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1. Introduction

Risk is one of life's certainties and how successful organisations manage it can have a major impact on the achievement of their key goals. This policy aims to raise awareness about the need to address strategic and operational risks and to provide good practical guidance for the academies in the University of Brighton Academies Trust to manage such risks in an effective and formal way.

This policy is intended to help each academy and each Trust identify and manage significant risks effectively. The policy is aimed at the Senior Leadership Team and Local Board in each academy; the Senior Management Team and the Service Trustees of the Trust.

The Education Funding Agency Academies Financial Handbook 2017 states "The academy trust should make a considered choice about its desired risk profile, taking account of its legal obligations, business objectives and public expectations. The trust must recognise and manage present and future risks to ensure its effective and continued operation. The trust should maintain a risk register. The trust's management of risks must include contingency and business continuity planning" (Section 2.3.8, p20). The Charity Commission states "Charity trustees should regularly review and assess the risks faced by their charity in all areas of its work and plan for the management of those risks" (Charities and Risk Management, June 2010, Section 1.1, p2).

- Risk = the threat that an event or action will adversely affect each academy's ability to achieve its objectives and to successfully execute its strategies.
- Risk Management = the process by which risks are identified, evaluated and controlled.

Risk management contributes to the safeguarding of public funds and each academy's assets. Internal management and control aids the effectiveness and efficiency of operations; it helps to ensure the reliability of internal and external reporting and assists compliance with laws and regulations.

The Trust and each academy seek to maintain a sound system of internal control and management. The principal aim is to manage the risks that are significant to the achievement of the Trust and each academy's objectives.

This policy aids the adoption of a Risk Management approach to establishing and maintaining systems of internal control and reviewing their effectiveness. It makes sound business sense for each Trust to ensure risk is managed effectively and to embed internal control and risk awareness into the processes that are used to pursue objectives and guide the behaviour of all staff.

2. The Constituents of Good Risk Management

Risk Management is an integral part of good governance and is the process whereby:

- there is a shared awareness and understanding by the Board of Trustees and within each academy of the nature and extent of the risks they face including:
 - the extent and categories of risks regarded as acceptable and the likelihood and potential impacts of the risks materialising;
 - the ability to reduce the incidence and impact on the organisation of risks that do materialise through effective control measures.
- there is a regular and ongoing monitoring and reporting of risk including early warning mechanisms.
- an appropriate assessment is made of the cost of operating particular controls / management of risk relative to the benefit obtained in managing the related risk.
- each academy conducts, at least annually, a review of the effectiveness of its strategies for managing risks / systems of internal control.
- Each Principal reports to the Risk & Audit Committee / Board of Trustees on the results of the review and explains the action the academy is taking to address any significant concerns it has identified.

This process is ongoing, embedded in the culture of the Trust and each academy. It is not about eliminating risk but about understanding risk and managing it more effectively.

The benefits of good Risk Management are that it supports the achievement of objectives and has a vital role to play in ensuring that the Trust and each academy is well run.

The key for each Trust is to identify strategic risks whilst also recognising operational risks that need to be dealt with on a day-to-day basis. The operational benefits of a systematic and consistent approach to Risk Management are considerable. Much Risk Management takes place intuitively but it is important that it is documented so that in the future reference can be made to decisions based upon a sound Risk Management strategy.

3. Risk Management Implementation Strategy

The features of our implementation strategy are as follows:-

- Discussion about continually improving Risk Management. This needs to be undertaken by the Risk & Audit Committee in relation to the Trust and Risk Management Group within each Academy.
- Identification and prioritisation of areas of change, business objectives change, critical success factors and risks that may be significant.
- Identification of related significant risks that could undermine:

- the quality of service provision;
 - the reputation of the Academy or Trust;
 - the reliability of internal and external reporting;
 - the safeguarding of assets from inappropriate use, loss and fraud;
 - Liabilities being identified and managed properly.
- Identification of key tasks in order to:
 - Develop risk management strategies.
 - Consult throughout the Academy.
 - Develop the risk culture at all levels of the Academy.
 - Provide the senior managers of the Academy with early warning mechanisms.
 - Monitor and report on the system of internal control.
 - Setting out carefully the role of the Principals, senior staff, staff and Local Board members.
 - Allocation of:
 - Resources as necessary, including nominated budget holders.
 - Responsibility for each stage of the plan.
 - Responsibility for the management of each significant risk.
 - Creation of an agreed timetable.

