# Risk Management Guidance

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| **Last review date:** | | June 2026 | | |
| **Publication:** | | G/Policies & Guidance | | |
| **Date** | **Version** | **Reason for change** | **Overview of changes made** | **Source** |
| 03.11.20 | 0.1 | Scheduled Review | Update of name and logo. J Bowman. | SCC |
| 10.11.20 | 0.2 | Scheduled Review | Internal Lead review - No changes made. S Cole | |
| 10.11.20 | 0.3 | Scheduled Review | Board Lead review - Referred to FAR meeting. C Bradshaw Smith | |
| 22.01.21 | 0.4 | Scheduled Review | Amended by FAR panel. Additions to Section 3. | |
| 26.02.21 | 1.0 | Scheduled Review | Ratified by Board | |
| 01.12.23 | 2.0 | Scheduled review | No changes | |
| 17.09.25 | 2.0 | New procedures including LGCs | Updated with procedure for School level risk register.<br><br>Section 4 termly monitoring, LGC additions and school level doc. | |
| 03.06.26 | 2.1 | Audit Review | Updated to include ransomware risks. | |

**1. Purpose of this document**

This risk management guidance forms part of our Trust's internal control and corporate governance arrangements.

The policy explains our Trust's underlying approach to risk management, documents the roles and responsibilities of the Board of Directors and the Members, and other key parties. It also outlines key aspects of the risk management process, and identifies the main reporting procedures.

In addition, it describes the process the Board of Directors will use to evaluate the effectiveness of our Trust's internal control procedures.

**2. Underlying approach to Risk Management**

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

- The Board of Directors has responsibility for overseeing risk management within our Trust as a whole.
- An open and receptive approach to solving risk problems is adopted by the Board of Directors.
- The Chief Executive Officer and Senior Leadership Team support, advise and implement policies approved by the Board of Directors.
- Our Trust makes conservative and prudent recognition and disclosure of the financial and non-financial implications of risks. Each paper to the Board of Directors is required to include a section on any key risks in relation to the proposal.
- Key risk indicators will be identified and closely monitored on a termly basis by the Board of Directors.

**3. Role of the Board of Directors**

The Board of Directors has a fundamental role to play in the management of risk. Its role is to:

| Roles | Agreed Responses |
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| a) Set the tone and influence the culture of risk management within our Trust. This includes: | |
| ● determining whether our Trust is 'risk taking' or 'risk averse' as a whole or on any relevant individual issue; | Our Trust is Risk Averse, while recognising we are an open and dynamic Trust that can never remove all risk. We proactively manage risks on an individual basis at the time they arise, through experience and consultation |
| ● determining what types of risk are acceptable and which are not | Unacceptable risks are outlined in our comprehensive policies, including: |

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| | ● Financial<br>● Health and Safety<br>● Children and staff welfare<br>● Safeguarding<br>● Cyber Security (including an absolute prohibition on the payment of cyber ransomware demands)<br>● Data Protection<br>● Acceptable Use<br>● AMP |
| ● setting the standards and expectations of staff with respect to conduct and probity | Via the following:<br>● Directors Code of Conduct<br>● Employee Handbook<br>● Harassment & Bullying Policy<br>● Performance Management Policy<br>● Staff Code of Conduct<br>● Acceptable Use Policy |
| b) Determine the appropriate risk appetite or level of exposure for our Trust. | Our Trust is Risk Averse, as detailed in point a above |
| c) Approve major decisions affecting our Trust's risk profile or exposure. | Via the following Policies:<br>● Accounting Policy<br>● Finance Policy<br>● Schemes Of Delegation<br>● Risk Management Guidance<br>Any transactions deemed novel, contentious or repercussive will be escalated for DfE approval prior to agreement as per the Academy Handbook. |
| d) Monitor the management of significant risks to reduce the likelihood of unwelcome surprises. | Via regular Board Meetings and/or Risk Register Review Meetings, including a comprehensive line by line audit of the Risk Register every 12 months. |
| e) Satisfy itself that the less significant risks are being actively managed, with the appropriate controls in place and working effectively. | Via Board Meeting or Risk Register Review Meeting. This is also included in the annual Trust audit |
| f) Annually review our Trust's approach to risk management and approve changes or improvements to key elements of its processes and procedures. | This is done at Board meetings, especially the FAR meeting, as above with a 12 month line by line Risk Register review |
| g) Review and evaluate the key risks identified by the Board. | Via the Risk Register held dynamically on the Trust's cloud |

