

Risk Management Policy

Potteries Educational Trust

Policy Family	Governance
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Responsible Manager	Chief Operating Officer
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Change control

Date	Summary of Change	Signature
Feb 2026	Policy reviewed, revised and reissued to support revised Trust risk management framework	Claire Gaygan

Aim

This Risk Management Policy establishes the framework for identifying, assessing, monitoring, and managing risks across the Potteries Educational Trust (PET) and its academies.

The policy aims to:

- Enable informed decision-making and planning in the context of risk
- Improve educational outcomes by minimising disruption from unmanaged risks
- Safeguard assets, resources, and reputation of the (PET)
- Ensure compliance with legal, regulatory, and statutory requirements
- Create a culture of risk awareness throughout the organisation

The Trust's approach to risk management is guided by eight key objectives:

1. Establish clear accountability
2. Clarify responsibilities
3. Support effective governance
4. Promote a risk-aware culture
5. Enable appropriate delegation
6. Ensure compliance
7. Facilitate timely reporting
8. Protect stakeholders

Scope

This policy applies to all Trust employees, governors, trustees, volunteers, and contractors operating within or on behalf of the Trust.

Risk Management Framework

Risk Definition

Risk is defined as any event or circumstance that may prevent the Trust from achieving its strategic objectives, protecting its resources, or maintaining high standards of educational provision.

Risk Categories

The Trust holds a strategic risk register covering all principal risks including:

- **Academy Organisational Risks:** Estates, IT, Health and Safety
- **Academy Educational Improvement Risks:** Learner outcomes, curriculum delivery, inspection performance
- **Academy and Trust Governance Risks:** Leadership, decision-making, compliance oversight
- **Stakeholder Risks:** Relationships with parents, community, regulators
- **Staffing Risks:** Recruitment, retention, wellbeing, capability
- **Finance Risks:** Budget management, funding changes, financial sustainability
- **Reputational Risks:** Trust standing, media coverage, stakeholder confidence

Roles and Responsibilities for Risk

The Trust operates a tiered risk management framework where the Trust Board maintains overall strategic accountability, supported by the Audit & Risk Committee and Finance & Resources Committee for detailed oversight. Operational responsibility flows from the CEO and COO through Headteachers/Principals and Senior Leadership Teams to all staff, with Local Governing Bodies providing academy-level monitoring, reviewing risks and mitigations and ensuring effective communication between local and Trust-level governance structures. (*Refer to Appendix 1 & 2*).

Risk Identification

The Trust utilises an approved 5x5 risk assessment framework that evaluates risks based on both their potential impact and likelihood of occurrence, resulting in a risk score ranging from 1 (very low) to 25 (very high).

IMPACT/LIKELIHOOD	Rare (1)	Unlikely (2)	Possible (3)	Likely (4)	Almost Certain (5)
Critical (5)	5	10	15	20	25
Major (4)	4	8	12	16	20
Moderate (3)	3	6	9	12	15
Minor (2)	2	4	6	8	10
Insignificant (1)	1	2	3	4	5

High Risk (15-25)	Immediate action required. Senior leadership attention needed.
Medium Risk (8-14)	Management attention required. Action plan needed.
Low Risk (1-6)	Monitor and review. Routine management procedures.

Risks are identified through:

- Strategic planning sessions
- Regular risk review meetings (including LGB and SLT meetings)
- Incident reporting, audit findings
- Stakeholder feedback
- Monitoring of regulatory and sector developments

Impact Assessment Criteria

Risk impact is assessed across five levels, considering financial implications, service delivery and performance, health and safety, and reputational consequences:

Level 1 - Insignificant: Minimal disruption, financial implications under £5,000, service interruption of an hour or less, no injury or near miss incidents, and no reputational damage

Level 2 - Minor: Financial costs between £5,000 and £25,000, service disruption for up to half a day with minor performance impact, injuries requiring basic first aid only, and slight reputational damage

Level 3 - Moderate: Financial implications of £25,000 to £50,000, service interruption for up to a day with moderate performance impact, injuries requiring professional medical treatment, and localised, moderate reputational damage

