

Risk Management Policy

Policy Code:	HS5
Policy Start Date:	July 2024
Policy Review Date:	July 2025

1. Guiding principles

The Trust recognises that risk management is an essential element of its Governance Framework and fundamental to the sustainable operation of its academies and to its organisational growth.

The Trust's risk framework is developed in the context of the delivery of its mission and vision.

The management of risks within the CIT is undertaken within a framework comprising:

- Scheme of Delegation
- Assurance Framework
- Trust Board and Committee Terms of Reference
- Risk appetite statement
- Risk Register
- · Policies and controls
- Internal and external audits

2. Risk appetite

The risk appetite statement specifies the amount of risk the Trust is willing to seek or accept in the pursuit of its long-term strategy. It indicates the parameters within which the Trust would want to conduct its activities.

The Trust recognises the following advantages of defining its risk appetite:

- More conscious and consistent decision-making about taking (or avoiding) risks
- Improved strategic planning by identifying which risks to take and which to avoid
- Decision makers are empowered to take decisions consistent with the defined risk appetite
- The fostering of a more risk aware culture
- Enhanced corporate governance, which helps to ensure stakeholders are satisfied

3. Statement of risk appetite

The Trust Board has agreed its risk appetite in relation to each of the 15 identified risk categories. The risk appetite determinations linked to each risk category is set out in Appendix 1. These determinations are subject to review by the full Trust Board on recommendation of the Audit and Risk Committee.

Risk appetite is an agenda item for each Trust Board Committee meeting. Each Committee is required to review the current risk appetite determinations for the categories has been assigned to (as indicated in Appendix 1). Any proposed changes due to changes in context/circumstances, etc are then recommended to the Audit and Risk Committee.

The risk appetite determinations are: Tolerant, Neutral, Minimalist, Averse. They provide a steer to the Executive regarding:

- Levels of risk mitigation that are required in each area of the Trust's work. Risk mitigations to be identified in the Trust's Risk Register.
- The likely response of the Board to specific proposals that are presented for Board consideration/sign-off.

All proposals presented to the Board for resolution will include (as a part of the resolution

cover sheet) a risk appetite evaluation made by the Executive.

The evaluation will be in the following form:

- Risk of adopting the proposal: high, medium, low
- Risk of not adopting the proposal: high, medium, low

Brief narrative comments supporting the evaluations.

The Trust's approach is to minimise its exposure to safeguarding, compliance, reputational and financial risk, whilst accepting and encouraging an increased degree of risk in pursuit of its strategic priorities.

The Trust recognises that its appetite for risk varies according to the activity, and that its acceptance of risk is subject to ensuring that potential benefits and risks are fully explored, and fully understood, before developments are authorised and that measures to mitigate risks are established and agreed.

When considering potential expansion of the Trust, a risk appetite grid has been developed which sets out a spectrum of risk across a number of core dimensions (see Appendix1). In the first instance the aim of the risk appetite grid is to support Trust Board discussion around its preferred risk appetite when considering whether to give the CEO the go ahead to pursue a potential opportunity for the Trust to acquire an additional school.

4. Risk framework, risk management procedures and Risk Registers

The Trust recognises that finite resources must be intelligently and responsibly allocated across completing priorities. To this end the Trust uses a methodology which identifies and evaluates risks and ensures measures are in place to reduce all risks to an acceptable level.

Project Risks - each significant project will have its own Risk Register linked to the successful achievement of the project's agreed outcomes.

Operational Risks – the day-to-day risks that have to be managed by staff are not identified on Risk Registers.

Strategic Risks

The Trust has a framework of 15 risk categories against which Executive ownership and Trustee scrutiny are assigned.

The 15 risk categories are:

Operational risks	Security risks
Property risks	Safeguarding risks
Legal risks	Information risks
Financial risks	Reputational risks
Commercial risks	Health & Safety risks
People risks	Over/under-trading risks

Technology risks	Education risks
Key risks to the achievement of the c	urrent strategic priorities of the Trust

Each of the categories has their own section in the Trust's Risk Register and each area is assigned to an Executive risk owner.

