Lincoln Anglican Academy Trust
Diocese of Lincoln

Strategic Management of Risk

Church schools serving their communities through excellence, exploration and encouragement within the love of God.

The diocese of Lincoln is called to faithful worship, confident discipleship and joyful service and our church schools bear witness to our belief that every child is made in the image of God and loved by Him. They were founded for the good of their local communities so that children can be educated through the values and stories of Christianity.

Excellence   Exploration   Encouragement

1. **Introduction**

Risk refers to uncertainties surrounding future events or activities and their impact on the achievement of the Trust's aims and objectives. This document is intended to define the process and procedures for the strategic management of risk, to ensure risk in its many forms is efficiently and effectively managed at every level within our organisation.

This statement should be read in conjunction with the documents and policies listed below:

*   Health and Safety policy
*   Risk Assessment Guidance and associated templates
*   Academy Signature of Risks Document
*   Business Continuity Plan

2. **Key Principles for the Management of Risk**

The following key principles outline the Trust's approach to risk management and internal control:

*   The Trust Board has responsibility for evaluating the effectiveness of all internal control procedures, approving policies and the overall approach to risk management.
*   Trustees, Governors, Head Teachers and the Trust's Senior Leadership Team will only undertake activities and projects having fully examined and evaluated the potential risks involved and gained assurances that the risks involved fall within our organisational risk appetite. The benefits gained must outweigh the risk involved in undertaking an activity or project.
*   An open, receptive and responsive approach to solving risk problems is adopted by those involved in the management of risk.
*   The Head Teacher and the Trust's Senior Leadership Team supports, advises and implements policies approved by the Trust Board.
*   The organisation will make a conservative and prudent assessment and disclosure of the financial, non-financial and reputational implications of risk in the decisions it makes.
*   All staff are made aware of their responsibility for assisting in the identification and management of risk, encouraging good risk management practices within their areas of responsibility.
*   Key risk indicators will be identified, recorded, reviewed and closely monitored on a regular basis using the strategic risk register, academy signatures of risk document, key management information and any other relevant indicators.

3. **Risk Management Aim**

*   To identify and communicate all significant risks, and by proactive management of these risks protect the school and its stakeholders from the negative consequences of such risk, whilst identifying and exploiting any potential opportunities that may exist.

4. **Risk Management Objectives**

*   To ensure that a Trust-wide approach to the management of risk is developed & promoted and that all employees have an awareness of risk management issues
*   To ensure Trustees and Governors fully understand their role in the management of school risk and challenge progress in its management.
*   To encourage students, as a normal part of the curriculum, to understand the concept of risk and address risk management issues as part of the school's ethos.
*   To encourage the wider Trust community, (including parents), to play an active part in the risk management process.
*   To involve other relevant third parties (e.g. local Fire Safety Officer, Crime Prevention Officer, Health & Safety Advisor, etc) in supporting the risk management work of the Trust.

5. Risk Management Roles & Responsibilities

The Board of Trustees

a) Set the tone, influence and culture of risk management within the organisation. This includes:
   - Determining whether the Trust is 'risk taking' or 'risk adverse' organisation.
   - Determining what types or risk and or opportunity are appropriate to take.
   - Determine what level of risks are acceptable and which are not;
   - Setting the standards and expectations of staff with respect to conduct and probity.

b) Agree the appropriate risk appetite or level or exposure for the Trust
c) Approve major decisions affecting the Trust's risk profile, risk culture, exposure to risk or changes to the risk management strategy.
d) Through regular reports from the Senior Leadership Team, monitor and seek assurances of the progress in mitigating significant identified risks.
e) Satisfy itself that existing policies, procedures and internal controls are actively managing less significant (day to day) risks.
f) Annually review the Trust's approach to risk management, ratify changes or improvements to key elements of its processes and procedures and approve the report on risk management accompanying the annual accounts.

The Chief Executive

a) The Chief Executive has ultimate responsibility to the Board of Trustees for all aspects of risk management within the Trust
b) Ensure that appropriate systems are in place to manage risks within the Trust
c) Ensure that the Senior Leadership Team reporting directly to him/her are familiar with this document and are given the time, resource and support and encouragement to implement it in their own areas of control.
d) Ensure that Managers and Head Teachers have the necessary competence, resources and support to fulfil their responsibilities.
e) Provide regular risk reporting to the Board of Trustees.

The Deputy Chief Executive

a) The Deputy Chief Executive is responsible for ensuring that schools have appropriate systems in place to manage risks
b) Ensure that all school level risks are considered and documented using the Academy Signatures of Risk document
c) Ensure that key risks identified in the Academy Signatures of Risk document are brought to the attention of the Trust's Senior Leadership Team and included within the Trust's Strategic Risk Register
d) Monitor/follow up on any areas of concern, seeking advice as appropriate and ensuring that any recommendations are implemented. Ensure that lessons learned are shared.
e) Ensure that all schools have an up to date Business Continuity plan
f) Ensuring that direct reports have the necessary competence, resources and support to fulfil their responsibilities.

The Finance and Operations Director

a) The Finance and Operations Director is responsible for managing the relationship with the External Health and Safety Advisor and ensuring that specialist advice is sought wherever appropriate
b) Maintain the Strategic Risk Register, ensuring that it is an accurate reflection of the overall risk level of the Trust and is consistent with the Academy Signatures of Risk document

c) Ensuring that the appropriate level of insurance is purchased to cover insurable risk identified and communicating with insurers where necessary

d) Ensuring that direct reports have the necessary competence, resources and support to fulfil their responsibilities.