Level 4 - Major: Costs between £50,000 and £100,000, service disruption for up to a week with major performance consequences, injuries requiring hospitalisation, and reputational damage that would be uncomfortable for the Trust

Level 5 - Critical: Financial implications exceeding £100,000, service disruption for over a month with severe performance impact, injuries resulting in long-term hospitalisation or loss of life, and irrecoverable reputational damage

Likelihood Assessment Criteria

Likelihood is evaluated based on historical occurrence, probability, and anticipated timescale:

Level 1 - Rare: No organisational history of occurring, with less than 20% probability and a potential timescale of 3-5 years

Level 2 - Unlikely: May have occurred previously, with 20-40% probability and could occur within 1-3 years

Level 3 - Possible: Has happened across the academy in the past, carry 40-60% probability, and could occur within 1 year

Level 4 - Likely: Has occurred in the recent past, will probably occur in most circumstances with 60-80% probability, and could happen within 6 months

Level 5 - Almost Certain: Has a history of occurring across the academy, are expected to occur with 80-100% probability, and could happen within 1 month

Risk Response Strategies

The Trust employs four primary risk response strategies:

- Avoid:** Eliminate the risk by discontinuing the activity or changing approach
- Reduce:** Implement controls to minimise likelihood or impact
- Transfer:** Share or transfer risk through insurance, contracts, or partnerships
- Accept:** Acknowledge and monitor risks within acceptable tolerance levels

Risk Registers and Reporting

The Trust and academies will use RSM4Risk as its centralised system for maintaining and managing risk registers. This system will enable consistent risk recording, monitoring, and reporting from academy level through to Trust Board, ensuring a coordinated approach to risk management.

Trust Risk Register

The Trust maintains a central Risk Register that includes:

- Risk description and category
- Inherent risk score (before controls)
- Existing controls and mitigations
- Residual risk score (after controls)
- Risk owner and review date
- Action plan and timescales

Reporting Schedule

- Trust Board:** Receives full Risk Register termly and high-priority risk updates as required
- Audit and Risk Committee:** Reviews Risk Register at each meeting
- Finance and Resources Committee:** Reviews financial and resource risks at each meeting
- CEO and Executive Leadership:** Reviews risks monthly and updates register
- Local Governing Bodies:** Reviews academy risk registers termly
- Senior Leadership Teams:** Reviews half-termly

Risk Appetite & Tolerance

The Trust Board has defined the following risk appetite levels:

- Safeguarding:** Zero tolerance - all risks must be minimised
- Compliance:** Low tolerance - strict adherence to legal requirements
- Financial:** Low to moderate - balanced approach to financial sustainability
- Educational Innovation:** High - willing to trial new approaches with safeguards for staff workload
- Reputational:** Low tolerance - protection of Trust standing is paramount

Monitoring and Review

Risk management is continuously monitored through:

- Regular review of risk registers at all levels
- Key performance indicators and risk metrics
- Incident reporting and near-miss analysis
- Internal and external audit findings
- Stakeholder feedback mechanisms
- Business Continuity Plan testing and review

Related Policies and Documents

This policy should be read in conjunction with:

- Trust Risk Register
- Financial Procedures Manual
- Safeguarding and Child Protection Policy
- Health and Safety Policy
- Business Continuity Plan
- Data Protection Policy
- Incident Reporting Procedures
- Whistleblowing Policy
- Academy Trust Handbook
- Scheme of Delegation
- Code of Conduct
- Estates Strategy