In these sections, more specific details of risks are articulated and evaluated using a scoring system which takes account of:

- the hypothetical probability of the risk materialising
- the potential impact it would have
- the risk-mitigating measures and controls currently in place across the Trust

This then gives a 'net residual risk' score which is deemed either acceptable or not acceptable. If not acceptable, then details of further risk-mitigating measures are included in the Risk Register, including when they will be implemented.

The Risk Register also includes the contingency actions that will be taken if the identified risk manifests and the triggers which will activate the contingency action.

The Risk Register is a 'living document' and is updated by each risk owner as and when required (at least twice per year) and reviewed cyclically by the Executive. Scores may be adjusted and risks added or removed.

Each academy and its Local School Board is expected to be aware of the Trust's Risk Register and to draw to the attention of a Director of Education any local matters that may increase risk in each risk category. The Directors of Education are required to keep each risk owner aware of any matters drawn to their attention.

5. Compliance risk and policy management

The development of clear well-communicated policies, along with appropriate levels of awareness-raising and training, are fundamental elements of the risk management process.

The Trust has developed a complete set of Trust-wide policies which are published both on the Trust website and on each academy website. The Head Teacher at each academy acts as the designated person who is the single point of contact with the Central CIT Governance team to ensure that policies and other statutory information are consistently updated and published.

Staff awareness of policies is managed in a number of ways, including:

- Induction
- Staff training
- Staff briefings

Each Trust-wide statutory policy has an Executive-level owner and a primary editor. A schedule is maintained for review and Trustee approval of these policies at an appropriate frequency. This schedule also summarises the measures in place to ensure staff understanding and compliance in practice.

Whilst each academy Head Teacher is ultimately responsible for policy compliance within their academies, the CIT School Support service function employs specialist dedicated Trust-wide resources to support academies meet their compliance obligations in specific

areas such as safeguarding, Health and Safety, offsite trips and visits, SEND, and careers and employability skills, as well as more generally in HR and Finance.

Each academy has a Local School Board which is remitted to provide the Trust Board with assurances regarding policy compliance.

6. Trustee oversight and assurance

The Risk Register identified for each of the 15 risk categories which Trust Board committee, or the Trust Board itself, has the responsibility for assurance scrutiny linked to the identified risk controls/mitigations. The Trust Board's risk assurance work is undertaken in association with the risk assurance reporting that the members of the Executive Team provide on a regular basis. A record of Committee and whole Trust Board-based risk assurance work is kept by the Trust's Clerk. The record keeps track of which risk mitigations are scrutinised by Trustees and when. This allows for any unscrutinised risk mitigation to be identified and then built into meeting agendas for consideration. Risk mitigation assurance work undertaken by committees is reported to the Audit and Risk Commitee.

Internal audit resources are directed towards the assurance of a selection of key risk mitigations. These are chosen by the Board annually.

Review of the effectiveness of the Risk Register itself (i.e. quality assurance of risk management processes rather than Risk Register content) is the responsibility of the Audit and Risk Committee.

Appendix 1

Risk Appetite determination

What is Risk Appetite?

Risk appetite is a statement set by those responsible for risk management (the Board of Trustees) to determine the level of risk the Trust is willing to take in pursuit of objectives it deems have value. Risk appetite does not have to be the same for all areas across the Trust.

For the purpose of this report the ELT have reviewed the Risk Register and listed proposed a "Risk Appetite" against each area within the Register.

Risk Category (Trust Board Committee)	Risk Appetite (Averse, Cautious, Moderate, Open/Seeking)
Operations (F and E)	Cautious
Legal Risk (F and E)	Cautious
Property Risk (F and E)	Cautious
Financial Risk (F and E)	Cautious
Commercial (F and E)	Open/Seeking
People Risk (People)	Moderate
Technology Risk (F and E)	Moderate
Cyber Risk (F and E)	Averse
Information Risk (F and E)	Moderate
GDPR Risk (F and E)	Cautious
Safeguarding Risk (Ed and SG)	Averse
Reputational Risk (A and R)	Cautious
Health and Safety Risk (F and E)	Averse
Growth (Aland R)	Open/Seeking
Education Risks (Ed and SG)	Averse

Appendix 2

Expansion of the Trust: Risk appetite grid

This document sets out a spectrum of risk across core dimensions relevant to CIT when considering potential expansion of the Trust. In the first instance the aim is to support a Trust Board discussion around its preferred risk appetite when considering whether to give the CEO the go ahead to pursue a potential opportunity for the Trust to acquire an additional school. Such decisions will always need to be considered in their wider context both internally (e.g. particular challenges that might have arisen within one or more our schools, or the wider Trust) and externally (e.g. Ofsted outcomes).