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| h) Review our Trust's Risk Register on a termly basis. | Via Board Meeting or Risk Register Review Meeting as above |
| i) Report annually on our Trust's systems of internal control and Risk Register. | Via the Annual Report |
| j) Monitor the work of internal and external audit in respect of risk. | Via the Audit Terms of Reference |
| k) Develop and implement policies on risk management and internal control. | Via the Risk Management Guidance |

**4. Risk Management as part of the system of internal control**

The system of internal control incorporates risk management. This system encompasses a number of elements that together facilitate an effective and efficient operation, enabling our Trust to respond to a variety of operational, financial, and commercial risks. These elements include:

**Policies and procedures**

Attached to significant risks are a series of policies that underpin the internal control process. The policies are set by the Board and implemented and communicated by senior leaders to staff. Written procedures support the policies where appropriate.

Termly reporting is designed to monitor key risks and their controls. Decisions to rectify problems are made at regular meetings of the Board of Directors. Additionally, Governors add to their local meeting minutes any questions for Directors, which can include recommendations for additions to the Trust risk register.

**Business planning and budgeting**

The business planning and budgeting process is used to set objectives, agree action plans, and allocate resources. Progress towards meeting business plan objectives is monitored regularly.

**High level risk framework (significant risks only)**

This framework is compiled by the Board of Directors and helps to facilitate the identification, assessment and ongoing monitoring of risks significant to our Trust. The document is formally appraised annually by the Board of Directors but emerging risks are added as required, and improvement actions and risk indicators are monitored.

**Risk Register**

Our Trust maintains an overarching risk register at the Trust level. Concurrently, each school maintains its own individual risk register, which focuses on a few, current risks. These school-level risk registers are formally reviewed, added to, and removed termly at Local Governing Committee (LGC) meetings. The overarching Trust document is formally appraised each term but emerging risks are added as required, and improvement actions and risk indicators are monitored regularly.

**Internal scrutiny programme**

Internal scrutiny is an important element of the internal control process. Apart from its normal programme of work, internal scrutiny is responsible for aspects of the annual review of the effectiveness of the internal control system within our Trust. This work is explicitly directed by the top risks identified on the Risk Register.

**External audit**

External audit provides feedback to the Board of Directors on the operation of the internal financial controls reviewed as part of the annual audit.

**Third party reports**

From time to time, the use of external consultants will be necessary in areas such as health and safety, and human resources. The use of specialist third parties for consulting and reporting can increase the reliability of the internal control system.

**5. Annual Review of effectiveness**

The Board of Directors is responsible for reviewing the effectiveness of internal control of our Trust.

For each significant risk identified, the Board of Directors will:

- Review the previous year and examine our Trust's track record on risk management and internal control.
- Consider the internal and external risk profile of the coming year and consider if current internal control arrangements are likely to be effective.

In making its decision, the Board of Directors will consider the following aspects.

a) Control environment:
    - our Trust's objectives and its financial and non-financial targets;
    - organisational structure and calibre of the Members;
    - culture, approach, and resources with respect to the management of risk
    - delegation of authority;
    - public reporting.

b) On-going identification and evaluation of significant risks:
    - timely identification and assessment of significant risks;
    - prioritisation of risks and the allocation of resources to address areas of high exposure.

c) Information and communication:

- quality and timeliness of information on significant risks;
- time it takes for control breakdowns to be recognised or new risks to be identified.

d) Monitoring and corrective action:

- ability of our Trust to learn from its problems;
- commitment and speed with which corrective actions are implemented.
- internal control/audit will be monitored termly by the Board of Directors.