Appendix 1 – Roles and Responsibilities for Risk

Accountabilities and Responsibilities for Risk	
<p>TRUST BOARD Overall accountability for all strategic risks across the Trust</p> <p>Accountable</p>	<ul style="list-style-type: none"> ○ Establish, manage, review and mitigate risk across the Trust ○ Monitor and ensure Trust risks are managed in line with statutory and legal requirements ○ Approve risk management policies and frameworks ○ Receive regular risk reports from CEO and committees ○ Ensure appropriate insurance arrangements (buildings, contents, indemnity) are in place ○ Strategic oversight of all compliance areas (e.g. Safeguarding, H&S, Employment Law, Information Management, Educational Improvement)
<p>AUDIT & RISK COMMITTEE</p> <p>Accountable</p>	<ul style="list-style-type: none"> ○ Detailed oversight of the adequacy and effectiveness of control systems and procedures ○ Monitor compliance with statutory requirements ○ Review and challenge risk management processes ○ Consider audit reports (internal and external) ○ Report findings and recommendations to Trust Board ○ Oversee the strategic risk register
<p>FINANCE & RESOURCES COMMITTEE</p> <p>Accountable</p>	<ul style="list-style-type: none"> ○ Detailed oversight of financial risks ○ Monitor estates and infrastructure risks ○ Review asset management risk ○ Oversee human resources risks ○ Ensure value for money/efficiency, effectiveness and economy ○ Report financial and resource risks to Trust Board
<p>CEO</p> <p>Accountable Responsible</p>	<ul style="list-style-type: none"> ○ Day-to-day management of Trust-wide risks ○ Lead Executive Leadership Team in risk identification and mitigation ○ Ensure appropriate insurance arrangements are in place ○ Coordinate response to significant risks across the Trust ○ Regulatory compliance (as Accounting Officer) ○ Overall responsibility for safeguarding across the Trust ○ Holding Headteachers and Principals to account for risk
<p>COO</p> <p>Advisory</p>	<ul style="list-style-type: none"> ○ Advise CEO on operational risks and mitigation across the Trust ○ Develop and implement risk management policies and strategies to support Executive Leaders, governors and trustees ○ Report on risk management to CEO and Audit and Risk Committee ○ Develop Trust Contingency and Business Continuity Plans support Executive Leaders, governors and trustees ○ Oversee estates strategy and associated risks and report to CEO ○ Co-ordinate IT strategy and related risks support Executive Leaders, governors and trustees ○ Co-ordinate infrastructure and asset management risks and mitigation ○ Advise and support Headteachers and Principals on operational risk management

<p>LGBs Accountable for monitoring and reviewing</p>	<ul style="list-style-type: none"> ○ Review impact of risk and mitigations at Academy level ○ Report Academy risks to Trust Board ○ Monitor implementation of Business Continuity Plans ○ Monitor safeguarding compliance (SCR and safeguarding data) ○ Ensure local compliance with Trust policies and procedures ○ Communicate key developments between the LGB and relevant trust committee
<p>Headteachers/Principals Responsible</p>	<ul style="list-style-type: none"> ○ Develop Academy Business Continuity Plans ○ Day-to-day management of Academy-level risk and mitigation ○ Implement Trust risk management policies at Academy level ○ Report significant risks to LGB and CEO ○ Ensure compliance with safeguarding requirements ○ Implement and monitor effectiveness of risk controls ○ Lead Academy staff in risk identification, response and provide relevant training ○ Develop and implement Academy policies aligned with Trust framework ○ Ensure statutory compliance at Academy level
<p>Senior Leadership Teams Responsible</p>	<ul style="list-style-type: none"> ○ Identify and assess risks within their areas of responsibility ○ Implement risk mitigation strategies ○ Report risks and mitigation to Headteacher/Principal ○ Support development and implementation of Business Continuity Plans ○ Ensure staff awareness and understanding of risk management procedures ○ Monitor compliance with Trust and Academy policies and procedures ○ Support and promote safe workplace including for example, understanding of and compliance with safeguarding and health and safety procedures
<p>All Staff Responsible</p>	<ul style="list-style-type: none"> ○ Identify and report risks within their areas of work ○ Follow the Trust and Academy policies and procedures ○ Implement risk controls as directed ○ Take a proactive approach to managing risk and take responsibility, within own remit, for creating a safe workplace ○ Collective responsibility for safeguarding children and young people ○ Report concerns through appropriate channels ○ Participate in training related to risk management ○ Understand and engage with Business Continuity arrangements ○ Maintain professional standards to minimise reputational risk ○ Ensure Conduct is in line with Trust expectations, seeking clarification and guidance where needed.