4. The role of Trustees and Senior Staff in Risk Management

4.1 The role of the Audit Committee

The Audit Committee /Board of Trustees should be concerned with significant risks; that is those that could potentially have an effect on the Trust's or the academies' ability to achieve their objectives. Implementation of the high level risk management strategy should therefore focus on matters of key strategic and operational importance. The Trust via the Risk & Audit Committee / Board of Trustees will focus on the top 10 – 12 strategic risks affecting the Trust and should receive regular risk reports. Such reports will enable them to:

- ask how risks will be identified, evaluated and managed;
- understand and challenge significant risks;
- identify new significant risks;
- follow progress in risk reduction and elimination;
- question the effectiveness of internal control systems in managing risks.

4.2 The role of the Risk Management Group

Each Academy's Risk Management Group and each operational department management team will similarly consider the top 10-12 risks identified for its academy/department and will:

- ask how risks will be identified, evaluated and managed;

- understand and challenge significant risks;
- identify new significant risks;
- follow progress in risk reduction and elimination;
- question the effectiveness of internal control systems in managing risks
- provide a succinct report to the Director of Operational Services for the Audit Committee

The Risk Management Group is likely to include at minimum the Principal and Business Manager and will act as a subgroup of the academy's Senior Leadership Team.

5. Reporting on Risk Management and Internal Control

As a direct result of the annual assessment, the Trustees will publish a statement as part of the annual statutory accounts summarising the key risks and main processes that have been put in place for risk management and internal control. They should include the findings of the annual review of their effectiveness.

6. Completion of Annual Risk Management Assessment & Risk Register

An annual assessment of risks should be undertaken each summer term using the principles detailed below, and the completed risk register / action plan considered by the Academy's Risk Management Group. The agreed risk register should be submitted to the Director of Operational Services by the agreed deadline to inform development of the Trust risk register.

Risk registers / action plans will also be developed for each of the operational service departments using the above principles and will be submitted to the Director of Operational Services in the same time frame.

The Trust risk register / action plan will reflect the key strategic risks affecting the Trust as identified from:

- The external environment
- Academies and operational services
- Trustees

Each academy and the Trust should reflect on the risks and progress in relation to the action plan regularly throughout the year. It is recommended that the Risk Management Group / operational department teams meet three times a year to reflect on the risk register. The Risk & Audit Committee will consider the Trust risk register at each meeting and note progress. This is because the risk register /action plan is a management tool for use in a dynamic and constantly changing environment and it is important to manage risks on an ongoing basis, identifying and managing any new risks.

7. Principles and implementation of Risk Management

Principals and senior staff have a key role in putting risk management into effect.

There are four key steps to risk management:

- 1) Identify the risks and their likely impact
 - a. identify key internal and external changes which pose a risk;
 - b. identify the potential impact of these risks if they were to take place
- 2) Assess the risks
 - a. determine which risks are significant and prioritise
- 3) Evaluate what action needs to be taken and by whom
 - a. agree control / management strategies and the risk management strategy;
 - b. agree accountability
- 4) Periodically monitor progress and risk management to ensure risks are being managed effectively
 - a. review risk and internal control regularly

In order to ensure effective implementation of risk management throughout each academy / department it is important to:

- Consult with all members of staff and raise awareness of risk.
- Through training, aid changes in behaviour and focus on the fundamentals of good risk management and internal control.

7.1 Identification of risk

Risks should be identified on the risk register / action plan under the following headings:

- Leadership and management
- Safeguarding
- Governance
- Property and estates
- Health and safety
- Policy and procedures
- Finance
- Staffing

Identified risks should be noted on the risk register / action plan.

Each academy, operational department and the Trust must use the same format for the risk register as detailed in Annex A.

