



Risk Management for Academy Trusts

Context



- Every Trust, regardless of size must have an auditable risk management process.
- Trustees and Executives are finding themselves accountable to regulators, government, staff and the general public
- Management of educational standards, health & safety and pastoral responsibilities are of critical importance to your reputation
- It is essential for insurance and audit purposes to prove your risk management and compliance processes are proficient
- Executives need “apples for apples” visibility across their organisation

Who are GRC ONE ?

- In 2012, Execeye Limited partnered with the FD Forum to provide the first risk management solution specifically focussed towards academy trusts.
- Now in excess of 500 academies manage their governance using our solution
- Other customers range from multi-national finance institutions, central government and SME's

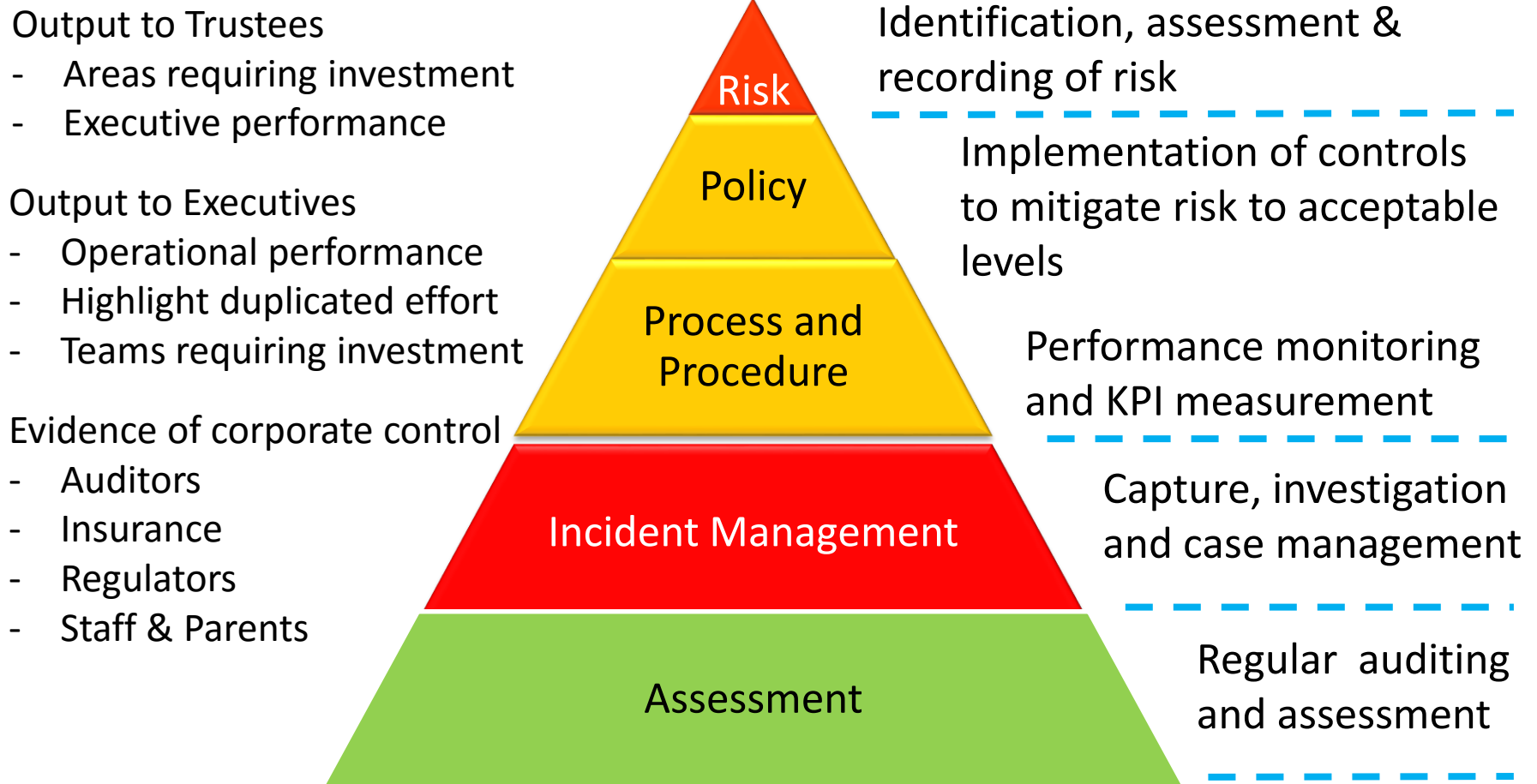
We strive to deliver high value, low cost solutions that -

- require minimal implementation
- maximise value from the time invested
- hold the right people to account
- encourage and foster best practice
- can be implemented to fit any organisation
 - modular (modules can be turned on\off by you)
 - expandable (start small and expand as you mature)
 - pre-populated\unpopulated or populated with your own information

What do we hear about risk management ?