Appendix 2 – Prompts for Risk Management

A) TRUST/ACADEMY ORGANISATIONAL RISKS

1. ESTATES RISK

Key Questions:

- Are there any estates or infrastructure issues that pose a risk, and what is the plan to address these?
- How confident are you that the site/s is/are secure, and what measures are in place to manage access control?
- What maintenance or capital projects are planned, and what risks are associated with these?
- Are there any emerging compliance issues with our buildings or facilities that have not yet been addressed?

2. HEALTH AND SAFETY RISKS

Key Questions:

- What are the most significant health and safety risks in the academy/Trust, and what controls are in place?
- When was the last academy/Trust health and safety audit, and what actions arose from it? Have these been completed?
- How are day-to-day health and safety compliance monitored across the academy/Trust?
- How many risk assessments do you currently have in place? When were these last checked? How do you do this in your setting?
- How do you know that staff understand their health and safety responsibilities?

3. IT AND CYBER SECURITY RISKS

Key Questions:

- What are the main IT and cyber security risks, and how are these being managed?
- What business continuity arrangements are in place if the IT systems fail?
- How are we ensuring data protection and GDPR compliance?
- How many staff have completed cyber security and data protection training? What has been the impact of this?
- When was the last IT security assessment and what actions resulted?

B) ACADEMY EDUCATIONAL IMPROVEMENT RISKS

1. LEARNER OUTCOMES & ATTAINMENT

Key Questions:

- What risks are identified regarding learner attainment and progress, particularly for vulnerable groups?
- How effectiveness of interventions for underperforming groups? How do you know?
- Are there any curriculum areas where outcomes are a concern and if so, how are these being addressed?

2. QUALITY OF EDUCATION

Key Questions:

- What risks exist related to the quality of teaching and learning?
- What curriculum gaps are evidenced from data and outcomes?
- How might changes to the national agenda impact on curriculum, teaching and learning in this setting? How is this being addressed?
- Are there risks related to staff capacity or capability in delivering high-quality teaching?

3. ATTENDANCE AND BEHAVIOUR

Key Questions:

- What risks are there regarding learner attendance, and what interventions are in place?
- How are persistent absence and lateness being addressed?
- What are the trends in behaviour incidents, and what are the associated risks?
- What strategies are in place to support learners at risk of exclusion?

4. SEND AND VULNERABLE GROUPS

Key Questions:

- How do we know that learners with SEND are receiving appropriate support?
- What risks exist for disadvantaged learners, and how are gaps being closed?
- Are there sufficient resources and expertise to meet the needs of all vulnerable groups?

C) ACADEMY AND TRUST GOVERNANCE RISKS

1. GOVERNANCE COMPLIANCE

Key Questions:

- How do you ensure the academy remains compliant with all statutory requirements and Trust policies?
- What systems are in place to track compliance deadlines and policy reviews?
- Are there any areas where you feel we may not be fully compliant, and would like more support from the Trust to address this?

2. SAFEGUARDING GOVERNANCE

Key Questions:

- How do you ensure the Single Central Record remains compliant, who checks this and how often?
- What safeguarding risks are you most concerned about currently, and what are we doing to mitigate these?
- How confident are you that all staff understand their safeguarding responsibilities and know how to report concerns?
- What trends are you seeing in safeguarding concerns, and what does this tell us about risks in the academy?
- How effective is safeguarding training and how do you ensure all staff are up to date?

3. TRUST RELATIONSHIP AND REPORTING

Key Questions:

- What risks have been escalated to the Trust, and what support has been received?
- How do you ensure we (the LGB) receive timely and accurate information about risks?
- Are there any risks where an academy would benefit from additional Trust-level support or guidance?

