



**HOLMER GREEN
SENIOR SCHOOL
Risk Management Policy**

November 2015

1. The Purpose of this Policy

The School defines risk as the possibility that an action or event will adversely (or beneficially) affect the School's ability to achieve a planned objective. The identification, assessment, monitoring, management and reporting of risks are the responsibility of every member of staff and as a consequence of managing identified risks:

- The planned objectives are more likely to be achieved
- Adverse risks are less likely to happen
- The impact of adverse risks which are realised is reduced.

Effective risk management is therefore regarded as a critically important part of the work of the School because it greatly reduces the chances of surprises adversely affecting the School and, at the same time, increases confidence on the part of the internal and external stakeholders.

The purpose of this policy is to set out the School's approach to risk and describe how this is used to inform the Risk Management System.

2. The Risk Management Policy

The Risk Management Policy informs the approach to the Risk Management System which is the established process by which the School identifies risk, assesses risk and manages risk in order that it should succeed in its planned objectives. This approach is outlined below.

2.1 Corporate Strategy, Risk and the Planning Cycle

Risk arises naturally and directly from the implementation of corporate aims and objectives and the operational business and service plans developed by the faculties and departments. Therefore risk assessment and management is an integral part of all management activity. It is School policy that all substantive activities, should be subject to risk assessment leading to a judgement of the residual risks. This includes all projects, for example, academic developments, commercial developments, human resource initiatives, health and safety, estates projects, communication upgrades and IT developments. Risks must be regularly monitored and actively managed until the objectives have been achieved (or the risk realised). The risk assessment is formally integrated into the School planning cycle.

2.2 Defining Risk Elements

Risk elements should be described in terms of the harm that may come to the School if the identified risk is realised. The harm is normally expressed in terms of the failure to reach the objective and operational, reputational and financial damage that may be incurred as a result.

2.3 Assessing Risk

The risk elements and their assessments should be set out in the Risk Register. The risk register should describe the risk element, the potential likelihood and impact, the actions taken and the planned actions, the residual likelihood and impact and

the residual risk rating. The register should also state the owner of the risk and the manager of the risk. The rating of all risks should be described using the standard School nomenclature with residual risks described as marginal, significant, serious and extreme. Risk elements are removed when the objective has been reached (or the risk realised) and new risk elements added when new dangers are detected or new activities are started.

2.4 Assessing the appetite for risk

The School maintains a Risk Register which takes into account the severity of the residual risk and the relative strategic importance of the activity. This Register provides guidance on the acceptability of the proposed activity. Managers are also expected to consider the current portfolio of risk in coming to a decision whether to accept new risk.

2.5 Risk ownership, risk management and transfers of risk ownership

Every risk has a risk owner who should be identified on the risk register. The risk owner is the designated member of staff (or management group) who carries the ultimate responsibility for ensuring that the impact and likelihood of occurrence of any adverse risks are minimised. Normally, the risk owner is also the risk manager who undertakes the responsibility for implementing the actions that will minimise adverse risks. However, the risk owner may arrange for another manager with relevant expertise to undertake the task of managing the risk on behalf of the risk owner. It is the responsibility of the risk owner to monitor the risk movements and to update the SLT as frequently as necessary.

In certain circumstances a risk may be initially identified and assessed by one faculty or department but following negotiation, the ownership of the risk may be transferred to another department for which the ownership is more appropriate because the actions fall within its normal remit. The distinctive responsibilities of risk ownership and risk management and any transfer of ownership should be set out clearly in the risk register.

2.6 Managerial responsibility to report risk

The managers who have the designated responsibility for managing identified risks are responsible for agreeing the action plan and report the progress including changes in residual risk to their line directors and the owners of the risk (if different). Sudden deterioration in residual risk should be reported to line-directors immediately. It should be noted that the implications of a residual risk rating of *extreme* are so severe that the rating cannot be tolerated. It is School policy that immediate action is required to moderate the residual risk or terminate the activity.

2.7 Risk Registers

The School maintains a Risk Register which is updated and reviewed termly at the relevant Governor Committee meeting.

2.8 The Role of the Senior Leadership Team

The role of the SLT is to:

Work with the Governing Body to review the Risk Register on a termly basis.

Ensure that the risk management system is functioning effectively.
Consider an annual review of the effectiveness of the risk management system.

2.9 Governance and the responsibility for risk and management effectiveness

The School position as reflected by the Risk Register is critically important in the context of governance. The Governing Body has responsibility for ensuring that the School is managed effectively. It is therefore policy that the Risk Register is presented to each meeting of the Finance, Premises and Health & Safety Committee as well as the Governing Body. This ensures that the members of Governing Body have full opportunity to appreciate the School's position and raise queries relating to individual risks or the collective risk. Governors also receive regular reports on the developments of the Risk Management System. This information helps the governing body come to an objective view of the effectiveness of management at the School.

Approved by the Governing Body on 2nd December 2015

To be reviewed: December 2018