Consistent with the Scheme of Delegation, these decisions need to be considered at the following 'stage' gates:

- 1. CEO in contact with Regional Director to discuss potential new school and begin initial preparatory work
- 2. Trust Board approval to progress to:
 - a) Due diligence on proposed sponsorship/voluntary conversion of school/SAT/MAT; or
 - b) Continue conversation/provide further background information with enquiring school/SAT/MAT; or
 - c) Begin application process for Free School.
- 3. Trust Board approval to complete Sponsored Academisation or Voluntary Conversion

By implication, any early soundings can progress without Trust Board consultation, i.e. where no resources are being committed beyond informal discussions.

The Trust Board may determine it is appropriate to tighten the articulated risk appetite as a project moves through the 'stage' gates, e.g. to be more relaxed about the criteria to be met in the initial preparatory stage when there is less information/certainty compared to later in the process when greater resources will need to be committed.

	Averse	Cautious	Moderate	Open	Seeking
	Avoidance of risk and	Preference for safe options	Preference for	Willing to	Eager to be innovative
	uncertainty	that have a low degree of	moderate risk	consider all	and to choose options
		inherent risk	options that	potential	that have greater
			have some	options	inherent risk
			degree of		
			inherent risk		
Strategic	Clearly aligned with our	Clearly aligned with our	Clearly aligned	Clearly aligned	Clearly aligned with
alignment	Core Initiatives of	Core Initiatives of	with our Core	with our Core	our Core Initiatives of
	Safeguarding, Education,	Safeguarding, Education,	Initiatives of	Initiatives of	Safeguarding,
	People and Finance.	People and Finance.	Safeguarding,	Safeguarding,	Education, People and
Qualitative/			Education,	Education,	Finance.
quantitative	There are clear material	There are clear benefits to	People and	People and	
evidence	benefits to children that	children that can be	Finance.	Finance.	There are some
against each	can be realised with no	realised with minimal			benefits to children
of the 5	discernible execution risk	execution risk to the Trust/	There are some	There are some	that can be realised
	to the Trust/other schools	other schools in the Trust,	benefits to	benefits to	with moderate