The Headteacher

a) Ensure risk management strategies, policies and procedures are implemented throughout the school community.

b) Ensure all staff are aware of their roles & responsibilities in respect of managing risk and suitable training is provided as necessary.

c) Working with the Trust's Senior Leadership Team, complete the Trust's "Signatures of Risk" document, ensuring that all key risks are identified and relevant responses are carried out.

d) Ensure that there is an up to date Business Continuity Plan in place

e) Provide information to the Trust's Senior Leadership Team, parents, staff and other relevant stakeholders on risk related issues as necessary.

f) Ensure that partner/other organisations whose risks could adversely impact on the school/trust are fully considered as part of the assessment of key risks

g) Obtain advice as necessary from external agencies, bodies and organisations to support the schools risk management strategy.

The School Local Governing Body

a) Support the Headteacher in the implementation of risk management policies, strategies, procedures. internal controls, and communication.

b) Promote a positive and risk aware culture within the organisation.

c) Ensure adequate and timely information on the status of existing and emerging risks and controls from their individual areas of responsibility is provided.

d) Assist with the preparation of the Academy Signatures of Risk document

e) Monitor health and safety management reports, accident and sickness information and raise concerns with the Headteacher as appropriate

f) Review the Business Continuity Plan on an annual basis.

Employees

a) Comply with the Trust's policies, strategies, procedures and internal controls for the management of risk.

b) Identify and report risks in their areas of responsibility to the relevant member of staff.

c) Attend training as requested by their line manager

d) Take all reasonable precautions to manage risks and the safety of themselves and others.

6. Policies and Procedures

Attached to areas of significant risk are a series of policies and procedures that underpin the organisation's internal control process in order to minimise exposure to risk. The Trust's risk management strategy is one of a range of tools used to minimise risk. Core policies are set and reviewed as part of a rolling programme and implemented and communicated by the Senior Leadership Team to staff. Written procedures, training, checklists and other internal controls support these policies where appropriate.

Regular reporting will support the monitoring of key risks and their controls and decisions on changes to the risk register will be made collectively by the Trust Board. The strategic risk register will be reviewed and refreshed in conjunction with the academy signatures of risk documents, school development plans, budget forecasts and other key management information and action plans.

In addition, schools will also:

- Use PHSE lessons to raise and discuss risk (e.g. personal safety, crime/fire prevention etc) with students
- Use staff meetings and inset/training days to discuss health, safety and risk management issues with staff and volunteers
- Invite professionals to school to talk about fire safety, crime prevention, personal safety, and other risk management issues
- Liaise with the Finance and Operations Director to ensure the appropriateness of insurance arrangements for activities undertaken or that are undertaken by other parties who use school premises or have responsibility for delivering services
- Regularly review activities/tasks undertaken to ensure risks are appropriately managed (e.g. via up to date risk assessments/information/training etc)

7. The Strategic Risk Register

The key risks of the Trust should be documented on the Strategic Risk Register, which will be monitored and reviewed on a monthly basis by the Trust's Senior Leadership Team, when progress on mitigation actions implemented will be reviewed, and the register appropriately updated. The review of the key risk register will be a standing agenda item at each Business and Finance Committee meeting. It is recognised, however, that management of risk is a continual and ongoing process and improvement or corrective actions will not be solely governed by the review and or reporting cycles in place.

In addition, reports and information from external/third party sources will be shared at the appropriate level and where relevant, findings incorporated within the key risk register. Furthermore, the Trust will commission an external consultant to undertake an annual review of risk management performance.

8. Academy Signature of Risks

Working with the Deputy Chief Executive, the Head Teacher has overall responsibility for reviewing the effectiveness of all internal control mechanisms within the school. The Academy Signatures of Risks document provides a structured format for assessing and reporting on the level of risk across the core operational areas in the school and allows for:

a) Review of the previous term's information and actions taken to mitigate risks
b) Assessing current risks, together with any potential risk for the next term and consider if current risk management and internal control arrangements and strategies are likely to be effective.
c) Ensuring that any other emerging risks are highlighted within the additional text areas of the report

The document should be completed each term by the Head Teacher and submitted to the Deputy Chief Executive for review. This will then form part of an "Academy Discussion", led by the Deputy Chief Executive. At the end of the Academy Discussion, the Deputy Chief Executive will then decide whether he/she is in agreement with the Head Teacher's self-assessment and will make any amendments as necessary in consultation with the Head Teacher. In reaching his/her decision, the Deputy Chief Executive will consider the following when making its assessment:

- The school's aims/objectives and its financial and non-financial position and targets
- Organisational structure and ability of the school's leadership team
- The culture, approach and resources available to manage risk
- The timeliness of identification, assessment, recording and monitoring of significant risks
- The time it takes to identify the breakdown of key controls and or the emergence of new risks
- Delegation of authority in place
- Public probity, reporting and reputational standing.

The Deputy Chief Executive will complete the final version of the report and the Headteacher will be responsible and accountable for implementing any recommendations made.

9. Conclusion

This strategy statement is intended to set out our strategic approach to the proactive management of risk within our organisation. Whist it is acknowledged that risk cannot be avoided, by implementing a robust strategy for its management we will aim to minimise where ever practical its impact operationally, financially and reputationally.