Risk Management Policy

Coordinator	Helen Edwards
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Agreed by LT on	June 2021
Does this policy need to be agreed by Governors? If yes, which committee?	Yes Resources
Agreed by Governors on	16 June 2021
This policy is communicated by the following means:	
Governors	Governor consultation by e-mail when policy reviewed and agreed
Staff	Policy folders on staff shared drive
Parents	Academy website
Students	Specific risks & safety discussed through Collective Time, PSHCE, Assemblies & Focus Days

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1. Introduction & Approach to Risk Management

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 (The Academies Financial Handbook 2017, section 2.3.8)*

Clapton Girls' Academy policy is to identify potential risks and evaluate and put in place effective control risks to ensure they are managed to an acceptable level. It is acknowledged that some risks will always exist and will never be eliminated.

2. Purpose of this Document

This risk management policy forms part of Clapton Girls' Academy's internal control and corporate governance arrangements.

The policy explains the academy's underlying approach to risk management, documents the roles and responsibilities of the governors and other key parties. It also outlines key aspects of the risk management process, and identifies the main reporting procedures.

In addition, it describes the process the governors will use to evaluate the effectiveness of the academy's internal control procedures.

3. Underlying Approach to Risk Management

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

- The board of governors has responsibility for overseeing risk management within the academy as a whole;
- An open and receptive approach to solving risk problems is adopted by the governors;
- The Headteacher and Leadership Team supports, advises and implements policies approved by the governors;
- The academy makes conservative and prudent recognition and disclosure of the financial and non-financial implications of risks;
- Senior and middle leaders are responsible for encouraging good risk management practice within their designated managed area; and
- Key risk indicators will be identified and closely monitored on a regular basis.

4. Role of the Board of Governors

The role of governors in the management of risk is to:

- Set the tone and influence the culture of risk management within the academy.
- Determine whether the academy is 'risk taking' or 'risk averse' as a whole or on any relevant individual issue.
- Determine what types of risk are acceptable and which are not.
- Set the standards and expectations of staff with respect to conduct and probity.
- Approve major decisions affecting the academy's risk profile or exposure.
- Monitor the management of significant risks to reduce the likelihood of unwelcome surprises or impact.

- Satisfy itself that the less significant risks are being actively managed, with the appropriate controls in place and working effectively.
- Annually review the academy's approach to risk management and approve changes or improvements to key elements of its processes and procedures.

5. Role of the Risk Management Group

Clapton Girls' Academy has Senior Leaders consisting of the Headteacher, Deputy Headteachers and the School Business Leaders whose key roles are to:

- Take overall responsibility for the administration and implementation of the risk management process;
- Identify and evaluate the significant risks faced by the academy for consideration by the governors;
- Provide adequate information in a timely manner to governors and its committees on the status of risks and controls;
- Report on risk management implementation at each meeting of the corporation, more often than not through the monitoring of the Academy Improvement Plan.
- Undertake an annual review of effectiveness of the system of internal control and provide a report to the board of governors.

6. Risk Management As Part Of The System Of Internal Control

The system of internal control incorporates risk management. This system encompasses a number of elements that together facilitate an effective and efficient operation, enabling the academy to respond to a variety of operational, financial, and commercial risks. These elements include:

a. Policies and Procedures

Attached to significant risks are a series of policies that underpin the internal control process. The policies are agreed by the Leadership Team and some by governors and then all are implemented and communicated to staff. Written procedures support the policies where appropriate.

b. Senior Leader Meetings

These meetings are designed to monitor key risks and their controls. Decisions to rectify problems are made at these meetings and are reported to the governors and Leadership Team if appropriate.

c. Business Planning and Budgeting

The business planning and budgeting process is used to set objectives, agree action plans, and allocate resources. Progress towards meeting business plan objectives is monitored regularly at Leadership Team meetings, Senior Leader meetings and Governor Committee meetings by monitoring the Academy Improvement Plan.

d. High Level Risks (significant risks only)

The Senior Leaders identify, assess and monitor any risks that are significant to the academy.

e. Resources Committee (Audit)

