



RISK ASSESSMENT POLICY

**Green highlighting – new additions / changes from
previous version**

Red text – indicates key risks

Presented to:

**Full Trustees Meeting
5 October 2023**

Date approved: ¹	22 March 2018
Date reviewed: ²	5 October 2023
Date of next review: ³	Autumn 2024

¹ This is the date the policy was approved by the meeting

² This is the date the policy was reviewed prior to its approval above

³ This is the date as set by the policy review clause or the date approved plus one year

RISK ASSESSMENT

Introduction

Risk assessment is a process whereby the Trust considers all predictable occurrences that would prevent it meeting the objectives set out to ensure that all students maximise their performance.

1. Risk Management objectives

The objectives for managing risk across the Trust are:

- To comply with risk management best practice;
- To ensure reasonable risks facing the Trust are identified and appropriately documented;
- To provide assurance to the Trustees and Local Governing Committees that known risks are being adequately controlled, or identify areas for improvement;
- To ensure appropriate action is taken in relation to accepting, mitigating, avoiding and transferring risks.

2. Risk Management strategy

This strategy aims to:

- Outline the roles and responsibilities for risk management;
- Identify risk management processes to ensure that all reasonable risks are appropriately identified, controlled and monitored;
- Ensure appropriate levels of awareness throughout the Trust.

2.1. Roles and responsibilities

The Chair of Trustees (CoT) and Chief Executive Officer (CEO) have overall responsibility for risk management. The Site Managers (SM) have lead responsibility for risk management processes and Trust Finance Manager (TFM) the College-wide Risk Register. This responsibility includes:

- Monitoring the performance of risk management processes;
- Ensuring that appropriate controls are in place to manage identified risks;
- Preparation of periodic reports to the Trustee Resource Committee and Full Trust Board.

A risk assessment review will be carried out on an annual basis. However, additional risk assessments will take place at any time within the calendar, should it be necessary. Risk is a standing item on the agenda for each meeting of the Trustee Resource Committee.

Risk assessments directly related to compliance of the Health and Safety at Work Act 1974 will be undertaken periodically as stated in the Health and Safety policy. Due to a change in Health and Safety Executive guidance these will not refer to the 5x5 matrix of risk evaluation as shown in section 2.3 but will be recorded on the Trust's risk assessment documents which are available from Headteachers and show if risks are managed to a reasonably practicable level.

2.2. Identification of risks

Our approach to risk management is linked to the Trust's strategic aims and objectives.

- High achievement and high value add;
- Outstanding staff, leadership and management;
- Outstanding infrastructure;
- Financial strength;
- Inspiring and supportive culture;
- Strong community and partnerships.

The risk areas have been broken down into four categories: Strategic and Reputational, Operational, Compliance and Financial.

These risks need to be assessed for likelihood (probability) and impact.

Likelihood (Probability) is assessed on a scale of 1 - 5, with 5 being extremely likely and 1 being extremely unlikely.

Impact is assessed on scale of 1 - 5, with 5 being extremely harmful or high severity, and 1 being low severity.

2.3. Evaluation of risks

The Risk Management Standard states that risks should be evaluated against agreed criteria to make decisions about the significance of risks to the organisation.

The Trust uses a 5x5 matrix to assess impact and likelihood (probability), as illustrated in the diagram below:

IMPACT	5	5	10	15	20	25
	4	4	8	12	16	20
	3	3	6	9	12	15
	2	2	4	6	8	10
	1	1	2	3	4	5
		1	2	3	4	5
		Likelihood (Probability)				

2.4. Risk appetite

The term risk appetite describes the Trust's readiness to accept risks and those risks it would seek to reduce. The Trust's risk threshold is the boundary delineated by the grey shaded area (represented by scores of 10 and above) in the risk matrix in paragraph 2.3. Above this threshold, the Trust will actively seek to manage risks and will prioritise time and resources to reducing, avoiding or mitigating these risks.

2.5. Addressing risks

When responding to risks, the Trust will seek to ensure that it is managed and does not develop into an issue where the potential threat materialises.

The Trust will adopt one of the 4 risk responses outlined below:

Avoid (Terminate)	Counter measures are put in place that will either stop a problem or threat occurring or prevent it from having an impact on the business.
Transfer	The risk is transferred to a third party, for example through an insurance policy.
Mitigate (Treat)	The response actions either reduce the likelihood of a risk developing, or limit the impact on the Trust to acceptable levels.
Accept (Tolerate)	We accept the possibility that the event might occur, for example because the cost of the counter measures will outweigh the possible downside, or we believe there is only a remote probability of the event occurring.

3. Risk Reporting and Communication

The aim of reporting risk is to provide assurance to the Trustees, Governors, Chief Executive Officer, Senior Management and Auditors that the Trust is effectively managing its risks and has a robust system of internal controls.

3.1. Risk register

The reporting mechanism will be the Trust's Risk Register. This will highlight the key risks facing the Trust, as well as a breakdown for each key strategic aim.

Any significant changes in risk impact or probability, or the occurrence of an event which raises the profile of a risk will be recorded on the risk register as it occurs. Any new or increased risks identified in Trustee, Governor or Senior Management Team (SMT) meetings, or raised by a member of staff will be evaluated and, if appropriate, recorded in the Risk Register and reported to the next Trustee Resource Committee.

4.2 Communicating Risks

The SMT in respective Trust entities will ensure that any perceived new or increased risks or significant failure of risk management control measures are considered by the Trustees, along with a summary of actions taken.

The SMT will endeavour to raise awareness that risk management is a part of the Trust's culture and seek to ensure that:

- individual members of staff are aware of their accountability for individual risks;
- individuals report promptly to senior management any perceived new risks or failure of existing control measures.

4.3 Annual risk review and assessment

The internal audit review provides an annual assessment of the effectiveness of the Trust's management of risk.

The annual review of the risk assessment policy will take place annually in September. This will enable review of:

- The significant risks facing the Trust;
- The effectiveness of the risk management processes;
- That the Trust has published a risk management policy covering risk management philosophy and responsibilities.

Columns of register will indicate:

- Description of risk;
- Likelihood (probability);
- Impact;
- Risk factor;
- Action/Control Procedure;
- Person(s) responsible;
- Date of next review, 'on-going' will be reviewed annually.

Key to entity names

Four Cs MAT	Trust (includes all entities below)
Arthur Mellows Village College	AMVC
Fulbridge Academy	FA
Discovery Primary Academy	DPA
Hampton Vale Primary Academy	HVPA
Manor Drive Primary / Secondary Academy	MDP/SA
Ken Stimpson Academy	KSA
Teach East SCITT	SCITT