- it isn't perceived to add real value
 - tick box exercise
 - just in time
 - not core to the organisation
- it takes people away from their “core” duties
 - we're not risk managers
 - we're too busy and overloaded
- Auditors are asking for the proof which takes time
- RPA requires “something” to be in place
- it's just not our priority right now

What can good practice look like ?



How can we shift the thinking to adding value ?

- Extract the value
 - use to inform management and investment decisions
 - visualise weaknesses and prioritising issues and concerns
 - reduce re-work through sharing assets
 - train and spread best practice by familiarity
 - make audits simple and fast
 - facilitate business continuity
- Change the process
 - Get rid of your spreadsheets and use a modern integrated system
 - spread the responsibility so actions fit with staff core activities
 - shift perception by positive action on findings
 - manage by exception
- Change the frequency
 - update little and often

Adopting an integrated GRC approach

An integrated GRC (governance, risk management & compliance) system

- provides structure to the process and holds the right people to account
- simple to implement and takes minutes to update, escalate issues and set actions
- instantly visualizes weaknesses and strengths
- allows increase in frequency of results without huge overhead
- spreads awareness across the organisation
- provides a single repository of controls (policies & procedures) for staff
- facilitates anywhere, anytime “at the click of a button” reporting
- gives clear evidence to your auditors
- allows distribution of vital updates

Adopting a risk management method

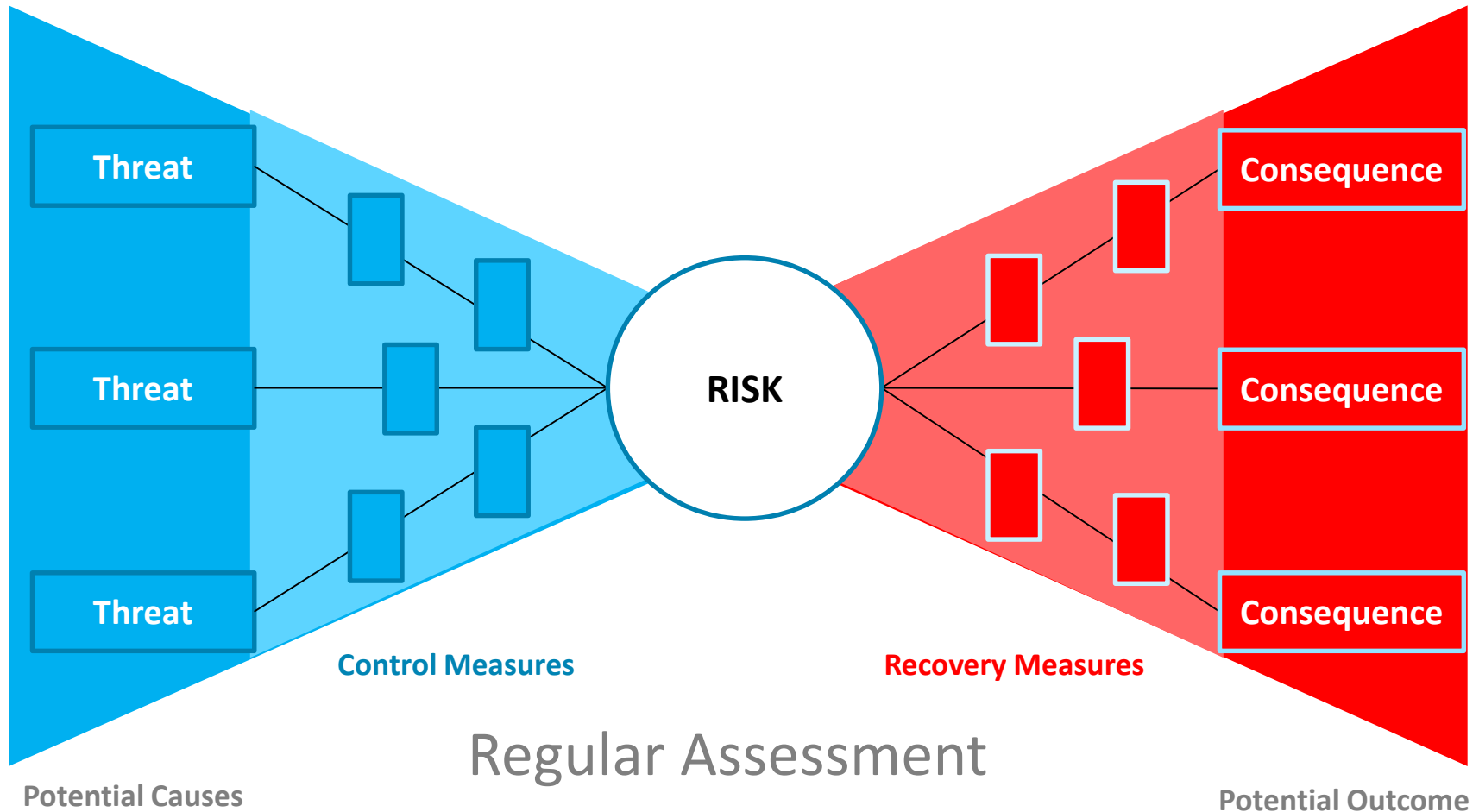
There are many methods for managing risk and our solution can be implemented to use most.