Annex B is a checklist that can be used by each academy, operational service and the Trust to identify possible areas of risk.

Risks are usually expressed as follows:

Failure to	Reduction of	Disruption to.....
Loss of.....	Conflict between	Inadequate
Concentration of	Inability to	Increase in
Non-compliance with	Inappropriate	Delay in
Lack of	Reliance upon	Growth in

The impact of risk can be expressed in some of the following ways

Missed opportunities	Breach of contract	Financial cost
Management distraction	Fines and penalties	Damaged reputation
Service disruption	Loss of assets	Death and/or injury
Impaired performance	Political Intervention	Inefficiency

7.2 Assess the risks and prioritise

Risks need to be prioritised so as to establish what needs to be tackled and in what order. There are two key effects; impact and likelihood. Impact goes from insignificant to catastrophe; and likelihood from remote to highly probable.

The Charities Commission (Charities and Risk Management, June 2010, Section 4, p15) suggests the following scoring method for impact and likelihood:

1 Impact

Descriptor	Score	Impact on service and reputation
Insignificant	1	<ul style="list-style-type: none"> • no impact on service • no impact on reputation

Descriptor	Score	Impact on service and reputation
		<ul style="list-style-type: none"> • complaint unlikely • litigation risk remote
Minor	2	<ul style="list-style-type: none"> • slight impact on service • slight impact on reputation • complaint possible • litigation possible
Moderate	3	<ul style="list-style-type: none"> • some service disruption • potential for adverse publicity - avoidable with careful handling • complaint probable • litigation probable
Major	4	<ul style="list-style-type: none"> • service disrupted • adverse publicity not avoidable (local media) • complaint probable • litigation probable
Extreme/Catastrophic	5	<ul style="list-style-type: none"> • service interrupted for significant time • major adverse publicity not avoidable (national media) • major litigation expected • resignation of senior management and board • loss of beneficiary confidence

2 Likelihood

Descriptor	Score	Example
Remote	1	may only occur in exceptional circumstances
Unlikely	2	expected to occur in a few circumstances
Possible	3	expected to occur in some circumstances
Probable	4	expected to occur in many circumstances
Highly probable	5	expected to occur frequently and in most circumstances

Where there is an interaction of impact and likelihood, these can be seen to produce three possible categories of risk as outlined below:

- High Risk (Red) – High impact high likelihood. This demands immediate and top priority action. Without immediate action this risk will cause damage to the organisation.

- Medium Risk (Amber) – High impact but low likelihood. In this case consider action and have a contingency plan in case it does occur; or low impact but high likelihood. Again consider action, it is likely to happen but its impact is low.
- Low risk (Green) Low impact low likelihood. This should be kept under periodic review.

This enables a decision to be made re the level of priority of each risk assessed.

All identified risks can be categorised in this way. Such analysis provides the opportunity to tackle those risks which are most urgent and provides an opportunity to develop the implementation plan.

Each of the risk areas should be assessed and then High priority areas should be the top priorities for the Risk Register / Action Plan to enable management of the risks faced. Medium priority areas need to be given consideration for longer term action to be taken and Low priority areas should have the longest term actions and be kept under review.

7.3 Evaluate Action

Having identified the risks and prioritised them the Risk Management Group can then identify what actions (i.e. controls / measures) should be put in place to manage the risk and reduce the likelihood and impact of each risk. It is important to identify who will be responsible for ensuring the action is taken (the Lead Officer) and the date by which the action (i.e. control / measure) will be achieved. These need noting on the risk register / action plan.

An assessment can then be made of the level of risk that will exist once the controls / measures are in place.

7.4 Monitoring

The Risk Management Group is then responsible for monitoring the actions and ensuring risks are effectively managed and monitored on an ongoing basis and achieved in line with the plan.

This process should ensure that each academy's risk management strategy will be effective in shaping successful risk management. The Trust will provide guidance and training in relation to risk management as applicable.

