

Woodland Corner

Internal Risk Management

Woodland Corner is committed to regularly reviewing and assessing the risks it faces in all areas of its work and planning for the effective management of those risks.

This policy sets out the way in which Woodland Corner seeks to identify major risks and the steps to take to manage these. Major risks are risks that would have a *major impact* and in relation to which there is a *probable or highly probable likelihood of occurring*.

The Manager and Business Manager are primarily responsible for identifying risks, but assessment of the risks and their likely impact on Woodland Corner remains the responsibility of the Committee as a whole.

Identifying risks

1. The Committee shall review major risks identified by the Manager and Business Manager and presented to the Committee in the form of the table in Annex 1 below annually. The risk register should, however, be updated on an ongoing basis and the Manager should inform the committee of any major risks without delay. Factors that the management and the Trustees should consider in identifying major risks include:
 - Woodland Corner's objectives, mission and strategy
 - External factors that might affect Woodland Corner, such as legislation and regulation
 - Reputational concerns
 - Past mistakes and problems that Woodland Corner has faced
 - Comparison with other pre-schools working in the same area, of similar size.

Assessing risk

2. The Committee shall review each identified risk and decide how likely it is to occur and how severe its impact would be on Woodland Corner if it did occur. The Committee should consider the impact and the likelihood according to the table set out in Annex 2 below.

Identifying next steps

3. For each of the major risks identified, the Committee will need to consider whether any action needs to be taken to manage the risk. Where action is identified, the Committee, working with management, should draw up a clear plan for any steps to be taken, with individual responsibilities assigned.

Monitoring and assessment

4. Where a risk has been identified, the Chair is responsible for arranging regular meetings with the Manager to ensure that adequate steps are taken to redress that risk. The Chair shall report back to the Committee as required.
5. Completed risk registers should be stored in the Committee folder.

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Annex 1

Risk register

| Risk category | Examples | Risks identified |
|------------------------------------|---|------------------|
| Governance risks | Lack of volunteers for the Committee (or key roles on the Committee) Lack of training / knowledge / awareness within the Committee Change in management Conflicts of interest | |
| Operational risks | Poor staff recruitment and training Building / facility problems which require closure or part-closure of the setting. Failure to maintain Ofsted rating Health and safety or safeguarding incidents | |
| Financial risks | Inadequate reserves and cash flow Inappropriate use of assets, loss and fraud Significant, unanticipated expenditure | |
| External risks | Poor public perception and reputation Demographic changes Economic environment Government policy Competitors | |
| Compliance with law and regulation | Breach of legal or regulatory requirement | |

| Descriptor | Score | Impact on service and reputation |
|---------------|-------|--|
| Insignificant | 1 | <ul style="list-style-type: none"> - No impact on service - No impact on reputation - Complaint unlikely - Litigation risk remote |
| Minor | 2 | <ul style="list-style-type: none"> - Slight impact on service - Slight impact on reputation - Complaint possible - Litigation possible |
| Moderate | 3 | <ul style="list-style-type: none"> - Some service disruption - Potential for adverse publicity – avoidable with careful handling - Complaint probable - Litigation possible |
| Major | 4 | <ul style="list-style-type: none"> - Service disrupted - Adverse publicity (local media) - Complaint probable - Litigation probable |
| Extreme | 5 | <ul style="list-style-type: none"> - Service interrupted for significant time - Major adverse publicity (national media) - Major litigation expected - Resignation of management and committee - Loss of confidence |

Likelihood

| Descriptor | Score | Example |
|-----------------|-------|--|
| 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 |
| Highly probable | 5 | Expected to occur frequently and in most circumstances |