



INSPIRING EXCELLENCE TOGETHER

# The Children First Learning Partnership Risk Management Policy 2023-2024 (Version 3)

The Risk Management Policy in respect of the Children First Learning Partnership has been discussed and adopted by the Directors Board on 11<sup>th</sup> December 2023

*Chair of Board:*

*Mrs N Chell*

*Responsible Officer:*

*CEO – Mrs A Rourke*

*Agreed and ratified by the Directors*

*11<sup>th</sup> December 2023*

*To be reviewed:*

*December 2024*

## **1.0 Introduction**

- 1.1** The Children First Learning Partnership (CFLP) seeks to achieve for its member schools to deliver, through partnership and collaboration, an outstanding learning experience for all children so they flourish and thrive; enabling them to achieve their own individual excellence.
- 1.2** Risk management is the process whereby the CFLP and its schools methodically addresses the risks attached to its objectives and associated activities with the goal of achieving sustained benefit within each activity and across the whole range of activities: 'Risk is...A probability or threat of damage, injury, liability, loss, or any other negative occurrence that is caused by external or internal vulnerabilities, and that may be avoided through preemptive action.'
- 1.3** So, the policy aims to have a consistent approach to identifying and mitigating those risks, in order to reduce vulnerability. We realise that risk cannot be removed completely, but through a consistent and inclusive approach to managing risk, the hope is that this will be reduced to an acceptable level.
- 1.4** Risk management will be aimed at ensuring that the CFLP achieves its objectives in the most effective way and those resources are effectively directed at those objectives. It will not be seen as a separate exercise but as the means of best achieving the CFLP's objectives.
- 1.5** This risk management strategy has been designed to provide a framework for managing the risks the CFLP and its schools face and ensuring its objectives are achieved in the most effective way.
- 1.6** It has been designed for use by all staff of the Children First Learning Partnership and its schools and it serves to:

Communicate the strategies for managing risk in the CFLP and its schools  
Establish procedures which should be adopted in the risk management process

## **2.0 The Aims and Objectives of Risk Management**

- 2.1** The Children First Learning Partnership's overall risk management plan is aimed at:
- Protecting its pupils, staff and assets
  - Managing risk in accordance with best practice and reducing the cost of risk
  - Anticipating and responding to changing social, environmental and legislative requirements
  - Raising awareness of the need for risk management
  - Integrating risk management into the culture of the Children First Learning Partnership and its schools
  - Adopting legal compliance and good educational quality as a minimum standard

**2.2** These aims and objectives will be achieved by:

- Establishing and maintaining a risk management organisational structure to act in an advisory and guiding capacity which is accessible to all staff
- Maintaining documented procedures for the control of risk at a MAT and school level
- Providing suitable information, training and supervision
- Maintaining effective communication and the active involvement of all staff
- Maintaining an appropriate incident reporting and recording system, with investigation procedures to establish cause and prevent recurrence
- Monitoring arrangements on an ongoing basis

### **3.0 The Potential Benefits of Risk Management**

**3.1** Effective risk management protects and adds value to the CFLP, its schools and its stakeholders through supporting the CFLP's objectives by:

- Improving decision making, business planning and prioritisation on by comprehensive and structured understanding of the wider business environment
- Supporting more efficient allocation and use of resources within the CFLP and its schools
- Enhancing communication between schools and services
- Protecting and enhancing the CFLP assets and image
- Developing and supporting staff and the CFLP's knowledge base
- Helping to focus the internal audit plan

### **4.0 The Structure and Administration of Risk Management**

**4.1** The Children First Learning Partnership recognises the management of risk happens at all levels of the organisation from strategic decision making to operational day to day activities so key responsibilities can be identified.