strategic	in the Trust, in terms of the	in terms of the 'value add'	children that can	children that can	execution risk to the
pillars	'value add' over and above	over and above the	be realised with	be realised with	Trust/other schools in
<i>p</i>	the financial.	financial.	minimal	moderate	the Trust, in terms of
Evidence of			execution risk to	execution risk to	the 'value add' over
benefits to	The new school will not	The new school will not	the Trust/other	the Trust/other	and above the
children	increase the Trust's overall	materially increase the	schools in the	schools in the	financial.
cimarcii	strategic risk.	Trust's overall strategic	Trust, in terms	Trust, in terms	maneiai.
Location of	Strategie HSK.	risk.	of the 'value	of the 'value	The new school may
new school	The geographical location	TISK.	add' over and	add' over and	increase the Trust's
HEW SCHOOL	of the new school is in	The geographical location	above the	above the	overall strategic risk.
	Leicestershire/	of the new school is in	financial.	financial.	overall strategic risk.
	,		IIIIdiiCidi.	IIIIdiiCidi.	The goographical
	Nottinghamshire (SEN), or	Leicestershire/	The many selection	The second and	The geographical
	Lincolnshire/Leicestershire/	Nottinghamshire (SEN), or	The new school	The new school	location of the new
	Nottinghamshire	Lincolnshire/Leicestershire/	may increase	may increase	school could be
	(mainstream primary).	Nottinghamshire	the Trust's	the Trust's	outside Lincolnshire,
		(mainstream primary).	overall strategic	overall strategic	Leicestershire or
			risk.	risk.	Nottinghamshire (SEN
					and mainstream
			The	The	primary).
			geographical	geographical	
			location of the	location of the	
			new school is in	new school is in	
			Lincolnshire/	Lincolnshire/	
			Leicestershire/	Leicestershire/	
			Nottinghamshire	Nottinghamshire	
			(SEN and	(SEN and	
			mainstream	mainstream	
			primary).	primary).	
Reputation	We have a zero-risk	We have a low-risk	We have a	We have a	We have a moderate
(including	appetite for potential	appetite for potential	moderate risk	moderate risk	risk appetite for
impact of	damage to our reputation.	damage to our reputation.	appetite for	appetite for	potential damage to
not pursuing	We have no willingness to	We have very limited	potential	potential	our reputation. We
the	explore opportunities/	willingness to explore	damage to our	damage to our	are willing to explore
opportunity)	projects which through	opportunities/ projects	reputation. We	reputation. We	opportunities/
	their controversial or	which through their	have limited	have some	projects which
Qualitative/	thorny nature may have	controversial or thorny	willingness to	willingness to	through their
quantitative	some impact on our	nature may have some	explore	explore	controversial or
assessment	reputation should we fail to	impact on our reputation	opportunities/	opportunities/	thorny nature may
of likely	succeed.	should we fail to succeed.	projects which	projects which	have some impact on
reputational			through their	through their	our reputation should
risk	We are prepared to stop	We are prepared to stop	controversial or	controversial or	we fail to succeed.
-	activity or pursue an	activity or pursue an	thorny nature	thorny nature	
	opportunity in the early	opportunity in the early	may have some	may have some	We are willing to
	stages to protect our	stages to protect our	impact on our	impact on our	continue an activity or
	reputation.	reputation.	reputation	reputation	not pursue an
	reputation:	reputation	should we fail to	should we fail to	opportunity in the
			succeed.	succeed.	early stages even
			Jucceu.	Jucceu.	where there could be
			We are	We are less	some negative impact
			prepared to stop	likely to be	to our reputation
			activity or	prepared to stop	to our reputation
			pursue an	activity or	
			opportunity in	pursue an	
			the early stages	opportunity in	
			to protect our	the early stages	
			reputation.	to protect our	
				reputation.	
Impact on	The investment in	The investment in	The investment	The investment	The investment in
iiiipact oii	progressing to the pout	progressing to the next	in progressing to	in progressing to	progressing to the
existing	progressing to the next				
-	stage of the potential	stage of the potential	the next stage of	the next stage of	next stage of the
existing		stage of the potential acquisition process will not	the next stage of the potential	the next stage of the potential	next stage of the potential acquisition
existing	stage of the potential				· ·