Policy status and review

Written by:	Director of Operational Services
Owner:	Director of Operational Services
Status:	Approved
Approval date:	UoBAT – Board of Trustees 10/12/15 HAT Audit Committee - 4/12/15 Merger editorial changes 1 September 2017
Review Date:	2019

Annex A - Academy Risk Register & Action Plan

Academy:

Top Academy Risks Considered and Identified

Date Approved:

Risk Status Definition	Risk Analysis			
	Likelihood & Impact scale	Score = Likelihood x Impact		
	5 = very high	*= Likelihood pre measures **= Likelihood post measures	RED	≥12 = high risk
	4 = high			
	3 = medium		AMBER	6 – 10 = medium risk
	2 = low			
	1 = very low		GREEN	≤5 = low risk

Risk No.	Risk	Impact	Likelihood *	Impact	Score	Control Measure(s)	Lead officer	Control measure due date	Control measure date in place	Likelihood **	Impact	Score
Leadership and Management												
001												
Teaching and Learning												
002												

Safeguarding												
Risk No.	Risk	Impact	Likelihood	Impact	Score	Control Measure(s)	Lead officer	Control measure due date	Control measure date in place	Likelihood **	Impact	Score
003												

Governance												
004												

Property, estates and ICT												
05												

Health and Safety												
06												

Risk No.	Risk	Impact	Likelihood	Impact	Score	Control Measure(s)	Lead officer	Control measure due date	Control measure date in place	Likelihood **	Impact	Score
Policy and procedures												
07												
Finance												
08												
Staffing												
09												
Legal / compliance												
10												

Annex B - Checklist to Identify Possible Sources of Risk

Professional

Achieving Strategic Aims

	Risk
i)	Academy Development Plan (or ADP)
ii)	Aims of ADP are being achieved
iii)	OFSTED inspection preparation
iv)	OFSTED Action Plan in place at the required time
v)	OFSTED Action Plan aims being achieved
vi)	Academy Performance Targets being achieved
vii)	Value Added measures being employed
viii)	School-wide understanding of ADP aims and objectives
ix)	Trust Board involvement in preparing ADP
x)	Staff/Trustees involvement in setting Academy performance targets
xi)	Staff/Trustees involvement in producing value added measures
xii)	Prospectus in place or in preparation for coming year
xiii)	Prospectus conforms to national requirements
xiv)	Annual Trust Board report to parents contains all requirements
xv)	Budget strategy agreed with Trust Board
xvi)	Budget monitoring

Management Structures

	Risk
i)	Roles and responsibilities of Principal defined
ii)	Roles and responsibilities of Vice Principals defined
iii)	Roles and responsibilities of senior manager(s) defined
iv)	Roles and responsibilities of teaching staff defined
v)	Roles and responsibilities of non-teaching staff defined
vi)	Local Board structures defined
vii)	LGB sub-committee structure set up
viii)	Induction programme for staff
ix)	Staff Handbook available
x)	Administrative support for management
xi)	Process for completing required returns to statutory bodies
xii)	Process for reporting to parents at least once a year
xiii)	Plan for parent consultations
xiv)	Time plan for staff
xv)	Academy day structure agreed with parents, Trustees and staff
xvi)	Pastoral support structure
xix)	Staff structure agreed by Board

Educational Objectives

	Risk
i)	Application of National Curriculum and agreed variations
ii)	Correct syllabuses in use
iii)	Schemes of work and lesson plans used
iv)	Initiation of assessment of students who may have learning difficulties
v)	Gifted and talented students recognised
vi)	Personal, moral, cultural, spiritual and citizenship education in place
vii)	Religious education is being taught
viii)	Act of collective worship daily
ix)	Careers education and guidance policy
x)	Work experience policy
xi)	Policy on needs of young carers
xii)	Policy for looked after children
xiii)	Policy for drugs education
xiv)	Provision for ethnic minority, travellers, refugees
xv)	Marking policy
xvi)	Reporting policy
xvii)	Assessment policy
xviii)	IEP Policy

