Greater Manchester Academies Trust

Risk Management Strategy and Risk Management Policy

Greater Manchester Academies Trust

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Owner	Greater Manchester Academies Trust
Signature of Approval	

With you…for you…about you…

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1. Introduction

This is the Risk Management Strategy and Risk Management Policy (incorporating a Risk Appetite Statement) of Greater Manchester Academies Trust, referred to throughout this Policy as the 'Trust'.

2. Policy Objectives

The **principal objective** of the Policy is to protect our learners, our staff, trustees and governors, and our assets.

The Policy has other objectives as follows:
- to create an awareness of the need to effectively manage.
- to embed risk awareness and wider risk management into the culture of the Trust.
- to utilise risk and risk management as an integral part of decision making and routine management, which is incorporated within strategic and operational planning processes, at all levels, across the Trust.
- to be proactive in anticipating and responding to regulatory, statutory, legislative, social and environmental requirements including changes to requirements.
- to identify those risks, actions or events that may prevent the Trust from achieving its ambitions and strategic objectives.
- to assess and measure the likelihood of such risks occurring and the potential impact of such occurrences across the Trust.
- to enable decisions to be taken on when and how to accept risk.
- to ensure compliance with the Academy Trust Handbook.
- to create a culture of using risk management and risk reporting to protect and improve our Trust and its people, rather than using risk management and risk reporting to attribute blame.

3. Benefits of Risk Management

Effective risk management involves the identification, measurement, management, monitoring and reporting of threats to the Trust's teaching, learning and other business objectives. It protects and adds value to the Trust and its stakeholders through supporting the Trust's objectives by:
- improving decision making, business planning and prioritisation by comprehensive and structured understanding of the wider business environment.
- supporting more efficient allocation and use of resources within the Trust.
- enhancing communication between academies and services.
- encouraging a collaboration and involvement of all stakeholders.
- protecting and enhancing the Trust's assets, image and reputation.
- developing and supporting staff and the knowledge base of the Trust.
- creating an amenable approach to solving problems across the Trust.
- allowing for Internal and external review providing audit assurance and recommendations applied across the trust
- Encouraging the sharing and promotion of best practice across the trust

4. What do we Mean by Risk?

Risk is defined as the possibility of an event occurring which has a negative impact on our Trust, or on any of our (internal or external) stakeholders. The risk is measured in terms of severity of impact and likelihood of event occurring.

If such an event occurs, we call this a **risk event**.

5. How do we Minimise and Mitigate Risk?

We mitigate and minimise risk by initiating, implementing and reviewing one or more controls associated with that risk. An identified risk having zero controls is an **inherent risk**.

A risk which has identified and implemented controls associated with it is a **residual risk**.

When a risk event materialises, this could be due to a number of factors such as a failure to perform a particular control, or a system failure, or human error.

The Trust's Risk Register explicitly lists all controls which have been identified and implemented by the Trust. In addition to the Risk Register, the Trust must also do the following as means to mitigate identified risks:
- provide suitable information, training and supervision as appropriate.
- maintain effective communication and the active involvement of all staff, trustees and governors.
- maintain and develop an appropriate risk event (incident) reporting and recording process/system, which includes establishment of root causes, and which determines whether a control is missing, whether an existing control was not performed, or whether an existing control is or has become ineffective.
- on-going reflection and learning.

Where there is a risk event, one or more of the following can be executed by the Trust, so to further mitigate the related risk in the future:
- introduction of a new control (where it has been established that there is a control gap).
- enhancement of an existing control (where it has been established that there is a control weakness).
- facilitate appropriate individual or group training in relation to the performance or execution of a particular control (where it has been established that there has been a weakness in the performance or execution of a control).

6. Risk Appetite Statement

By definition, the risk appetite is: 'the amount and type of risk we are willing to take in order to achieve our strategic objectives'.

The Trust appreciates that having zero risk events occurring across its courses of business is practically (although not theoretically) impossible. As such, the general risk appetite for our Trust is:

'to make all possible endeavour to minimise risk events occurring, but where they do occur; add, enhance or improve controls to prevent the risk event(s) from happening again, but only if the Trust's ability to operate as a going concern is not compromised. The Trust must not have any identified risks which are inherent risks and the Trust must formally document instances where it has chosen to risk-accept'.