**4.2** The Children First Learning Partnership has a fundamental role to:

- Set the tone and influence the culture of risk management within the organisation and its schools
- Determine the appropriate risk appetite or level of exposure for the CFLP
- Approve major decisions affecting the CFLP's risk profile or exposure
- Set policy and strategy for risk management
- Frequently monitor the management of 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 CFLP's approach to risk management and approve changes or improvements to key elements of its processes and procedures

**4.3** The Children First Learning Partnership's Senior Officers (CEO/CFO/COO) will:

- Support and implement policies approved by the CFLP
- Establish internal risk policy and structures for individual school / services
- Develop risk response processes, including contingency and business continuity programmes

- Provide adequate information in a timely manner to the CFLP and its Finance, Audit, Resource and Risk Committee on the status of risks and controls
- Focus and co-ordinate risk management activities throughout the CFLP
- Raise the level of management awareness and accountability for the business risks experienced by the CFLP and its schools
- Develop risk management as part of the culture of the CFLP and its schools
- Provide a mechanism for risk management issues to be discussed and disseminated to all areas of the organisation

**4.4** The Executive Head/ Headteacher and Senior Leadership Team in the CFLP school's will:

- Have primary responsibility for managing and reviewing risk via their own school level risk register on a frequent basis
- Have responsibility for promoting risk awareness within their operations; introduce risk management objectives into their businesses
- Identify and evaluate the significant risks faced by their operations for consideration by their Local Advisory Board and the Children First Learning Partnership's Senior Officers if identified as an organisational on risk via a frequent review of their own school risk registers
- 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 the CFLP's Senior Officers

## **5.0 Risk Identification**

- 5.1** Risk is not only about adverse events; it is also about missed opportunities. All areas of activity within the CFLP and partnerships with third party organisations should be considered together with what would stop them being as successful as they should be. The key risks that the CFLP faces will be those that would stop it achieving its objectives in these areas.
- 5.2** As the first step in the risk identification process all staff with responsibility for delivering operations aims or targets need to understand the CFLP's corporate objectives and the legal and regulatory environment in which it operates.
- 5.3** The second step is the translation of these objectives into operating aims in the form of appropriate operational plans and performance indicators for each area of activity. This should be an ongoing annual exercise with regular updating of the aims.
- 5.4** The next step is to identify what would stop each area being as successful as it should be. Risks can readily be identified through either brainstorming or a more structured approach.
- 5.5** Risks will be grouped into categories at a MAT and School level. Each category will be overseen by a Senior MAT Officer at CFLP level and by the Headteacher at School Level. That officer is responsible for overseeing the relevant section of the Risk Register and

ensuring that it is appropriately updated for reporting to the CFLP's Directors and Finance, Audit, Resource and Risk Committee or Local Advisory Board as appropriate.

Risk Category	Description	Senior CFLP Officer Responsible for MAT Level Risk
Strategic	Concern the long-term strategic objectives of the CFLP and its schools. They can be affected by such areas as capital availability, legal and regulatory changes, reputation and changes in the physical environment. For example, failure to recognise sector message.	Chief Executive Officer
Operational	Concern the day-to-day issues that the organisation is confronted with as it strives to deliver its strategic objectives. For example, failure to maintain timely and accurate learner data.	Head Teachers (Exec Board)
Financial	Concern the effective management and control of the finances of the CFLP and the effects of external factors such as interest rate movement and other market exposures. For example, failure to balance budget.	Chief Finance Officer
Compliance	Concern such issues as health and safety, environmental, trade descriptions, consumer protection, data protection, employment practices and regulatory issues. For example, breach of employment laws.	Chief Operations Officer

**5.6** The risks that have been identified should be recorded on the risk template and updated to the register for each applicable school or service and incorporated, as necessary, into the overall CFLP or School risk register as appropriate.

## **6.0 Risk Estimation (Assessing Likelihood and Impact) – the Children First Learning Partnership and its Schools' Guidelines**

**6.1** Having identified the risks that the CFLP is facing, they need to be prioritised into a manageable order so that action can be focused on the significant risks. At this stage in the risk management process you should only be concerned about the risks that threaten the achievement of your operating aims and objectives. Risk prioritisation will enable necessary action to be taken at the relevant level of management in the CFLP and its schools.

**6.2** Each risk should be assessed in terms of the **likelihood** of its occurrence, and its **impact** on the CFLP, should it occur.

**6.3** Not all risks will affect the CFLP with the same impact, and some are far more likely to occur within the CFLP and its schools than others. For example, there is perhaps a low likelihood of fire at a school but there would be significant disruption if the buildings were burnt down. There may be a greater likelihood of petty thefts but the impact is deemed less than a fire.