Conduct

	Risk
i)	Monitoring student punctuality
ii)	Monitoring student attendance
iii)	Sanctions policy – student punctuality
iv)	Sanctions policy – student attendance
v)	Policy on jewellery
vi)	Policy on uniform/dress/hairstyle
vii)	Detention/punishment policy
viii)	Home-academy agreement
ix)	Policy on restraining students
x)	Monitoring staff punctuality
xi)	Monitoring staff attendance
xii)	Disciplinary procedure for staff
xiii)	Staff grievance procedure adopted
xiv)	Student exclusion procedure
xv)	Exclusion appeal procedure
xvi)	Behaviour Support Plans
xvii)	Liaison with police and other agencies
xviii)	Misuse of substances – policy

Liabilities beyond classroom

	Risk
i)	Supervision of students before and after session
ii)	Supervision at breaks
iii)	Supervision at lunchtime
iv)	Safety of playground
v)	Safety of playing fields
vi)	Policy on supervision and instruction for outdoor education
vii)	Policy in supervision for off-site activities
viii)	Policy on trips, insurance cover, use of school minibus, overseas travel
ix)	Adherence to the values of "Venture Safely"
x)	Equality of access to, and supervision during out of academy hours activities
xi)	Safety of access to premises and buildings
xii)	Safety of children before and after academy activities (e.g. homework class, breakfast club)
xiii)	Safety of buildings and grounds
xiv)	Safety of visitors (e.g. parents, students, outside agencies)

Staff and Student Procedures

	Risk
i)	Provision of adequate staffing level
ii)	Procedures for staff recruitment and selection
iii)	Procedures for staff disciplining and dismissal
iv)	Ensuring staff rights:
	- Gender
	- Equality
	- Racial
	- Disability
	- maternity leave
v)	Procedures on employment rights including use and writing of references
vi)	Ensuring checks (including police) are carried out on new employees
vii)	Provision of Continuing Professional Development
viii)	Provision of induction training
ix)	Planning for staff reduction or retirement
x)	Provision of induction for students
xi)	Ensuring students' rights:
	- gender
	- equality
	- racial
	- disability
xii)	Ensuring record of achievement is available
xiii)	Ensuring student information is passed from one phase to another
xiv)	Whistle Blowing procedures and policies up to date
xv)	Complaints policies and procedures up to date Record keeping/ retention records
xvi)	Staff wellbeing: posture; workstation ergonomics; lone working; occupational health; counselling

Physical - Injury to staff and or students

	Risk
i)	Health and Safety policy adopted
ii)	Health and Safety assessments modified as appropriate
iii)	Health and Safety assessments disseminated across academies
iv)	Training needs on Health and Safety identified
v)	First Aid equipment materials available
vi)	Trained up-to-date First Aid qualified person available at all times
vii)	Fire risk assessments carried out and shared with staff. Fire planning and fire practice procedures in place
viii)	Workplace regulations in force
ix)	Display screen regulations being followed
x)	Adherence to COSHH regulations
xi)	Policies in place for use of machinery/electrical equipment
xii)	Smoking policy
xiii)	Violence in the workplace policy
xiv)	Stress management
xv)	Manual handling protocols
xvi)	Adherence to asbestos management
xvii)	Child protection procedures
xviii)	Policy on bullying
xx)	Policy on head lice
xxi)	Policy on violent behaviour
xxii)	Policy on mobile phones
xxiii)	Policies for use of higher risk areas:
	- technology rooms
	- science laboratories
	- gymnasias
	- swimming pools
xxiv)	Health and Safety risk assessment procedures reviewed annually

Property

	Risk
i)	Procedures to reduce incidents of theft:
	- internal measures
	- external measures
ii)	Policy to minimise vandalism
iii)	Policy to minimise trespass
iv)	Measures to minimise risk of fire
v)	Measures to minimise water damage
vi)	Measures to minimise disruption from:
	- machinery failure
	- breakdown by lack of maintenance
	- external sources (locals, workmen, etc.)
vii)	Use of minibus policy
viii)	Minibus usage within insurance policy rules
ix)	Vehicle movements protocols on academy premises
x)	Awareness of potential for harm on home/academy transport
xi)	Adequate insurance cover and risk assessments
xii)	Asset marking and asset register

