



MANOR
MULTI ACADEMY TRUST

Risk Management Policy

Creating

Futures

TOGETHER

Approved by the Trust Board on 8 March 2022

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1. Introduction & Purpose

Our Trust's aspiration is that every child who attends a school within our MAT attends a "Great School." That all pupils are nurtured inspired and receive a world class education. Our goal is to ensure that every member of staff receives the highest quality professional development and tailored support so they can be the best they can be.

The statements in this policy contribute to our approach regarding our structures and governance:

- a. Manor Multi Academy Trust is committed to minimising risk through a framework of integrated governance supported by a proactive risk management culture.
- b. Risk can be defined as the combination of the potential likelihood of an event and its impact. In managing our schools there is the potential for events and consequences that constitute opportunities for benefit (upside) or threats to success (downside). Risk Management is concerned with both positive and negative aspects of risk.
- c. In the safety field, it is recognized that consequences are only negative and therefore the management of safety risk is focused on prevention of harm.

2. The Approach to Risk Management in Manor Multi Academy Trust

- a. Risk management is a central part of our strategic management and culture. It is the process whereby we methodically address the risks attached to our activities with the goal of achieving sustained benefit within each activity and across the portfolio of all activities.
- b. The focus of good risk management is the effective identification and treatment of risks. Its objective is to add the maximum sustainable value to all our activities. It focuses on understanding the potential upside and downside of all those factors, which can affect our organisation.
- c. Employees at all levels throughout the Trust should include risk management and awareness of risk as a key element of their job description and duties. This supports accountability, performance measurement and reward, thus promoting proactivity.
- d. Key performance indicators for risk management shall be developed, implemented and reviewed to measure the effectiveness of the risk management process.

3. Risk Management Cycle

Identify Risk > Assess > Determine Risk Management Strategy > Respond > Debrief

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 and across the estate. Risk identification is a core competency and must be developed through the performance management process. Manor Multi Academy Trust works to a framework of four 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, risk identification workshops, options appraisals and incident investigation among others. The Chief Finance Officer will maintain the Trust's Risk Register. Risks will be categorised into the following framework on the Trust Risk Register:

- **Strategic and Reputational Risks**
- **Financial Risks**
- **Compliance Risks**
- **Operational Risks & Safeguarding Risks**

Assessment of Risk

Likelihood x Impact = Risk profile (severity).

Risks will be assessed on two core criteria:

- **Likelihood (L):** the probability of the risk occurring
- **Impact (I):** the positive or negative ramifications of the risk coming to fruition.

Risks Severity Overall risk score (L x I)

Both criteria will be scored on the Risk Register, between 1 (the lowest) and 5 (the highest). When multiplied together, the total provides a quantifiable risk profile. The risk profile will then determine the severity of the risk through a simple Red, Amber, Green framework (severity).

Risk profile score (severity) RAG rating (Red, Amber, Green)

1 ≥ 5 Green

6 ≥ 12 Amber

13 ≥ 25 Red

Likelihood

Likelihood

The following table provides the indicative terms against which the probability of a risk event occurrence is evaluated. Please note, the 'Indicative frequency' may not be relevant when assessing risks related to repeated activities or when objectives are to be delivered over discrete periods of time – it should not be the sole basis for assessment.

Level	Likelihood	Description	Indicative %	Indicative frequency
1	Rare	May never occur	<5%	Once in the next 10 years
2	Unlikely	Would be surprising if it occurred	5-25%	Once in the next 5 years
3	Possible	May occur at some stage	26-65%	Once in the next 3 years
4	Likely	Probably will occur (no surprise)	66-95%	At least once in the next year
5	Almost certain	Expected to occur	>95%	Multiple times in the next year

Likelihood scores are based on an event taking place within one academic year or less

