Risk Appetite Statement

Ludlow Junior School

Approved by:	Trustees	**Date:**	25.06.2025
Last reviewed on:	Summer 2 2024.25		
Next review due by:	Summer 1 2025.26		

1. Introduction and background

Ludlow's vision is to be a leading school within all our areas of specialism, and we have made it our mission to support other settings, develop system leadership and become the lead school in a multi academy trust.

2. Using the Risk Appetite Statement to make decisions

The risk appetite statement is a key part of our decision-making processes. It is intended to be used when significant proposals and initiatives are being considered for implementation by the trustees and school leadership. Risk Appetite is one aspect of a larger decision-making framework which includes consideration of alignment with the school's defined strategy and underlying values.

It is expected that there will be times where decisions will be taken on proposals and initiatives whose risk profiles sit to some degree outside the Risk Appetite Statement.

Risk acceptance/assessment processes will be used to document and agree those decisions including any additional oversight and mitigation. Key risks will always be captured with the most current risk register.

Key elements of strategic decision making which will fall under the Risk Appetite guidance:

- Financial
- Sustainability
- Compliance (including Health and Safety)
- Asset management/development
- Reputation and public perception
- Information and data management
- Change Management
- Pupil and community experiences

Note: **External** risks are outside the control of the academy and a risk appetite position for these risks has not been defined. However external risks will be considered in the overall context of their impact on the other risk categories in the decision-making process.

The trustees are mindful that political and other factors can change risk management and risk appetite issues within the operating year of any budget and may lead to budget review

Risk appetite is categorised as:

- Low
- Moderate
- High

The following summary and statements reflect the appetite position in and outline the degree of risk the University wishes to take in each category.

Risk Number	Risk Area	Low	Moderate	High
1	Financial			
2	Sustainability			

3	Compliance (including Health and Safety)			
4	Asset management/development			
5	Reputation and public perception			
6	Information and data management			
7	Change Management			
8	Pupil and community experiences			

The Academy's position in relation to **Financial** risks is **Moderate**. This recognises that there is a degree of financial risk involved in the pursuit of ambitious strategic goals which require significant change. There are also demanding financial targets set in the implementation of the strategy. The Academy ensures that financial risk is appropriately managed by ensuring it has sound systems and processes for financial planning, budgeting, reporting and control. The Academy has an averse position to financial risks which would be material to the long-term sustainability of the Academy

The Academy's position in relation to **Sustainability** risks is **Low**. Whilst the Academy has set challenging strategic targets which will involve taking some risk, in a managed way to achieve them, the Academy is averse to risks which would threaten the long-term viability and sustainability of the institution.

The Academy's position in relation to **Compliance** risks is **Low**. The Academy has no appetite for breaches of legislation, regulation, professional standards or ethics, nor does it tolerate occurrences of bribery, corruption or fraud.

The academy's position in relation **to asset management and development** risks is **Moderate**. The academy recognises that to achieve long term development of the site and to enhance the experience of pupils and support high quality teaching and learning some risks may have to be taken to front load infrastructure development priorities.

The academy's position in relation to **reputation and public perception** risks is **low**. The academy believes strongly in the importance of positive staff engagement and maintaining a values-led culture in support of our flourishing community of pupils, families and staff. The continued strong reputation of the academy in all areas of its work is of the utmost importance.

The Academy's position in relation to **Information and data management** risks is **Low**. The academy takes seriously its responsibility for ensuring the security and privacy of all data held by it. Innovation and investment will be required if the academy is to achieve its strategic aim of being a connected institution whilst being deliberately cautious in its approach to risks around the management and storage of information.

The Academy's position in relation to **Change Management** risks is **Moderate**. The Academy recognises that major change and innovation is required to deliver the strategic objectives set out by trustees and the leadership group – including being a MAT lead school. Careful forward planning is required to safeguard the current and future employment of staff through the changes ahead. The change agenda necessarily introduces some degree of risk, however the Academy is committed to managing any change situation with care and sensitivity to all staff, as a Values-led organisation.

The Academy's position in relation to **pupil and community experiences** is **low**. It is essential to the longevity and viability of the academy that pupils, families and other users have the highest possible standards of user experience.

The Academy has a strong trustee framework to support this risk appetite statement and looks at managing risk on a half termly basis. The overall preference will always be for safe decision making and strategy implementation within agreed structures. As such we will ensure risks are fully understood and that sensible measures to mitigate risk are established when developing new initiatives.