

drb Ignite Multi Academy Trust

Risk Management Policy

Trust Vision

All pupils achieve the highest standard of educational outcomes regardless of circumstances or background.

The Trust has been established through a shared belief that lives can be transformed by what goes on in schools. We believe that the process of teaching and learning shapes futures. To this end our vision is to provide every child with learning experiences that excite them and give them the power to begin to shape their own lives.

Introduction

This policy sets out a framework for risk management in the Trust. Risk management is the process by which risks are identified, their severity assessed and actions taken to mitigate and bring them down to acceptable levels. This is achieved through the maintenance of a Trust Risk Register which is overseen by trustees.

The process of identifying potential risks and the introduction of internal controls to help mitigate them improves the Trust's ability to respond quickly and effectively to both opportunities and threats. It is an effective tool for strategic and operational planning. It is also a key component of the Trust's governance infrastructure and is central to the achievement of priorities and objectives. It also ensures the Trust is fully compliant with the DfE *Academy Trust Handbook 2021* and ESFA requirements.

The Trust's *Risk Register* is managed by the CEO and monitored regularly by the *Audit and Risk Sub Committee*.

Definition

For the purpose of this policy, risk is defined as:

The possibility of an event occurring that will have an impact on the achievement of Trust objectives and its reputation.

Legal Framework

It is a requirement:

- of the DfE *Academy Trust Handbook 2021* that the Trust has sound internal control and risk management processes in place.
- under the Charities Act to include a section in the Trust's *Annual Report* on principal risks and uncertainties, which are taken directly from the Trust's *Risk Register*.

Agreed levels of risk exposure

The Trust's *Audit and Risk sub-committee* is responsible for agreeing acceptable levels of risk exposure. This informs the Trust Board in its decision making as to the levels of risk it is willing to accept and provides a benchmark against which initial risk assessments can be undertaken. The risk assessment and evaluation process, in turn, informs trustees of the Trust's overall risk profile and the mitigation strategies taken to manage any major risks. Levels of risk or exposure to risk that are tolerated by the Trust are kept under regular review and overseen by the *Audit and Risk sub-committee*. This Trust's *Risk Register* is formally reviewed by the Trust Board at least annually to ensure it is fit for purpose and effective.

Risk assessment and monitoring

The risk management processes adopted by the Trust ensure that:

- risks are properly reported, monitored and evaluated
- trustees and senior leaders use the *Risk Register* as a key management tool
- trustees are provided with relevant and timely interim reports
- any significant failures of control systems are properly reported and actioned at pace
- there are good levels of understanding for both implementation and monitoring of the control systems
- any required mitigation actions are identified quickly and assigned to individual owners to progress.

The *Risk Register* is used to monitor risk by:

- ensuring that the identification, assessment and mitigation of risk is linked to the achievement of the Trust's operational priorities
- ensuring that the assessment process reflects the Trustees' view of acceptable risk
- reviewing and considering the results of risk identification, evaluation and management
- considering the risks attached to significant new activities or opportunities
- regularly considering external factors such as new legislation or new requirements that may affect risk tolerance
- considering the financial impact of risk as part of operational budget planning and monitoring

Responsibility of the Executive Leadership Team

The Executive Leadership Team is responsible for:

- managing the *Risk Register* ensuring it is regularly reviewed and updated

- ensuring risk owners reassess and update their risks at appropriate intervals
- ensuring that allocated owners complete all mitigation actions required
- reporting the top strategic risks to the *Audit and Risk sub committee*.

Responsibility of the Audit and Risk Sub Committee

The Trust's *Audit and Risk sub committee* is responsible for:

- ensuring full compliance with the *Academy Trust Handbook 2021*
- ensuring full compliance with ESFA requirements
- setting and keeping the tolerance level for risk exposure under review
- reviewing the Trust's *Risk Register* at every meeting
- providing strategic leadership, review and challenge to the Executive Leadership Team on key risks
- overseeing the completion of the section regarding risk management within the Trust's *Annual Report*.

Monitoring and Review

The Trust's CEO has overall responsibility for the maintenance and operation of this policy. The policy will be reviewed annually by the Trust's *Audit and Risk sub committee* and forms part the Trust's financial procedures in line with the requirements of the *Academy Trust Handbook 2021*.

Monitoring and review	CEO
Links	Trust Financial Procedures Manual
Staff responsible	CEO
Committee responsible	Audit and Risk Sub Committee
Date approved by Trust Chair	
Reviewed	January 2022
Next review date	January 2023

***For note:** should there be any changes/further national guidance issued relevant to this policy, it will be updated accordingly prior to the review date shown above and referred to the next Trust Board meeting.

Change Management

Issue No	Change date	Change description
1.0	Nov'16	Initial release
2.0	Aug'18	Rebranded, updated
3.0	Nov'19	Reviewed, no content changes, signed off
4.0	Oct' 20	Review (AFH 2020)
5.0	Jan 22	Review (ATH 2021)