RISK MANAGEMENT

Key Guidance for Schools & Trusts

IDENTIFY • ASSESS • MITIGATE • REVIEW

Effective risk management helps trusts achieve strategic objectives, protect pupils and staff, use resources wisely and provide assurance through informed decision making.

This guidance supports Academy Trust Handbook expectations for effective risk management, internal control and governance.

KEY RISK AREAS FOR ACADEMY TRUSTS

1 UNDERSTANDING RISK MANAGEMENT

- A structure process to identify, assess and manage uncertainty.
- Focuses on risk that could affect the achievement of objectives.
- Ensures risk are understood, actions are taken and outcomes improved.

Make risk visible.

2 STRATEGIC RISKS

- Failure to deliver high qualify education and outcomes.
- Leadership capacity and succession planning.
- Changes in policy, demographics or local demand.
- Reputation and stakeholder confidence.

Think beyond today.

3 FINANCIAL RISKS

- Budget deficits and in-year overspending.
- Cashflow pressures and working capital
- Fraud, error or financial irregularity.
- Procurement and value for money
- Staffing costs and affordability.

Control financial exposure.

4 SAFEGUARDING RISKS

- Recruitment, checks and safer recruitment practice.
- Compliance with KCSIE and safeguarding duties.
- Filtering and monitoring, online safety and data handling.
- Site security, visitors and lone working.

Safeguarding comes first.

5 CYBER & DATA RISKS

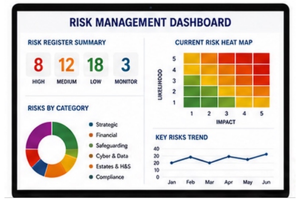
- Cyber attacks phishing and malware.
- Data breaches and GDPR non-compliance.
- Loss of data or system failure.
- Business continuity and disaster recovery.

Protect data and systems.

6 ESTATES & COMPLIANCE

- Condition of buildings and compliance with legislation.
- Fire safety, asbestos and other statutory duties
- Maintenance, capital projects and contractors.
- Health & Safety culture and incident management.

Safe sites support learning.



RISK MANAGEMENT

Practical continuation page for risk appetite, scoring, controls, assurance, monitoring and review.

7 RISK APPETITE

- Risk appetite is the amount of risk your Trust is willing to accept in pursuit of its objectives.
- It helps prioritise risks and ensures consistent decision making.
- Set clear boundaries for what is acceptable, tolerable or unacceptable.

Challenge when risk changes.

8 RISK SCORING

- Score risk using a simple Likelihood x Impact matrix.

	Insignificant (1)	Minor (2)	Significant (3)	Major (4)	Severe (5)
Almost Certain (5)	5	10	15	20	25
Likely (4)	4	8	12	16	20
Moderate (3)	3	6	9	12	15
Unlikely (2)	2	4	6	8	10
Rarely (1)	1	2	3	4	5

Score and review regularly.

9 CONTROLS & MITIGATIONS

- Put controls in place to prevent risks or reduce their impact.
- Use a mix of preventative and detective controls.
- Review the effectiveness of controls and strengthen where needed.

Controls need ownership.

10 MONITORING & REPORTING

- Risk registers must be reviewed regularly by leaders.
- Provide clear reports to Trustees and relevant committees.
- Highlight emerging risks and changes in risk profile.

Timely reporting matters.

11 INTERNAL SCRUTINY

- Internal scrutiny provides independent assurance over key risks and controls.
- It helps identify weakness, confirm good practice and recommend improvements.
- Focus on the risk that matter most to your Trust/

Assurance builds confidence.

12 CONTINUOUS REVIEW

- Risks change – so should your risk management.
- Keep your risk register live and up to date.
- Learn from incidents, audits and reviews to improve.

Keep risk live.

RISK MANAGEMENT CHECKLIST

	Yes	No	In Progress	N/A
Risk register is reviewed at least termly	☐	☐	☐	☐
Risk owners are assigned and accountable	☐	☐	☐	☐
Risk appetite is agreed and reviewed annually	☐	☐	☐	☐
Likelihood and impact scores are up to date	☐	☐	☐	☐
Controls and mitigations are documented	☐	☐	☐	☐
Actions are tracked with clear timescales	☐	☐	☐	☐
Emerging risks are identified and recorded	☐	☐	☐	☐
Trustees receive regular risk reports	☐	☐	☐	☐
Internal scrutiny provides assurance	☐	☐	☐	☐
Lessons learned are recorded and acted on	☐	☐	☐	☐

THE 5 KEY ACTIONS

1. **Identify** – Identify risks that could affect strategic objectives.
2. **Assess** – Assess likelihood and impact using a consistent approach.
3. **Mitigate** – Implement controls and actions to reduce exposure.
4. **Monitor** – Track controls, actions and changes regularly.
5. **Review** – Review, learn and update the risk register.

EMERGING RISKS TO WATCH

Workforce

Recruitment, retention, capacity, wellbeing.

Financial Pressures

Rising costs, funding changes, cashflow challenges.

Estates & Compliance

Compliance changes, estates management, and H&S.