



RISK MANAGEMENT POLICY

SHINE Multi Academy Trust

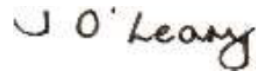
Management log

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Signed



Signed



Chair of the board

CEO

Related Policies

- Risk Register

All above policies are available through our academies local servers, directly through SHINE or through the Trust website www.shine-mat.com

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1. Introduction

2. Identify, assess and evaluate the risks

2.1 Risk identification should be approached in a methodical way to ensure that all significant activities have been identified. Once identified risks should be analysed and evaluated taking into account the following factors that will guide the assessor:

- **Operational**
 - Education – will there be an impact on the education or ability to provide education to pupils?
 - Assets including property – will SHINE’s assets be compromised, damaged, destroyed?
 - People – will this impact on pupils, staff, parents, other stakeholders or our communities?
- **Reputational** – will this attract, local, regional, national comment and will this adversely affect SHINE or our academies.
- **Financial** – will this impact on budgets leading to financial losses?
- **Legal** – will this result in a failure to follow procedure, policy, legislation that may result in enforcement action

2.2 It is impossible to provide an exhaustive list of factors to consider but this guidance seeks to provide a broad spectrum for risk analysis.

2.3 As per the ESFA Academy trust handbook 2024 the Trust academies are part of the Risk Protection Arrangement (RPA), to ensure adequate cover is in place,

2.4 A 5x5 matrix is used to assess the likelihood and impact of a risk occurring with high being 5 and low being 1, as below:

2.4.1 **Risk scoring** - risk is a product of: likelihood x impact = risk score

2.4.2 Likelihood

- **Improbable** (unlikely to occur)
- **Remote** (unlikely, though possible)
- **Occasional** (may occur occasionally but infrequently during standard operations)
- **Probable** (likely to occur - in given time)
- **Frequent** (likely to occur - to be expected)

2.4.3 Impact

- **Negligible** (remote risk to Education, Assets, People, Reputation, Finance and Legal)
- **Marginal** (unlikely risk to Education, Assets, People, Reputation, Finance and Legal).
- **Moderate** (could be a risk to Education, Assets, People, Reputation, Finance and Legal)
- **Major** (can be a risk to Education, Assets, People, Reputation, Finance and Legal)
- **Catastrophic** (Complete failure of Education, Assets, People, Reputation, Finance and Legal)

5 Catastrophic	5	10	15	20	25
4 Major	4	8	12	16	20
3 Moderate	3	6	9	12	15
2 Marginal	2	4	6	8	10
1 Negligible	1	2	3	4	5
	1 Improbable	2 Remote	3 Occasional	4 Probable	5 Frequent

2.4.4 Using the above matrix will result in a risk being allocated a ‘score’ full details can then be recorded in the risk register and a person can be allocated to be responsible for managing that risk.

2.4.5 **Risk appetite:** it is not possible to eliminate all risk; risk appetite is the amount of risk to which the organisation is prepared to be exposed, before we judge action to be necessary.

Defining a risk appetite is about taking well thought through risks where the long-term rewards are expected to be greater than any short-term losses.

2.4.6 **Response to risk:** when responding to risks, SHINE will seek to ensure they are managed and do not develop into an issue where the potential threat materialises by adopting one of the four responses below:

- **Transfer:** For some risks, the best response may be to transfer them. This might be

done by conventional insurance, or it might be done by paying a third party to manage the risk in another way. This option is particularly good for mitigating financial risks.

- **Tolerate:** The exposure may be tolerable without any further action being taken. Even if it is not tolerable, the ability to do anything about some risks may be limited, or the cost of taking any action may be disproportionate to the potential benefit gained. In these cases, the response may be toleration. This option may be supplemented by contingency planning for handling the impacts that will arise if the risk is realised.
- **Treat:** By far the greater number of risks will belong to this category. The purpose of treatment is not necessarily to obviate the risk, but more likely to take control action to contain the risk to an acceptable level.
- **Terminate:** Some risks will only be treatable, or containable to acceptable levels, by terminating the activity. It should be noted, that the option of termination of activities, may be severely limited in the public sector when compared to the private sector; a number of activities are conducted in the public sector, because the associated risks are so great that there is no other way in which the output or outcome, which is required for the public benefit, can be achieved.

3. The risk register

3.1 The risk register will be the SHINE's reporting mechanism for risk. This will highlight the key risks facing SHINE and allocate responsibility for action.

3.2 Any significant changes in a risk's score, or the occurrence of an event, which raises the profile of a risk, will be recorded on the risk register as it occurs. Any new or increased risks identified in a meeting of the Board, its committees, senior leadership meetings, raised by a member of staff, trustee or governor will be evaluated and, if appropriate, recorded in the risk register.

3.3 The risk register will be kept as a standing agenda item and reviewed each term by the board delegated the appropriate committees. Internal and external audit reports, health and safety audits and other relevant documents will provide an assessment of the effectiveness of the SHINE's management of risk.