



Diocese of Norwich
Education and
Academies Trust

Unity Federation of Church of England and Community Academies – Colkirk and Sculthorpe Church of England Primary Academies and Little Snoring Community Primary Academy

Risk Management Policy

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Person Responsible:	Chief Operating Officer

Our Christian Ethos and Values

All policies within the Diocese of Norwich Education and Academies Trust (hereafter referred to as “the Trust”), whether relating to an individual academy or the whole Trust, will be written and implemented in line with our Christian ethos and values.

We have high ambition for all, and we truly value the wider educational experience.

We walk and talk our Christian values. We put people at the centre of the organisation and want to see them flourish and grow. Our schools are inclusive, welcoming those of all faiths and none.

Overall accountabilities and roles

The Trust has overall accountability for all its academies and staff. Through a Scheme of Delegation for each academy it sets out the responsibilities of the Trust, its Executive Officers, the Local Governing Body and the Principal / Head Teacher. The Principal / Head Teacher of each academy is responsible for the implementation of all policies of the Trust.

All employees of the Trust are subject to the Trust’s policies.

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1. Introduction

Risk Management is a tool to analyse uncertainty and allows the Trust and its academies to manage the risks that they face and to also focus on potential opportunities. The benefits of ensuring that sound risk management becomes a part of day to day working include:

- Contributing to attaining the highest standards of Governance – the way the Trust directs, manages and monitors its functions and is accountable to its key stakeholders
- Informing the business planning process and supporting the achievement of the Trust's objectives

The Trust takes a pragmatic approach to risk management. The Policy will be reviewed regularly. In assessing what constitutes a sound system of internal control, consideration should be given to:

- The nature and extent of the risks facing the organisation
- The extent and categories of risk which it regards as acceptable
- The likelihood of the risks concerned materialising
- The organisation's ability to reduce the incidence and impact of the risks that do materialise

2. Risk Management objectives

The objectives for managing risk across the Trust are:

- To consider risk management best practice
- To ensure risks facing the Trust are identified and appropriately documented
- To provide assurance to the Trustees that risks are being adequately controlled, or identify areas for improvement
- To ensure action is taken in relation to accepting, mitigating, avoiding and transferring risks

3. Assessment and Management of Risk

This Policy aims to:

- Outline the roles and responsibilities for risk management
- Identify risk management processes to ensure that all risks are appropriately identified, controlled and monitored
- Ensure appropriate levels of awareness throughout the Trust and its academies

3.1 Roles and responsibilities

The proper management of risk must (as a matter of law) ultimately fall to the Trustees and may not be delegated. The Trustees do however delegate the day-to-day operation of this Policy to the Trust Senior Leadership Team (SLT) who report regularly and effectively to the Trustees.

The Chief Operating Officer (COO) has lead responsibility for risk management processes and the Trust-wide Risk Register, including:

- Monitoring the performance of risk management processes
- Ensuring that appropriate controls are in place to manage identified risks
- Preparation of periodic reports to the Finance, Audit and Resources Committee (FARC), the Personnel Committee and full Board

The full implementation of the Risk Management Policy is only possible with the full cooperation and assistance of the leadership of each academy. The Trust Leadership, including Headteachers shall do all they reasonably can to ensure this Policy is implemented effectively.

All staff have an important role to play in identifying, reporting and managing the Trust’s risks. The Risk Register is formally reviewed by the SLT and reported to the relevant committee at least once a term.

3.2 Identification of risks

Risk identification should be approached in a methodical way to ensure that all significant activities have been identified and all the risks flowing from these activities have been defined. Our approach to risk management is linked to the Trust’s strategic aims and objectives. These have been set and agreed with the Trustees. Broadly speaking, most risks will be strategic and reputational, operational, HR, compliance, financial, property, and ICT.