However, our recommendation is to select a recognised method that allows you to both break down the risks into sizable “chunks” and to report on them at an executive level.

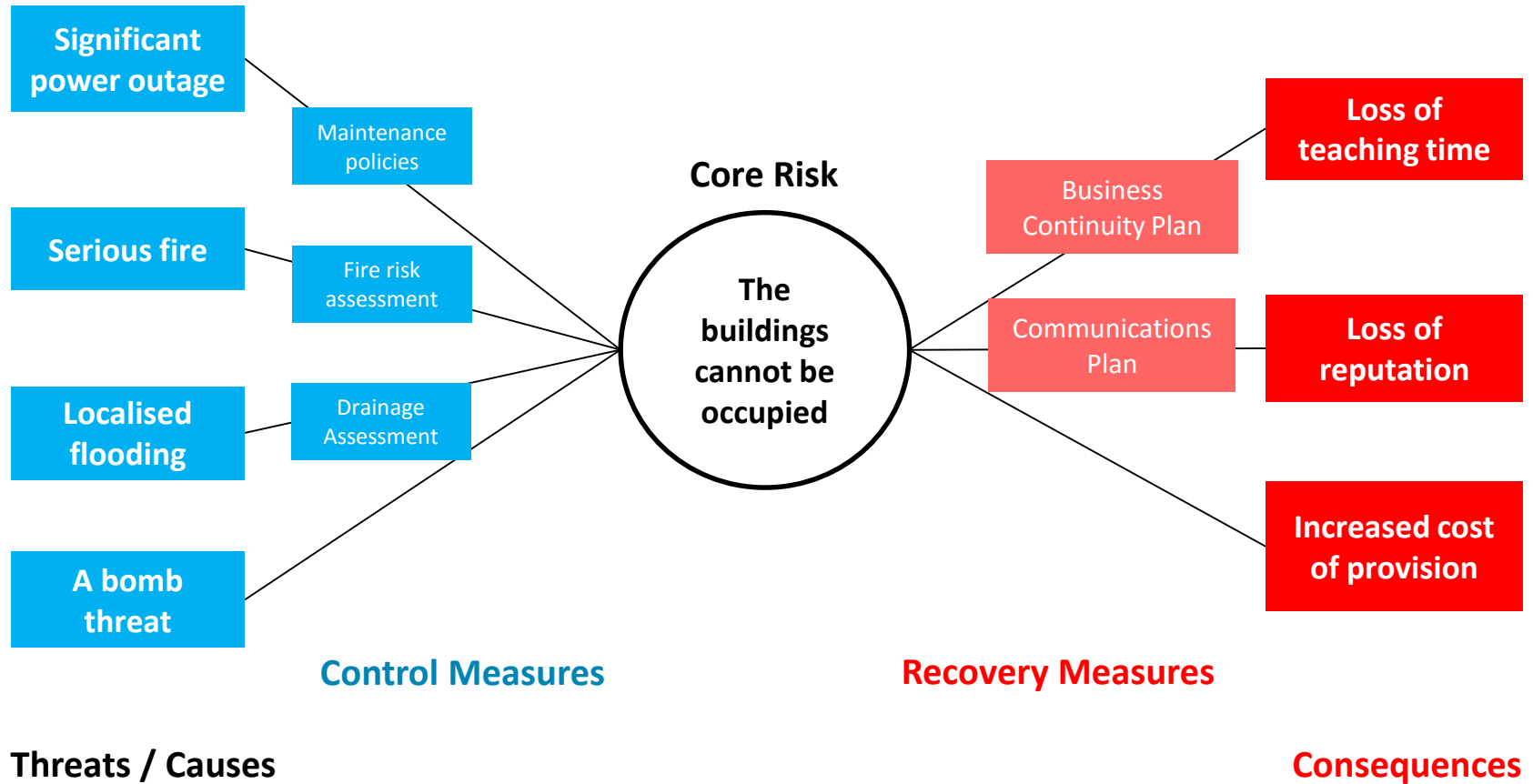
In our opinion the “Bow Tie” method of risk management provides the perfect methodology for most academy trusts.

