

RISK MANAGEMENT POLICY

Risk is an everyday part of charitable activity and managing it effectively is essential if the trustees are to achieve their key objectives and safeguard their charity's funds and assets.

Charity Commission 2026

1. Purpose of this document

- 1.1 This policy explains the abpn internal control and governance arrangements approach to assessing, categorising, managing and reporting / documenting risks and the responsibilities of Trustees, Officers and other interested parties, in accordance with prevailing legislative requirements.
- 1.2 "Risk is used in this guidance to describe the uncertainty surrounding events and their outcomes that may have a significant impact, either enhancing or inhibiting any area of a charity's operations".

The Charities Act means the Charities Act 2011. (Charity Commission England and Wales

"In April 2016, in order to help us target our work appropriately, we developed a formal risk framework that outlined and prioritised our key areas of concern. Since then, we have worked to better understand, mitigate and act on these risks. The risk framework will never be static. It will evolve to reflect the changing internal and external reality".

Scottish Charity Regulator 2017

"Who is responsible for managing risks?"

Officers within abpn and the abpn trustees are responsible for making sure the abpn charity manages risks. Volunteers and employees should be assessing and managing some risks, but abpn officers and trustees are ultimately responsible.

Policies and processes for identifying risk must be put in place and kept up to date.

This will:

- help abpn spot any serious risks and monitor them, so informed decisions can be made by abpn and acted upon when needed •
- allow the abpn charity to make the most of opportunities with the confidence that risks will be managed
- help abpn to plan better and improve strategy
- make sure that the abpn charity can achieve its purposes.

Informed by: <http://www.charitycommissionni.org.uk/> May 2025

2. Underlying approach to risk management

The following key principles outline abpn's approach to risk management and internal control:

- 2.1 the Governance and Development (G&D) Group will
 - a) have responsibility for overseeing risk management
 - b) facilitate effective and efficient operations, to enable abpn to respond to a variety of operational, financial, reputational and commercial risks.
 - c) have an open and receptive approach to identifying and solving risks
 - d) make conservative and prudent recognition and disclosure of the financial and non-financial implications of risks

3. **The Governance and Development Group will**
 - 3.1 communicate the abpn’s approach to identifying risk
 - 3.2 setting the standards and expectations of members with respect to conduct and probity.
 - 3.3 determining what types of risk are acceptable and which are not
 - 3.4 determining the appropriate risk appetite or level of exposure for abpn.
 - 3.5 approving major decisions to minimise abpn’s risk profile or exposure.
 - 3.6 identifying risks to reduce the likelihood of unwelcome surprises.
 - 3.7 review the abpn’s approach to risk management and approve changes or improvements to key elements of its processes and procedures.

4. **Risk management internal controls include**
 - 4.1 ***Policies.***
The policies as agreed by the G&D Group are available to members.
 - 4.2 ***Reporting.***
 - a. Comprehensive reporting is designed to monitor key risks and their controls.
 - b. Decisions to rectify problems are made at regular meetings of the G&D Group.
 - 4.3 ***Business planning and budgeting.***
Business planning and budgeting is used to set objectives, agree action plans, and allocate resources.
 - 4.4 ***External audits and Third-party reports.***
External audit provides feedback to the G&D Group on the operation of the internal controls reviewed as part of the annual audit of abpn business and accounts.

5. **Risk Management Process.**
 - a. Risk identification is a dynamic, not an annual process.
 - b. G&D Group / members should therefore, promptly report and update risk assessments
 - c. Ensure new assessments are undertaken prior to and throughout every project.

6. **Risk Management Operations**
 - 6.1 Identify operational, reputational, financial or legislative risks when planning every project
 - 6.2 Evaluate potential severity and timing of any risks
 - 6.3 Instigate actions to minimise risks
 - 6.4 Report, record and monitoring risks
 - 6.5 assigning responsibility for risks to appropriate personnel such as project Leader

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