The Trust has implemented a more granular approach to risk appetite by way of assigning a particular risk appetite for each of its eight risk types. The risk appetites to be applied have been classified as follows:

Risk Appetite Score	Risk Appetite Classification	Narrative / Description
0	Completely avoid	The Trust does not accept any risk at all.
1-2	Risk averse	The Trust is prepared only to accept the lowest levels of risk, accepting that there will be minimal innovation and perhaps only token realisation of new opportunities.
3-4	Cautious	The Trust is willing to take some low risks so long as safe decision making and heedful strategy implementation is maintained.
5-6	Balanced	The Trust is primed to expose itself to more moderate levels of risk, in order to achieve modest strategic or other outcomes which are not particularly enterprising or pioneering.
7-8	Opportunistic	The Trust is willing to consider more innovative and creative decision making and strategic implementation with a much higher probability of productive outcomes and benefits, even when there are increased levels of associated risk.
9-10	Aggressive	The Trust pro-actively takes pioneering and visionary decisions and adopts forms of strategic implementation, while accepting significant and substantial risk levels in order to secure the most prosperous outcomes and benefits.

These classifications are applied to the individual risk types thus:

Risk Type	Risk Appetite Score	Risk Appetite Classification	Rationale
People Risk	**0** (Safeguarding); **5** (other People risks)	**Completely avoid** (Safeguarding); **Balanced** (other People risks)	The Trust does not take any risks regarding Safeguarding. The safety and wellbeing of our students, staff, governors and trustees is paramount. There is a more balanced approach to other People risks - for instance, the Trust allows for staff movements or attrition (and has succession plans in place to mitigate).
Finance Risk	**3**	**Cautious**	The Trust is pleased with its financial turnaround over the last two years, but acknowledges that there can be further improvement. Nonetheless, there have been some recent capital additions and there are plans to replace assets over the next 10 years, the trust will continue to source additional funding via bid submissions to support funding various capital projects. Further caution is to be applied over the next few years to manage economic, environmental and government factors and decisions which result in increasing costs across the trust.
Governance Risk	**5**	**Balanced**	The Trust had some recent retirements and resignations of a number of trustees and governors come at once.
Operational Risk	**1** (Health & Safety); **4** (Teaching & Learning) **2** (other Operational risks)	**Risk averse** (Health & Safety and other Operational risks) **Cautious** (Teaching & Learning)	The Trust fully expects to comply with all Health & Safety practicalities and legislation. There are allowances for a nominal amount of vision regarding risk appetite for other operations.
ICT Risk	**1**	**Risk averse**	The Trust has a firm grip on careful control of the network, its servers and of its data. There is no appetite for any sort of creativity regarding processing, use and storage of data.
Compliance Risk	**1**	**Risk averse**	The Trust fully expects to comply with all internal, statutory, regulatory, taxation and other compliance requirements.
Environmental & External Factors Risk	**5**	**Balanced**	Naturally, many of the identified risks in this section require more reactive mitigation, as the crystallisation of the risks are often out of the Trust's control. A balanced risk appetite is appropriate for these.
Facilities Risk	**7**	**Opportunistic**	Specifically with regard to the lettings portfolio, the Trust operates a key holder system, rather than procures a security service, so to give a better return on net income, whilst being able to balance community and commercial use of our facilities.

7. Who is Responsible for Managing Risk?

At a high-level:

1. All staff (teaching and non-teaching), governors, and trustees are responsible for managing risk within the Trust.
2. All staff must know what the risks are for their day to day activities and tasks, and they must know what controls are in place to mitigate these risks.
3. The Finance and Audit Committee and operational Senior Leadership Team are responsible for scrutiny of the Trust's risk management and for the scrutiny of closure of risk events.
4. **The Trust Board and the Executive Principal are ultimately accountable for managing risk within our Trust.**
5. Auditors, regulators and other statutory bodies also provide some oversight and assurance regarding management of risk throughout the Trust.

The discharging of responsibilities of the Board of Trustees are explicitly detailed in the Trust's Scheme of Delegation.

The risk management roles and responsibilities can be described as follows:

The GMAT Trust Board carry the ultimate responsibility for risk management throughout the Trust and has a fundamental role to:

- set the tone and influence the culture of risk management within the Trust.
- determine the appropriate risk appetite or level of exposure for the Trust.
- approve major decisions affecting the Trust's risk profile or exposure.
- set policy and strategy for risk management.
- frequently monitor the management of strategic and significant risks to reduce the likelihood of unwelcome surprises or impact.
- satisfy itself that the less significant risks are being actively managed, with the appropriate controls in place and working effectively.
- annually review the Trust's approach to risk management and approve changes or improvements to key elements of its strategy, processes and procedures.

