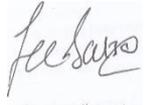


Epping Forest Schools Partnership Trust

Unlocking the Potential of Collaboration

Risk Management Policy

This policy was ratified by the Board of Trustees on:	11 th December 2019
Signed by the Chair of Trustees:	
This policy will be reviewed by the Trust every three years. Next review date:	December 2022

1. Purpose

- 1.1 The purpose of this Risk Management Policy is to outline the strategy adopted by the Epping Forest Schools Partnership Trust in relation to risk management and to explain the Trust's underlying approach to risk management. The policy further outlines the framework for risk management in the Trust and explains the roles and responsibilities of everyone within the Trust in managing risk.
- 1.2 Risk management is the process by which risks are identified, the severity assessed and the actions taken to mitigate and bring them down to acceptable levels if appropriate. Risk management covers the whole spectrum of risks and not just those associated with finance, health and safety, and insurance. It also includes risks associated with public image (reputation), projects, partnership working, the environment, technology, breach of confidentiality etc.
- 1.3 The process of identifying risks and the introduction of internal controls to help mitigate such risks helps to improve the Trust's ability to respond quickly and effectively to opportunities and threats. It is an effective tool for strategic and business planning; is a key element of the Trust's governance framework; and is central to the achievement of the Trust's objectives.
- 1.4 Risk management is not about being "risk averse" – it is about being "risk aware" to achieve the Trust's objectives and is an essential component of the Trust's operation.

2. Aims and Underlying Approach to Risk Management

- 2.1 The following key principles outline the Trust's approach to risk management and internal control:
 - 2.1.1 The Board of Trustees has overall responsibility for overseeing risk management within the MAT as a whole.
 - 2.1.2 The Board of Trustees carries out this responsibility through its main meetings and Finance and Audit Committee via a Trust Risk Register and each academy LGB and Headteacher is responsible for maintaining a School Risk Register.
 - 2.1.3 An open and receptive approach to solving risk problems is adopted by the Trust.
 - 2.1.4 Key indicators are identified and closely monitored on a regular basis at Trust and academy level.
 - 2.1.5 The Trust makes conservative and prudent recognition and disclosure of the financial and non-financial implications of risks.
 - 2.1.6 The Trust 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.
 - 2.1.7 All Trustees, Governors and employees are encouraged to be involved in the risk management process by reporting of risks through line management and governance structures in place.

3. Legal Framework

- 3.1 It is a requirement:
 - 3.1.1 of the Academies Financial Handbook that the Trust has sound internal control and risk management processes in place.
 - 3.1.2 under the Charities Act, which has also provided a Charities and Risk Management Guidance to follow under CC26.
 - 3.1.3 to include a section in the Trust's annual report on principal risks and uncertainties, which are derived from the Trust Risk Register.

4. Risk management cycle

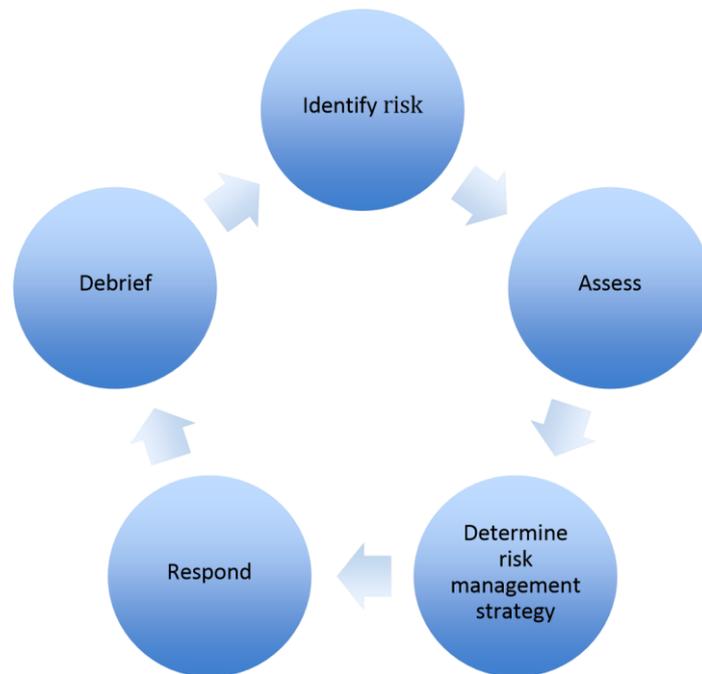


Figure 1: Risk management cycle

Identifying risks

Risk identification cannot be centralised to a core team or function; it must be a fluid part of the day to-day operation of the organisation across the Trust. Risk identification is a core competency and must be developed through the performance management process.

EFSPT works to a framework of key areas to identify and classify risks. This allows the organisation to take into consideration both internal and external factors that can positively or negatively affect the organisation.

A list of risks will be identified using a variety of techniques including data analysis, incident investigation and discussion sessions, among others.

