Scope: This strategy applies to all Weaver Trust employees.

1. Executive Summary

1.1 Corporate Risk Management enhances an organisation's ability to manage uncertainty and opportunity effectively. It is a comprehensive, systematic process for helping organisations, regardless of size or mission, to identify measure, prioritise and respond to the identified risks challenging aims and objectives.

1.2 The Corporate Risk Management Framework sets out Weaver Trust's approach to identifying, analysing, managing and controlling the risks that threaten the organisation and its business activities.

2. Introduction

21. Weaver Trust recognises the importance of managing risk at all levels of the organisation.

2.2 It is the Trust's policy to ensure that we take all reasonable and cost-effective measures to identify, analyse and control the risks associated with the achievement of our aims and objectives, whether they have the potential to cause material or reputational harm, or are opportunities that need to be managed to maximise benefits.

3. Application

3.1 The framework applies to all areas of the Trust.

4. Purpose

4.1 Weaver Trust Corporate Risk Management Framework incorporates the Policy, Procedure and Risk Management Practitioner Guidelines which provides a robust structure ensuring that then Trust has a holistic approach to risk management (The Corporate Risk Management Framework is the Risk Management Policy and the Risk Management Practitioner Guidelines collectively):

- There is a common understanding and approach to risk identification and mitigation across the Trust;
- There is an effective process for identification of organisational risks;
- Identified risks are analysed, assessed, evaluated and managed in a controlled and consistent manner;
- Risk registers are developed;
- An effective system of monitoring and review of all risks is in place;
- Assurance is provided to Weaver Trust Board.

