



RISK MANAGEMENT AND ASSURANCE POLICY

Approved By: Trust Board
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1. POLICY PURPOSE

The purpose of this Risk Management Policy is to outline the Trust's approach to identifying, assessing, managing, and mitigating risks in alignment with legal requirements and best practices, ensuring that all risks are managed effectively and consistently across the Trust.

This policy aims to create a structured and proactive approach to risk management, promoting a culture of risk awareness and ownership, while supporting the achievement of the Trust's strategic and operational objectives. It provides a clear framework for risk identification, evaluation, mitigation, and monitoring, ensuring that the Trust is resilient in the face of uncertainties and able to protect its students, staff, and assets effectively.

This policy applies to all schools within the Trust, ensuring a consistent approach to risk management across all academies. Where necessary, individual schools may develop supplementary procedures specific to their unique contexts, which will be made available locally.

2. LEGISLATION AND GUIDANCE

This policy is developed in compliance with the requirements of the Academies Financial Handbook and the Companies Act 2006, which establish the statutory obligations for effective risk management, including identifying and mitigating risks that could impact the Trust's objectives.

The policy also aligns with the guidance issued by the Department for Education (DfE) regarding financial management and risk assessment requirements. It incorporates risk management principles from the DfE to ensure comprehensive coverage of strategic, operational, compliance, and financial risks.

In addition, the policy is informed by the principles of the UK Corporate Governance Code, which encourages robust risk assessment practices to support sound decision-making and organisational resilience.

3. ROLES AND RESPONSIBILITIES

Trust Board: The Trust Board holds overall responsibility for approving and overseeing the Risk Management Policy and ensuring its effective implementation across the Trust. The Board regularly reviews the Trust's master risk register and ensures that the risk management framework is robust and aligned with the Trust's strategic priorities and legal requirements.

Governance, Audit and Risk Committee: The Governance, Audit and Risk Committee is responsible for monitoring the Trust's risk management processes and evaluating the effectiveness of risk mitigation strategies. The Committee supports the Trust Board by ensuring appropriate governance of risk management practices.

Chief Executive Officer (CEO): The CEO provides strategic oversight of risk management across the Trust, ensuring that risks are identified and addressed at all levels. The CEO is accountable for embedding a risk-aware culture throughout the Trust and ensuring that appropriate actions are taken to manage and mitigate risks effectively.

Chief Financial Officer (CFO): The CFO is responsible for overseeing financial risks, including ensuring that financial risk controls are in place and that the risk register adequately addresses financial risks. The CFO ensures that financial risk management complies with legal requirements and is aligned with the Trust's financial strategy.

Chief People Officer (CPO): The CPO is responsible for overseeing human resources and safeguarding risks across the Trust. This includes ensuring compliance with safeguarding policies and procedures,

managing risks related to recruitment, retention, and staff wellbeing, and embedding a positive culture of safeguarding. The CPO ensures that safeguarding risks are identified, assessed, and managed consistently to protect all students and staff.

Chief Infrastructure Officer (CIO): The CIO is responsible for managing risks related to the Trust's estates and IT infrastructure. This includes ensuring that risks associated with the physical estate (such as health and safety, maintenance, and compliance with building regulations) and IT systems (such as cybersecurity, data integrity, and system reliability) are identified, mitigated, and monitored. The CIO ensures that infrastructure risks are managed proactively to support the operational efficiency and safety of the Trust's schools.

Head of Governance: The Head of Governance is responsible for managing risks related to governance, data protection, and legal compliance across the Trust. This includes ensuring that governance processes meet statutory requirements, maintaining GDPR compliance, and mitigating legal risks. The Head of Governance supports the Trust Board by ensuring that policies and procedures are in place to address these areas effectively and that all relevant compliance requirements are consistently met across the Trust.

Headteachers: Headteachers are responsible for implementing risk management practices within their respective schools, identifying school-specific risks, and ensuring that these are reported to the Trust. They play a key role in embedding risk awareness among staff and ensuring that local risk mitigation measures are applied consistently.

Staff: All staff are responsible for identifying and reporting potential risks to their line managers or the Headteacher. They play an active role in managing risks related to their duties and contribute to the overall risk management culture within the Trust.

4. RISK MANAGEMENT STRATEGY

The Trust's risk management strategy is designed to foster a proactive and structured approach to identifying, assessing, and managing risks that may impact the achievement of its strategic aims and operational effectiveness. The following three principles underpin the Trust's strategy for risk management:

- **Risk Identification and Evaluation:** The Trust actively identifies risks that could potentially hinder the achievement of its strategic aims, objectives, and targets. This process includes evaluating how these risks could make achieving these goals substantially more difficult.
- **Risk Assessment:** Risks are then assessed based on their likelihood of occurrence (high, medium, low) and their potential impact, considering key areas such as educational outcomes, finance, reputation, and operational effectiveness.
- **Risk Appetite and Mitigation:** The Trust determines the extent of risk it is willing to accept, ensuring informed decision-making around which risks are tolerable and which require mitigation. This includes establishing controls to reduce the likelihood of risks occurring, transferring risk where feasible, or insuring against potential consequences. Clear responsibilities are assigned for implementing these mitigation measures.

