



Risk Management Policy

Summary

The Risk Management Policy forms part of the institution's internal control and corporate governance arrangements. It is designed to provide assurance that the institution 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.

A Purpose of the Policy

- Taking risk management seriously is a priority for Arbor Academy Trust. The Risk Management Policy forms part of the institution's internal control and corporate governance arrangements. It is designed to provide assurance that the institution 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.
- The policy explains the institution's underlying approach to risk management
- The policy should be read in conjunction with the Trust's Risk Management Strategy, which sets a framework for the management of risks and identifies roles and responsibilities of Arbor Academy Trust in the management of those risks.

B Aims and underlying approach to risk management

Our Risk Management Strategy aims to:

- Identify and evaluate risks which could prevent the school/Trust from achieving one or more of its strategic aims and objectives and delivery targets or make their achievement substantially more difficult.
- Assess the likelihood of such risks occurring (high, medium, low) and the potential impact of such occurrences with particular reference to the areas of finance, reputation and planning/operations.
- 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.

C Key Principles

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

- The Trust has responsibility for overseeing risk management for all academies in the Trust.
- The Trust carries out this responsibility through its Audit Committee.
- The Trust has an open and receptive approach to solving risk problems.
- Key risk indicators are identified and closely monitored on a regular basis by the Executive Team and the Risk register and Action Plan is updated on a monthly basis.
- The Trust's Risk Register and Action Plan is a standing agenda item on the termly meetings of both the Standards and Finance and Resources Committees.
- The Trust makes conservative and prudent recognition and disclosure of the financial and non financial implications of risks.
- 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.
- The Trust encourages all members, trustees, governors and staff to be involved in the risk management process through the reporting of risks through the risk template.