**6.4** The impact of a risk and the likelihood of it occurring should be scored as follows:

- **Likelihood**

For each of the risk you have listed assess the likelihood of their occurrence on the following scale:

1. Improbable
2. Possible
3. Probable
4. Certain

- **Impact**

Also assess their impact on the following scale:

1. Minimal
2. Moderate
3. High
4. Major

Likelihood and Impact are scored separately and the two scores are added to give the total Impact score

Multiply the scores for likelihood and impact (Financial and Reputational) and then rank the risk by numerical value, e.g.

Major fire	impact 4	likelihood 2	total = 8
Small scale theft	impact 1	likelihood 3	total = 3

## 7.0 Risk Prioritisation

7.1 Risks should be prioritised as follows:

<b>Risk Score</b>	<b>Prioritisation</b>	<b>Colour</b>	<b>Action</b>
1 to 2	Low	Green	Keep under review
3-5	Medium	Amber	Consider action or contingency plan
>6	High	Red	Immediate action

## 8.0 Risk Mitigation

8.1 Once risks have been identified and prioritised, you need to decide how the Children First Learning Partnership and its schools are going to address them.

8.2 As the first step, you should assess the 'cost' of accepting the risk. This may be a financial cost or a lost opportunity or reputational risk. You may decide that accepting a particular risk is appropriate and not take any further action.

8.3 If you decide further action is needed then there are three main options:

- avoid the risk
- transfer all or part of the risk
- mitigate the risk

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

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

8.6 In the majority of cases, the next step will be to put in place systems to mitigate either the likelihood or the impact of the risk. These will include systems addressing the whole operation of the CFLP and its schools as well as the areas where risks have been identified. Any system of risk mitigation should provide as a minimum:

- Effective and efficient operation of the CFLP and its schools
- Effective internal controls
- Compliance with law and legislation

Mitigating action plans should be recorded against each risk that has been listed in the risk register with appropriate milestones. In order for an action plan to be successful the action plans should be SMART:

- Specific
- Measurable
- Achievable
- Realistic
- Time constrained

They should also include sources of assurance over the controls in place to mitigate each risk identified.

Source of Assurance is defined as evidence that mitigating action/controls are in place and being regularly reviewed. As part of the monthly risk review the Assurance should be reviewed to ensure that the mitigating action/controls are appropriate and functioning. The residual risk should also be considered at each review if Assurances indicate that mitigating actions/controls are working better/worse than originally planned.

## **9.0 Gross and Net risk**

**9.1** In completing the above mentioned assessment of risk, recognition needs to be given to the impact of the mitigating actions taken by management to reduce the impact of the risk. Accordingly, risks should initially be recorded at their gross value  
– the impact without mitigating actions. The same risks should then be recorded allowing for the impact of the mitigating actions. By doing so, the CFLP is able to value the impact of the mitigating factors to determine whether they are cost effective.

**9.2** Both the gross risk and net risk scores are to be recorded on the Risk Register and the Risk Reduction Plan.

**9.3** The movement in these risk scores between reporting periods are to be recorded on these key documents to enable the reader to understand whether each risk is constant, decreasing or increasing over time.

## **10.0 Risk Monitoring**

**10.1** The likelihood or impact of an identified risk can change for a number of reasons including:

- Nature of the risk has changed or is changing
- Existing controls are inadequate or not functioning
- New controls are introduced

**10.2** Early warning indicators should be designed for each risk to alert management to the situation effectively. These should have triggers, be described in the register and be highlighted in half termly reports to management and the Directors. Key characteristics of monitoring mechanisms are:

- Information must reach the level of management where decisions can be made
- Mechanisms must pick up the problem before it happens, or at least before it gets too serious.

