



# NEWMAN CATHOLIC TRUST

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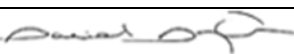
## Risk Management Policy & Register

December 2023-24

Review:

Review Cycle	Date of Policy	Author(s)	Review Date
Annual	December 2023	D.Doyle	Dec 24

Ratification:

Role	Name	Signature	Date
Chair of FAR	Chris Izuka		
CEO	Dr Daniel Doyle		

## **RISK MANAGEMENT AND THE RISK REGISTER**

### **1. RISK MANAGEMENT**

1.1 The management of risks to the Trust is undertaken in accordance with the Funding Agreement and the Academies Financial Handbook. This Risk Management Policy explains Cardinal Newman Catholic Educational Trust's (the Trust's) underlying approach to risk management. It gives key aspects of the risk management process and identifies the main reporting procedures. The policy is reviewed and amended, if appropriate, on an annual basis by the Directors.

1.2 The policy forms part of the Trust's internal control and governance arrangements. The Board of Directors is responsible for risk management and for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, whilst safeguarding public funds and other funds and assets for which it is responsible. The Board of Directors delegates responsibility for monitoring the Risk Register to the Finance, Audit & Risk Committee. The Board and the committee are advised and informed by the Senior Leadership Teams and governors from the Local Governing Committees. The Board has also formed a Risk Working Party, which includes representatives from school's Local Governing Committees who have suitable expertise to contribute to discussions and scrutiny of the Risk Register.

### **Approach to Risk Management**

The following key principles outline the Trust's approach to risk management:

- As the policy-making body of the Trust the Directors are responsible for risk management.
- The Directors are responsible for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, while safeguarding the public and other funds and assets for which it is responsible, in accordance with the Funding Agreement, the Academies Financial Handbook and guidance from the ESFA or DfE.
- There should be an open and receptive approach to resolving risk issues.
- The Finance, Audit and Risk Committee advises the Directors on risk management.
- The Trust makes conservative and prudent recognition and disclosure of the financial and non-financial implications of risks.
- All Directors and the Trust's Senior Leadership Teams across the individual schools are responsible for encouraging and implementing good risk management practice within the Multi-Academy Trust and all of its Departments.
- Early warning mechanisms will be put in place and monitored to alert the Trust to any risk events or near misses so that suitable remedial action can be taken to manage such risk positions.

## **Role of Board of Directors & System of Internal Control**

1.3 The Board of Directors fulfils its role by establishing the system of internal control:

- 1.3.1 Approving and reviewing a series of policies that underpin the internal control process. Attached to fundamental risks are a series of policies that underpin the internal control process. These policies are set by the Directors and its core committees (e.g., the FAR Committee). Written procedures support the policies where appropriate.
- 1.3.2 Agreeing objectives, plans and resources by means of the budget and the annual improvement plans. 3 Year Strategic and Financial Plans are set annually and approved by the Board of Directors. This is used to set objectives, agree action plans, and allocate resources. Progress towards these objectives is monitored regularly.
- 1.3.3 Approving this policy statement and the attached Risk Register (prepared by the FAR Committee) and reviewing them carefully each year to identify risks, near misses and opportunities. Emerging risks are added to the Risk Register as required and improvement actions and risk indicators are monitored regularly.
- 1.3.4 Considering carefully the advice from the Accounting Officer/CEO, External Auditors and FAR Committee on internal financial controls, together with advice from any external consultants or inspectors.
- 1.3.5 Determining the Trust's attitude to risk as a whole or on any individual issue

**This also includes:**

### **Independent Risk Review**

This is performed annually by independent, qualified auditors who report to the Board on their work undertaken, making recommendations where appropriate. The work to be undertaken is determined by the Board or FAR Committee. It is also discussed and consulted at Risk Working Party meetings.

### **External Audit**

External audit report to the Board of Directors on the operation of the internal financial controls reviewed as part of the annual audit.

### **Third party Reports**

From time to time, the use of external consultants may be appropriate in areas such as Legal, Health and Safety, Insurance and Human Resources. The use of specialist third parties for consulting and reporting can increase the reliability of the internal control system.