Impact

		Risk category						
Level	Impact	Pupil outcomes	Wellbeing and safety	Finance	Reputation	Operations	Strategy	Legal and compliance
1	Negligible	Educational outcomes, engagement and wellbeing, and pathways and transitions can be met with workarounds	Minor injury requiring no first aid or in-school support for stress or trauma	Small loss that can be absorbed	Internal impact No external impact	School operations continue with slight interruptions to normal activities	Goals, targets and key improvement strategies can be delivered with inconsequential impacts	Minor legal penalties
2	Minor	Educational outcomes, engagement and wellbeing, and pathways and transitions achieved but below targets	Injury or ill health requiring first aid In-school support for stress or trauma required	Loss of consumable assets <2% deviation from the budget Minor fraud possible	Adverse comments in local media Short-term stakeholder dissatisfaction	Some school operations disrupted Minor workarounds return school to normal operations	Minor workaround needs to be implemented to deliver the goals, targets and key improvement strategies	Low-level legal penalties
3	Moderate	Pupils' overall performance levels in English and maths are static Increase in truancy Partial achievement of targeted pathways and transitions	Injury or ill health requiring medical attention Professional support for stress or trauma required	Loss of assets 2-5% deviation from budget External audit management letter	External scrutiny Adverse comments in county/city media Impact on stakeholder relationship	Key school operations temporarily disrupted SLT meeting required to return school to normal operations	Constant consultation with key stakeholders needs to be maintained to deliver goals, targets and key improvement strategies	Significant legal penalties Operations monitored internally
4	Major	National targeted improvements not achieved Partial achievement of targeted learning outcomes Pupil dissatisfaction with access to pathways or transitions	Injury or ill health requiring hospital admission Ongoing clinical support for stress or trauma required	Loss of significant assets 6-15% deviation from budget External audit qualification on accounts High-level fraud committed	External investigation Adverse comments in national media Tenuous stakeholder relationship	All school operations disrupted External assistance sought	Significant adjustment to resource allocation and service delivery required to deliver goals, targets and key improvement strategies	Operations monitored by external regulatory body
5	Severe	Decline in pupil performance and progress in English and maths Pupil engagement and connectedness to the school and their peers is very poor Declining number of pupil options for pathways and transitions	Fatality or permanent disability Extensive clinical support for multiple individuals for stress or trauma required	Loss of key assets >15% deviation from budget Systematic and high-value fraud	Commission of inquiry Adverse comments in national media on a major scale, e.g. front-page news Stakeholder relationship irretrievably damaged	Normal school operations cease School evacuated Appropriate external bodies notified	Goals, targets and key improvement strategies cannot be delivered Changes need to be made to the SDP	Programmes/operations ceased by regulatory body

3. Risk Management Strategy

The risk management strategy determines the way in which the organisation will respond to a risk. The Trust has adopted four categories of risk response type:

- Transfer – Through conventional insurance or by supporting a third party to take the risk in another way.
- Tolerate – The Trust's ability to do anything about some risks may be limited, or the cost of taking any action may be disproportionate to the potential benefit gained: common for large external risks. In these cases, the response may be to tolerate, but the risk should be tracked so the Trust is ready to reconsider and act should the risk escalate. Tolerance levels must be set that determine the level of risk and inform the decision making process.
- Treat - Most risks will fall within this category. The purpose of taking action to reduce the chance of risk occurring is not necessarily to obviate the risk, but to contain it to an acceptable level. Risk will be dealt with at an appropriate level where the responsibility to decide on action will rest. Other risks may translate into activities designed to mitigate them. As is the case with any change in course of action, new risks may be encountered which subsequently require management.
- Terminate – Do things differently thus removing the risk wherever it is feasible to do so.

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

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.

4. Escalation

Risk should be understood and reported at all levels within the Trust.

The Trustees should:

- know about the most significant risks facing the organisation through monitoring of the Risk Register;
- ensure appropriate levels of awareness throughout the organisation;
- know how the organisation will manage a crisis;
- know the importance of government and stakeholder confidence in the Trust/company;
- be assured that the risk management process is working effectively; and
- publish a clear risk management policy covering risk management philosophy and responsibilities.

Local Governing Bodies should:

- know about the most significant risks facing their school and have a local risk register;
- ensure appropriate levels of awareness throughout the local leadership;
- know how their 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;

Executive Leaders, Headteachers and Heads of School 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 Trustees any perceived new risks or failures of existing control measures highlighted within the school's risk register.

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.

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 and across the estate. Risk identification is a core competency and must be developed through the performance management process.

Manor Multi Academy Trust is committed to minimising risk through a framework of integrated governance supported by a proactive risk management culture following EFSA's good practice guidance as outlined in the Academy Trust Handbook (sections 2.38- 2.42) and HM Treasury's suggestions.