The Resources Committee in their report to the full governors on internal controls alerts governors to any emerging issues. In addition, the committee oversees internal audit, external audit and management as required in its review of internal controls. The

committee is therefore well placed to provide advice to the board on the effectiveness of the internal control system, including the academy's system for the management of risk.

f. Internal Audit Programme.
Internal audit is an important element of the internal control process. Apart from its normal programme of work, internal audit is responsible for aspects of the annual review of the effectiveness of the internal control system within the organisation. This control process is delivered through regular visits and formal reports by the Responsible Officer. These reports are received by the Governors' Resources Committee.

g. External Audit
External audit provides feedback to The Resources Committee on the operation of the internal financial controls reviewed as part of the annual audit.

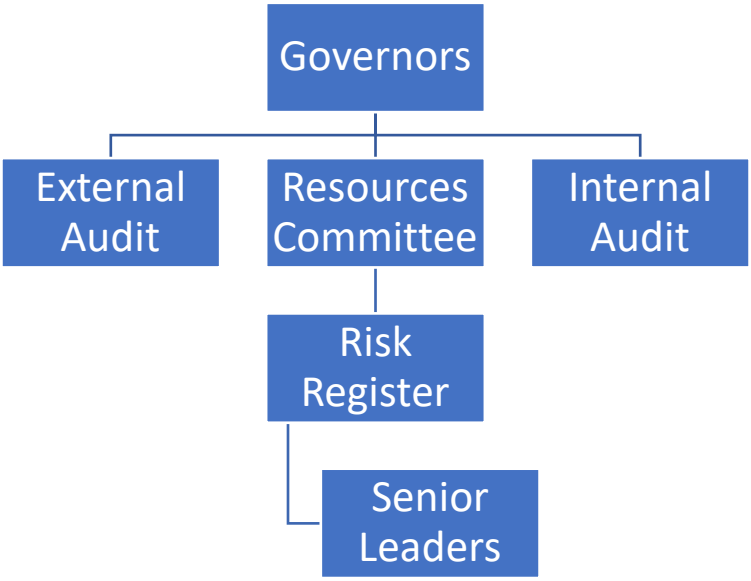
h. Third Party Reports
From time to time, the use of external consultants will be necessary in areas such as health and safety. The use of specialist third parties for consulting and reporting can increase the reliability of the internal control system.

7. Annual Review of Effectiveness

The governors are responsible for reviewing the effectiveness of internal control of the academy. Its approach is outlined below.
For each significant risk identified, the board will:

- Review the previous year and examine the academy's track record on risk management and internal control
- Consider the internal and external risk profile of the coming year and consider if current internal control arrangements are likely to be effective.

8. Risk Management Structures



9. Risk Management Roles and Ownership

Body	Expected Role in Risk Management	Formal Responsibilities
Governing Body	The Governing Body is expected to: 1.Set the tone and influence the culture of risk management throughout the academy; 2.Approve all major decisions affecting the academy's risk profile or exposure; 3.Frequently monitor the management of significant risks to reduce the likelihood of unwelcome surprises; 4.Satisfy itself that the less significant risks are being actively managed, with the appropriate controls in place and working effectively; and 5. Annually review the academy's approach to risk management and approve changes or improvements to key elements of its processes and procedures. This should include an examination of the framework/ process and its rigour.	The Governing Body is ultimately responsible for the academy's system of internal control and reviewing its effectiveness. The Governing Body needs to form an opinion on whether the academy has complied with all the provisions. This will include: 1. Reviewing the key risks together with the controls which have been implemented to mitigate those risks; and 2. Confirming whether or not there has been a formal ongoing process for identifying, evaluating and managing the academy's significant risks that has been in place for the 12 months to 31 July each year and up to the accounts approval date; 3. The Corporation will also need to ensure that there is a regular review of the risk management process and its outcomes (via The Resources Committee). The Headteacher should ensure an up-date of the risk register goes to at least one Full Governors meeting each year.
Resources Committee	The Resources Committee oversees internal audit, external audit and management as required in its review of internal controls. The Committee is therefore well placed to provide advice to Full Governors on the effectiveness of the internal control system, including the institution's system for the management of risk as part of its annual report.	The Resources Committee reports to the Full Governors on internal controls and alerts Governors to any emerging issues. The Resources Committee meets on a termly basis and provides a forum for reporting by the academy's internal and external auditors, who have access to the Committee for independent discussion.
Senior Leaders	The Senior Leaders is comprised of the Headteacher, the Deputy Heads and the School Business Leader. Its main function is to: 1. Implement policies on risk management and internal control. 2. Identify and evaluate the significant risks faced by the academy for consideration by Governors. 3. Provide adequate information in a timely manner to Governors and its committees on the status of risks and controls. 4. Undertake an annual review of effectiveness of the system of internal control and report to the Governors. 5. To review and update the risk register and ensure any resulting actions are incorporated into AIP Action Plans for each new academic year.	Its responsibility is to support the Governing Body and associated committees in discharging their duties. Regular meetings are held to ensure action plan implementation is being carried out efficiently and effectively.

