

- significant risks are known and monitored, enabling trustees to make informed decisions and take timely action
- the charity makes the most of opportunities and develops them with the confidence that any risks will be managed
- forward and strategic planning are improved
- the charity's aims are achieved more successfully

The following are categories of risk that should be considered by the Trustees of the WSRA:

### **Governance risks**

- inappropriate organisational structure and sub-structure
- trustee body lacks relevant skills or commitment
- conflicts of interest

### **Operational risks**

- lack of safety
- sufficiently experienced key staff and volunteers
- poor staff and volunteer training
- availability of staff and volunteers

### **Financial risks**

- inaccurate and/or insufficient financial information
- inadequate reserves and cash flow
- dependency on limited income sources
- inadequate investment management policies
- insufficient insurance cover
- declining membership

### **External risks**

- poor public perception and reputation
- demographic changes such as an increase in the size of beneficiary group
- turbulent economic environment
- Compliance with law and regulation acting in breach of trust
- poor knowledge of the legal responsibilities such as diversity, data protection etc
- poor knowledge of regulatory requirements

Charities that are required to be audited are under a legal requirement to have their accounts audited and must make a risk management statement in their trustees' annual report.

The responsibility for the management and control of a charity rests with the trustee body. The trustees may delegate elements of the risk management process to staff or volunteers with adequate experience and skill set. The trustees should review and consider the key aspects of the process and results such that they can authorise the required risk management statement with reasonable confidence. The annual report must include an indication that major risks identified have been reviewed or assessed.

A narrative style that addresses the key aspects of the requirements is acceptable.

Policy Author	Diana Ricketts-Tanner (Trustee)
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Review Interval	Annually
Latest Review	March 2025 Mike Sherwood - Trustee
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