including	no negative impact) on the	on the Trust's existing	have an	to have some	across much of the
including RSC, staff,	Trust's existing pupils.	pupils.	insignificant	negative impact	Trust's existing pupils.
parents and	Trases chisting pupils.	μαριίο.	negative impact	across a	Trade a chiating pupils.
children	If the Trust is successful in	If the Trust is successful in	on the Trust's	minority of the	If the Trust is
ermaren	the acquisition of the	the acquisition of the	existing pupils.	Trust's existing	successful in the
Qualitative/	school, the support that	school, the support that	existing pupils.	pupils.	acquisition of the
quantitative	the school needs to	the school needs to	If the Trust is	p.a.p	school, the support
assessment	develop/ improve can be	develop/ improve can be	successful in the	If the Trust is	that the school needs
of the impact	secured without any	secured without any	acquisition of	successful in the	to develop/ improve
on the	negative impact on its	negative impact on its	the school, the	acquisition of	can only be secured
expected	existing schools.	existing schools.	support that the	the school, the	with some negative
improvement			school needs to	support that the	impact on its existing
journey of	All existing schools are	All existing schools are	develop/	school needs to	schools.
each existing	expected to remain on at	expected to remain on at	improve can be	develop/	
school	least their current school	least their current school	secured with	improve can	At least 50% of
	improvement journey	improvement journey	insignificant	only be secured	existing schools are
	(Repair, Improve, Sustain).	(Repair, Improve, Sustain).	negative impact	with some	expected to remain on
			on its existing	negative impact	at least their current
			schools.	across a	school improvement
				minority of its	journey (Repair,
			At least 90% of	existing schools.	Improve, Sustain).
			existing schools		
			are expected to	At least 70% of	
			remain on at	existing schools	
			least their	are expected to	
			current school	remain on at	
			improvement	least their	
			journey (Repair,	current school	
			Improve,	improvement	
			Sustain).	journey (Repair,	
				Improve, Sustain).	
Finance	The new school is likely to	The new school is likely to	The new school	The new school	The new school is
	be a net contributor to	have a neutral impact on	is likely to have	is likely to have	likely to need short-
Current	Trust reserves in the first	Trust reserves in the first	some negative	some negative	term and medium-
reserve level	year.	year.	impact on Trust	impact on Trust	term funding from
of new	,		reserves in the	reserves in the	Trust reserves to
school	The acquisition of the	The acquisition of the	first year.	first year.	develop/improve the
	school can be shown to be	school is likely to have	,		school.
Output from	positively impactful on the	.some positive impact on	The acquisition	The acquisition	
the Strategic	Trust's Strategic Financial	the Trust's Strategic	of the school is	of the school	The acquisition of the
Financial	Model/sensitivity analysis.	Financial Model/sensitivity	likely to have	can be shown to	school can be shown
Model/		analysis.	some positive	have no	to have no negative
sensitivity	We are not willing to fall		impact on the	negative impact	impact on the Trust's
analysis	below our 3.5% minimum	We are not willing to fall	Trust's Strategic	on the Trust's	Strategic Financial
	reserves.	below our 3.5% minimum	Financial Model/	Strategic	Model/sensitivity
Forecast		reserves.	sensitivity	Financial Model/	analysis.
		reserves.	,		
Trust		reserves.	analysis.	sensitivity	
Trust reserves		reserves.	analysis.	sensitivity analysis.	We are willing to fall
		reserves.	analysis. We are not	•	below our 3.5%
		reserves.	analysis. We are not willing to fall	analysis. We are not	below our 3.5% minimum reserves
		reserves.	analysis. We are not willing to fall below our 3.5%	analysis. We are not willing to fall	below our 3.5% minimum reserves provided the ESFA 3%
		reserves.	analysis. We are not willing to fall	analysis. We are not willing to fall below our 3.5%	below our 3.5% minimum reserves provided the ESFA 3% minimum reserves is
		reserves.	analysis. We are not willing to fall below our 3.5%	analysis. We are not willing to fall	below our 3.5% minimum reserves provided the ESFA 3% minimum reserves is likely to be maintained
		reserves.	analysis. We are not willing to fall below our 3.5% minimum	analysis. We are not willing to fall below our 3.5%	below our 3.5% minimum reserves provided the ESFA 3% minimum reserves is likely to be maintained in the short and
reserves			analysis. We are not willing to fall below our 3.5% minimum reserves.	analysis. We are not willing to fall below our 3.5% minimum reserves.	below our 3.5% minimum reserves provided the ESFA 3% minimum reserves is likely to be maintained in the short and medium term.
	The new school has no	The new school brings with	analysis. We are not willing to fall below our 3.5% minimum reserves.	analysis. We are not willing to fall below our 3.5% minimum reserves.	below our 3.5% minimum reserves provided the ESFA 3% minimum reserves is likely to be maintained in the short and medium term. We are willing to
reserves	existing buildings, i.e. it will	The new school brings with it existing buildings that	analysis. We are not willing to fall below our 3.5% minimum reserves. The new school brings with it	analysis. We are not willing to fall below our 3.5% minimum reserves. The new school brings with it	below our 3.5% minimum reserves provided the ESFA 3% minimum reserves is likely to be maintained in the short and medium term. We are willing to accept a new school
reserves Estates Age/state of	existing buildings, i.e. it will require entirely new	The new school brings with it existing buildings that have >3 years of remaining	analysis. We are not willing to fall below our 3.5% minimum reserves. The new school brings with it existing	analysis. We are not willing to fall below our 3.5% minimum reserves. The new school brings with it existing	below our 3.5% minimum reserves provided the ESFA 3% minimum reserves is likely to be maintained in the short and medium term. We are willing to accept a new school with no indemnity to
reserves Estates Age/state of repair of new	existing buildings, i.e. it will require entirely new buildings, which will be	The new school brings with it existing buildings that have >3 years of remaining indemnity to cover future	analysis. We are not willing to fall below our 3.5% minimum reserves. The new school brings with it existing buildings with	analysis. We are not willing to fall below our 3.5% minimum reserves. The new school brings with it existing buildings with	below our 3.5% minimum reserves provided the ESFA 3% minimum reserves is likely to be maintained in the short and medium term. We are willing to accept a new school with no indemnity to cover future defects
Estates Age/state of repair of new school	existing buildings, i.e. it will require entirely new	The new school brings with it existing buildings that have >3 years of remaining	analysis. We are not willing to fall below our 3.5% minimum reserves. The new school brings with it existing buildings with no indemnity to	analysis. We are not willing to fall below our 3.5% minimum reserves. The new school brings with it existing buildings with no indemnity to	below our 3.5% minimum reserves provided the ESFA 3% minimum reserves is likely to be maintained in the short and medium term. We are willing to accept a new school with no indemnity to cover future defects and where there are
reserves Estates Age/state of repair of new	existing buildings, i.e. it will require entirely new buildings, which will be	The new school brings with it existing buildings that have >3 years of remaining indemnity to cover future	analysis. We are not willing to fall below our 3.5% minimum reserves. The new school brings with it existing buildings with	analysis. We are not willing to fall below our 3.5% minimum reserves. The new school brings with it existing buildings with	below our 3.5% minimum reserves provided the ESFA 3% minimum reserves is likely to be maintained in the short and medium term. We are willing to accept a new school with no indemnity to cover future defects