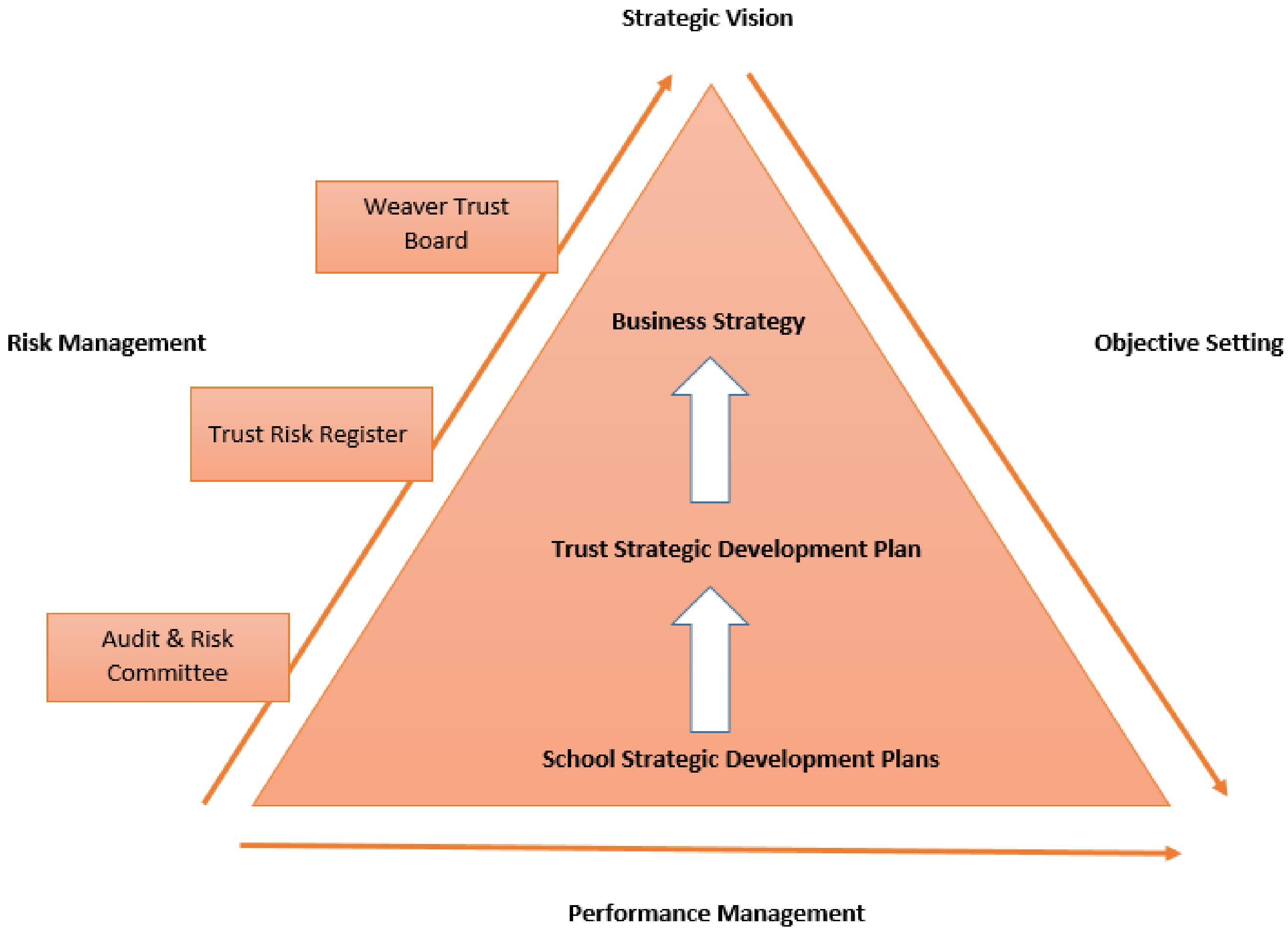
5. Definition of Risk Management

Risk Management is the structured development and application of management culture, policy, procedures and practices of identifying, assessing and responding to risk.

5.1 What is Risk Management?

5.1.1 As risks are uncertain events, risk management is about managing that uncertainty to deliver positive outcomes. It is a business discipline used to manage potential opportunities and threats to the Trust in achieving its strategic objectives. It is a key part of strategic planning and performance management. Understanding the meaning of Risk Management is important to Weaver Trust as it defines the process of managing our business risks, and separates the process from our other risk management activities in areas such as Health and Safety and Business Continuity.

5.1.2 The diagram below summarises how risk management should be integral to the delivery of organisational strategy.



5.1.3 Key to the successful implementation and subsequent effective management of Risk Management is the underlying principle that every organisation exists to deliver outcomes and provide value for its stakeholders. All employees and representatives of Weaver Trust need to appreciate this concept for risk management to be linked successfully to improved performance.

5.1.4 All organisations face uncertainty; the challenge for Trustees is to determine how much uncertainty to accept as the Trust strives to deliver efficiency, continuous improvement, and increased value for stakeholders. All organisational activity carries with it a degree of uncertainty that presents both a threat and an opportunity, with the potential to erode or enhance value.

5.1.5 Risks are different to *issues* in the sense that a risk may never happen, and the effective management of risk means that measures are put in place to prevent it (or encourage it) happening; an issue is something that has already occurred and requires a reactive response.

5.2 Strategic Influences

5.2.1 A shared strategic approach is important if risks are to be consistently managed across the Trust so this framework must also integrate with other plans, policies and frameworks including:

- Weaver Trust Business Plan and associated annual work plans: these outline Weaver Trust's approach to delivering services and achieving its objectives.

- Corporate planning process: risk identification forms a key part of the annual planning process through environmental, horizon scanning, Trustee and Executive debate and challenge of options and proposals for inclusion in the plans.
- This framework aims to provide a flexible approach to the consistent management of risk and opportunity which supports the delivery of programmes and adds value to the process.

5.3 **Vision, Mission, and Objectives**

5.3.1 The focus for Weaver Trust remains clear. This is articulated in our vision and mission statements, underpinned by a set of strategic aims and objectives.

5.3.2 Our Vision:

- Every child within Weaver Trust, without exception, will leave with the values, skills, qualities, and aptitudes that will enable him/her to thrive in, and contribute to society and leave with the best possible outcomes.
- Our vision is for all of our children to flourish. We believe in providing opportunities to inspire each child, so they believe in their own ability to achieve their very. We develop the whole child, enabling all our children to live life in all its fullness, through exciting learning experiences.
- We have high expectations of ourselves in providing a positive climate for high academic achievement, as well as for our children's confidence, character, and motivation to learn for life in modern Britain.

5.3.3 The implementation of the Corporate Risk Management Framework starts with an understanding across the whole organisation of the existence and meaning of organisational objectives to ensure that risks associated with the activities we undertake in striving to achieve those objectives can be identified, controlled, and managed. As such, risk management is integral to the corporate planning process, the setting of objectives, and planning of projects and activities across the organisation.

5.4 Risk Appetite

5.4.1 Weaver Trust's business objectives are integral to its appetite for, and tolerance of risk. Risk appetite enables Weaver Trust to achieve its objectives and increase the opportunities to do so by optimising risk taking and accepting calculated risks within an appropriate level for the Trust.

