



# Risk Management Policy

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Checked for compliance?	DDA Race Equality Academies Financial Handbook Governance Handbook
Policy Originator/Contact:	COO
Approved by:	Governing Board / Board of Trustees

# **Risk Management Policy**

## **Purpose of the Policy**

1. Taking risk management seriously is a priority for Humber Education Trust. The Risk Management Policy forms part of the organisation's internal control & scrutiny and governance arrangements. It is designed to provide assurance that the organisation has adopted best practice in this area, as advocated by the Turnbull Report on internal control of companies and in other parts of the education and voluntary sectors and to meet expectations of the Department for Education/ESFA as detailed in the Governance Handbook and Academies Financial Handbook.
2. The policy explains the organisation's approach to risk management to ensure its effective operation.
3. The policy should be read in conjunction with the Trust's Risk Register sets a framework for the management of risks and identifies roles and responsibilities of Trust/School leaders in the management of those risks.

## **Aims and approach to risk management**

The Trust has a Risk Management Strategy which aims to:

1. Identify and evaluate risks which could prevent the Trust from achieving one or more of its strategic aims and objectives and delivery targets or make their achievement substantially more difficult. These are categorised as Critical, Significant, Difficult, Moderate, Low
2. Assess the likelihood of such risks occurring (Unlikely, Possible, Likely, Very Likely, Certain) and the potential impact of such occurrences ( Low, Moderate, Difficult, Significant, Critical) with particular reference to the areas of finance risks, strategic and reputational risks, compliance and operational risks.
3. Enable decisions to be taken on how much risk to accept, the actions/controls applied to avoid or mitigate the likelihood of such circumstances arising, to transfer risk or insure against the consequences and assign responsibility for implementation.

The following key principles outline the Trust's approach to risk management and internal control in pursuing the aims set out above:

1. The Trust has responsibility for overseeing risk management within the institution as a whole.
2. The Trust carries out this responsibility through the Audit Committee.
3. An open and receptive approach to solving risk problems is adopted by the Trust.
4. Key risk indicators are identified and closely monitored on a regular basis at Trust level. The Trust wide risk register is updated on a termly basis.
5. Senior Trust Leaders review the Trust's Risk Register and Action Plan on a monthly basis and it is a standing item of all Audit Committees.



## **Additional Information and Resources**

### **Academies Financial Handbook 2020**

For academy members, trustees, accounting officers, chief financial officers and auditors published June 2019

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/811261/Academies\\_Financial\\_Handbook\\_2019.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/811261/Academies_Financial_Handbook_2019.pdf)

### **Governance Handbook 2019**

For academies, multi academy trusts and maintained schools published March 2019

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/788234/governance\\_handbook\\_2019.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/788234/governance_handbook_2019.pdf)