Risks are broken down into “threats” to explain why things may happen and then allow each threat to be reduced by the implementation of a control or recovery measure.

The "Bow Tie" Method of Risk Management



Now for a simple example

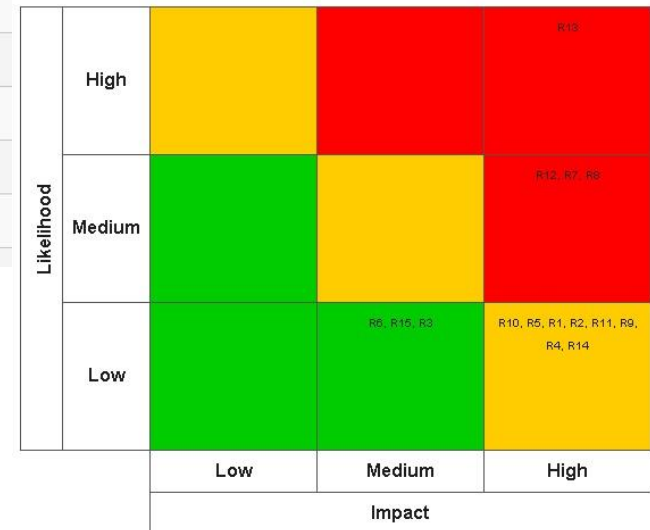


Focus effort on real threat to the organisation

LIKELIHOOD	High (H) Will happen in the next year or is already happening	Some effort required to monitor and mitigate risk	Immediate effort required to monitor and mitigate risk (Senior management must be informed)	Unacceptable risk. Immediate action to mitigate required. (Senior management must be involved)
	Medium (M) It could happen at some time in the next year	Acceptable level of risk mitigated by controls but requires some additional effort to reduce	Additional effort to monitor required while mitigation actions are implemented	Immediate effort required to monitor and mitigate risk (Senior management must be informed)
	Low (L) Unlikely to happen in the coming year	Acceptable risk level with excellent or highly effective mitigating controls	Acceptable level of risk mitigated by controls but requires some additional effort to reduce	Some effort required to monitor and mitigate risk
		Low (L) Organisation can continue to operate with as normal with no damage to finances / reputation	Medium (M) Organisation can function with work arounds however some damage to finances / reputation	High (H) Organisation cannot function as normal or reputation / finances will be significantly damaged
		IMPACT		