Financial

	Risk
i)	Budget plan for coming 1 and 3 years agreed by Trust Board
ii)	Budget approved by Board of Trustees
iii)	Allocation of roles and responsibilities with respect to finance
iv)	Expenditure controls – monitoring regularly
v)	Payment controls – monitoring regularly
vi)	Budget monitoring – regular checks
vii)	Budget reports to Trustees at regular intervals
viii)	Monitoring income
ix)	Monitoring payroll expenditure
x)	Monitoring and taking opportunities for external funding
xi)	Cash-security policy (including school meals)
xii)	Voluntary funds – security
xiii)	Voluntary funds – audit policy
xiv)	Safety of staff in dealing with cash
xv)	Provision of insurance for:
	- employers' liability
	- public liability
	- balance of risks
	- motor vehicles
	- travel (including high risk activities)
	- sickness absence
	- maternity leave
xvi)	Crisis management plan up to date
xvii)	Internal and external audit arrangements in place
xviii)	List of approved suppliers and contracts available
xix)	Charging and remissions policy in place
xx)	Governance and Financial Handbook up to date. Including:
	- Scheme of delegated authority
	- Budget planning cycle/ programme
	- Procurement procedures
	- Financial regulations

Area of Risk

Legal

	Risk
i)	Adhere to Health and Safety regulations
ii)	Register and comply with Data Protection Act
iii)	Adhere to Human Rights Act
iv)	Comply with Education Acts
v)	Take advice if uncertain about liability with:
	- Occupiers Liability Act
	- Defective Premises Act
	- Environmental Protection Act
	- Building Regulations
vi)	Adhere to employment law
vii)	Ensure senior staff and Trustees know where to seek advice if any of the following liabilities look likely to arise against the Trust, Academies or individuals:
	- failure to educate
	- personal injury
	- motor accident on business
	- giving wrongful advice
	- maladministration
	- leaking confidential information
	- industrial tribunal claim
	- equal opportunities claim
	- disability rights claim
viii)	Comprehensive employment policies and procedures in place

Environmental

	Risk
i)	Contamination of grounds or buildings – how to deal with an incident – whom to contact
ii)	Inefficient use of gas – excessive unnecessary usage leading to increased costs
iii)	Inefficient use of electricity - excessive unnecessary usage leading to increased costs
iv)	Inefficient use of water - excessive unnecessary usage leading to increased costs
v)	Policy on temperatures in buildings
vi)	Noise control measures – where applicable
vii)	Policy on recycling of materials
viii)	Correct storage and disposal of waste
ix)	Correct recording, identification and treatment of asbestos

Contractual

	Risk
i)	Process for selecting contractors
ii)	Process for checking financial stability of contractors
iii)	Establish indemnification from contractors
iv)	Ensure insurance position re. contractors
v)	Understanding of how to set specification and avoid variations to contracts
vi)	Identify contractual liability
vii)	Ensure contractors satisfy Construction Design and Management regulations and are on approved lists

Technological

	Risk
i)	ICT strategy developed
ii)	Contingency plan for computer failure
iii)	Comply with Data Protection Act
iv)	Comply with back-up procedures
v)	Access controls documented
vi)	Internet usage policy
vii)	Hardware security policy
viii)	Data security policy
ix)	Virus protection policy
x)	Copyright compliance
xi)	Procedures for dealing with breaches of security
xii)	Procedures for dealing with, and definitions of, unacceptable use of computer equipment
xiii)	Ensure radio licences have been obtained (for walkie talkies, etc.)

Disaster recovery

	Risk
i)	Plan for loss of services/contents/computer records
ii)	Plan for loss of building(s)/heating/lighting/power/telephone
iii)	Plan for academy closure/evacuation
iv)	Provision of secure storage of records
v)	Contingency plan for loss of staff
vi)	Plan for evacuation due to fire/bomb threat
vii)	Plan for loss of Communication (phones, broadcast, messaging)
viii)	Plan for natural disasters, e.g. pandemic
ix)	Borrowing/ hiring out of equipment
x)	Fire alarm services