

MAST

Risk Management Strategy

11/08/2026



MAST

Moving Ahead, Serving Together

Belong • Be Safe • Flourish

1. Background

The Risk Management Strategy is designed to ensure that the Trust operates in line with recognised risk management best practice. It sets out the processes, roles and responsibilities for identifying, assessing and managing risk across the Trust.

The Trust's approach to risk management is underpinned by the following principles:

- The Directors and Local Governing Bodies acknowledge their responsibility for maintaining a robust system of internal control.
- There is a continuous and embedded process for identifying, evaluating and managing significant risks.
- The effectiveness of the system of internal control is subject to an annual review.
- Appropriate mechanisms are in place to address any internal control issues identified through the annual report and accounts process.

1.2 Assessing the System of Internal Control

In determining what constitutes a sound system of internal control, the Trust will take into account:

- The nature and scale of the risks facing the organisation;
- The extent and categories of risk that the Trust considers acceptable (risk appetite);
- The likelihood of identified risks materialising;
- The Trust's capacity to mitigate risks and reduce both their likelihood and potential impact.

1.3 Risk Management Best Practice

The Trust's approach to risk management is informed by recognised best practice, including the Risk Management Standard developed by leading UK professional bodies such as the Institute of Risk Management (IRM), the Association of Insurance and Risk Managers (AIRMIC), and ALARM (The National Forum for Risk Management in the Public Sector) (see Appendix 1).

This strategy is aligned with the requirements of the Academy Trust Handbook and reflects current good practice guidance issued by the Department for Education.

2. Risk Management Objectives

The objectives for managing risk across the Trust are:

- To comply with risk management best practice;
- To ensure risks facing the Trust are identified and appropriately documented;
- To provide assurance to the Directors and Local Governors that risks are being adequately controlled, or identify areas for improvement;
- To ensure action is taken appropriately in relation to accepting, mitigating, avoiding and transferring risks.

3. 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 Trust

3.1. Roles and Responsibilities

The Trust Board retains overall responsibility for risk management, internal control, and the Risk Management Strategy.

The Trust Finance Committee also fulfils the role of the Audit and Risk Committee, in accordance with the requirements of the Academy Trust Handbook 2025.

In this capacity, the Committee is responsible for:

- Overseeing the Trust's risk management framework and Risk Register;
- Reviewing the effectiveness of internal control systems;
- Overseeing the programme of internal scrutiny, ensuring that independent assurance is obtained on the effectiveness of financial and non-financial controls, risk management and governance arrangements.
- Receiving and reviewing reports from internal and external auditors;
- Providing assurance to the Trust Board on the adequacy of risk management, governance, and control processes.

The Chief Executive Officer, Chief Finance Officer and Senior Leadership Team are responsible for the day-to-day identification, management and mitigation of risks.

3.2. 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.

Our approach to risk management is linked to six key aims:

- Aspire, Accomplish, Achieve
- Outstanding staff, leadership and management
- Outstanding infrastructure
- Financial strength
- Inspiring and supportive culture
- Strong community and partnerships

The structure and organisation of the Trust'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.

Risks are categorised (for example, strategic, financial, operational, compliance and reputational) to support effective identification, monitoring and reporting.

The Trust ensures that all relevant risk areas are considered when identifying and recording risks. In addition to strategic and operational risks, the Trust explicitly recognises the following as critical risk categories:

- Safeguarding and child protection risks
- Financial and regulatory compliance risks
- Health and safety risks
- Estates and premises management risks (including condition, compliance and statutory inspections)
- Cyber security and information governance risks (including data protection and system security)
- Workforce and staffing risks
- Reputational and governance risks

These categories ensure comprehensive coverage of all key risk areas in line with expectations set out in the Academy Trust Handbook 2025.

3.3. Evaluation of risks

Risks are evaluated using a standardised risk scoring matrix, assessing both likelihood and impact on a scale of 1 to 5.

Each risk is assigned:

- A likelihood score (1 = rare, 5 = almost certain)
- An impact score (1 = insignificant, 5 = severe)

The overall risk score is calculated as:

Risk Score = Likelihood × Impact

This produces a score ranging from 1 to 25, enabling risks to be prioritised and compared consistently across the Trust.

A visual representation of the risk matrix is provided in Appendix 1 and is used to support consistent scoring and decision-making.

Risk scores are categorised as follows:

- 1–5 (Low Risk) – managed through routine procedures
- 6–10 (Medium Risk) – monitored and managed by SLT
- 12–25 (High Risk) – prioritised for active management and reported to the Finance (Audit and Risk) Committee

3.4. Risk Appetite

The Trust Board defines its risk appetite through the risk scoring system.

Risks scoring 12 or above are considered high and will be subject to active management, regular monitoring, and reporting to the Finance (Audit and Risk) Committee and Trust Board.

The Trust will seek to reduce risks above this threshold where reasonably practicable.

3.5. Addressing risks

In responding to identified risks, the Trust aims to ensure that risks are effectively managed and controlled, preventing them from escalating into issues that could adversely impact operations, governance, or outcomes.