5. PRINCIPLES OF RISK MANAGEMENT AND INTERNAL CONTROL

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

- **Governance and Oversight:** The Trust Board holds ultimate responsibility for overseeing risk management across the organisation, ensuring risks are managed strategically and in

alignment with Trust priorities. This responsibility is carried out through the Governance, Audit & Risk Committee, which monitors and reviews risk management processes and activities.

- **Open Approach to Risk Management:** The Trust adopts an open and receptive culture in addressing risks, encouraging effective problem-solving and decision-making around risk management challenges.
- **Regular Risk Monitoring:** Key risk indicators are identified and closely monitored at both the Trust and individual school level. The Trust and School Risk Registers are regularly updated and reviewed at Trust Board meetings, subcommittees, and by Local Governing Bodies (LGBs). The Executive Leadership Team also reviews risk registers in alignment with these meetings to ensure a comprehensive risk overview and to adjust mitigation measures when necessary.
- **Conservative Risk Recognition:** The Trust adopts a conservative approach to recognising and disclosing both financial and non-financial risks. This ensures that potential impacts are realistically considered, and appropriate disclosures are made to maintain transparency.
- **Weighted Risk Scoring and Assurance:** Risks are evaluated using a weighted scoring mechanism, which helps in prioritising risks based on their potential impact and likelihood. Early warning indicators, action milestones, and sources of assurance are documented for each risk, providing a robust framework for managing and mitigating risks.
- **Whistleblowing Protections:** The Trust maintains a Whistleblowing Policy that encourages staff to report unethical or illegal behaviour without fear of reprisal. Staff are informed of the protections available to them, the types of malpractice or wrongdoing that are covered, and the appropriate channels to report their concerns. The Trust is committed to addressing any concerns raised in a fair and transparent manner, thereby promoting a safe and ethical working environment.

Commitment to Continuous Improvement

The Trust's risk management strategy is not static; it is a dynamic process that evolves to address emerging risks and changes in the internal and external environment. The Trust is committed to continuously improving its risk management practices to effectively safeguard its stakeholders, resources, and strategic objectives. This commitment helps ensure that the Trust remains resilient and adaptive, capable of managing uncertainties while delivering on its educational mission.

6. ASSURANCE FRAMEWORK AND GOVERNANCE

The Trust has adopted the 'Three Lines of Defence' model to ensure effective risk management and internal control:

Line of Defence	Description	Examples
First Line of Defence	<p>The operational units (committees, schools, and teams) develop and maintain risk registers and key policies on an annual basis.</p> <p>These units are directly responsible for identifying and managing risks and are reviewed formally at least three times a year to ensure continuous risk awareness and control at the ground level.</p>	<p>School Risk Register: Individual schools maintain a risk register to document risks such as health & safety or safeguarding issues.</p> <p>Departmental Policies: Teams develop policies like ICT security policies to address specific risks.</p> <p>Operational Committees: Committees (e.g., Finance Committee) identify risks</p>

		and manage related actions within their operational scope.
Second Line of Defence	<p>The Trust Board Risk Register and the Scheme of Delegation are managed centrally to provide an overarching view of risks across the Trust.</p> <p>The Trust Board Risk Register is reviewed at every Board meeting to ensure alignment between operational risks and strategic objectives. This oversight ensures the overall risk management process is consistent and effective.</p>	<p>Trust Board Risk Register: Consolidates risks identified by schools and Trust-wide operations for Board-level review.</p> <p>Scheme of Delegation: Defines roles and responsibilities across the Trust, clarifying how decisions and risks are managed centrally.</p> <p>Central Oversight: Review of local school risk registers by Trust-level governance to identify systemic risks.</p>
Third Line of Defence	<p>Independent audits and external reviews provide an objective assessment of the Trust's risk management practices.</p> <p>Annual external audits, internal audits, and participation in external accreditation schemes help ensure compliance, verify controls, and provide assurance that the risk management framework is being implemented effectively.</p>	<p>External Audit: Annual financial audits conducted by an independent firm to assess compliance and risk management effectiveness.</p> <p>Internal Scrutiny: Regular internal audits to evaluate the robustness of processes, such as safeguarding or GDPR compliance.</p> <p>External Accreditation: Participation in schemes like Investors in People or ISO certification to validate best practices.</p>

7. RISK IDENTIFICATION, MANAGEMENT AND REPORTING

Risks are systematically identified and recorded in the Risk Register, ensuring comprehensive documentation and effective management across all levels of the Trust. A template for the Risk Register is included at Appendix A. Each committee within the Trust maintains a separate Risk Register relevant to its terms of reference, ensuring that risks are appropriately identified and managed within their specific context.