Body	Expected Role in Risk Management	Formal Responsibilities
Risk Management Champion	CGA have nominated Helen Edwards, School Business Leader as the risk management champion, whose role it is to: 1. Take overall responsibility for the administration and implementation of the risk register. 2. Provide advice and support to colleagues within the broader academy and to Governors as appropriate. 3. Provide impetus and drive to the risk management process to ensure the implementation timetable is achieved. 4. Ensure risk management and its processes are disseminated and become embedded throughout the academy.	To support the Governing Body and associated committees in discharging their duties. To lead Senior Leaders and Leadership Team members through the Risk Management process
Internal Audit	Internal audit is an important element of the internal control process. Apart from its normal programme of work, internal audit is responsible for aspects of the annual review of the effectiveness of the internal control system within the organisation. Internal audit will need to take account of the corporate risks and the resultant risk management action plan in determining its strategic and annual plan of work. Internal audit should review and test the systems of control over the risk management process to provide assurance to The Resources Committee that the process is well controlled and to confirm that the risk management processes are being carried out in accordance with the agreed procedures and in a timely manner.	The academy has a Responsible Officer – Ophelia Carter, Head of Schools Finance, Hackney Learning Trust. The RO undertakes regular visits to monitor the systems of internal control and produces termly written reports of findings to the Resources Committee. The School Business Leader is responsible for the implementation of agreed recommendations and internal audit undertake periodic follow up reviews to ensure such recommendations have been implemented.
External Audit	External audit will ensure that the annual risk management process has been undertaken, and that statements of Corporate Governance are reflected. It is **not** the role of external auditors to ascertain the robustness or accuracy of the risks identified or the internal controls over their operation. The auditors do not form an opinion on the effectiveness of the academy's Corporate Governance procedures or its risk and control procedures.	External auditors express an independent opinion on whether the financial statements give a true and fair view, monies expended out of funds have been properly applied for those purposes and, if appropriate, managed in compliance with relevant legislation, and monies expended out of funds provided by the ESFA have been applied in accordance with the Funding Agreement.

10. Risk Management Reporting Process

10.1 Introduction

In order to ensure that the academy minimises its exposure to risk and the potential effects of such risks the Governing Body have agreed the following process in line with the guidelines set out in the accompanying Risk Management Policy.

10.2 The Process

10.2.1 The Senior Leaders will consider the Risk Management Policy, Risk Register and ensure any resulting actions are captured in the Academy Improvement Plans or other appropriate work streams such as appraisal objectives on an annual basis.

The Senior Leaders will review the Academy Improvement Plans at their meetings and review the Risk Register termly. They will:

- Review the progress of the implementation of the Academy Improvement Plans
- Consider all risks, their status and their controls to ensure that they are still
- appropriate.
- Where a weakness is identified agree clear actions, timescales and responsibilities.
- Update action plans and the register as required.

10.2.2 Following this meeting a report of the review will be presented to the next meeting of Full Governors. Governors will consider the report and its recommendations and approve any subsequent actions.