RISK MANAGEMENT POLICY

The OHC&AT Board of Directors has agreed this Policy and as such, it applies across the organisation – 3rd March 2016.

Jay Mercer
Chair of OHCAT Board

Darren Coghlan
Chair of OHC Board

Risk Management Policy

INTRODUCTION

'Risk' can be defined as an event or cause leading to uncertainty in the outcome of OHC&AT's operations. It is the responsibility of all staff within their respective capacities to consider what might go wrong and take steps to reduce the impact if things do go wrong. Furthermore, OHC&AT must provide assurance to Governors, Directors, funding bodies, auditors and to our stakeholders that we are managing risk correctly. We therefore need to formally identify corporate risks and mitigating actions.

Orchard Hill College and Academy Trust (OHC&AT) is committed to providing outstanding educational opportunities for all our pupils and students. This policy forms part of OHC&AT's internal control and corporate governance arrangements. It explains OHC&AT's underlying approach to risk management and documents the roles and responsibilities of the OHC&AT Directors, the Executive Team and other key parties. It also outlines key aspects of the risk management process, and identifies the main reporting procedures. In addition, it describes the process the Board will use to evaluate the effectiveness of OHC&AT's internal control procedures. The policy also identifies how the risk management process is integrated and embedded into OHC&AT's organisational culture.

RISK MANAGEMENT

Underlying approach to risk management

The following key principles outline OHC&AT's approach to risk management and internal control:

- The Family Board has responsibility for overseeing risk management within OHC&AT as a whole
- An open and receptive approach to solving risk problems is adopted by the Board
- The Executive Team create, advise on and implement policies approved by the Board that ensure compliance with legislative requirements
- OHC&AT makes conservative and prudent recognition and disclosure of the financial and non-financial implications of risks
- Senior and middle managers are responsible for encouraging good risk management practice within their designated managed area
- Key risk indicators will be identified and closely monitored on a regular basis.

Role of the Board

The Board's role in the management of risk is to:

- Set the tone and influence the culture of risk management within OHC&AT, including:
  - determining whether OHC&AT 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, and;
  - setting the standards and expectations of staff with respect to conduct and probity.
- Approve major decisions affecting OHC&AT's risk profile or exposure.
- Monitor the management of significant risks to reduce the likelihood of unexpected or adverse impacts.
- Satisfy itself that the less significant risks are being actively managed, with the appropriate controls in place and working effectively.
- Annually review OHC&AT's approach to risk management and approve changes or improvements to key elements of its processes and procedures.

Role of the Executive Team

The Executive Team's role in the management of risk is to:

- Take overall responsibility for the administration and implementation of the risk management process.
- Identify and evaluate the significant risks faced by OHC&AT for consideration by the Board.
- Operate a continually updated Risk Register. This identifies all risks, their relation to the College Quality Improvement Plan (QIP), Academy School Development Plans (SDP) and equivalent documents, what measures are currently in place, as well as their likelihood and possible impact to deliver an aggregated risk score.
- Provide adequate information in a timely manner to the Board and its committees on the status of risks and controls.
- Report on risk management action plan implementation at each meeting of the Board.
- Undertake an annual review of the effectiveness of the system of internal control and provide a report to the Board.

Risk Management as Part of the System of Internal Control

The system of internal control incorporates risk management. This system encompasses a number of elements that together facilitate an effective and efficient operation, enabling OHC&AT to respond to a variety of operational, financial and commercial risks. The system is to provide a framework of assurance measures to enable proactive responses to risks and accurate reporting for the Executive Team and the Board to assess adequacy of controls in place. These elements include:

- *Policies, Procedures and Duties*
  Attached to significant risks are a series of policies that underpin the internal control process. The policies set by the Executive Team, ratified by the Board and implemented and communicated by senior

2

leadership and middle managers to staff. Written procedures support the policies where appropriate. OHC&AT has an Equality and Diversity policy in place, ensuring compliance with national requirements and Ofsted expectations. Reporting systems on equality and diversity are built in at every level of the organisation via the portfolio governance system.

- *Weekly & Monthly Reporting*
  A review of risk management features as a rolling agenda item within all senior level monthly monitoring meetings, with feedback mechanisms in place to transmit risk awareness up the chain. This enables senior leaders and managers to monitor key risks and their controls. Heads/Principals and Executive Heads identify key risks relating to areas within their provision or department and submit recommendations through Key Risk reports at their monthly monitoring meetings. Additions to the Risk Register are identified through this process. The Principal/CEO's monthly monitoring meetings review reports and data from all managers and departments, creating a more comprehensive monthly monitoring of all risk areas across OHC&AT.

- *Business Planning and Budgeting*
  The business planning and budgeting process is used to set objectives, agree action plans and allocate resources. Progress towards meeting business plan objectives is monitored regularly.