The Trust will adopt one or more of the following risk response strategies:

- **Terminate (Avoid):**
Actions are taken to eliminate the risk entirely, either by ceasing the activity that gives rise to the risk or implementing controls that prevent the risk from occurring.
- **Transfer:**
The risk is transferred to a third party, for example through insurance arrangements or contractual agreements.
- **Treat (Mitigate):**
Measures are implemented to reduce either the likelihood of the risk occurring or its potential impact to an acceptable level.
- **Tolerate (Accept):**
The risk is accepted where the cost of mitigation is disproportionate to the potential impact, or where the likelihood of occurrence is considered low. Such risks will continue to be monitored.

For all risks assessed as high or significant, the Trust will ensure that appropriate contingency and business continuity plans are in place. These plans will support the continuation of critical operations and enable a timely and effective response should the risk materialise, thereby maintaining organisational resilience.

3.6. Business Continuity and Contingency Planning

The Trust will ensure that business continuity and contingency planning is embedded within its risk management framework, in line with the requirements of the Academy Trust Handbook 2025.

For all high and significant risks, the Trust will identify and maintain:

- Contingency plans to respond if the risk materialises;
- Business continuity arrangements to ensure critical functions can continue;
- Risk triggers or early warning indicators that may indicate escalation;
- Named responsible persons for activating contingency responses.

These plans will be proportionate to the nature and scale of the risk and will be reviewed regularly by the relevant senior leaders and the Finance (Audit and Risk) Committee.

4. Risk Reporting and Communication

The aim of reporting risk is to provide assurance to the Governors, Senior Management and Trust Board / Trustees that the Trust is effectively managing its risks and has a robust system of internal controls.

4.1. Risk Register

The reporting mechanism will be the Trust's Risk Register. This will highlight the key risks facing the Trust, as well as a breakdown for each key strategic aim. The Risk Register will be monitored by the Trust Finance Committee as a standing item at each meeting. 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 SLT, Governors or raised by a member of staff will be evaluated and, if appropriate, recorded in the Risk Register.

Any significant or escalating risks, or failures of control, will be reported immediately to the Chief Finance Officer and escalated to the Trust Finance Committee and, where appropriate, the Trust Board.

The Risk Register is reviewed termly by the Trust Finance Committee in its capacity as the **Audit and Risk Committee**, and forms part of the assurance framework reported to the Trust Board.

4.2 Communicating Risks

The Trust Board retains overall responsibility for risk management and oversight of the Risk Register. The Trust Finance Committee, on behalf of the Trust Board, will scrutinise the Risk Register at each meeting and monitor the effectiveness of risk management processes. The Chief Executive Officer will ensure that:

- Any new or emerging risks are identified and recorded;
- Significant changes to existing risks are reported promptly;
- Appropriate mitigating actions are in place.

The Chair of the Trust Finance Committee will ensure that significant risks, control failures, or emerging issues are escalated to the full Trust Board, together with a summary of actions taken.

The Trust will promote a culture in which:

- Staff understand their responsibility for identifying and reporting risks;
- Risks are reported promptly to senior leadership;
- Risk management is embedded within day-to-day operations.

The Trust Board is responsible for conducting an annual review of the effectiveness of the Trust's system of internal control and risk management, in line with the Academy Trust Handbook.

To support this, the Trust Finance Committee will:

- Review the Risk Register termly;
- Scrutinise risk management processes and controls;
- Provide assurance to the Trust Board on the adequacy and effectiveness of risk management arrangements.

The Chief Executive Officer will prepare an annual risk management report, which will be reviewed by the Trust Finance Committee and submitted to the Trust Board.

This report will enable the Trust Board to assess:

- The significant risks facing the Trust;

- The effectiveness of mitigation strategies;
- The overall effectiveness of the Trust's risk management framework.

The Trust Board will use this information to inform its statement on internal control in the annual report and accounts.

5. Areas for improvement

Any areas identified as needing improvement will be discussed and agreed each term at the Trust Finance Committee.

Appendix 1 – Risk Matrix

Impact (Severity)

Score	Descriptor	Example
5	Severe	Major financial loss, serious safeguarding failure
4	Major	Significant disruption, high stakeholder concern
3	Moderate	Noticeable impact on operations
2	Minor	Limited disruption
1	Insignificant	Minimal impact

Likelihood (Probability)

Score	Descriptor	Example
5	Almost Certain	Expected to occur frequently
4	Likely	Will probably occur
3	Possible	Could occur at some point
2	Unlikely	Not expected but possible
1	Rare	Highly unlikely

Visual Matrix

Likelihood ↓ / Impact →	1 Insignificant	2 Minor	3 Moderate	4 Major	5 Severe
5 – Almost Certain	5 ●	10 ●	15 ●	20 ●	25 ●
4 – Likely	4 ●	8 ●	12 ●	16 ●	20 ●
3 – Possible	3 ●	6 ●	9 ●	12 ●	15 ●
2 – Unlikely	2 ●	4 ●	6 ●	8 ●	10 ●
1 – Rare	1 ●	2 ●	3 ●	4 ●	5 ●

- Low Risk (1–5) → Manage through routine controls
- Moderate Risk (6–10) → Monitor and manage locally
- High Risk (11–15) → Active management required
- Significant Risk (16–25) → Immediate attention and escalation