Types of Risks

There are broadly four types of risk that should be considered:

- Internal Risks: These are risks over which the Trust has some control, such as health and safety or data security risks, which can be managed through internal controls or additional mitigating actions.
- External Risks: These are risks driven by external factors, such as pandemics or extreme weather events, which require the Trust to enhance its resilience to minimise potential impacts.
- Strategic Risks: These relate to the achievement of the Trust's strategic objectives, such as risks related to high staff turnover or leadership changes that could impact the Trust's ability to meet its core goals.
- Project Risks: These involve risks associated with major projects undertaken by the Trust, such as building developments or system implementations, that are critical to future success.

Responsibilities for Risk Registers

Each Risk Register is supported by an assigned member of the Executive Team, providing leadership and ensuring accountability for risk management at every level:

Committee	Lead Staff Support
Trust Board	CEO & Head of Governance
Trust Finance	CFO & CIO
Trust Governance, Audit & Risk	CEO & Head of Governance
Trust HR & Remuneration	CPO
Trust Admissions	CEO & Head of Governance
Local Governing Bodies	Headteachers

Types of Risk Mitigation

When a risk is identified, almost all risks require some element of treatment to manage their potential impact effectively. The following approaches are used to handle risks within a school context, depending on their severity and nature:

- **Treat:** Most risks require treatment, which involves reducing the likelihood or impact through controls and contingency measures. For example, a school may train additional staff as first aiders beyond statutory requirements and establish a rota to ensure continuous first aid cover. This approach aims to minimise the potential negative effects while ensuring student and staff safety.
- **Tolerate:** In certain cases, it may be appropriate to tolerate a risk without taking further action. This typically occurs when the cost of mitigating the risk is disproportionate to the potential impact or when the risk is deemed minor. For example, the Trust may tolerate the risk of a small increase in utility costs, considering it to be manageable without affecting educational delivery or operations.
- **Transfer:** Transferring a risk involves shifting responsibility to another party, often through insurance or outsourcing. For instance, the Trust may take out insurance to cover potential losses due to accidental damage to school property or outsource IT maintenance to a third party to manage cybersecurity risks more effectively. This approach is suitable for risks that can be more efficiently managed by another organisation.
- **Terminate:** Terminating a risk involves discontinuing an inherently risky activity or modifying a process to eliminate the risk. For example, a school may decide to cancel an outdoor event if severe weather conditions are forecasted, thereby eliminating the risk of injury or disruption. This approach is used when removing the risk entirely is both practical and preferable to other management methods.

Most risks will involve some form of treatment, either alone or in combination with other approaches, to ensure the school manages risks effectively and maintains a safe and supportive environment for both students and staff.

Risk Mitigation and Residual Evaluation

Key mitigation and control measures should be documented in the Risk Register, with clear actions assigned for implementation. After mitigation measures are in place, each residual risk is assessed using the following scales:

Category	Rating	Points	Description
Probability / Likelihood	Low	1	Extremely unlikely, a rare occurrence
	Medium	2	Likely, occurs regularly

	High	3	Extremely likely, frequent occurrence
Impact	Low	1	Minor impact in limited areas
	Medium	2	Significant impact, may affect ongoing operations
	High	3	Critical to the continued functioning of a school / the Trust
Severity and Risk Prioritisation	Low	1-3	Keep under review (green)
	Medium	4-6	Consider further actions (amber)
	High	7-9	Take immediate further action (red)

APPENDIX A – RISK REGISTER FORMAT

XXX Committee Risk Register Overview

The Trust Board is accountable for managing risks affecting its schools and operations. The XXX Committee Risk Register is reviewed at each XXX Committee meeting.

Risk Register Summary

1		6	
2		7	
3		8	
4		9	
5		10	

Changes / Version Control

Changes to the Risk Register following Trust Board meetings for the academic year are summarised below.

Date	Risk	Change or amendment as agreed and minuted at the meeting	Meeting	Actioned

XXX Committee Risk Register

Owner(s): ELT Member and Chair of XX Committee

Risk	Description of risk and potential impact	Mitigations and controls	After mitigations and controls			Executive Leadership Team update
			Prob	Impact	Severity	
Risk 1						
Risk 2						
Risk 3						
Risk 4						
Risk 5						
Risk 6						
Risk 7						
Risk 8						
Risk 9						
Risk 10						

Scoring

Probability Score	1 = Low	2 = Medium	3 = High
Impact Score	1 = Low	2 = Medium	3 = High
Severity	1-3 = Green	4-6 = Amber	7-9 = Red