5.4.2 Trustees at Weaver Trust are responsible for determining the nature and extent of the significant risks the Trust is willing to take in achieving its strategic objectives. Defining risk appetite requires the Trust to consider what its overarching attitude is to risk taking and how this attitude relates to the expectations of its stakeholders.

5.4.3 Risk appetites vary according to the balance of opportunity, uncertainty or hazard which differing risks present (risk profile), together with the level of risk the Trust is willing to take against the potential gain or possible loss.

5.4.4 Risk appetite is set by the Weaver Trust Board through its strategies and plans. Weaver Trust is neither risk averse nor reckless, but it is not always possible to identify its level of risk appetite in quantitative terms. Each risk will be considered on its individual merits, with the activities presenting the most significant risks escalated to Weaver Trust Audit and Risk Committee for consideration. The Audit and Risk Committee will consider these in the context of the overall risk profile of the Trust. The Audit and Risk Committee may then recommend to the Trust Board that at one end of the scale, an activity is ceased or, at the other end of the scale, that it simply proceeds without any further control. More usually, the Audit and Risk Committee will identify some controls that it would recommend having in place to mitigate against the negative effect of a risk or promote the positive benefit of another risk.

5.4.5 Overall, **Weaver Trust is a low-risk organisation**, like many other academies and organisations dependant on public sector funding.

5.5 **Early Warning Indicators (EWIs)**

5.5.1 Given that risks may, or may not occur, monitoring certain metrics helps Weaver Trust to recognise that a risk or set of risks might be about to materialise. These EWIs enable Weaver Trust to be proactive in dealing with a risk before it happens, rather than reacting to it when it does.

5.5.2 Weaver Trust has several methods for identifying risk triggers. Environmental and horizon scanning/forecasting and PESTELO analysis which help to identify strategic risks that may affect the environment in which Weaver Trust operates. Monitoring a suite of performance indicators and identifying changes or emerging trends supports the identification of emerging risk or changes to the likelihood or existing risks occurring. Weaver Trust can then put plans in place to mitigate or respond to those risks before or as they materialise.

6. Approach

6.1 A four step approach is promoted:

1. Identify and define
2. Assess and Prioritise
3. Plan and Implement Response
4. Review and Report.

Further details can be found in the practitioner guide

7. Responsibilities

7.1 The key principles of the risk management for Weaver Trust are:

- To achieve our organisational objectives, risk must be managed in consideration of the strategic interests across the Trust;
- Risk Management is integral to our planning processes, decision making, resource allocation and day to day operations;
- Executives and school Managers accept their responsibility to review regularly and manage the status of risks and associated control measures;
- All risks will be identified, analysed, treated and monitored in accordance with the methodology;
- Relevant staff are provided with required training in the risk management principles and processes set out in this framework in accordance with their level of responsibility.

7.2 Compliance with the framework is supported by the Trust's executive team who are gatekeepers of the framework and associated suite of business risk management tools.

7.3 *The table below sets out the responsibilities for Executive, Managers and Board Members at different levels of the organisation:*

LEVEL	RESPONSIBILITY
WEAVER TRUST Board	Overall responsibility for risk management. Receive regular reports on risk at least 3 times per annum, normally half termly.

LEVEL	RESPONSIBILITY
(Discharged through the Audit and Risk Committee)	**The Board comprises of:** The CEO provides a coordination link between risk management and internal audit activities and will inform Trustees of any high priority recommendations identified through the audit process. The risk registers are used to develop the annual audit plan. Trustees and Executive provide governance and strategic leadership.
Chief Operating Officer	The CEO is responsible for ensuring that the Board promotes and supports the risk management policy and framework. The CEO also signs off the annual review of the Business Continuity Plan for approval of the Trust Board
Senior Management Team	SMT meets termly to consider issues around the risk management approach, particularly in identifying, assessing and monitoring Strategic risks and approving changes to risk profiles. This group has a critical 'check and challenge' role to ensure that identified risks are based on sound risk information and are adequately evaluated. The Strategic risk register is recorded within SharePoint and will be used to determine the company's levels of balances and reserves.
Local Education Committees	Local Education Committees should have an awareness of the operational risks in their school's impacting education and wellbeing. They should challenge and support the Head Teacher with the management of these risks.
Head Teachers	Head Teachers are responsible for ensuring that risk is managed effectively in each school in accordance with the risk management framework. Head Teachers have responsibility for championing the culture of risk management in the workplace. They should review their team activities on a regular basis in line with the framework to analyse the risks, identify and implement appropriate control measures and update the risk registers as required. Head Teachers should escalate to the CEO without delay, risks where a high degree of likelihood or impact is likely to affect strategic performance or organisational objectives. Head Teachers should also ensure that a review of risks and controls entered are a standing item at their team meetings.
Employees	Risk Management awareness is required across the organisation to embed a risk management mind set and culture. All employees should be aware of the general principles of the risk management framework and how they should be applied in the workplace. They should feel confident and able to raise risk issues with their line manager.
Risk Owners	Risk Owners are named individuals responsible for delivering the actions set out in their risk registers to manage the risks which they own; and ensuring that the information populated in the risk registers is kept up to date and escalated where necessary.
Stakeholders	When consulted, stakeholders can provide regular feedback to Weaver Trust on its effectiveness in achieving its objectives.

