



Risk Management Policy

Risk Mitigation

The Trust shall consider how best to mitigate significant risks and agree appropriate actions to mitigate such risk.

Resources available to academies and to the Trust may be limited and it is the Trust's aim in mitigating risk to achieve a proportionate response, prioritised in accordance with an objective assessment of each risk.

It is the responsibility of Governors and SLTs to respond to identified risks and implement Action Plans in accordance with the Directors instructions. Where appropriate, they are required to question and challenge the Trust's Risk Assessments and Action Plans, providing constructive input as necessary.

The Trust CEO or the Director of Education will be the contact person for reporting any risk matters.

On-Going Responsibility

The Trust, Governors and SLTs shall continuously monitor and assess risk and write appropriate Action Plans as necessary.

Roles and Responsibilities at academies

Governors will:

- monitor the risk for their academy and implement the agreed Action Plan, informing the Trust (through its nominated contact person) immediately of any significant change in circumstances;
- satisfy themselves that all significant risks are being effectively managed, and that appropriate controls are in place and working effectively to ensure the implementation of policies approved by the academy;
- approve major decisions relating to the Action Plan taking into account the academy's risk profile or exposure;
- review significant risks continuously throughout the year; and
- at least annually review the academy's approach to risk management and implement changes where necessary to key elements of its processes and procedures.

The Senior Leadership Team (SLT) of each academy shall:

- identify and assess significant risks faced by each academy individually and, accordingly, ensure Action Plans are created and maintained and that Action Plans are implemented effectively;
- ensure that a suitably qualified member of staff is responsible for coordinating the risk management process, including the creation and on-going monitoring and implementation of the Action Plan;
- monitor the local implementation of this Policy and the effectiveness of the system of controls in place to support it;
- provide adequate information for the Trusts Finance Committee, as appropriate, on the status of risks and controls; and Risk Management as part of the Internal Control System

The Trust's internal controls are an essential part of effective risk management. Key responsibilities of Governors and each SLT that underpin these controls include:

- the duty of Governors and each SLT to identify and assess risk, make regular reports to the Trust and to take appropriate action in accordance with this Policy and instructions from the Trust;
- continuous monitoring of significant risks;
- the business planning and budgetary process is used to set objectives, agree action plans and allocate resources and throughout those processes, due regard is had to Risk Matrices and implementation of Action Plans;
- progress towards meeting objectives is monitored regularly;
- significant strategic risks and how they are managed is monitored and agreed with the Trust on at least an annual basis;
- regular review of the overall picture ensures that emerging risks can be identified and assessed through the Risk Matrix and Assessment Framework as soon as they are identified; and
- all persons with management responsibilities are required to identify, monitor and review risk in their own areas.

Monitoring, Evaluation and Review

The Trustees will review this policy periodically and assess its implementation and effectiveness. Academies, Governors and SLTs will assist with that process if requested. The policy will be adopted by each board of Governors and implemented throughout each academy. Each board of Governors will review the effectiveness of the internal control system and in so doing will:

- review the previous year and examine the academy's track record on risk management;
- consider the internal and external risk profiles of the coming year; and
- consider whether the current internal control arrangements are likely to be effective.

As part of its review, each board of Governors will consider:

- the academy's objectives and its financial and non-financial targets (within the scope of its delegated authority under the Trust's Terms of Reference);
- the management approach to risk;
- the appropriateness of the level of delegation of authority by the Governors;
- prioritisation of risks;
- timely identification and assessment of risks; and
- the ability of the institution to learn from its problems and apply its learning.

Accountability

Academy Principals hold delegated responsibility for discharging the sound application of all Trust policies.

In accordance with the Trust's terms of reference, the Chief Executive Officer has delegated responsibility for direct line management of Academy Principals and day to day oversight of the Local Governing Body of each Academy.

Academy Principals should inform the CEO of all matters relating to serious breaches of this policy including any major incident to be addressed under this policy promptly, preferably prior to action being taken insofar as is reasonably practicable.

Matrix

| LIKELIHOOD | CONSEQUENCE | | | | |
|----------------|---------------|-------|----------|-------|--------------|
| | Insignificant | Minor | Moderate | Major | Catastrophic |
| Almost Certain | S | S | H | H | H |
| Likely | M | S | S | H | H |
| Possible | L | M | S | H | H |
| Unlikely | L | L | M | S | H |
| Rare | L | L | M | S | S |

| | |
|---|------------------|
| H | High Risk |
| S | Significant Risk |
| M | Medium Risk |
| L | Low Risk |

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