The Finance and Audit Committee are responsible for:

- regularly reviewing the Trust's risk register by way of collaborating on ensuring that inherent and residual risks are consistently scored, that control sets are complete and meaningful, and that all risks identified by the Trust have been captured.
- determining any additions, deletions or changes to mitigating control sets through consideration of risk event reporting and 'near-miss' reporting. (The enhanced risk reporting is a development piece of work, responsibility of which lies with the Finance and Audit Committee).
- quality assuring any changes made to the risk management strategy and risk register and making recommendations or otherwise to the Trust Board regarding approval of each iteration.
- escalating matters and highlighting progress and achievements to the Trust Board.
- further developing the use of the risk register to determine what should be covered in the Trust's internal audit 'book of work' (using risk to drive the Trust's internal audit plan).

The Finance and Audit Committee Terms Of Reference articulate how and when risk management issues are escalated to the Trust Board.

The Senior Leadership Team will:
- support and implement policies approved by the Trust Board and ensure agreed arrangements are maintained.
- establish internal risk policy and structures for individual school/services.
- develop risk response processes, including contingency and business continuity programmes and including ongoing responses to the coronavirus pandemic.
- provide adequate information in a timely manner to the Trust and its sub-committees on the status of risks and controls.
- focus and co-ordinate risk management activities throughout the Trust.
- raise the level of management awareness and accountability for the business risks experienced by the Trust.
- develop risk management as part of the culture of the Trust.
- provide a mechanism for risk management issues to be discussed and disseminated to all areas of the Trust.

There is also a Trust-wide **Health and Safety Committee** acting as the focal point for all matters relating to the management of fire, security, health, safety and general wellbeing across the Trust.

The Health and Safety Committee has a bespoke Terms Of Reference which details how and when risk management issues are escalated to the Finance and Audit Committee and/or Trust Board.

The Trust's wider team leaders will:
- have primary responsibility for managing risk on a day-to-day basis.
- have responsibility for promoting risk awareness within their operations; introduce risk management objectives into their businesses.
- ensure that operational level risk assessments are completed in full for all faculties, operations, programmes, excursions and academy activities.
- ensure that operational level risk assessments are extended to fully consider coronavirus risks and the mitigation of these risks during and beyond the pandemic.
- identify and evaluate the significant risks faced by their operations for consideration by the Senior Leadership Team, the Finance and Audit Committee, the Trust Board, Local Governing Bodies, and the sub Committees.
- ensure that risk management is incorporated at the conceptual stage of projects as well as throughout a project.
- ensure that risk management is a regular management meeting item to allow consideration of exposure and to prioritise work in the light of effective risk analysis.
- report early warning indicators to Senior Leadership Team.

The Trust's Chief Financial Officer and **Associate Vice Principal** are the designated (operational) Risk Management Champions and are responsible for:
- developing specific programmes and procedures for establishing and maintaining risk management activities within the Trust.

- ensuring that all iterations of risk management strategy and the risk register are updated and presented to Finance and Audit Committee with the provision of commentary to accompany material changes.
- developing enhanced risk management reporting, including 'Path to Green' reporting.
- updating Finance and Audit Committee and the Trust Board on all risk management audit actions.
- the principal liaison with internal and external auditors regarding risk management.
- providing risk business partnering, guidance, interpretation and understanding of the risk management systems.
- presenting a succinct statement on the Trust's risk management which is to be approved by the Trust Board and which forms part of the Trust's annual report and financial statements.
- championing the development of risk management as part of the culture of the Trust.

The Trust's Executive Principal and Accounting Officer will:
- report annually on the effectiveness of the risk management process to the Trust Board.
- report to the Trust's stakeholders on a regular basis, its risk management policies and the effectiveness in achieving its objectives.
- ensure appropriate details are provided in the statutory financial statements and annual report in accordance with ESFA requirements.

8. Three Lines of Defence

Although everyone within our Trust is responsible for managing risk, the Trust has established a 'three lines of defence' model to help with the management of risk. The 'three lines of defence' are three sets of people within the Trust who collaborate to manage risk. A person may belong to more than one set; however, each set as a whole maintains a degree of independence from the preceding set, and each set is proactive and does not wait for the preceding set to 'fail':

1. The 'first line of defence' consists of all staff, governors and trustees.

2. The 'second line of defence' consists of all Senior Leadership Team, Finance and Audit Committee colleagues, Executive Principal and the Trust Board.