LEVEL	RESPONSIBILITY
Action Owners	Action Owners are responsible to the Risk Owner for the implementation of specific action(s) identified in the risk treatment plan.
Senior Information Risk Owner (SIRO)	The CEO is the SIRO and therefore is the senior officer with the responsibility for ensuring that the Trust meets appropriate information management standards and complies with data legislation, ensuring that appropriate policies, processes and guidance are in place to manage the organisation's information risks.

APPENDIX 1 – Glossary

Assurance	Gaining (independent) confirmation that risk assessments and control responses are appropriate, adequate and achieving the effects for which they have been designed.
Compliance	Complying with laws and regulations applicable to an entity.
Consequence	The outcome of an event expressed qualitatively or quantitatively being a loss, injury, disadvantage or gain.
Control	Any action, procedure or operation undertaken to either contain a risk to an acceptable level of potential exposure or to increase the probability of a desirable outcome.
Embedded	Seamlessly integrated into the fabric of the organisation.
Event	An incident or situation which occurs in a particular place during a particular interval of time.
Hazard	A source of potential harm or situation with a potential to cause loss.
Impact	Result or effect of an event. There may be a range of possible impacts associated with the event. The impact of an event can be positive or negative relative to the entity's related objectives.
Inherent Risk	Control measures currently in place to manage risk to an acceptable level.
Issue	Something that has happened that requires a reactive response.
Likelihood	Used as a qualitative description or probability or frequency.
Loss	Any negative consequence financial or otherwise.
Monitor	To check, supervise, observe critically or record the progress of an activity, action or system on a regular basis in order to identify change.
Opportunity	An uncertainty of event or set of events that, should it occur, will have a positive effect on the achievement of objectives.
Probability	The likelihood of a specific event or outcome measured by the ratio of specific events or outcomes to the total number of positive events or outcomes. Probability can be expressed as a number between zero and one, with zero indicating a possible event or outcome and one indicating an event or outcome is certain.
Reputation Risk	Reputation risk is any action, event or circumstance that could adversely or beneficially impact an organisation's reputation.
Residual Risk	The remaining level of risk after management has taken action to alter the risk's likelihood or impact.
Risk	The chance or something happening that will have an impact upon objectives. It is measured in terms of consequence and likelihood.

Risk Appetite	Is defined as the risks that organisations are prepared to take in the delivery strategic objectives.
Risk Identification	The process of determining what can happen, why and how.
Risk Management	The culture, processes and structures that are directed towards the effective management of potential opportunities and adverse effects.
Risk Owner	The person specifically assigned to manage the risk including monitoring the risk, its controls and any treatments that are implemented.
Risk Treatment	Action taken to mitigate the risk.
Risk Transfer	Assigning the responsibility or burden for loss to another party through legislation, contract, insurance or other means. Risk Transfer can also refer to shifting a physical risk or part thereof elsewhere.
Risk Tolerance	The acceptable variation relative to the achievement of objectives.
Risk Treatment	Selection and implementation of appropriate options for dealing with risk.
Threat	An uncertainty of event or set of events that, should it occur, will have a negative effect on the achievement of objectives.
Stakeholders	Approval of risk management strategies that meet the needs and expectations of the stakeholders.
Uncertainty	Inability to know in advance the exact likelihood of future events.

Approved by:	Chief Executive Officer
Signed:	
Date:	

APPENDIX 2 – Practitioners' Risk on a Page:

Risk Management Tools to support various phases of managing risk.

