Dame Alice Owen's School
The Dame Alice Owen Foundation – 1613

RISK MANAGEMENT POLICY

Agreed by the Full Governing Body   Summer 2025
To be reviewed   Summer 2026
(reviewed annually by SBM and FGB)

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1. Background

The risk management strategy aims to ensure that Dame Alice Owen's School ("the School") complies with risk management best practice and sets out the current processes and responsibilities for risk management in the School.

1.1. The requirements can be summarised as:

- The Governing Body acknowledge responsibility for the system of internal control
- An ongoing process is in place for identifying, evaluating and managing all significant risks
- An annual process is in place for reviewing the effectiveness of the system of internal control
- There is a system in place to deal with internal control aspects of any significant issues disclosed in the annual report and accounts

1.2. In assessing what constitutes a sound system of internal control, consideration should be given to:

- The nature and extent of the risks facing the organisation
- The extent and categories of risk which it regards as acceptable
- The likelihood of the risks concerned materialising
- The organisation's ability to reduce the incidence and impact of the risks that do materialise

2. Risk Management objectives

The objectives for managing risk across the School are:

- To comply with risk management best practice;
- To ensure risks facing the School are identified and appropriately documented;

- To provide assurance to the Governing Body that risks are being adequately controlled, or to identify areas for improvement;
- To ensure action is taken appropriately in relation to accepting, mitigating, avoiding and transferring risks.

Risk Management strategy

This strategy aims to:

- Outline the roles and responsibilities for risk management
- Identify risk management processes to ensure that all risks are appropriately identified, controlled and monitored
- Ensure appropriate levels of awareness throughout the School

2.1. Roles and responsibilities

The full Governing Body is responsible for:

- the identification, management and reporting of risks included in the risk register.

- the oversight, management and reporting of risks included in this document.

- the annual review to ensure that the risk register complies with the requirements of the Academy Trust Handbook

- agreeing the risk register.

The Governing Body has overall responsibility for managing risk. The Governing Body formally reviews the Risk Register in its entirety annually. The appropriate Link Governors review the risks allocated to them in the Autumn and Summer terms and update the scoring on the register accordingly. The top risks are reviewed and approved by the full Governing Body. The top risks are those with a total risk score of 6 more for the current term.
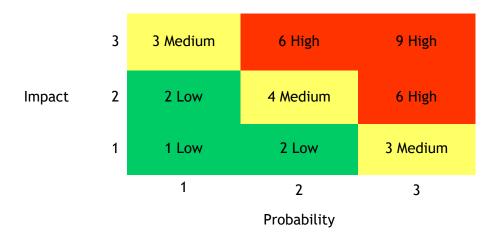
2.2.   Identification of risks

The Risk Management Standard states that risk identification should be approached in a methodical way to ensure that all significant activities have been identified and all the risks flowing from these activities have been defined.

The structure and organisation of the School's risk register seeks to ensure that all significant objectives and activities have been identified and the risks associated with each area have been identified.

2.3.   Evaluation of risks

The Risk Management Standard states that risks should be evaluated against agreed criteria to make decisions about the significance of risks to the organisation.

The School uses a 3x3 matrix to assess impact and probability as high, medium or low, as illustrated in the diagram below:

Impact		Probability		
3	3 Medium	6 High	9 High
2	2 Low	4 Medium	6 High
1	1 Low	2 Low	3 Medium
	1	2	3

Probability

The descriptors for high, medium and low impact and probability can be expanded as follows:

Impact of risk occurring	
Impact	Description
High	The financial impact will be significant Has a significant impact on the School's strategy or on teaching and learning Has significant stakeholder concern
Medium	The financial impact will be moderate Has no more than a moderate impact on strategy or on teaching and learning Moderate stakeholder concern
Low	The financial impact is likely to be low Has a low impact on strategy or on teaching and learning Low stakeholder concern

Probability of risk occurring		
Probability	Description	Indicator
High	Likely to occur each year, or more than 25% chance of occurrence within the next 12 months	Potential of it occurring several times within a 4 year period. Has occurred recently
Medium	Likely to occur within a 4 year time period or less than 25% chance of occurring within the next 12 months	Could occur more than once within a 4 year period. Some history of occurrence

Low	Not likely to occur within a 4 year time period or less than 5% chance of occurrence	Has not occurred Is not likely to occur

2.4. Risk appetite

The term risk appetite describes the School's readiness to accept risks and those risks it would seek to reduce. The School's risk threshold is the boundary delineated by the orange shaded area (represented by scores of 3 and above) in the risk matrix in paragraph 2.5. Above this threshold, the School will actively seek to manage risks and will prioritise time and resources to reducing, avoiding or mitigating these risks.

2.5. Addressing risks

When responding to risks, the School will seek to ensure that it is managed and does not develop into an issue where the potential threat materialises. The School will adopt one of the 4 risk responses outlined below:

Avoid	Counter measures are put in place that will either stop a problem or threat occurring or prevent it from having an impact on the business
Transfer	The risk is transferred to a third party, for example through an insurance policy.
Treat	The response actions either reduce the likelihood of a risk developing, or limit the impact on the School to acceptable levels.
Tolerate	We accept the possibility that the event might occur, for example because the cost of the counter measures will outweigh the possible downside, or we believe there is only a remote probability of the event occurring.

3. Risk Reporting and Communication

The aim of reporting risk is to provide assurance to the Governing Body, Senior Management and Auditors that the School is effectively managing its risks and has a robust system of internal controls.

3.1. Risk register

The reporting mechanism will be the School's Risk Register. This will highlight the key risks facing the School, as well as a breakdown for each key strategic aim.

Any significant changes in risk impact or probability, or the occurrence of an event which raises the profile of a risk, will be recorded on the risk register as it occurs. Any new or increased risks identified by Senior Management, Governing Body or raised by a member of staff will be evaluated and, if appropriate, recorded in the Risk Register.

3.2. Communicating Risks

The Governing Body monitors the risk register each term. The Headteacher will ensure that any perceived new or increased risks or significant failure of risk management control measures are considered and reported to the Governing Body, along with a summary of actions taken.

The Headteacher will endeavour to raise awareness that risk management is a part of the School's culture and seek to ensure that:

- individual members of staff are aware of their accountability for individual risks
- individuals report promptly to senior management any perceived new risks or failure of existing control measures.

4. Areas for improvement

Any areas identified as needing improvement will be discussed and agreed termly by the Governing Body.