   Managers should not only ensure that their staff are aware of their operational risks and that their staff perform the controls expected of them in their day to day activities, but should also apply cross-department challenge in terms of risk and control.

   The Executive Principal, Trust Board and its sub-committees shall apply rigorously challenge and independent quality assurance regarding risk management. They shall ensure that staff are performing the controls expected of them, that managers are ensuring their staff are risk aware, and that managers are applying appropriate challenge.

3. The 'third line of defence' consists of auditors (internal and external), regulators (such as ESFA and Ofsted) and other relevant third party assurances.

   Whilst the Trust does not control the scope and remit of auditors and regulators, it is accepted that these bodies provide definitive, useful and comprehensive assurance which is substantial enough to be classified as a line of defence for the Trust with regards to risk management.

   The extensive degree of independence provided by these bodies, is not available in the second line of defence, so it is justifiable for them to be included in the Trust's third line of defence.

Whilst in the 'second line of defence' in terms of assurance, the Trust Board is accountable for the management of risk throughout the Trust.

9. The Trust's Risk Register

The Trust holds a Risk Register on which all principal risks are identified, categorised and logged. Each risk is given a severity rating and a likelihood rating and is mapped to one or more controls which are in place to mitigate the risks.

Conversely, we have a Controls Register which lists all controls and maps them to one or more risks as appropriate. The Controls Register also shows which line(s) of defence is responsible for performing each control.

Where we have a control which maps to more than one risk, we call this a **key control**. For the key controls, the Controls Register shows how many risk types are mitigated by the control and how many actual risks are mitigated by the control.

Our principal risks are categorised into different risk types. There is designated responsibility for each risk type as follows:

Risk Type	Designated Responsibility (as at September 2022)
People Risk (Students, Staff, Parents, Governors and Trustees) *(Safeguarding to be included in this section)*	John Rowlands; Andrew Woolley; Andrea Grant *(Safeguarding)*
Finance Risk	Sadia Rulal
Governance Risk	John Rowlands; Sadia Rulal; Clare Shaw
Operational Risk	John Rowlands; Andrew Woolley
ICT Risk	Andrew Woolley
Compliance Risk	Andrew Woolley; Sadia Rulal
Environmental & External Factors Risk	John Rowlands; Andrew Woolley; Sadia Rulal
Facilities Risk	Martin Roberts

There are a very small number of risks contained within each Risk Type which may also have a secondary risk owner. The secondary risk owner will still be a senior leader within the Trust.

All responsible owners having designated responsibility sit in the Trust's second line of defence.

As designated Risk Management Champions, the Chief Financial Officer and the Associate Vice Principal are the leaders responsible for the maintaining the Risk Register and for performing risk business partnering with other appropriate members of the Senior Leadership Team.

The Finance and Audit Committee and the Senior Leadership Team are responsible for regularly reviewing the risk register and for risk reporting; however, the Board of Trustees and the Executive Principal are accountable / ultimately responsible.

All identified risks listed in the Risk Register are subjectively, but consistently measured in terms of **severity** of potential risk and **likelihood** of potential risk happening.

Both the inherent risk and residual risk are scored for each identified risk, where an identified risk initially having zero controls in place to mitigate it is the **inherent risk** and where a risk which has identified and implemented controls associated with it is the **residual risk**.

Severity and likelihood are measured from 1 to 5 as follows:

Severity	
5	Catastrophic
4	Major
3	Moderate
2	Minor
1	Insignificant

Likelihood	
5	Catastrophic
4	Major
3	Moderate
2	Minor
1	Insignificant

Measurement is taken further by multiplying the severity by the likelihood to give an integer contained within the set {1, 2, 3, 4, 5, 6, 8, 9, 10, 12, 15, 16, 20, 25}. These are then RAG rated as shown in the grid below.

