TITLE	REF	VERSION
Risk Management Policy	CP018	**V6**

APPROVAL BODY:	DATE	REVIEW DATE
Corporation Board	17 July 2026	17 July 2027

LEAD PERSON	Head of Governance		
EQIA DATE	3rd January 2024	**DPIA DATE**	3rd January 2024

RISK MANAGEMENT POLICY

Policy Statement

Activate Learning Group ("the Group") adopts a proactive approach to identifying and managing risks to the Group and its strategic aims. The Corporation Board and its committees work openly and collaboratively with the Group Executive Team to set and implement an appropriate risk appetite and to recognise and manage risks accordingly.

Purpose

This policy sets out our approach to risk management and our responsibilities within that, including how the Group makes use of internal audit.

Scope

This policy applies to all staff and governors of Activate Learning, in so far as the Group's risk management culture affects us all and particularly applies to management staff and the Corporation Board.

Commitment

Activate Learning is committed to maintaining a robust and effective risk management framework that supports the achievement of its strategic aims, safeguards students and staff, protects assets, and ensures compliance with regulatory requirements

Responsibilities

The **Corporation Board** is responsible for setting the risk management culture and risk appetite of the Group, identifying acceptable and unacceptable types of risk, and setting expectations of management and staff accordingly. The Board is responsible for monitoring the management of significant risks, seeking assurance regarding the management of less significant risks, and approving decisions that materially affect the Group's risk profile, including decisions that fall outside the agreed risk appetite or tolerance.

The **Audit and Risk Committee** is responsible for monitoring and approving the Group's Corporate Risk Register and associated action plans, making recommendations to the Corporation and assigning risk management responsibilities to other Corporation committees as appropriate. The Committee reviews the Group's risk management approach annually and advises the Corporation Board about the effectiveness of the Group's risk management systems, including whether risks are being managed within the agreed risk appetite and tolerance.

The **Group Executive Team (GET)** is responsible for identifying and assessing strategic risks affecting the Group and updating the Strategic Risk Register accordingly. The GET is responsible for ensuring that risks are monitored, managed effectively, and mitigated where practical, in line with the agreed risk appetite, and for promptly escalating and deescalating breaches of the risk tolerance.

Each strategic risk must have a named GET Risk Owner accountable for managing the risk, delivering agreed mitigations, and reporting on progress.

Group Directors are responsible for identifying and assessing risks affecting their directorates and ensuring that risks are effectively mitigated and escalated to the GET as appropriate.

Risk Appetite and Risk Management

Risk appetite is defined as the amount and type of risk that the Group is willing to pursue, retain or take in pursuit of its strategic objectives. It reflects a balance between innovation and opportunity on the one hand, and the protection of learners, staff, financial sustainability, regulatory compliance and reputation on the other. The Risk appetite is set by the Corporation Board and reviewed at least annually, or more frequently where there are significant changes in the internal or external operating environment.

Risk tolerance defines the acceptable level of variation in risk exposure while delivering agreed objectives. It represents the boundaries within which the Group Executive Team and management may operate when managing risks in line with the agreed risk appetite.

Where an actual or forecast risk exposure exceeds the agreed tolerances, or where a material change to the Group's risk profile is anticipated, this must be escalated in line with the Scheme of Delegation for consideration by the Group Executive Team and, where appropriate, the Corporation Board.

Application of Risk Appetite in Decision-Making

All significant strategic proposals, investments, partnerships and change initiatives must explicitly consider alignment with the Group's agreed risk appetite.

Where proposals exceed the agreed risk appetite or tolerance, this must be clearly articulated, together with the rationale for proceeding and the proposed mitigations and escalated for approval at the appropriate level.

Risk Identification, Assessment and Learning

Risks are assessed using an agreed methodology that considers both likelihood and impact. Thresholds for materiality are defined within the Strategic Risk Register and inform escalation, reporting frequency, and assurance requirements.

The Group Executive Team undertakes regular horizon scanning to identify emerging risks and opportunities arising from changes in the external environment, including policy, funding, technology, and demographics.

Significant risk events, control failures and near misses are reviewed to identify lessons learned, and actions are taken to strengthen controls and prevent recurrence.

The Group promotes a positive risk culture in which staff are encouraged to identify, discuss and escalate risks and near misses without fear of blame, recognising that effective risk management supports continuous improvement.

Internal Controls

Activate Learning's systems of internal control is made up of several elements that come together to ensure we can identify and respond to risks. These elements include:

- **Policies and procedures**: We operate a robust framework of policies and procedures, which are approved within an agreed scheme of delegation and subject to regular review.

- **Reporting**: Our reporting structures are designed to ensure that key risks are escalated to the relevant bodies and effective controls are implemented and monitored.

- **Business planning and budgeting**: Our business planning and budgeting process facilitates the setting of objectives, robust action planning and appropriate allocation of resources. We monitor business plans through regular reporting.

- **Faculties and Divisions:** Our Directors ensure that key risks in their directorates are identified, assessed, and mitigated, and will notify the GET about emerging risks. Improvement actions and risk indicators are monitored regularly at directorate level.

- **Group Risk Register**: The Group Strategic Risk Register is a working document which supports risk assessment and mitigations. It is updated with emerging risks as appropriate. The Risk Register is

regularly reviewed by the GET, the Audit and Risk Committee and the Corporation.

- **Internal audit**: We operate an internal audit programme that is informed by the Strategic Risk Register and supports the annual review of risk management. Internal audit reports and recommendations are reviewed by the Audit and Risk Committee.

- **External audit**: The Audit and Risk Committee receives feedback on how effective our internal financial controls are, as part of the annual audit.

- **Third party reports and independent Reviews**: From time to time we engage external consultants to review key business risk areas.

- **Independent Reviews**: Independent Reviews are also undertaken including OFSTED inspection, QAA inspection, External assurance of the funding claims and OfS assurance reviews.

Annual Review of Risk Management

The Audit and Risk Committee undertake an annual review of how effective our internal controls and risk management are and reports their findings to the Corporation. This review considers both past performance and whether internal controls and risk appetite will be sufficient for future risk management, including the control environment, ongoing risk identification and assessment, information and communication, and monitoring and corrective action.

Escalation and Assurance

Breaches of the agreed risk tolerance, or material changes in strategic risk exposure, must be escalated without delay through the Group's governance structures.

Business Continuity

We maintain a Business Continuity Plan that ensures that we can respond to unexpected incidents which present a significant risk to the Group. This plan identifies key decision makers and pre-agreed strategies for tackling the most likely threats.

References

This policy should be read in conjunction with the following Activate Learning Policies and Procedures:

- Incident Management and Business Continuity Procedure
- Information Security and Data Protection Policy
- Corporate Ethics Policy
- Health and Safety Policy