For Example

	Risk Category	Risk Description	Risk Context	Risk Management (on-going)	Ac
1	School & Pupil Performance	The school is unable to secure appropriate standards of pupil performance	Unacceptably low standards of pupil performance gives the Trust or the Secretary of State grounds under the Funding Agreements to intervene	1. Robust framework for monitoring pupil performance against national/local/Trust benchmarks 2. Regime of regular monitoring by Governors, Headteacher and CEO	
2	Ofsted	The School is endanger of an Ofsted Grade 3 or 4	Ofsted grade 4 gives the Secretary of State grounds to intervene including removal of the school from the Trust	1. Robust framework for Ofsted SEF 2. Regime of regular monitoring by Governors, Headteacher and CEO	
3	Safeguarding	The Schools Safeguarding policy and /or practice are inadequate leading to a serious incident or breach of policy	Threat to pupil safety gives the Secretary of State grounds to intervene	1. Robust Trust Child Protection policy and practice 2. Regime of regular monitoring by Governors, Headteacher and CEO 3. Designated Governor to monitor compliance 4. Trust-wide External audit of policy & practice 5. Flagging of serious cases to Trustees	

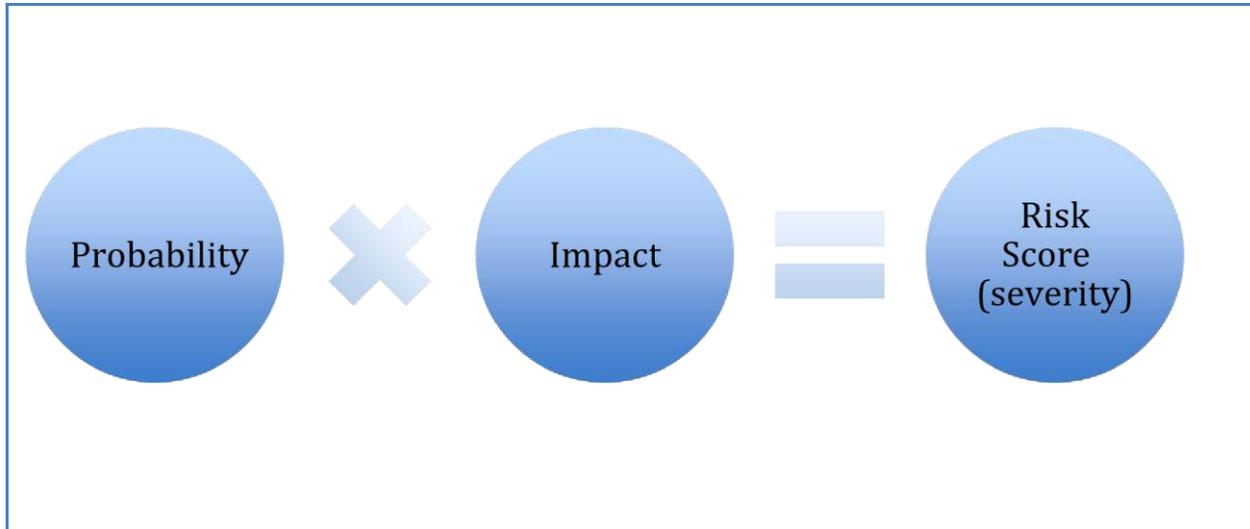
This issue: December 2019

Last issue:

Assessment of risk

Risks will be assessed on two core criteria:

- **Probability:** the probability of the risk occurring
- **Impact:** the positive or negative ramifications of the risk coming to fruition.



Risk profile

Impact score	3	Very serious issue that unless mitigated could prevent integration	
	2	Serious issue to be addressed to ensure integration is effective	
	1	Issue to be addressed to ensure integration is effective	
Probability score	3	High likely to occur unless mitigated	
	2	Likely to occur unless mitigated	
	1	May occur	
	0	Highly unlikely to occur	
Risk Score	6+	RED	Risk needs to be mitigated immediately
	4+	AMBER	Risk should be mitigated as soon as possible
	<4	GREEN	Risk to be monitored

Risk Owner

Once a response type is elected, a detailed strategy will be outlined and communicated by the risk owner. One individual, where possible, should be elected as the risk owner.

During the formation of the risk management strategy phase, the risk owner will identify stakeholders with an interest in or affected by the risk. Stakeholders must be consulted to establish their relationship with the risk and what influence this might have on the risk management process. To ensure a holistic approach to risk management consultation must be ongoing.

Risk response/Owner's Update

The risk owner will then coordinate all activities to ensure the successful implementation of the strategy and will remain responsible for effective communication throughout the implementation phase.

Post implementation debrief

The final stage of the risk management cycle is to conduct a debrief after the implementation of the management strategy to assess the effectiveness of the strategy. A residual probability score is assigned, as against the original probability score, and this when multiplied with the impact score, gives an overall residual risk score.

This issue: December 2019

Last issue:

5. Escalation

Risk should be understood and reported at all levels within the Trust. It is important that this is an interactive process engaged in by schools and the MAT centrally on a mutual basis.

The Board of Trustees should:

- know about the most significant risks facing the MAT
- ensure appropriate levels of awareness throughout the organisation including the awareness of the MAT about its schools and the awareness of the schools about the risks to the MAT
- know how the organisation will manage a crisis
- know the importance of government and stakeholder confidence in the company
- be assured that the risk management process is working effectively; and

Local Governing Bodies should:

- know about the most significant risks facing the schools within the Trust via the operational risk register and know about the significant risks facing the MAT
- know how the MAT will support the management of a crisis
- ensure appropriate levels of awareness throughout the academy
- know how its school will manage a crisis
- know the importance of government, parents and local community confidence in the schools
- be assured that the risk management process is working effectively.

Headteachers and Senior Leaders within schools should:

- be aware of risks which fall into their area of responsibility, the possible impacts these may have on other areas and the consequences other areas may have on them
- have performance indicators which allow them to monitor the key business and financial activities, progress towards objectives and identify developments which require intervention
- have systems which communicate variances in budgets and forecasts at appropriate frequency to allow action to be taken; and
- report systematically and promptly to the Finance and Audit Committee any perceived new risks or failures of existing control measures.

Individuals should:

- understand their accountability for individual risks
- understand how they can enable continuous improvement of risk management response
- understand that risk management and risk awareness are a key part of our culture; and
- report systematically and promptly to senior management any perceived new risks or failures of existing control measures.