The RAG ratings in the red and amber sections have been further sub-divided, which allows for further prioritisation:

Severity				Likelihood				
	Catastrophic	5	5	10	15	20	25	
	Major	4	4	8	12	16	20	
	Moderate	3	3	6	9	12	15	
	Minor	2	2	4	6	8	10	
	Insignificant	1	1	2	3	4	5	
			1	2	3	4	5	
			Rare	Unlikely	Possible	Likely	Almost Certain	
			Likelihood					

The definitions of the risk scores shown above vary depending on risk type. The definitions for each risk type are shown in the tables below:

People Risk

	Severity Definition		Likelihood Definition
1	The Trust has no current key person dependencies and is only losing a minimal number of days due to absence.	1	Has not occurred before and there are no indications of occurrence.
2	The Trust has a small number key person dependencies; however, these can be managed without negative impact on operations. A number of days due have been lost due to absence.	2	A very small chance of occurrence.
3	The Trust has a number of key person dependencies and has one or two key roles which need to be filled and which will start to have a negative impact on operations if not addressed. There are a moderate number of days lost to absence.	3	May occur. There is a previous history of occurrence.
4	The Trust has a large number of key person dependencies and has some gaps in its workforce which are having negative impacts on its operations. There are a large number of days lost to absence.	4	Has occurred within the last 3-6 months or has frequently occurred in the past. Difficult to control.
5	The Trust has significant gaps in its workforce which are having material and sustained negative impacts on its operations. There are a substantial number of days lost to absence, with many of these prolonged absences.	5	Is currently occurring or has persistently occurred previously. Almost impossible to manage with the current control sets in place.

Finance Risk

	Severity Definition		Likelihood Definition
1	The Trust is in a strong financial position with clear financial strategy and plans in place; Financial reporting is clear and informative and	1	Has not occurred before and there are no indications of occurrence.

	Severity Definition		Likelihood Definition
	is produced timely, accurately and in full; audit actions and management letter points have low priority.		
2	The Trust is in a good financial position with clear financial strategy and plans in place; Financial reporting is clear and informative and is produced timely, accurately and in full; audit actions and management letter points have low or medium priority, but mostly low.	2	A very small chance of occurrence.
3	The Trust is in an adequate financial position with minor concerns around cash flows; financial reporting is generally good but with single instances of late and/or inaccurate and/or incomplete papers; a number of medium and perhaps one or two high priority audit actions and management letter points.	3	May occur. There is a previous history of occurrence.
4	Cash flow is strained. Financial reporting is often late and/or inaccurate and/or incomplete; a number of high priority audit actions and management letter points; single instance of financial losses	4	Has occurred within the last 3-6 months or has frequently occurred in the past. Difficult to control.
5	Material uncertainty of going concern; cash flow issues; financial reporting is persistently late and/or inaccurate and/or incomplete; a large number of high priority audit actions and management letter points; no plans to remedy rebuilding of reserves; material and/or persistent financial losses.	5	Is currently occurring or has persistently occurred previously. Almost impossible to manage with the current control sets in place.

Governance Risk

	Severity Definition		Likelihood Definition
1	The Trust has a desired number of skilled and experienced governors, trustees, members and sub-committee members, who all regularly attend and who apply good challenge and make effective, informed decisions. There are a small number of low priority audit actions in relation to governance.	1	Has not occurred before and there are no indications of occurrence.
2	The Trust has a reasonable number of skilled and experienced governors, trustees, members and sub-committee members, who apply good challenge and make effective, informed decisions. There are some instances of meeting absence; however, quorum is always maintained. There are a number of low and medium priority audit actions in relation to governance.	2	A very small chance of occurrence.
3	The Trust has some unfilled vacancies across its governing bodies and there is an increasing amount of meeting absence. There are a number of medium priority audit actions and one or two high priority audit actions in relation to governance.	3	May occur. There is a previous history of occurrence.
4	The Trust has some unfilled vacancies across its governing bodies, meaning that there are odd occasions where meetings are not quorate. There are some governors, trustees	4	Has occurred within the last 3-6 months or has frequently occurred in the past. Difficult to control.

Severity Definition		Likelihood Definition	
	and members lacking the required skills. There is an Increasing amount of meeting absence. Decisions often have to be deferred due to lack of information or non-quorate sessions. The Trust has some medium and high audit actions in relation to governance.		
5	The Trust has a number of unfilled vacancies across its governing bodies and has governors, trustees and members lacking the required skills and lacking in experience. Meetings are regularly not quorate due to widespread absence and decisions are either ill-informed, made out of governance, or not made at all. The Trust has a large number of high audit actions in relation to governance.	5	Is currently occurring or has persistently occurred previously. Almost impossible to manage with the current control sets in place.