4. RISK MANAGEMENT PROCESSES

Key Questions:

- When was the risk register last reviewed, and what changes were made as a result?
- Can you talk me through the top three risks on the register and explain why these are prioritised?
- What process do you use to identify new or emerging risks?
- How are we ensuring we are not missing "blind spots"?

- How are middle leaders and staff involved in identifying risks within their areas of responsibility?

D) STAKEHOLDER RISKS

1. PARENTAL AND COMMUNITY ENGAGEMENT

Key Questions:

- How effective is the engagement with parents, and are there any groups that are not being reached effectively?
- What feedback has been received from parents/carers, and how are concerns addressed?
- Are there any external factors or local issues that could impact the academy?

2. LEARNER VOICE AND WELFARE

Key Questions:

- How is learner voice gathered and responded to, and what risks have learners identified?
- What evidence is there about support for learner wellbeing and mental health?
- To what extent do learners feel confident that they are safe and supported in the academy? How do you know?

3. COMPLAINTS AND CONCERNS

Key Questions:

- How are complaints monitored and that could escalate or damage relationships?
- Are there any ongoing disputes or concerns that the LGB should be aware of?

4. PARTNERSHIP AND COLLABORATION

Key Questions:

- How effective are the relationships with key external partners (e.g., local authority, other academies/Trusts)?
- Are there any partnership arrangements that carry risk or require closer monitoring?
- How do we engage with and respond to our local community needs?

E) STAFFING RISKS

1. RECRUITMENT AND RETENTION

Key Questions:

- What are the main staffing risks for your academy (e.g. recruitment, retention, or succession planning)?
- Are there any hard-to-fill positions, and what is the impact on the academy?
- What is the staff turnover rate, and how does this compare to previous years?

2. STAFF WELLBEING AND WORKLOAD

Key Questions:

- What is being done to manage staff workload?
- What feedback is being received from staff about wellbeing and working conditions and how are concerns addressed?

3. CAPABILITY AND PERFORMANCE

Key Questions:

- Are there any capability or performance issues that pose a risk to the academy's effectiveness?

- What support is provided to staff who are struggling or underperforming in their roles?
- What support is offered to newly employed staff and/or staff new to the profession?

4. PROFESSIONAL DEVELOPMENT AND CAPACITY

Key Questions:

- How do you ensure all staff receive appropriate training to manage risks within their areas of responsibility?
- What professional development is in place to build capacity and capability?

5. SAFER RECRUITMENT AND HR COMPLIANCE

Key Questions:

- Are all pre-employment checks completed before staff start work?
- How many staff are trained in safer recruitment?

F) FINANCE RISKS

1. BUDGET MANAGEMENT

Key Questions:

- What are our main financial risks and how are these being managed within budget?
- Are there any significant budget pressures or overspends that need addressing?
- What is the current financial position compared to budget, and what is the forecast (see management accounts)?

2. RESOURCE ALLOCATION

Key Questions:

- Are there any resource constraints that are preventing us from effectively mitigating risks?
- Are resources being allocated effectively to support educational priorities?

3. INCOME AND FUNDING

Key Questions:

- What risks exist regarding funding streams (e.g., learner numbers, grants)?
- What contingency plans are in place if income is reduced?

4. PROCUREMENT AND CONTRACTS (trustees)

Key Questions:

- What checks are done on SLAs to ensure value for money and legal compliance?
- How do you ensure compliance with Trust procurement policies and financial regulations?
- Are there any contracts coming up for renewal that require attention?

5. FINANCIAL CONTROLS AND COMPLIANCE (trustees)

Key Questions:

- What assurance are there that financial controls are operating effectively?
- How do you ensure segregation of duties and prevent fraud?
- When was our last internal audit, and were there any significant findings?
- How do you know if financial policies and procedures being followed consistently?

G) REPUTATIONAL RISKS

1. REPUTATION MANAGEMENT

Key Questions:

- What is our approach to communications to minimise reputational risk?
- What strategies are in place to promote the positive reputation of the academy and Trust?
- How do we monitor what is being said about the academy (social media, local community, press)
- Are there any current or emerging situations that could harm our reputation?