			they are in an adequate (or	where there will be some repairs	
			better) state of repair.	needed.	
People	Our people are our most	Our people are our most	Our people are	Our people are	Our people are our
	important asset and	important asset and	our most	our most	most important asset -
Qualitative/	wellbeing is a key driver	wellbeing is a key driver	important asset	important asset	wellbeing and giving
quantitative	when considering new	when considering new	-wellbeing and	-wellbeing and	them more
assessment	schools.	schools.	giving them	giving them	opportunities to
of key person	We do not tolone to here	NATE IN COLUMN TO A COLUMN TO	more	more	develop are key
risk	We do not tolerate key	We have a minimal	opportunities to	opportunities to	drivers when
Assessment	person risk and recruit in advance to ensure	appetite for key person risk and manage our activity	develop are key drivers when	develop are key drivers when	considering new
of likely	eliminate key person risk.	and recruitment to	considering new	considering new	schools of our activity.
people	eminiate key person risk.	minimise it.	schools of our	schools of our	In order to achieve
development	We have capacity within	Tillilling it.	activity.	activity.	maximum impact, we
opportunities	our existing ELT to manage	We have capacity within	detivity.	detivity.	are flexible in
	several unforeseen events	our existing ELT to manage	We have some	We recognise	recruiting to our needs
ELT capacity	or challenges that might	several unforeseen events	appetite for key	that our	and are willing to take
assessment	emerge.	or challenges that might	person risk by	recruitment	key person risk in
	-	emerge.	recognising that	needs may	having single
Qualitative	We reward in line with		our recruitment	change and flex	individuals with
and	equivalent local authority	We reward in line with	needs may	and are open to	expertise.
quantitative	levels and put in place	equivalent local authority	change and flex.	a degree of key	
assessment	rigorous controls,	levels and put in place	We manage our	person risk in	We have limited
of our	employment and	rigorous controls,	activity and	specialist roles.	capacity within our
reward	recruitment policies to	employment and	recruitment to	We manage our	existing ELT to manage
package	eliminate risk.	recruitment policies to	reduce key	activity and	material unforeseen
		eliminate risk.	person risk.	recruitment	events or challenges
			We have	flexibly to ensure	that might emerge.
			capacity within	maximum	We offer tailored
			our existing ELT	impact.	reward to attract and
			to manage one	ппрасс.	retain the best talent
			material	We have	at the best value for
			unforeseen	capacity within	money. Our
			event or	our existing ELT	recruitment and
			challenge that	to manage one	employment policies
			might emerge.	material	are tailored to attract
				unforeseen	and retain staff.
			We reward in	event or	
			line with	challenge that	
			equivalent local authority levels	might emerge.	
			and are open to	We reward in	
			flexible	line with	
			arrangements to	equivalent local	
			recruit the best staff. We have	authority levels	
			rigorous	for the majority of roles but will	
			controls,	tailor our	
			employment	offering for key	
			and recruitment	roles. Our	
			policies in place	recruitment and	
			to minimise risk.	employment	
				policies are	
				tailored to	
				attract and	
				retain staff.	