Step 1: ►
Risks

Objective-driven:

Relate risks to the impact they will have on your intended objectives, activities and outcomes:

- what are we trying to achieve
- where are we going
- what are the proposed outcomes

■ Risk**:** something that may have an impact on the achievement of your objectives or outcomes. It includes risk as an opportunity as well as a threat. An example of a risk opportunity maybe:

Delivering services through partners can bring significant benefits, but there is less direct control. Partnerships can lead to higher levels of uncertainty and introduce different (and therefore unfamiliar) risks into the organisation.

Step 2: ►
Assess & Prioritise Risks

Consequences:

Political, financial, societal, operational, legal, environmental, reputational

Risk rating: the classification of each risk, based on its likelihood and potential impact to the objective or outcome. The matrix below is the 5x5 model:

			Impact				
			VL	**L**	**M**	**H**	**VH**
			1	**2**	**3**	**4**	**5**
Likelihood	**VH**	**5**	**5**	**10**	**15**	**20**	**25**
	H	**4**	**4**	**8**	**12**	**16**	**20**
	M	**3**	**3**	**6**	**9**	**12**	**15**
	L	**2**	**2**	**4**	**6**	**8**	**10**
	VL	**1**	**1**	**2**	**3**	**4**	**5**

■ ***Risk scoring*:**

Likelihood- *the evaluated probability of a particular outcome actually happening*

VH 5 = Almost Certain

H 4 = High probability

Step 3: ►
Plan & Implement Response

Mitigate: steps taken to reduce either the likelihood or impact or both

Transfer: steps taken to shift loss or liability to other parties. ensuring the risk is owned by appropriate party

Accept: Informed decision to accept likelihood and impact

Exploit: steps taken to leverage the situation and turn threats into opportunities

Avoid: steps taken to prevent occurrence of hazards

Monitoring: keep risk under review for a period of time before closing

Managing Risk:

■ **Current Controls:**
control measurers currently in

Step 4:
Review and Report

Risk Registers: these risk registers are a record of identified risks which are monitored & managed regularly by assigned risk owners

Risk Levels:

Strategic 'Top Risks': these risks are key to the delivery of the Service objectives; kept under regular strategic review by the Board

Operational risk: the key risks to the Trust and school objectives kept under regular review by the CEO

Embedding: changing working practices to ensure good risk

<table>
<tr>
<td>Thematic Risks: financial, operational, project, reputational, legal, data information, business Continuity, equality & diversity, environment; IT; opportunity; workforce & people and health & safety

Gathering intelligence:
Through environmental and horizon scanning (identify potential risks/threats and opportunities and be better prepared), surveillance and stakeholders.

Risks can be identified from bottom-up and from top-down. From the bottom, risks will be identified and assessed where they occur (by any member of staff) and will then be captured in departmental or strategic risk registers as appropriate.</td>
<td>M 3 = Possible
L 2 = Low probability
VL 1 = Unlikely

Impact – the evaluated effect or result of a particular outcome actually happening
VH 5 = Catastrophic – inability to function
H 4 = Major – significant impact on delivery
M 3 = Moderate – objectives partially achieved
L 2 = Minor – minor impact on objectives
VL 1 = Negligible – minimal impact, no Disruption.

Escalating Risks:
Overall Rating
1-4 Manageable Risks
May not need to consider the risk appetite nor proceed any further with the assessment but merely record that the risk has been identified and that due to its low likelihood or impact no further action will be required.

5-14 Material Risks
These risks need to be managed by the department in which they have been identified.

15-25 Significant Risks
These risks should be considered as major and need to be discussed with the CEO, after further impact analysis, will decide whether they need escalation to the Audit and Risk Committee for consideration as Strategic Risk. Escalation can be direct to Trust Chair or Chair of the Audit and Risk Committee if deemed urgent.</td>
<td>place to manage risk to an acceptable level

■ Residual Controls: additional controls identified to reduce likelihood and impact

■ Contingency: an action or arrangement that can be put in place to minimise the impact of a risk when it has gone wrong.</td>
<td>management is evident and sustained throughout the organisation

If your Team is not required to formally record risk at least develop the mind-set. Think Risk Consider & Select Options, Implement & Review.

Risk Management should be an intrinsic part of business planning and decision making process. No change of direction, outcome or objective should occur without first considering the potential risks involved and the impact on the organisation.</td>
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ENDS