Example GRC ONE Risk Register & Matrix

Home Controls » Risks » Actions » Incidents » Reports » Calendar About											
Risk Register											Search keyword..
Risk Type..		Academy..		Owner..		Risk Category..		Impact Type..			
No.	Name	Type	Owner	Category	Pre-mitigation Score	Post-mitigation Score	Proximity	Linked Controls/Threats	Incidents	Delete	
R1	The school premises are unavailable for occupation for a significant period of time	CR	John Smith	Physical	6	3	Long Term	R2, R3, R4, R5, R6	I1, I3		
R2	The loss of critical school infrastructure (such as heating, electricity, catering, security or fire alarm) for a prolonged period of time	T	John Smith	Infrastructure	6	3	Long Term	C4, C11, C13			
R3	A structural defect means a building or buildings can no longer be occupied	T	John Smith	Physical	3	2	Long Term	C11, C13			
R4	The school suffers a serious event such as a fire, explosion, flood, gas leak or chemical spillage	T	John Smith	Physical	6	3	Long Term	C11, C13			
R5	Adverse weather conditions (high winds, freezing temperatures, snowfall etc) lead to the temporary closure of the school	T	John Smith	Physical	6	3	Long Term	C11			
R6	A terrorist threat or criminal incident forces the evacuation and temporary closure of the academy.	T	John Smith	Physical	2	2	Long Term	C11			
R7	The behaviour and safety of pupils, staff or visitors falls below acceptable standards	CR	Jane Smith	Students	9	8	Long Term	R8, R9, R10, R11			
R8	Pupils show a lack of respect and intolerance for each other or staff and a lack of self-discipline	T	Jane Smith	Students	9						
R9	A significant failure of the school health and safety / infrastructure maintenance systems	T	Jane Smith	Infrastructure	6						
R10	Pupils, staff or visitors do not feel safe at school and/or at alternative placements	T	Jane Smith	Health & Safety	6						
R11	Pupils lack of engagement and persistent low-level disruption leads to reduced learning and a disorderly classroom	T	Jane Smith	Students	9						
R12	Incidents of bullying are frequent, and/or there is little confidence in the schools ability to address bullying successfully	CR	John Smith	Students	9						



Example GRC ONE Controls Register & Matrix

Controls Register | [+ New Control](#)

Owner.. Department.. Category.. Academy.. Statutory..

No.	Name	Type	Linked Risk Nos	Owner	Department	Category	Statutory	Quality	Last Review Date	Last Audit Date	Delete
C1	Anti-Bullying Policy	C	R12	Jane Smith	Principals Office	Students	N	G	13/07/2012		
C2	School Behaviour Policy (Pupils)	C	R10, R8	Jane Smith	Principals Office	Students	Y	A			
C3	Harassment & Bullying Policy (Staff)	C	R10, R12, R8	Jane Smith	Principals Office	Staff	N	G			
C4	Health & Safety Procedure	C	R2, R9	Jane Smith	FD Office	Health & Safety	Y	R			
C5	Physical & Verbal Abuse of Staff Policy	C	R10, R8	John Smith	Principals Office	Staff	N	G	13/06/2013		
C6	Equality Policy	C		Jane Smith	Principals Office	Legal	N	G	16/08/2012		
C7	Racial Harassment of Pupils Incident Form	RM	R10	Jane Smith	Principals Office	Legal	N	G	14/02/2013		

Control No.	Control Name	Control Type	Control Effectiveness	Control Importance
C8	Exclusions Policy	C	Ineffective	Critical to Operation
C9	School Discipline & Pupil Behaviour Policies	C		
C10	Appeals Policy	C		
C11	Disaster Recovery & Business Continuity Plan	R	Needs Improvement	Important to Operation
C12	Appeals Process	R		
C13	Premises Management and Procedures	C	Satisfactory	General Control
C14	Finance regs	C		
C15	Monthly budget monitoring	C		

Control Importance
General Control
Important to Operation
Critical to Operation
Required By Regulator
Required by Law

Simple access to data for reporting

- Risk and Controls data can be exported for manipulation in Excel or in a similar reporting tool
- Excel pivot tables can be utilised to produce Trust level Risk Dashboards

RiskType	Risk					
Sum of PostMitigationScore	OfficeName					
	Academy 1	Academy 2	Academy 3	Academy 4	Academy 5	Academy 6
RiskName						
The academic achievement of pupils at the school falls below acceptable standards	6	4	4	3	3	3
The behaviour and safety of pupils staff or visitors falls below acceptable standards	9	6	6	6	6	3
The leadership in and management of the school falls below acceptable standards	6	6	6	6	3	6
The quality of teaching at the school falls below acceptable standards	4	6	9	3	6	6
The school premises are unavailable for occupation for a significant period of time	2	6	4	6	3	3
The school suffers from a significant or prolonged governance failure	4	6	4	6	6	3
The senior leadership team are unable to deliver the schools Strategic Development Plan	2	2	4	3	3	3
There are insufficient funds to deliver the services to the appropriate level	9	6	6	3	3	3
There are insufficient staff or resources to deliver services to the appropriate level	6	6	3	3	3	6



Thank you for your time

For more information please contact the GRC ONE team

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