



**Diocese of Worcester Multi Academy Trust
(DoWMAT)**

Risk and Opportunities Policy

MAT Board Approval:	October 2017
Review Date:	Autumn 2019
Member of staff responsible:	Mrs Claire Davies

DoWMAT Vision

The Diocese of Worcester Multi Academy Trust (DoWMAT) will, through its mission statement 'to love, to learn, to serve', enable all its academies to flourish so that all stakeholders can 'live life in all its fullness'. (John 10:10)

DoWMAT Aims

To Love:

- For pupils to grow and learn in schools where, as children of God, their individual qualities are nurtured, to give them fulfilment, self-worth, the skills to contribute to society and confidence in the future
- For staff, accorded dignity and respect, to be enabled to become the very best practitioners that they can be, inspiring, sharing a joy for learning and aspiration
- For academies to be hospitable to diversity, to become the centre of their communities as places of nurture and beacons of educational excellence
- For all learning to be centred in relationships based upon compassion, generosity, truth-telling, forgiveness and reconciliation

To Learn:

- For academies to be resourced and supported so that all pupils within the DoWMAT are enabled to flourish, reaching their potential whatever their starting points
- To ensure staff and governors access high quality professional development so that standards of teaching and learning are excellent
- For academic rigour to be set in the context of rich curricular and extra-curricular opportunities for learning
- For academies to be places where explicit Christian values, collective worship, religious education and opportunities for reflection nurture the spiritual and moral growth of pupils and staff

To Serve:

- To fulfil the wider vision of the Church of England, serving our communities through the work of local academies
- To ensure academies are places of safety for pupils and staff where needs are met with dignity and respect
- To offer help and advice to those who lead our academies at all levels so that they are well equipped to face the challenges ahead
- To ensure that members, directors and trust staff understand the pressures and challenges of education in the 21st century ensuring that those leading and teaching in our academies are resourced and supported

1. Aims

The Diocese of Worcester Multi Academy Trust Board views risk management as an integral part of good corporate governance. It is essential in order to continue to meet high educational standards, demonstrate Best Value and protect the assets of the Trust. Risk management is not about totally eliminating risk but about identifying and understanding risk and therefore managing it more effectively, to ensure;

- Significant risks are known and monitored, enabling directors and governors to make informed decisions and take timely action
- The Trust makes the most of opportunities and develops them with the confidence that any risks will be managed
- Forward and strategic planning are improved
- The Trust's aims are achieved more successfully

2. Policy

The Trust's risk management objectives are to:

- Embed risk management into the culture of the Trust
- Comply with statutory obligations
- Preserve and enhance the delivery of education within the Trust
- Safeguard pupils, employees and all other persons to whom the Trust has a duty of care
- Protect Trust property including buildings, equipment and all other assets and resources
- Maintain effective control of public funds
- Protect the reputation of the Trust
- Support the quality of the environment of each academy

3. Context

For the purposes of this strategy, **risk is defined as something that might have a detrimental impact on the achievement of the Trust's objectives. Risk and Opportunity Management is defined as encouraging innovation through a managed process, ensuring that tangible and intangible assets are safeguarded.**

Organisations will face some level of risk in most of the things they do. The diverse nature of the education sector means that Multi Academy Trusts face different types of risk and levels of exposure.

An essential question for DoWMAT when considering risk is whether or not, following any planned action, we can continue to fulfil our objects now and in the future sustainably.

The major risks for DoWMAT are likely to be:

- Changes to EFA funding, including a reduction in pupil placement funding and the Education Services Grant
- Changes to the Local Authority commissioning arrangements for children with special educational needs
- Changes to terms and conditions of employees as part of national or local pay settlements
- Increased liability costs on employers e.g. increased NI or pension costs
- Failure to comply with statutory obligations and regulations such as those covering the environment, health and safety, employment practice, and human rights
- Anything that poses a threat to the achievement of educational objectives, including failure to take opportunities to improve educational standards within the Trust academies

- Failing to fulfil its duty of care to those that the Trust and its academies come in to contact with
- Financial risks / loss or deterioration of assets above and beyond normal wear and tear
- Anything that could damage the Trust's reputation and undermine public confidence
- Not protecting the environment from the actions of the Trust itself or from others operating within the boundaries of the Trust or its academies

Generally, risk will need to be considered in terms of the wider environment in which the Trust operates. The financial climate, society and its attitudes, the natural environment and changes in the law and Government policy, technology and knowledge will all affect the types and impact of the risks that the Trust is exposed to.