2. COMPLAINTS AND MEDIA

Key Questions:

- How are parental concerns or complaints monitored and responded to?
- Are there any complaints or incidents that could attract media attention?
- Is there a crisis communications plan in case of a serious incident?

3. INSPECTION AND EXTERNAL SCRUTINY

Key Questions:

- How prepared is the academy for Ofsted inspection, and what risks could affect the judgements?
- What external scrutiny or visits has taken place and what does it tell us about strengths and areas for development?
- Are there any issues that could result in negative external judgements?

4. STANDARDS AND OUTCOMES

Key Questions:

- Is there any data or results that could damage the academy's reputation?
- How do we compare to similar academies and national benchmarks and what does this tell us about reputational risk?

5. STAFF AND LEARNER CONDUCT

Key Questions:

- How do you ensure staff conduct aligns with academy and Trust expectations and professional standards?
- Are there any disciplinary or conduct issues that could harm the academy's reputation?
- How effectively do we manage learner behaviour to maintain a positive reputation in the community?
- What training do staff receive on maintaining professional standards?

H. CROSS-CUTTING THEMES

Key Questions:

- For each high-priority risk, what specific controls and mitigations are there in place?
- How do you monitor whether these controls are actually working effectively?
- Can you give an example of where a mitigation strategy has successfully reduced a risk this year?
- Who is responsible for monitoring mitigation effectiveness, and how often is this reviewed?
- Are there any risks where our mitigations are insufficient or need additional resources?

Key Questions:

- Do we have an up-to-date Business Continuity Plan, and when was it last tested or reviewed?
- How prepared are we to respond to a major incident or emergency? What scenarios have we planned for?
- Who would take on key roles if senior leaders were unavailable during a crisis?
- What are our contingency plans for critical services (IT systems, utilities, key staff absences)?
- Are you confident our insurance arrangements are adequate for all identified risks?

Key Questions:

- How do you promote a culture where staff feel comfortable identifying and reporting risks?
- Can you give an example where a member of staff has proactively identified and reported a risk?
- How do you ensure risk management is embedded in academy planning and decision-making?
- What assurance can you provide that risks are being actively managed, not just recorded?
- How do you know that information about risks reaching you from middle leaders is accurate and complete?
- What early warning indicators do you monitor that might signal a risk is escalating?

Key Questions:

- Looking ahead to the next 12 months, what new or emerging risks do you anticipate in this area?
- What developments in education policy, funding, or local context could create new risks?
- Are there any risks we're not adequately prepared for?
- What support or resources would help you manage risks more effectively?

Effective Challenge Framework for Governors and Trustees

Be Curious: Frame questions as genuine inquiry to understand, not as criticism

Seek Evidence: Ask "How do you know?" or "What data supports this?" to ensure judgements are evidence-based

Listen Actively: Allow the Headteacher time to explain fully before probing further

Be Specific: Focus on particular areas or recent developments rather than general questions

Link to Impact: Connect risk discussions back to potential impact on learners, staff, and outcomes

Follow Up: If an answer raises concerns, ask follow-up questions to get to the heart of the issue

Support & Challenge: Acknowledge good practice while maintaining rigorous oversight

Know When to Escalate: If serious concerns arise, ensure these are formally recorded and escalated to the Trust

One Key Question Per Risk Category

Academy Organisational Risks: "How confident are you that our site is safe, secure, compliant, and our IT systems are resilient?"

Academy Educational Improvement Risks: "What risks could prevent our learners from achieving their potential and how are we addressing these?"

Academy and Trust Governance Risks: "Are you confident we're compliant with all statutory requirements and managing safeguarding robustly?"

Stakeholder Risks: "How effectively are we engaging with and responding to our stakeholders, and are there any relationship concerns?"

Staffing Risks: "What workforce risks could impact our ability to deliver quality education and maintain staff wellbeing?"

Finance Risks: "Are we financially sustainable and achieving value for money while managing our key financial risks?"

Reputational Risks: "What could damage our reputation, and how are we proactively protecting it?"