Operational Risk

Severity Definition		Likelihood Definition	
1	The academies have an Outstanding Ofsted rating. All teaching, learning, business, research and other operations function smoothly, with any issues being identified and resolved swiftly. The Trust's land, buildings, machinery and fixtures are in excellent condition and there are robust maintenance and asset plans in place.	1	Has not occurred before and there are no indications of occurrence.
2	The academies have a Good Ofsted rating. All teaching, learning, business, research and other operations function relatively smoothly, with a modest number of issues being identified and resolved swiftly. The Trust's land, buildings, machinery and fixtures are in good condition and there are robust maintenance and asset plans in place.	2	A very small chance of occurrence.
3	The academies have a Good Ofsted rating. Most teaching, learning, business, research and other operations function well most of the time; however, there are a modest number of issues requiring some initial triage and time to resolve. The Trust's land, buildings, machinery and fixtures are generally in good condition; however, there is an increasing amount of maintenance required. The Trust has basic maintenance and asset plans in place.	3	May occur. There is a previous history of occurrence.
4	The academies have a Requires Improvement Ofsted rating. A number of teaching, learning, business, research and other operations require process improvements or have a number of outstanding issues. The Trust's land, buildings, machinery and fixtures require regular maintenance. There exists little maintenance and asset plan.	4	Has occurred within the last 3-6 months or has frequently occurred in the past. Difficult to control.
5	The academies have an Inadequate Ofsted rating. There are widespread problems with a number of teaching, learning, business, research and other operations. The Trust has no plans for maintenance or assets and its	5	Is currently occurring or has persistently occurred previously. Almost impossible to manage with the current control sets in place.

Severity Definition		Likelihood Definition	
	land, buildings, machinery and fixtures require tangible refurbishment or replacement.		

ICT Risk

Severity Definition		Likelihood Definition	
1	The Trust has a history of being fully compliant with all ICT requirements. There has been no recent security, data or system issues. All tickets raised on the GMAT ICT Helpdesk have been resolved within the SLA time.	1	Has not occurred before and there are no indications of occurrence.
2	The Trust is mostly compliant with its ICT requirements. Where there is non-compliance, instances are minor and rare and resolutions are swift. There are a small number of tickets raised on the GMAT ICT Helpdesk which are not resolved within the SLA time.	2	A very small chance of occurrence.
3	There have been moderate breaches of ICT compliance across more than one theme. An increasing number of tickets raised on the GMAT ICT Helpdesk are not resolved within SLA time. Trust operations are sometimes adversely impacted due to ICT failures.	3	May occur. There is a previous history of occurrence.
4	The Trust has majorly breached one a number of occasions more than one aspect of ICT compliance. There is failure to manage and resolve a number of tickets raised on the GMAT ICT Helpdesk. Trust operations are often adversely impacted due to ICT failures.	4	Has occurred within the last 3-6 months or has frequently occurred in the past. Difficult to control.
5	The Trust has systemically majorly breached more than one aspect of ICT compliance. There is systemic failure to manage and resolve tickets raised on the GMAT ICT Helpdesk within the SLA time. Many tickets have remained unresolved for some time. Operations are persistently impacted due to routine and frequent ICT failures.	5	Is currently occurring or has persistently occurred previously. Almost impossible to manage with the current control sets in place.

Compliance Risk

Severity Definition		Likelihood Definition	
1	The Trust has a history of being fully compliant with all statutory, regulatory and legislative requirements; there has been a history of no successful litigation claims made against the Trust; there have been no acts or omissions resulting in any losses.	1	Has not occurred before and there are no indications of occurrence.
2	The Trust currently fully complies with all statutory, regulatory and legislative requirements; there have been no recent successful litigation claims made against the Trust.	2	A very small chance of occurrence.
3	There has been occasional compromise regarding statutory and/or regulatory and/or legislative requirements (including reporting requirements); there has been minor and/or	3	May occur. There is a previous history of occurrence.

	Severity Definition		Likelihood Definition
	singular successful litigation claims made against the Trust.		
4	There has been repeated and/or material compromise regarding statutory and/or regulatory and/or legislative requirements (including reporting requirements); there has been more than or and/or a single significant litigation claim made against the Trust.	4	Has occurred within the last 3-6 months or has frequently occurred in the past. Difficult to control.
5	There has been a critical statutory, regulatory or legal failure; there has been a successful critical litigation claim made against the Trust; there are persistent failures to comply with reporting and other requirements.	5	Is currently occurring or has persistently occurred previously. Almost impossible to manage with the current control sets in place.