3.3 Evaluation of risks

The Trust currently uses a 4x4 matrix to assess impact and probability as illustrated below:

1 = Very Low / Low 2 = Moderate 3 = Significant 4 = High / Very High

Impact 4	4	8	12	16
Impact 3	3	6	9	12
Impact 2	2	4	6	8
Impact 1	1	2	3	4
	Probability 1	Probability 2	Probability 3	Probability 4

Impact of risk occurring		
Impact	Description	
High / Very High	The financial impact may be in excess of £100,000 Has a high / very high impact on the Trust’s strategy or on Teaching & Learning Has high / very high stakeholder concern	
Significant	The financial impact may be between £50,000 and £100,000 Has a significant impact on the Trust’s strategy or on Teaching & Learning Has significant stakeholder concern	
Moderate	The financial impact may be between £10,000 and £50,000 Has a moderate impact on strategy or on Teaching & Learning Moderate stakeholder concern	
Very Low / Low	The financial impact may be between £0 and £10,000 Has a very low / low impact on strategy or on Teaching & Learning Very low / low stakeholder concern	
Probability of risk occurring		
Probability	Description	Indicator
High / Very High	Likely to occur each year, or more than a 80% chance of occurrence within the next 12 months	Potential of it occurring within a year Has occurred within the last year
Significant	Likely to occur within a 2 year time period, or more than a 50% chance of occurrence within the next 12 months	Potential of it occurring within 2 years Has occurred within the last 2 years

Moderate	Likely to occur within a 3 year time period, or more than a 30% chance of occurring within the next 12 months	Potential of it occurring within 3 years Has occurred within the last 3 years
Very Low / Low	Not likely to occur within a 3 year time, and less than a 30% chance of occurrence within the next 12 months	Potential of it occurring within 3-5 years Some history of occurrence

3.4 Risk appetite

The term risk appetite describes the Trusts' readiness to accept risks and those risks it would seek to reduce. The Trust's risk threshold is the boundary delineated by the amber/red scores (scores of 5 and above) in the risk matrix in paragraph 3.3. At or above this threshold the Trust will actively seek to manage risks and will prioritise time and resources to reducing, avoiding or mitigating these risks.

3.5 Addressing risks

When responding to risks, the Trust will seek to ensure that it is managed and does not develop into an issue where the potential threat materialises. The Trust will adopt one of the 4 risk responses outlined below:

Avoid	Counter-measures are put in place that will either stop a problem or threat occurring or prevent it from having an impact on the business
Transfer	The risk is transferred to a third party, for example through an insurance policy
Treat / Mitigate	The response actions either reduce the likelihood of a risk developing, or limit the impact on the Trust to acceptable levels
Accept	We accept the possibility that the event might occur, for example because the cost of the counter-measures will outweigh the possible downside, or we believe there is only a remote probability of the event occurring

4. Risk Reporting and Communication

The aim of reporting risk is to provide assurance to Trustees, Senior Leadership and Auditors that the Trust is effectively managing its risks and has a robust system of internal controls.

4.1 Risk register

The reporting mechanism will be the Trust's Risk Register - this will highlight the key risks (amber or red). Any significant changes in risk impact or probability, or the occurrence of an event which raises the profile of a risk, will be recorded on the risk register as it occurs. Any new or increased risks identified by Trustees, the SLT, or raised by a member of staff, will be evaluated and, if appropriate, recorded in the Risk Register.

4.2 Communicating Risks

The full Board monitors the risk management plan each term with detailed scrutiny taking place at committee level. The Chief Operating Officer will ensure that any perceived new or increased risks or significant failure of risk management control measures are considered by the SLT and reported to the relevant committee, along with a summary of actions taken.

The CEO and COO will endeavour to raise awareness that risk management is a part of the Trust's culture and seek to ensure across the Trust and its academies that:

- individual members of staff are aware of their accountability for individual risks
- individuals report promptly to senior management any perceived new risks or failure of existing control measures

4.3 Risk review and assessment

Internal audit will, periodically (not less than triennial), provide an assessment of the effectiveness of the Trust's management of risk.

The Risk Owner will update the Risk Register on a termly basis in consultation with the Trust's SLT. This will enable reporting to Trustees on:

- The higher risks (amber and red) facing the Trust
- The effectiveness of the risk management processes
- That the Trust has published a risk management policy covering risk management philosophy and responsibilities
- Risks that are no longer active will be maintained on the Risk Register System, but not reported to Trustees to ensure that only active risks remain the focus for Trustees. Any risks that need re-establishing will be reported to the Committee or Board.
- Risks will be reviewed by the COO for escalation or de-escalating the risk. Any significant changes will be reported to the Committee or Board as appropriate.
- The risk register will be reported in its entirety to the FARC committee on an annual basis in the Autumn term.

5. Monitoring and Review

5.1 This policy will be reviewed every three years, or sooner as necessary.

Links to other policies:

- Finance Policy
- Health and Safety policy
- Safeguarding Policy