

**POLICY DOCUMENT No F10****DEBENHAM HIGH SCHOOL**

A Church of England High Performing Specialist Academy

**RISK MANAGEMENT POLICY**

This policy is reviewed every two years in spring by the Finance and General Purposes Committee

## History of Document

Issue No	Author/ Owner	Date Written	Approved by Finance/GP	Comment
Issue 1	Tracy Darby	Sept 11		1 <sup>st</sup> issue
Issue 2	Tracy Darby	Jan 13	01/02/2013	2 <sup>nd</sup> Issue with amendments
Issue 3	Tracy Darby	March 15	20/03/2015	3 <sup>rd</sup> issue minor update
Issue 4	Tracy Darby	Feb 17	17/03/2017	4 <sup>th</sup> Issue minor update
Issue 5	Tracy Willmott	March 2019	15/03/2019	Minor amendments

## 1. Introduction

Risk is the threat that an event or action will adversely affect the school's ability to achieve its objectives and to successfully execute its strategies.

Risk Management is the process by which risks are identified, evaluated and controlled. It is not about eliminating risk but about understanding it and managing it more effectively. It is part of the school's system of Internal Control.

This Policy explains the school's approach to Risk Management, gives key aspects of the process and identifies the main reporting procedures.

Governors use it to evaluate the effectiveness of the school's internal control procedures.

## 2. Approach to Risk Management

- 2.1 The Governing Body has overall responsibility for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, while safeguarding the school's public and other funds and assets, in accordance with the Funding Agreement and the Academies Financial Handbook issued by the Education & Skills Funding Agency (ESFA)
- 2.2 There is an open and receptive approach to resolving risk issues.
- 2.3 The Finance and General Purposes Committee advises the Governing Body on Risk Management.
- 2.4 The school makes conservative and prudent recognition and disclosure of the financial and non-financial implications of risks.
- 2.5 All members of the Governing Body and the school's Leadership Team are responsible for encouraging and implementing good Risk Management practice within the school.
- 2.6 Early warning mechanisms are in place and monitored to alert the school to any risk events or near misses so that suitable remedial action can be taken.

## 3. Role of the Finance and General Purposes Committee

- 3.1 To set the tone and influence the culture of Risk Management within the school. This includes:

- Determining whether the school is 'risk taking' or 'risk averse' as a whole or on any relevant individual issue.
  - Determining which types of risk are acceptable and which are not.
  - Setting the standards and expectations of staff with respect to conduct and probity.
- 3.2 To approve major decisions affecting the school's risk profile or exposure.
- 3.3 To monitor the management of fundamental risks.
- 3.4 To be satisfied that the less fundamental risks are being actively managed, with the appropriate level of controls in place and operating effectively.
- 3.5 To review annually the school's approach to Risk Management and approve changes or improvements to key elements of its processes and procedures.

#### **4. Role of the School's Senior Leadership Team**

- 4.1 To embed risk management into the system of internal control.
- 4.2 To identify and evaluate the fundamental risks faced by the school for consideration by the Finance and General Purposes Committee.
- 4.3 To provide adequate information in a timely manner to the Finance and General Purposes Committee on the status of risks and controls.
- 4.4 To assist the Finance and General Purposes Committee in undertaking an annual review of Risk Management and the effectiveness of the system of internal control.

#### **5. System of Internal Control**

The system of internal control incorporates Risk Management. It encompasses a number of elements that together facilitate an effective and efficient operation, enabling the school to respond to a variety of risks. These elements include:

##### **5.1 Policies and Procedures**

A series of policies underpin the internal control process. These policies are set by the Governing Body. Written procedures support the policies where appropriate.

##### **5.2 Development Planning and Budgeting**

The development planning and budgeting process is used to set objectives, agree action plans, and allocate resources. Progress towards meeting development plan objectives is monitored regularly.

##### **5.3 Risk Management Plan**

The plan is compiled by the Finance and General Purposes Committee and helps to identify, assess and monitor risks significant to the School. The Risk Management Plan is formally revised

annually but emerging risks are added as required and improvement actions and risk indicators are monitored regularly.

#### **5.4 Internal Audit**

The role of Audit Committee has been incorporated into the terms of reference of the Finance and General Purposes Committee. The Committee have appointed an independent auditor to carry out, and report to the Finance and General Purposes committee, detailed internal audits on areas specified by the Finance and General Purposes Committee.

#### **5.5 External Audit**

External audit informs the Finance and General Purposes Committee and the **ESFA** on the accuracy and regularity and feasibility of the schools accounts and financial management.

#### **5.6 Third Party Reports**

From time to time, the use of external consultants may be appropriate in areas such as health and safety, **data protection** and human resources. The use of specialist third parties for consulting and reporting can increase the reliability of the internal control system.