### **Risk & Control Framework**

This framework is compiled by the Board of Directors and helps to identify, assess and monitor risks significant to the Trust. Emerging risks are added to the Risk Register as required and improvement actions and risk indicators are monitored regularly.

## **Role of Trust leaders**

1.4 The Senior Leadership Teams across the MAT fulfil their Risk Management role by:

- 1.4.1 implementing policies on risk management and internal control;
- 1.4.2 advising the CEO and FAR Committee of the fundamental risks faced by the schools and helping to evaluate them;
- 1.4.3 providing timely and sufficient information to CEO and Directors/FAR Committee on the status of risks and controls;
- 1.4.4 assisting the CEO and FAR Committee to draw up and revise the Risk Register;
- 1.4.5 working to embed risk management and risk-based internal control in all aspects of Academy management.

## **The Directors' Annual Review of Effectiveness:**

1.5 The Risk Register is revised annually by the FAR Committee who will recommend it to the Board of Directors. It is also discussed and consulted on by the Risk Working Party.

1.6 In its annual consideration of the Risk Register, the Board of Directors should consider these issues:

- 1.6.1 Whether risk management continues to be linked to the achievement of the Trust's objectives;
- 1.6.2 The appropriate risk appetite or level of exposure for the Trust as a whole;
- 1.6.3 Whether risk review procedures cover fundamental strategic and operational, compliance, financial and other risks to achieving the Trust's objectives;
- 1.6.4 Whether risk assessment and risk-based internal control are embedded in ongoing operations and form part of its culture;
- 1.6.5 Changes in the nature and extent of fundamental risks and the Trust's ability to respond to changes in its internal and external environment since the last assessment; the scope and quality of management's on-going process of monitoring the system of internal control including such elements as the effectiveness of assurance functions;
- 1.6.6 The extent and frequency of reports on internal control to the Board of Directors and whether this is sufficient for the Board of Directors to build up a cumulative assessment of the state of control and effectiveness of risk management;
- 1.6.7 The incidence of any fundamental control failings (risk events) or weaknesses identified at any point within the year (near misses) and the impact that they have had or could have on financial results;
- 1.6.8 The effectiveness of the Trust's public reporting processes;
- 1.6.9 The effectiveness of the overall approach and policy to risk management and whether changes or improvements to processes and procedures are necessary.

## 1.7 Risk Appetite Statement

The Cardinal Newman Catholic Educational Trust recognises that it must take risks. Indeed, only by taking risks can it achieve its aims and deliver on our vision of providing a beacon of excellence for Catholic education and helping to fulfil the Bishops' aim of having all Catholic schools within a Multi-Academy Trust by 2025. The Trust's working practices and attitude to risk are underpinned by its core values of being Christ/child-centred, inclusive and consultative, caring, transparent, strategic, professional and accountable.

In order to fulfil its aims and execute its strategy, the Trust must take risks, but this must be done in a controlled and informed manner - thus reducing its exposure to a level deemed acceptable, from time to time, by the Board of Directors.

Methods of controlling risks must be balanced in order to support innovation and the imaginative use of resources, especially when it is to achieve substantial benefit. In addition, the Trust may accept some high risks because of the cost of controlling them.

As an over-arching rule, the Trust will seek to control all probable risks which have the potential to:

- cause significant harm to students, staff, visitors and other stakeholders;
- compromise severely the reputation of the Trust or any of the constituent schools;
- have financial consequences that could endanger the viability of the Trust or any of the constituent schools;
- significantly jeopardise the Trust's ability to carry out its core purpose of providing a Catholic education;
- threaten the Trust's compliance with law and regulation;
- Undermine the Trust's Mission to:
  - Provide outstanding and sustainable catholic education from nursery to sixth form
  - Provide high-quality teaching and enrichment opportunities to our students
  - Be an employer of choice with excellent training and development opportunities for our staff
  - Be a Trust of choice for families in our local communities
  - Grow by supporting catholic schools to join our Trust

1.8 Related Policy and documents:

Business Continuity Plan.

Risk Register