



Risk Management Policy

Reviewing Member of Staff: Dominic Burke
Date approved by Trustees: June 2023
Next Review: June 2024

Risk Management Policy

The management of risk is ultimately the responsibility of the Board of Trustees. In carrying out this responsibility the Trustees will at all times follow the statutory guidelines set out in the Academies Financial Handbook.

Oversight of Risk and the Risk Register

The Trust will consider risk carefully and will regularly review the Risk Register:

- Overall responsibility for risk management, including ultimate oversight of the risk register, will be retained by the board of trustees, drawing on advice provided to it by the Finance, Audit and Risk committee
- Other committees may also input into the management of risk at the discretion of the Trustees
- Aside from any review by individual committees, the board itself will review the risk register at least annually
- Risks management covers the full operations and activities of the trust, not only financial risks

In reviewing the risk register regularly the Trustees will:

- Identify the major risks that apply to the Balcarras Trust, including:
 - operational risks (employment issues, health and safety, fraud, service quality and development etc.)
 - financial risks (accuracy of financial information, cash flow, reserves, over-reliance on funding sources etc.)
 - external risks (changes in government policy, economic factors, demographic changes, adverse publicity etc.) and
 - regulatory risks (compliance with legislation, changes in policies of the regulators etc.)
- Assign named individuals to manage each area of risk
- Make assessing risk a key part of the work of the Finance, Audit and Risk Committee
- Make decisions (based where appropriate on advice from professional advisors) as to how to respond to those risks

The risk register will identify the scale of the identified risk using the following formula:

Likelihood	Rare	Unlikely	Possible	Likely
Impact	1	2	3	4
5-Critical	5	10	15	20
4-Major	4	8	12	16
3-Moderate	3	6	9	12
2-Minor	2	4	6	8
1-Insignificant	1	2	3	4

The Trustees Annual Report

In addition to regularly reviewing the risk register the Balcarras Trust will also report on its management of risk during the Annual Trustees Report. The Trustees' report will include a description of the principal risks and uncertainties facing the Academy Trust and its subsidiary undertakings, as identified by the Trustees. The report will also include a summary of the Trustees plans and strategies for managing these risks. The Trustees must identify specific risks and describe ways to combat each one, rather than making general statements regarding risk management.

Management of Risk

In addition to the risk register the Trust's management of risks will include contingency and business continuity planning. To do this the Trust will have:

- An Emergency Response Procedure in place which is updated annually for each of the Trust's schools
- A business continuity plan for the Trust which is reviewed annually
- A Reserves Policy which is reviewed annually

Insurance

The Trustees will ensure that the Trust has adequate insurance cover in compliance with its legal obligations or be a member of the academies risk protection arrangement (RPA). The Balcarras Trust's position is that we are currently content to be member of the RPA although we keep this under annual review. Not all risks are covered in the RPA. The Finance, Audit and Risk Committee will consider whether additional insurance is required on an annual basis.

Financial Procedures

One of the key risks relates to fraud. The Trust has a Financial Procedures Document and an Anti Fraud and Corruption Policy which sets out policies and procedures in this area.

Responsibility of employees/trustees

We expect employees and trustees to report any risk which they identify as part of their work to their line manager. In the case of the trustees the most appropriate place to raise these is via the Trust's Finance, Audit and Risk Committee.