Although the risks that any Trust might face are both financial and nonfinancial, the ultimate impact of risk is financial in most cases. This could be where a party seeks compensation for loss, or costs are incurred in managing, avoiding or transferring the risk, for example by buying employers' liability insurance or buildings insurance.

4. Categories of Risk

Risk Category	Examples
Governance Risks	<ul style="list-style-type: none"> • Inappropriate organisational structure • Directors / Governors lack relevant skills or commitment • Conflicts of interest
Operational Risks	<ul style="list-style-type: none"> • Poor recruitment and training • Doubt about security of assets • Changes in local authority strategy for SEND
Financial Risks	<ul style="list-style-type: none"> • Non-compliance of statutory / legislative requirements • Inaccurate and / or insufficient financial information • Inadequate reserves and cash flow dependency on limited income sources • Reduced funding from ESFA • Insufficient insurance cover
External Risks	<ul style="list-style-type: none"> • Poor public perception and reputation • Demographic changes such as an increase in the size of key stage cohort or changes in 2 tier / 3 tier system • Turbulent economic or political environment • Changing government policy
Compliance with law and regulation	<ul style="list-style-type: none"> • Acting in breach of trust • Poor knowledge of the legal responsibilities of an employer • Academy policies / documentation / website non compliant • Poor knowledge of regulatory requirements e.g. failure of schools to meet at least 'Good' standards as per Ofsted inspection framework, or failure to adhere to requirements of SEND Code of Practice
Reputational Risks	<ul style="list-style-type: none"> • Damage to the reputation of the Trust • Drop in public opinion

5. Strategic Approach

Following identification of the risks that a Trust might face, a decision will need to be made about how they can be most effectively managed. The Board of Directors have adopted this risk management policy to help them make decisions about the levels of risk that can be accepted on a day to day basis and what matters need to be referred to them for decision.

The Board recognises that risk needs to be managed rather than avoided and consideration of risk should not stifle innovative decision-making.

In addition to identifying and defining risks associated with the activities of the Trust, risk management is seen as a tool for identifying and assessing opportunities. The documented assessment of opportunities will provide the level of confidence required to make informed decisions. The Trust recognises that it works in an increasingly litigious and risk-averse society.

A consistent approach to risk analysis will be an integral part of Trust / academy planning and project management, and will be developed with the minimum of bureaucracy.

There are four basic strategies that can be applied to manage an identified risk:

- TRANSFER transferring the financial consequences to third parties or sharing it, usually through insurance or outsourcing
- TREAT introduce strategies to manage or reduce the negative impact of a specific action
- TOLERATE accepting or assessing it as a risk that cannot be avoided if the activity is to continue. An example of this might be where the Board take out an insurance policy that carries a higher level of voluntary excess or where the Trust recognises that a core activity carries a risk but take steps to mitigate it - public use of a school property would be such a risk.
- TERMINATE avoiding the activity giving rise to the risk completely, for example by not bringing another school into the Trust or stopping a particular activity or service

6. Implementation

The Trust is committed to establishing a systematic and consistent approach to risk identification, analysis and control which;

- Establishes clear roles, responsibilities and reporting lines within the Trust and Trust academies for risk management
- Provides a framework for recording and reviewing potential risks and associated actions
- Reinforces the importance of effective risk management by offering training, good practice, and other support
- Embeds risk management as part of Trust decision making, strategic planning and project management
- Enables the Trust to deliver its priorities and services effectively
- Contributes towards the achievement of sustainable improvement,
- Contributes to the Trust discharging its duty of care to pupils and its employees
- Reduces the number and cost of insurance and contractual claims arising
- Minimises damage to the Trust's reputation

7. Roles and Responsibilities

- The Trust Board and the CEO have joint responsibility for the School's risk management direction
- The CEO will be responsible for maintaining the Trust's Risk Register. It will be updated following Board meetings and made available to key personnel and the academies to inform their decision making.

- The Trust Board will review the Trust's risk management arrangements in line with its agreed Terms of Reference. The Members will receive an annual report as part of the Trust's Internal Control process.
- It is the responsibility of all Directors and staff to consider risks and opportunities as part of their decision making and day to day activities for the Trust and its academies. This will include highlighting risks and opportunities as well as implementing agreed actions.
- The Trust central team holds responsibility for ensuring all academies are aware of and follow the Trust risk management policy and expectations
- Academy senior leaders are responsible for the monitoring, recording and reporting of all risks / near miss events on their premises

Monitoring and Evaluation

The Trust Board will review the Trust's risk management arrangements at each meeting to ensure they reflect the current position for the Trust.

Review

This policy is to be reviewed by the Trust Board every two years.