

Risk Policy

Policy Statement



United Kingdom
Mathematics Trust

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1. Objectives

- 1.1 The policy provides a consistent framework across UKMT to control risk. Trustees, volunteers and staff handle risk as an everyday part of UKMT's work.
- 1.2 Risk is often seen as going hand in hand with the rewards and opportunities of advancing our work.
- 1.3 This policy provides information about how UKMT defines, manages, and reports on risks.

2. Statement of Intent

- 2.1 The UKMT believes that sound risk management, which forms an integral part of the strategic and operational planning, is fundamental for both good management and good governance practice.
- 2.2 This policy reflects the UKMT commitment to maintaining a strong risk management framework.

3. Risk Definition, Identification, Assessment and Statement

3.1 Risk definition

3.1.1 "Risk" is used in this guidance to describe the uncertainty surrounding events and their outcomes that may have a significant effect, either enhancing or inhibiting:

- operational performance;
- achievement of aims and objectives;
- meeting expectations of stakeholders.

3.2 Risk identification

3.2.1 Major risks are those risks that have a major impact and a probable or highly probable likelihood of occurring. If they occurred they would have a major impact on some or all of the following areas:

- Governance;
- Operations;
- Finances;
- Compliance;
- Reputation.

3.2.2 Any of these major risks and potential impacts could change the way trustees, volunteers or beneficiaries might deal with UKMT.

3.2.3 New risks identified should be brought immediately to the attention of the relevant committee. New risks will be fully assessed at the next relevant meeting for their appropriateness as a risk as well as the risk's category, level, and any action required. The risk will be added to the Risk Register if appropriate.

3.2.4 Some of areas that could require risk assessment are:

- Accidents;
- Safeguarding;
- Fraud;
- Donations requiring approval;
- Funds;
- Notifications of purchases over £5000;
- Data protection breach;
- Cyber attack;
- Whistleblowing;
- Conflicts of interest;
- HR issues i.e harassment, bullying.

This list is not exhaustive.

3.2.5 The risk incident disclosure can be found in [Appendix A](#).

3.3 Risk assessment

3.3.1 Risk assessment is conducted on all new activities and projects to ensure they are in line with UKMT strategic objectives and charitable objects, and a risk register covering key strategic risks is maintained and reviewed and updated on a quarterly basis.

3.4 Risk statement

3.4.1 UKMT is by law required to make a risk management statement in the trustees' annual report confirming that 'the charity trustees have given consideration to the major risks to which the charity is exposed and satisfied themselves that systems or procedures are established in order to manage those risks.'

3.4.2 The statement needs to acknowledge the trustees' responsibility; provide an overview of the risk identification process; indicate that major risks identified have been reviewed or assessed; and confirm that systems have been established to manage those risks.

3.4.3 This Risk Management Policy complements the statement in the audited accounts.

4. Policy Principles

4.1 UKMT risk management is the responsibility of multiple constituents: UKMT Trustees, volunteers, and members of staff.

4.2 UKMT relevant risks need to be identified, assessed and reported if needed.

4.3 The risk register is used to score and action all risk drivers.

4.4 UKMT Board of Trustees delegates risk management to the Executive Director.

4.5 UKMT provides insurance for all Trustees, Committee Members, Volunteers and staff.

4.6 UKMT Risk and Compliance Committee carries out activities in this area in accordance with the Terms of Reference.

5. Roles and Responsibilities

5.1 All Trustees, volunteers, and members of staff are involved with, and responsible for, the minimisation of risk by adhering to the relevant risk assessments.

5.2 The Risk Register will be maintained by the Executive Director.

5.3 UKMT's Risk and Compliance Committee reviews this policy.

5.4 The Board of Trustees appoints the Executive Director and approves the policy.

6. Risk Register

6.0 The register is kept and managed by the Executive Director and is regularly reviewed by the Risk and Compliance Committee. The risk incident disclosure template is in Appendix A. The risk score can be found in [Appendix B](#).