**10.3** Individual schools should:

- Review termly (or when a change has occurred) the risks which fall into their area of responsibility the possible impacts these have on other areas and the consequences other areas may have on them



- Use performance indicators to monitor the key business and financial activities, progress towards objectives and identify developments which require intervention
- Have systems which communicate monthly variances in budgets and forecasts to allow action to be taken
- Report systematically and promptly to the Chief Finance Officer any perceived new risk or failures of existing mitigating or control measures

**10.4** The Chief Executive Officer, Chief Finance Officer and Chief Operations Officer should:

- Ensure that the Risk Register is updated in the light of developments within the CFLP and its schools and the wider business environment
- Review the Risk Register monthly
- Review key performance indicators and progress towards objectives
- Take necessary action to address adverse departures for objectives
- Provide adequate information to the CFLP's Finance, Audit, Resource and Risk Committee on the most significant risks

**10.5** The Finance, Audit, Resource and Risk Committee should:

- Review the Risk Register annually, or more frequently if felt appropriate
- Provide ongoing advice on the effectiveness of the risk management process

## **11.0 Risk Reporting**

**11.1** Different levels within the Children First Learning Partnership and its schools need different information from the risk management process.

**11.2** Early warning indicators should be reported systematically and promptly to senior management to allow action to be taken. The frequency of reporting should be related to how quickly a risk can materialise and its likely impact.

**11.3** Staff should:

- Understand their accountability for individual risks
- Understand that risk management and risk awareness are a key part of the School's culture
- Understand how they can enable continuous improvement of risk management response
- Report systematically and promptly to senior leaders any perceived new risks or failures of existing control measures

**11.4** Schools should:

- Report to the Local Advisory Board the outcome of their review of business and financial activities and progress towards objectives
- Report systematically and promptly to the Chief Finance Officer any perceived new risks or failures of existing control measures

**11.5** Chief Executive Officer, Chief Finance Officer and Chief Operations Officer should:

- Review the findings of the Schools
- Ensure accurate reporting of risk in terms of issue and risk values

- Assess each risk for reporting to the Finance, Audit, Resource and Risk Committee and the Board of Directors
- Ensure appropriate levels of awareness throughout the Schools

**11.7** The Children First Learning Partnership should:

- Report annually on the effectiveness of the risk management process in the CFLP and its schools
- Report to the CFLP's stakeholders on a regular basis its risk management policies and the effectiveness in achieving its objective

## Version Control:

Version	Date	Amendment	By
V1	12.2020	Provide adequate information in a timely manner to the CFLP and its Finance, Audit and Resource Committee on the status of risks and controls <b>Change:</b> The Trust's Finance, Audit, Resource and Risk Committee is responsible for overseeing internal controls, financial regularity and rigorous risk management.	CEO
V1	12.2020	4.3 That officer is responsible for overseeing the relevant section of the Risk Register and ensuring that it is appropriately updated for reporting to the CFLP's Directors and Finance, Audit and Resource Committee. <b>Change:</b> That officer is responsible for overseeing the relevant section of the Risk Register and ensuring that it is appropriately updated for reporting to the CFLP's Directors and Finance, Audit, Resource and Risk Committee.	CFO
V1	12.2020	5.5 Provide adequate information to the CFLP's Finance Audit and Resource Committee on the most significant risks <b>Change:</b> Provide adequate information to the CFLP's Finance, Audit, Resource and Risk Committee on the most significant risks	CEO
V1	12.2020	10.4 The Finance, Audit and Resource and Committee should:  Review the Risk Register annually, or more frequently if felt appropriate Provide ongoing advice on the effectiveness of the risk management process <b>Change:</b> The Finance, Audit, Resource and Risk Committee should: Review the Risk Register annually, or more frequently if felt appropriate Provide ongoing advice on the effectiveness of the risk management process	CEO
V1	12.2020	11.5 Assess each risk for reporting to the Finance Audit and Resource Committee and the Board of Directors  <b>Change:</b> Assess each risk for reporting to the Finance, Audit, Resource and Risk Committee and the Board of Directors	CEO
V2	10.11.2021	Sections 3.1 and 4.4 ,5.5 amended to reference school level risk assessments	CEO
V2	14.11.2022	Section 10.3 Schools should review monthly (or when a change has occurred) amended to termly (or when a change has occurred)	CEO
V3	15.11.2023	Added COO's responsibility (to reflect new position) to sections: 4.3 5.5 10.4 11.5	COO