Environmental & External Factors Risk

	Severity Definition		Likelihood Definition
1	There have been no media or other issues and no compromises of stakeholder relationships.	1	Has not occurred before and there are no indications of occurrence.
2	There has been minor local media interest in an issue or event which has the potential to create a negative perception of the Trust.	2	A very small chance of occurrence.
3	There has been prolonged negative local media interest, or some regional or national media interest; credibility with internal or external stakeholders may be adversely affected.	3	May occur. There is a previous history of occurrence.
4	There has been a short term negative media campaign; credibility with internal and external stakeholders has been adversely affected.	4	Has occurred within the last 3-6 months or has frequently occurred in the past. Difficult to control.
5	There has been a sustained negative media campaign involving the Trust; credibility with internal and external stakeholders has been significantly adversely affected.	5	Is currently occurring or has persistently occurred previously. Almost impossible to manage with the current control sets in place.

Facilities Risk

	Severity Definition		Likelihood Definition
1	The Trust's facilities are completely safe and secure with no instances of reported damage or injuries caused.	1	Has not occurred before and there are no indications of occurrence.
2	The Trust's facilities are safe and secure. There may have been sporadic instances of minor remedies required to fixtures and fittings, mainly due to wear and tear.	2	A very small chance of occurrence.
3	The Trust's facilities are generally safe and secure; however, it is acknowledged improvements can be made. There are occasional, insignificant financial losses/lettings write-offs. Plans around Protective & Preventative Maintenance could be enhanced.	3	May occur. There is a previous history of occurrence.

Severity Definition		Likelihood Definition	
4	There are some compromises to access and security of the Trust's facilities with some damage and financial losses/lettings write-offs. There have been regular prejudices regarding Protective & Preventative Maintenance requirements.	4	Has occurred within the last 3-6 months or has frequently occurred in the past. Difficult to control.
5	There are material and persistent compromises to access and security of the Trust's facilities, with frequent damage and financial losses/lettings write-offs. There is no plan for Protective & Preventative Maintenance.	5	Is currently occurring or has persistently occurred previously. Almost impossible to manage with the current control sets in place.

- A risk event occurring in relation to a risk with a red rating (score between 15 and 25) requires urgent attention and must be flagged immediately before the next Finance and Audit Committee or Board meeting. Scores between 20 and 25 are the most serious.
- A risk event occurring in relation to a risk with an amber rating (score between 5 and 12) requires attention. Scores between 10 and 12 require priority attention within amber.
- A risk event occurring in relation to a risk with a green rating (score between 1 and 4) does not presently require attention; however, if the identified risk is frequently compromised, then the risk needs to be appropriately re-measured.

The Risk Register must be reviewed regularly and re-measurement of all risks contained on the Risk Register must be carried out regularly. Re-measurement is carried out initially by the Chief Financial Officer and Associate Vice Principal, before being presented to Finance and Audit Committee for quality assurance and review.

The Risk Register is presented in full to Finance and Audit Committee; however, a more aesthetically pleasing version of it is also presented as a way of enhanced risk management information. The enhanced risk management information also includes 'Path to Green' reporting and residual score variance analysis (where insight and narrative is provided to explain why a residual risk score has changed).

All of the Trust's policies are also linked to the Risk Register. Each policy explicitly lists the identified risks in which it is in place to mitigate. Issues are escalated and progress made is highlighted to the Trust Board.

10. Operational Risk Assessments

Some programmes, productions, events, excursions, education visits or activities require a detailed risk assessment to be completed. Where risk assessments are required to be completed, the relevant risks and controls identified by staff (and sometimes by relevant third parties) are used to complete the risk assessment.

The Trust has a standard risk assessment template which can be used to complete risk assessments; however as long as all risks and controls are captured and measured, then any suitable template may be used.

The following steps must be followed with regards to risk assessments:

1. All potential risks or hazards associated with the event, session or activity must be identified. This extends beyond risk of injury or damage. All potential risk types must be considered when writing risk assessments.

2. The risks or hazards must be measured (using the scoring as described above) in terms of severity of potential risk and likelihood of potential risk happening.

3. Any consequences associated with the risk becoming a risk event must be listed.

4. The detailed control(s) in place to mitigate the identified risks must be listed. Where applicable, the person or persons responsible for performing the control(s) must be detailed.

5. Once completed, the risk assessment must be signed off by an appropriate manager.

11. Response to Covid-19

Following the outbreak of the coronavirus pandemic (Covid-19) in 2020, the academies produced additional comprehensive risk assessments which helped facilitate the partial return to school from end of June 2020, the full return to school from 1 September 2020 and the subsequent return to school from 8 March 2021.

