



Risk Management Policy

Issue	Date Approved	Review Date
1	Autumn 2019	Autumn 2020
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Purpose of this document

This Risk Management Policy (the policy) forms part of the Trust's internal control and corporate governance arrangements.

The policy explains the Trust's underlying approach to risk management, documents the roles and responsibilities of the Board of Trustees, the Finance & Audit Committee (it being the responsibility of the Finance & Audit Committee), the Trust Standards Committee, Local Governing Bodies, CEO, Director of Finance and Operations and Head Teachers.

Underlying approach to Risk Management

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

- a) The Board of Trustees has responsibility for overseeing risk management within the Trust as a whole;
- b) The Board of Trustees adopts an open and receptive approach to solving risk problems;
- c) The Trustees, Local Governors, Head Teachers and staff support, advise on and implement policies approved by the Board of Trustees, the Finance and Audit Committees, the Trust Standards Committee and those committees with delegated powers;
- d) The Trust makes conservative and prudent recognition and disclosure of the financial and non-financial implications of risks;
- e) Risk owners specified on the Risk Register are responsible for ensuring good risk management practice within their areas of responsibility, and;
- f) Key risk indicators will be identified and closely monitored by the Head Teachers, Local Governors, the Trust Standards Committee, the Finance & Audit Committees and the Board of Trustees.

Role of the Board of Trustees

The Board of Trustees has a fundamental role to play in the management of risk. Trustees hold the primary responsibility to manage risk. The Board's role is to:

- a) Set the framework and influence the culture of risk management within the Trust. This includes:
 - i) determining the Trust's attitude to risk as a whole and on any relevant individual issue;
 - ii) determining the types of risk that are acceptable and those that are not, setting the appropriate risk appetite, and deciding how to treat each risk, and;
 - iii) setting the standards and expectations of staff with regard to conduct and probity, and;
- b) Approve major decisions affecting the Trust's risk profile or exposure;
- c) Monitor the management of significant risks to reduce the likelihood of risks materialising;
- d) Satisfy itself that the less significant risks are being managed actively, with the appropriate controls in place and working effectively;
- e) Keep under review the Trust's approach to risk management and approve changes or improvements to key elements of its processes and procedures;

- f) Delegate to the Finance & Audit Committees the task of reviewing the Trust's Risk Register at each of its meetings, and;
- g) Ensure that the CEO and Director of Finance and Operations take overall control of the risk management process.

Role of the Finance & Audit Committees

The key roles of the Finance & Audit Committees, acting on behalf of the Board of Trustees, are to:

- a) Review and evaluate the key risks identified by the Board of Trustees;
- b) Review the Trusts' Risk Register at each of its meetings;
- c) Prepare and present an Annual Report for the Board of Trustees, covering the financial year. This will detail any significant events up to the preparation of the report and include the committees' opinion on the adequacy and effectiveness of the Trust's arrangements for:
 - i) Risk management, control and governance, and;
 - ii) Economy, efficiency and effectiveness,
- d) Monitor the work of Internal and External audit in respect of risk, and;
- e) Ensure the CEO and the Director of Finance & Operations takes overall control of the risk management process.

Role of the Local Governing Bodies

The key roles of the Local Governing Bodies are to:

- a) Ensure that the Trust's Risk Management policy is observed within their school;
- b) Each create and manage a subsidiary Risk Register for risks that may arise at school level for their particular school and submit the up-to-date school Register to each meeting of the Standards Committee and;
- c) Each appoint a Local Governor to take overall control of the risk management process within the school, to liaise with the Head Teacher and report to the appointed person on the Finance & Audit Committees.

Role of the Director of Finance and Operations

The key roles of the Director of Finance and Operations are to:

- a) Provide support to each school in relation to the risk management process;
- b) Complete and consolidate risk information for presentation to each Finance and Audit Committees.

Role of Head Teachers

The key roles of Head Teachers are to:

- a) Be responsible for day to day risk management at school level;
- b) Ensure the school risk register is updated on a timely basis to enable reporting to the Finance & Audit Committee and LGB.

The Process

Each school will have a risk register individually. This will be reviewed with the DFO monthly along with the monthly management accounts. Updates will be made and any exceptions added to the Trust central risk register.

The Trust risk register will be reviewed at Finance and Audit Committee and the top three risks will be highlighted at the next Board meeting.