



Spa Education Trust

Risk Management Policy

Introduction

The purpose of this policy is to ensure that the Trust maintains and develops a robust approach to risk and risk management in terms of process and procedures. The Trust considers risk management to be fundamental to good management practice and a significant aspect of corporate governance. Effective management of risk will provide an essential contribution towards the achievement of the Trust's strategic objectives and associated business priorities. It is essential that these systems operate properly to meet the requirements of our funding agreement with the Department of Education (DfE).

The Trust must comply with the principles of risk management outlined in the Academies guidance published by the DfE. This policy expands on that and provides detailed information on the Trust's risk policy and procedures.

Key Principles

1. The management of risks to the trust is undertaken in accordance with the Funding Agreement and the Academies Financial Handbook.
2. The roles and responsibilities of the Board of Trustees, Operation Committee and the Executive Headteacher are defined within the Scheme of Delegation.
3. The Board of Trustees is responsible for risk management and for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, whilst safeguarding public funds and other funds and assets for which it is responsible. The Operations Committee advises the Board of Trustees in this role and both are advised and informed by the Executive Headteacher.
4. The Board of Trustees fulfils its role by establishing the system of internal control:
 - 4.1. Approving and reviewing a series of policies that underpin the internal control process;

Approved by the Board of Trustees on 3rd July 2023
To be reviewed annually.

- 4.2. Agreeing objectives, plans and resources by means of the budget and the annual School Improvement Plan;
- 4.3. Approving this policy statement and the attached Risk Register (prepared by the Operations Committee) and reviewing them carefully each year to identify risks, near misses and opportunities;
- 4.4. Considering carefully the advice from the internal and external auditors on internal financial controls.

5. The Executive Headteacher fulfils their Risk Management role by:

- 5.1. Implementing trustees' policies on risk management and internal control;
- 5.2. Advising the Operations Committee of the fundamental risks faced by the trust and helping to evaluate them;
- 5.3. Providing timely and sufficient information to the Board of Trustees and the Operations Committee on the status of risks and controls;
- 5.4. Assisting the Operations Committee to draw up and revise the Risk Register;
- 5.5. Working to embed risk management and risk-based internal control in all aspects of trust management.

6. The Risk Register has been completed in the form recommended in the Academies Financial Handbook and it uses the terms listed there. The Operations Committee will recommend it to the Board of Trustees who shall revise it annually.

7. In its annual consideration of the Risk Register, the Board of Trustees should consider these issues:

- 7.1. Whether risk management continues to be linked to the achievement of the objectives of the trust;
- 7.2. The appropriate risk appetite or level of exposure for the trust as a whole;
- 7.3. Whether risk review procedures cover fundamental strategic and reputational, operational, compliance, financial and other risks to achieving the trust's objectives;
- 7.4. Whether risk assessment and risk-based internal control are embedded in on-going operations and form part of its culture;
- 7.5. Changes in the nature and extent of fundamental risks and the trust's ability to respond to changes in its internal and external environment since the last assessment; the scope and quality of management's on-going process of monitoring the system of internal control including such elements as the effectiveness of assurance functions;

Approved by the Board of Trustees on 3rd July 2023
To be reviewed annually.

7.6. The extent and frequency of reports on internal control to the Board of Trustees and whether this is sufficient to build up a cumulative assessment of the state of control and effectiveness of risk management;

7.7. The incidence of any fundamental control failings (risk events) or weaknesses identified at any point within the year (near misses) and the impact that they have had or could have on financial results;

7.8. The effectiveness of the trust's public reporting processes;

7.9. The effectiveness of the overall approach and policy to risk management and whether changes or improvements to processes and procedures are necessary.

Risk Management Policy Approved by the Board of Trustees on 3rd July 2023.

Signed by Chair of Trustees

Signed by Executive Headteacher

Approved by the Board of Trustees on 3rd July 2023
To be reviewed annually.