



## **St Thérèse of Lisieux Catholic Multi Academy Trust**

### **RISK MANAGEMENT POLICY**

**Approved**

<b>Audience:</b>	<b>Directors, Local Governing Bodies, Central Team and all other CMAT employees</b>
<b>Approved:</b>	<b>Audit &amp; Risk Committee 05.10.2020</b>
<b>Other related policies:</b>	<b>Risk Management Process</b>
<b>Policy Owner:</b>	<b>Louise Wilson – Chief Executive Officer</b>
<b>Policy Model:</b>	<b>Compliance – all CMAT academies use this policy</b>
<b>Review:</b>	<b>Annually</b>
<b>Version Number:</b>	<b>2.0 (October 2020)</b>

## **1. Introduction**

This policy sets out the framework for risk management in the Trust, which allows for ease of understanding and regular review. Risk management is the process by which risks are identified, the severity assessed, and actions are taken to mitigate and bring them down to acceptable levels.

The process of identifying risks and the introduction of internal controls to help mitigate such risks helps to improve the Trust's ability to respond quickly and effectively to opportunities and threats. It is an effective tool for strategic and business planning, is a key element of the Trust's governance framework and is central to the achievement of the Trust's objectives.

## **2. Definition**

The IIA's international standards define a risk as 'the possibility of an event occurring that will have an impact on the achievement of objectives. Risk is measured in terms of impact and likelihood.'

## **3. Legal Framework**

It is a requirement:

- of the Academies Financial Handbook that the Trust has sound internal control and risk management processes in place;
- under the Charities Act, which has also provided a Charities and Risk Management Guidance to follow under CC26;
- to include a section in the Trust's annual report on principal risks and uncertainties, which are derived from the Trust's risk register.

## **4. Risk Management Strategy**

The strategy aims to:

- outline the roles and responsibilities of risk management;
- identify risk management processes to ensure that all risks are appropriately identified, controlled and monitored;
- ensure appropriate levels of awareness throughout St Therese of Lisieux CMAT.

## **5. Roles and responsibilities**

### **5.1 Role of the St Therese of Lisieux CMAT Board**

The St Therese of Lisieux CMAT Board has overall responsibility for risk management.

Trustees are responsible for:

- annually reviewing and setting the tolerance level for risk exposure;
- reviewing the strategic risk register at every meeting;
- providing strategic leadership, review and challenge to the Executive Leadership Team on the strategic risks
- overseeing the completion of the section regarding risk management within the annual report.

## 5.2 Role of the Executive Leadership Team

The Executive Leadership Team is responsible for:

- deciding upon the top strategic risks to be reported to Trustees;
- for the risks where they have been assigned as lead for action, ensure controls are monitored and managed and provide regular updates to the risk owner;
- for ensuring that controls are implemented at local academy level.

## 5.3 Role of the Chief Financial Officer

The Chief Financial Officer (CFO) has lead responsibility for risk management processes and the Trust wide risk register. This responsibility includes:

- monitoring the performance of risk management processes;
- ensuring that appropriate controls are in place to manage and identify risks;
- preparation of periodic reports to the Trustees.

## 5.4 Role of the Local Governing Bodies

The Local Governing Bodies are responsible for:

- Monitoring and reviewing risk management at a local level in each academy.

## 6. Risk Management Process

St Therese of Lisieux CMAT has implemented a simple risk management framework, as endorsed by risk professionals and ESFA guidance;



Academy trust risk management framework

Full information on this process and how to implement it can be found in the Trust's Risk Management Process