6.1 The risk level consists of two factors: the risk likelihood (score of 1 to 5) and the risk impact (score 1 to 5).

6.2 The risk likelihood is a score that gives some indication of how likely the risk is to happen. So for a risk that is almost certainly going to happen a score of 5 would be given. For a risk that is extremely unlikely to happen, a score of 1 is given.

6.3 The risk impact is a score that gives some indication that, if the risk were to happen, how would this affect the running of a charity. So for a risk that would effectively shut down the charity a score of 5 would be given. For a risk that would be a bit inconvenient and mean a bit of work by staff or volunteers, an impact score of 1 would be given.

6.4 The risk level is then the product of the two scores. So a likelihood of 4 and an impact of 5 would result in a risk level of 20.

6.5 The risks are then given bands in the following way:

- A risk of 1-9 is considered to be green;
- A risk of 10-18 is considered to be amber;
- A risk of 19-25 is considered to be red.

6.6 The higher the banding the more attention the risk should be given.

6.7 For each risk a prescribed action method is assigned. This can be one of the following:

- **Transfer** - the risk is fully transferred or shared with a third party (e.g. insurance, outsourcing);
- **Avoid** - the activity giving rise to the risk is completely avoided (e.g. a potential grant or contract not taken up);
- **Mitigate** - the risk is mitigated or managed by implemented some other process (e.g. implementing a business continuity policy);
- **Accept** - the risk is accepted (e.g. assessed as an inherent risk that cannot be avoided if the activity is to continue)

7. Delegations of Authority and Reserved Powers

7.1 Matters Reserved for the Board of Trustees

7.1.1 The UKMT Board of Trustees controls the charity but delegates day-to-day responsibility to the senior management team, except for those matters that are the sole preserve of the Board of Trustees.

7.1.2 It is therefore incumbent on the Board of Trustees to make it clear what those 'matters reserved for the Board' are.

7.2 Delegations of Authority

7.2.1 Delegations of Authority must be documented and they must specify the duties and the financial or other authorities given by the UKMT Board of Trustees to the Executive Director.

7.2.2 The Executive Director may further delegate specific management responsibilities to other members of the Senior Leadership Team.

7.2.3 Whilst risk management tasks can be delegated down through the UKMT, the Legal & Regulatory responsibility for risk management practices will typically remain with the Board of Trustees and the Executive Director.

7.2.4 Below management levels, Delegation of Authorities typically takes the form of the duties allocated to a particular role in the Job Description.

7.2.5 Compliance with the UKMT Policies and Operational Procedures is expected and required of all staff levels. Monitoring of compliance, exception reporting and disciplining of breaches are expected to occur consistently at all levels of the UKMT.

8. Insurance

8.1 UKMT has liability insurance in place that covers Trustees, Committee Members, Volunteers and Staff. This is renewed annually and covers all UKMT events.

9. Policy Governance and Related Policies

9.1 This Policy is owned by the UKMT's Risk and Compliance Committee and will be reviewed and recommended for approval to the Board of Trustees.

9.2 This policy statement should be read alongside all our other policies, procedures and related documents, including:

- Volunteer induction
- Safeguarding Policy
- Use of Social Media
- Data Protection Policy
- Serious Incident Reporting

Appendix A- Risk Incident Disclosure

Details of the risk incident disclosure can be found in section 3.2.4.

	Incidents reported	Nature	Follow up action to be taken	Other matters arising
Accident reports				
Safeguarding				
Fraud				
Donations requiring approval				
Funds				
Notifications of funds over £5000				
Data security Breach				
Cyber attacks				
Whistleblowing				
Conflicts of interest				
HR issues e.g bullying, harassment				

Appendix B - Risk Score

As defined in section 6.

		Impact				
		Very Low	Low	Medium	High	Very High
		1	2	3	4	5
Likelihood	Very Low	1	2	3	4	5
	Low	2	4	6	8	10
	Medium	3	6	9	12	15
	High	4	8	12	16	20
	Very High	5	10	15	20	25