



SCHOLARS ACADEMY TRUST

Fulfilling every child's potential

Risk Management Policy

Reviewed May 2021

Review May 2022

Signed *SNR*

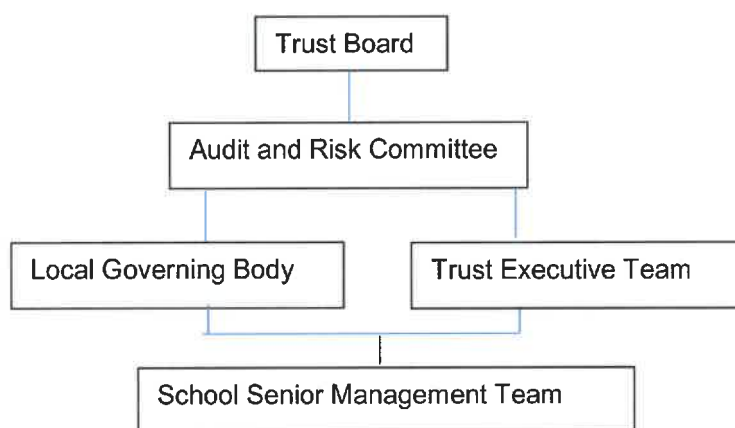
Date *8/6/21*

1. Introduction

- i. This policy forms part of the Trust's internal control and corporate governance framework.
- ii. It documents the roles and responsibilities of the Trust Board, Audit and Risk Committee, Local Governing Bodies, Trust Executive Team and School Senior Management Team.

2. Approach to Risk Management

- i. Scholars Academy Trust considers risk management an essential part of governance and leadership and an integral part of all decision-making activities.
- ii. The Trust seeks to manage rather than avoid risk, and the level of acceptable risk is determined through the Board's annual review of the level of risk it is prepared to accept.
- iii. Risk management activity is recorded on Risk Registers, and is deemed either strategic or operational as appropriate.
- iv. The Trust operates a hierarchal system of risk management, whereby risks are identified and managed at both Trust and School level.
- v. Risk reporting will usually be managed through the following reporting structure:



- vi. Significant, adverse, changes to risks must be reported to the Executive Team promptly, who will in turn alert the Chair of the Audit and Risk Committee as appropriate.

3. Role of the Trust Board

- i. Responsibility for Risk Management within the Trust as a whole, including ultimate oversight of the Risk Register, drawing on advice from the Audit and Risk Committee.
- ii. Maintenance of a Risk Register, which captures the strategic and operational risks for the Trust.
- iii. Agreement the appetite for risk on an annual basis.
- iv. Setting the tone and influence the culture of risk management within the Trust.
- v. Cascading the approach to risk management throughout the Trust and its Schools.

- vi. Approval of major decisions affecting the Trust's risk profile or exposure.
- vii. Reviewing at least annually, with advice from the Audit and Risk Committee, the Trust's management of strategic and operational Risk Registers.
- viii. Reviewing annually the approach to risk management and agree the policy.

4. Role of Audit and Risk Committee

- i. Responsibility for directing the trust's annual programme of internal scrutiny, which is informed by the Risk Register, and report to the Board throughout the year.
- ii. Identifying and evaluating the risks faced by the Trust and its schools and ensuring they are captured on the Risk Register.
- iii. Receiving reports from the Trust Executive Team on the Trust's management of risk.
- iv. Receiving Internal and External audit reports, assess their impact on risk ratings on the Risk Register and report their findings to the Trust Board.
- v. Reviewing the Risk Management Policy annually and refer it to the Trust Board for approval.

5. Role of Trust Executive Team

- i. Reporting to the Audit and Risk Committee on Trust risk controls and activities, making recommendations on ratings in the Risk Register.
- ii. Receiving reports from School Senior Management Teams on how their risks are being managed, escalating to the Audit and Risk Committee as appropriate.
- iii. Monthly reviews of how Trust risk is being managed; recording controls, mitigations and ratings on the Risk Register as appropriate.
- iv. Receiving reports from School Senior Management Team on how risk is managed.
- v. Escalating significant risks to the Audit and Risk Committee where necessary.

6. Role of Local Governing Body

- i. Each Local Governing Body is responsible for maintaining a risk register which is relevant for their circumstances.
- ii. Their risk register will be reviewed at each Local Governing Body meeting, informed by reports from the school's Senior Management Team.
- iii. Escalating new major and strategic risks to the Trust Audit and Risk Committee.

7. Role of School Senior Management Team

- i. Reviewing and update of the School Risk Register on a termly basis.
- ii. Reporting to the Local Governing Body and Trust Executive Team on how risk is being managed.
- iii. Escalating new and major risks to the Local Governing Body and Trust Executive Team.

This policy will be reviewed at on an annual basis or sooner if needed.