Mercia Primary Academy Trust

Risk Management Strategy

Policy Status and Review

Date:	**June 2021**
Review Date:	**June 2023**
Signed by Director:	
Date Signed:	

1. Background

The Risk Management Strategy aims to ensure that the Academy complies with risk management best practice and sets out the current processes and responsibilities for risk management in the Academy.

1.1. The requirements can be summarised as:
- The Governors acknowledge responsibility for the system of internal control
- An ongoing process is in place for identifying, evaluating and managing all significant risks
- An annual process is in place for reviewing the effectiveness of the system of internal control
- There is a system in place to deal with internal control aspects of any significant issues disclosed in the annual report and accounts

1.2. In assessing what constitutes a sound system of internal control, consideration should be given to:

- The nature and extent of the risks facing the organisation
- The extent and categories of risk which it regards as acceptable
- The likelihood of the risks concerned materialising
- The organisation's ability to reduce the incidence and impact of the risks that do materialise

1.3. Risk Management best practice is encapsulated in the Risk Management Standard published jointly by the major risk management organisations in the UK – 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).

2. Risk Management objectives

The objectives for managing risk across the Academy are:

- To comply with risk management best practice;
- To ensure risks facing the Academy are identified and appropriately documented;
- To provide assurance to the 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 Academy

3.1. Roles and responsibilities

The Senior Leadership Team (SLT) has overall responsibility for managing risk. The Headteacher has lead responsibility for risk management processes and the Academy-wide Risk Register. This responsibility includes:

- Monitoring the performance of risk management processes
- Ensuring that appropriate controls are in place to manage identified risks
- Preparation of periodic reports to the Audit Committee

The Risk Register is formally reviewed each term by the Business Managers. The Risk Register is a standing item on the Finance or Audit Committee's agenda and they will monitor the identification and mitigation of risk within the Academy. The Committee's review of the Risk Register forms part of that Committee's report to the Governing Body.

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 Academy'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.

4. Risk Reporting and Communication

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

4.1. Risk register

The reporting mechanism will be the Academy's Risk Register. This will highlight the key risks facing the Academy, as well as a breakdown for each key strategic aim. The Risk Register will be monitored by the Finance or Audit Committee on an annual basis.

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.

4.2 Communicating Risks

The Finance Committee monitors the risk register each term. The Business Managers will ensure that any perceived new or increased risks or significant failure of risk management control measures are considered and reported to the Audit Committee, along with a summary of actions taken.

The Headteacher will endeavour to raise awareness that risk management is a part of the Academy's culture and seek to ensure that:

- individual members of staff are aware of their accountability for individual risks
- individuals report promptly to senior management any perceived new risks or failure of existing control measures.

4.3 Annual risk review and assessment

The Responsible Officer review provides a termly assessment of the effectiveness of the Academy's management of risk.

The Business Managers will prepare an annual review of risk for the Finance or Audit Committee annually in the autumn term. This will enable the Committee to report to the Governing Body on:

- The significant risks facing the Academy
- The effectiveness of the risk management processes
- That the Academy has published a risk management strategy covering risk management philosophy and responsibilities

5. Areas for improvement

Any areas identified as being in need of improvement will be discussed and agreed each term at the Audit Committee.

This information can be made available in a range of formats and languages, including Braille and large print. If this would be useful to you or someone you know, please contact your Directorate HR Unit.

A signed copy of this document is available from the school office.

Version Control

Version	Date Approved	Changes	Reasons for Alterations
1	07.12.16	Reviewed	No changes
2	29.06.2018	Removed Business Manager and added 'MAT Operational Office Manager'	Change of staff
3	10.10.2020	Changed MAT Operational Office Manager to Business Manager/s	Change of roles
	24.03.2021	Added range of formats	Accessibility