- *High Level Risk Register (significant risks only)*
  The High Level Risk Register is compiled by the Executive Team and facilitates the identification, assessment and ongoing monitoring of risks significant to OHC&AT. The document is formally appraised termly but emerging risks are added as required and improvement actions and risk indicators are monitored regularly.

- *Departmental Risk Plans (where risk management is embedded within the strategic planning process)*
  Departmental Directors develop and use these plans to ensure that significant risks in their department are identified, assessed and monitored. All staff are involved in the risk assessment process. The document is formally appraised annually but emerging risks are added as required, and improvement actions and risk indicators are monitored regularly by business units.

- *Individual Risk Assessments for pupils and students*
  As part of every pupil or student's Support Plan, an Individual Risk Assessment is written, identifying the potential hazards for the pupil/student and the measures that are in place to keep the level of risk as Low. These Risk Assessments will be added to in the event of a pupil/student undertaking new activities. They will also cross-reference with generic Risk Assessments relating to specific activities or places. In the event of an incident occurring, the pupil/student's Risk

Assessment will be updated and related changes put in place within 48 hours. Pupil and Student Risk Assessments are monitored regularly by Heads/Principals.

- *Staff Risk Assessments*

  OHC&AT recognises that members of staff may have additional support needs, whether permanently or temporarily. In accordance with its Equality & Diversity Policy and Equality Duties, OHC&AT actively seeks to employ staff and governors with disabilities and although OHC&AT strives to achieve accessibility in all settings and activities, it also ensures that all appropriate, non-discriminatory Risk Assessments are carried out to facilitate a safe and supportive working environment. Staff who develop health concerns that may impact upon their ability to do all or part of their job are referred to Occupational Health. On the basis of the Occupational Health report, a Risk Assessment is carried out and reasonable adaptations are made, where possible, to support that member of staff to return to work.

- *Disclosure and Barring Service Checks*

  OHC&AT carries out Enhanced DBS checks on all staff and governors. No member of staff can commence in their post until a satisfactory DBS clearance is received by OHC&AT unless there are exceptional circumstances, in which case a full Risk Assessment would be undertaken prior to the employee commencing. To safeguard against repercussions from candidates who are offered a post but subsequently do not receive a satisfactory clearance, OHC&AT always advises successful candidates not to hand in their notice until they receive notification from OHC&AT that there are no concerns raised by the DBS. In accordance with legislative requirements all OHC&AT provisions maintain a Single Central Record of DBS checks which covers permanent and agency staff. No new member of agency staff is allowed to start, regardless of whether they have pupil/student contact or not, until their DBS check has been satisfactorily evidenced or a full Risk Assessment has been put in place. Contractors who access any OHC&AT provision when pupils/students are present are required to evidence DBS clearance or to evidence that they understand OHC&AT's Safeguarding policy and adhere to the requirements to be attended by OHC&AT staff and to access only designated toilets.

- *External Audit*

  External audit provides feedback to the Executive Team on the operation of the internal financial controls reviewed as part of the annual audit.

- *Third Party Reports*

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

Annual review of effectiveness

The Board is responsible for reviewing the effectiveness of OHC&AT's internal control, based on information provided by the Executive Team (or other designated group or committee). Its approach is outlined below.

For each significant risk identified, the Board will:
- Review the previous year and examine OHC&AT's track record on risk management and internal control
- Consider the internal and external risk profile of the coming year and consider if current internal control arrangements are likely to be effective.

In making its decision the Board will consider the following aspects:

a) Control environment
- OHC&AT's objectives and its financial and non-financial targets
- Organisation structure and calibre of the Executive Team
- Culture, approach and resources with respect to the management of risk
- Delegation of authority and public reporting

b) Ongoing identification and evaluation of significant risks
- Timely identification and assessment of significant risks as well as prioritisation of risks and the allocation of resources to address areas of high exposure.

c) Information and communication
- Quality and timeliness of information on significant risks and time taken for control breakdowns to be recognised or new risks to be identified.

d) Monitoring and corrective action
- OHC&AT's ability to learn from any problems and its commitment and responsiveness in implementing corrective actions.

The Executive Team will prepare a report of its review of the effectiveness of the internal control system annually for consideration by the Board.

POLICY REVIEW DETAILS

Version: 1.0
Reviewer: Stephanie Hill
Approval body: Family Board
Date this version approved: 3rd March 2016
Due for review: Spring 2019

RELATED POLICIES AND PROCEDURES

Critical Incident Plan
Risk Assessment Policy
Health and Safety Policy
Child Protection (Safeguarding) Policy and Procedure
Equality and Diversity Policy
Health and Wellbeing Policy