



## **ACADEMY POLICY FOR RISK MANAGEMENT**

# **Risk Management Policy**

**Summary of Policy:** The Risk Management Policy forms part of the Trust's internal control and corporate governance arrangements. It is designed to provide assurance that the Trust has adopted best practice in this area, as advocated by the Turnbull Report on internal control of companies and in other parts of the education and voluntary sectors.

## **Purpose of the Policy**

1. Taking risk management seriously is a priority for the Diocese of Southwell and Nottingham Multi Academy Trust. The Risk Management Policy forms part of the institution's internal control and corporate governance arrangements. It is designed to provide assurance that the institution has adopted best practice in this area, as advocated by the Turnbull Report on internal control of companies and in other parts of the education and voluntary sectors.
2. The policy explains the academy's underlying approach to risk management
3. The policy should be read in conjunction with the academy's Risk Management Strategy which sets a framework for the management of risks and identifies roles and responsibilities in the management of those risks.

## **Aims and underlying approach to risk management**

The academy has a Risk Management Strategy which aims to:

1. Identify and evaluate risks which could prevent the academy from achieving one or more of its strategic aims and objectives and delivery targets or make their achievement substantially more difficult.
2. Assess the likelihood of such risks occurring (high, medium, low) and the potential impact of such occurrences with particular reference to the areas of finance, reputation and planning/operations.
3. Enable decisions to be taken on how much risk to accept, the actions/controls applied to avoid or mitigate the likelihood of such circumstances arising, to transfer risk or insure against the consequences and assign responsibility for implementation.

The following key principles outline the trust/academy's approach to risk management and internal control in pursuing the aims set out above:

1. The trust/academy has responsibility for overseeing risk management within the institution as a whole.
2. The trust/academy carries out this responsibility through its finance committee.
3. An open and receptive approach to solving risk problems is adopted by the trust/academy.
4. Key risk indicators are identified and closely monitored on a regular basis and the academy and trust wide risk registers are updated at least annually.
5. The local governing body reviews the academy's Risk Register and Action Plan annually or more frequently as necessary.

6. The trust/academy makes conservative and prudent recognition and disclosure of the financial and non financial implications of risks.
7. The trust/academy uses a weighted scoring for all identified risks, early warning indicators, milestones on actions and details sources of assurance over the controls in place, relevant to each identified risk.
8. All colleagues within the trust/academy are encouraged to be involved in the risk management process by the reporting of risks. The academy/trust aims to ensure that its Risk Management Policy and Strategy is fully embedded across the trust/academy.

Approved by:

MAT Board of Directors

Date :

11 October 2016

Date of last update

Next Update due:

On going