In particular, within MCA, there is widespread student and staff testing, following the March 2021 return to school.

The comprehensive risk assessments are regularly reviewed and updated due to the fluidity of the pandemic circumstances. Academies staff are invited to contribute to the risk assessments, not just for their areas or faculties, but across the wider academies.

These Covid-19 risk assessments are monitored and managed closely by Senior Leadership Teams, and regularly reported to Academy Local Governing Bodies and Board of Trustees.

The Trust will closely monitor circumstances during 2021-22 (and beyond) and proactively manage risks in relation to Covid-19 moving forward.

12. Risk Acceptance

Following a risk event in relation to risks with amber rating or red rating, it must be established whether the risk event occurred because: a) a control is missing; b) an existing control was not performed, or: c) an existing control is or has become ineffective.

It could be the case that it is a financial consideration to introduce a new control or to enhance an existing control. It may be agreed by the Board of Trustees to 'risk accept' a risk, if it is deemed that the potential financial liability outweighs the 'costs' associated with leaving the risk as it is.

In such instances, a formal risk acceptance should be declared, documented and minuted.

A risk may be avoided by withdrawing from that area of activity but doing so may result in a missed opportunity.

A risk may be transferred wholly or in part to a third party, possibly through insurance or a partnership arrangement.

13. Risk Management and the Trust's Values

At Greater Manchester Academies Trust, while we all have our own roles and responsibilities, we all share and practice the five core values: trustworthy; helpful; inspiring; straightforward, and; heart.

These shared values apply to our risk management: all staff, trustees and volunteers must share ideas and work together in accordance with our values, when managing risk.

14. Continuous Improvement

The Trust recognises that there can always been improvements and enhancements made to its risk management piece.

Over the past year, the Trust has had a comprehensive risk management audit and assurance piece, with formed part of the internal audit 'book of work' for 2020-21. The following improvements have been implemented since:
- an enhancement of the Trust's Risk Appetite Statement (Section 6) to consider formal definitions of a risk appetite classification, and what the risk appetite classifications are for each of the eight risk types identified by the Trust.
- a redefinition of the Trust's three lines of defence model to consider the assurance provided by external bodies such as auditors and regulators.
- an extension of the severity and likelihood scorings to show what these are for each risk type.

Over the next 12-18 months, the Trust anticipates making further improvements to matters concerning risk awareness and risk management by way of:
- better embedding of a good risk culture throughout the academies, by way of introducing risk management awareness training for staff and identifying where further risk management training requirements are required for staff.
- exploring a Trust-wide process for the formal reporting of risk events and 'near-misses', including feeding these into an enhanced risk reporting process.
- exploring defining Key Risk Indicators (KRIs) and looking at how to reporting these to Finance and Audit Committee and Trustees.
- linking the Trust's Reserves Policy with the risk management strategy by exploring techniques for estimating the costs of potential and crystallised risks.
- further development and improvement of processes for formal risk acceptances.

- uploading all operational risk assessments to a designated shared area on the Trust's ICT network.
- initial establishment of a Board Assurance Framework which supplements the risk register.

15. Equality, Diversity and Inclusion

The Trust is committed to complying with the Equality Act 2010 and is committed to the principles of equality and strives to ensure that everyone who wishes to be involved in our Trust whether as learners (and their parents/guardians), staff, trustees, governors or as a general member of the public:
- has a genuine and equal opportunity to do so without regard to their age, disability, gender reassignment, marital or civil partnership status, pregnancy or maternity, race, religion and belief, sex and sexual orientation; and
- can be assured of an environment in which their rights, dignity and individual worth are respected without the threat of intimidation, victimisation, harassment, bullying or abuse.

Under the Public Sector Equality Duty (PSED), the Trust is required to have due regard to:
- the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people when carrying out their activities.
- the advancement of equality of opportunity between those who share a relevant protected characteristic and those who do not share it and to foster good relations across all protected characteristics.
- review all of its policies and procedures, through consultation with its academies and institutes, to ensure compliance with education and employment legislation including the Equality Act 2010.

The Trust has an Equality and Diversity Policy which is monitored and review annually as a minimum.

The Risk Management Strategy and Risk Management Policy does not and must not contradict the contents of the Equality and Diversity Policy.

16. Date of Next Review

The Policy must next be reviewed and signed off by the GMAT Trust Board the sooner of November 2023, or when there have been material changes to the relevant courses of business.