



Dame Alice Owen's School

The Dame Alice Owen Foundation – 1613

Risk Management Policy

Agreed by the Governing Body Finance and Audit Committee
To be reviewed
(*reviewed every two years*)

March 2016
Spring 2018

To be monitored by the SLT and the Governing Body Finance and Audit Committee

Purpose

This risk management policy forms part of Dame Alice Owen's School's internal control and corporate governance arrangements. The policy explains the school's approach to risk management, documents the roles and responsibilities of the Governing Body, SLT and other staff. The document also outlines key aspects of the risk management process, and identifies the main reporting procedures. In addition, it describes the process that will be used to evaluate the effectiveness of the internal control procedures.

Approach to risk management

Dame Alice Owen's School follows and adopts good practice in the identification, evaluation and control of risks to ensure that, as far as reasonably practicable, risks are avoided or reduced to an acceptable level. Although it is acknowledged that risks exist and can never be eliminated, it is important that all members of staff are aware of risk associated with their area of work. The following key principles outline the School's approach to risk management:

- the Governing Body has responsibility for overseeing risk management within the School as a whole
- an open and receptive approach to solving risk problems is adopted by the Governing Body
- SLT advises on, and implements policies, approved by the Governing Body and is responsible for fostering good risk management practice within their areas of responsibility
- key risks will be identified and monitored on a regular basis.

Role of the Governing Body

The Governing Body has a fundamental role to play in the management of risk.

It's role is to:

(a) Integrate risk management into the culture of the School. This includes

- determining the School's approach to risk as a whole or on any relevant individual issue
- determining which types of risk are acceptable and which are not
- setting the standards and expectations of members and staff with respect to conduct and probity
- considering legal compliance as a minimum standard
- anticipating and responding, whenever possible, to changing social environmental and legislative requirements
- raising awareness of the need for risk management.

(b) Take major decisions affecting the School's risk profile or exposure.

- (c) Monitor the management of significant risks to reduce the likelihood of unwelcome surprises.
- (d) Ensure that the less significant risks are being actively managed, with the appropriate controls in place and working effectively.
- (e) Annually review the School's risk register and approve changes or improvements to key elements of its processes and procedures.

Role of Senior Leadership Team

Key roles of the SLT are to:

- (a) Implement policies on risk management.
- (b) Identify and evaluate the significant risks faced by the School for consideration by the Governing Body.
- (c) Provide adequate information in a timely manner to the Governing Body and its committees on the status of risks and controls.
- (d) Undertake an annual review of effectiveness of the systems of internal control and risk register for reporting to the Governing Body.

Risk management and the systems of internal control

Dame Alice Owen's School's risk management policy includes systems of internal controls. These controls encompass a number of elements that together facilitate an effective and efficient operation, enabling the School to respond to a variety of operational, financial, and commercial risks.

These elements include:

(a) *Policies and procedures.*

Attached to significant risks are a series of policies that underpin the internal control process. The policies are set by the Governing Body through its committees and implemented and communicated by SLT to members and staff. Written procedures support the policies where appropriate.

(b) *Regular reporting.*

Regular reporting is designed to monitor key risks and their controls. Decisions to rectify problems identified are made at regular meetings of the relevant committees of the Governing Body and, if appropriate, of the Governing Body itself.

(c) *Planning and budgeting.*

The planning and budgeting process may be used to set objectives, agree action plans, and allocate resources. Progress towards meeting planned objectives can then be monitored regularly.

(d) *Risk management assessment*

A risk management assessment is compiled by SLT and helps to facilitate the identification, assessment and ongoing monitoring of major risks to which Dame Alice Owen's School is exposed. The document is formally reviewed annually but emerging risks are added as required, and improvement actions and risk indicators are monitored regularly.

(e) *Departmental responsibilities of School Staff*

Heads of Departments are encouraged to develop and use this approach to ensure that significant risks in their department are identified, assessed and monitored through each department's risk management systems and procedures.

(f) *Internal audit programme*

The Responsible Officer follows an internal audit programmes for all financial matters, and a designated Governor monitors the School's Health and Safety procedures

(g) *External audit.*

External audit of the financial statements provides feedback to the Governing Body on the operation of the internal financial controls reviewed as part of the annual audit. Other external audits (eg the health and safety inspection from the School insurers the EFA and Ofsted may also be the subject of periodic reports to the Governing Body.

Annual review of effectiveness

The Governing Body is responsible for reviewing the effectiveness of internal control of the School, based on information provided by SLT to the Finance/Audit & Facilities Committee. The reports of the Responsible Officer, external auditors, Health and Safety Governor and the risk register review will be considered and any required action will be minuted and communicated to SLT for implementation. The outcome of this action must be reported to the Finance/Audit and Facilities Committee for discussion at the next meeting or sooner if necessary.

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