

"Together in Achievement"



# RISK MANAGEMENT STRATEGY & RISK REGISTER

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# Risk Management Strategy

## Glossary

ABM	Academy Business Manager
F&WC	Finance & Workforce Committee (MAT)
LGB	Local Governing Body
MAT	Aspire Multi-Academy Trust
SLT	Senior Leadership Team (academy)

## 1. Background

The Risk Management Strategy aims to ensure that the Aspire Multi-Academy Trust and its associated Academies (henceforth known as the MAT) complies with risk management best practice and sets out the current processes and responsibilities for risk management in the MAT.

1.1. The requirements can be summarised as:

- MAT Board Directors 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. ([https://www.theirm.org/media/4709/arms\\_2002\\_irm.pdf](https://www.theirm.org/media/4709/arms_2002_irm.pdf))

## 2. Risk Management objectives

The objectives for managing risk across the MAT are:

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

### 3.1. Roles and responsibilities

The Senior Leadership Team (SLT) has overall responsibility for managing risk. The Academy Business Managers (ABMs) have lead responsibility for risk management processes in the MAT-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 Finance & Workforce Committee (F&WC)

The Risk Register is formally reviewed each term by the ABMs. The Risk Register is a standing item on the F&WC's agenda and they will monitor the identification and mitigation of risk within the MAT. The F&WC's review of the Risk Register forms part of that Committee's report to the MAT Board.

### 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 MAT'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.

### 3.3. Evaluation of risks

The Risk Management Standard states that risks should be evaluated against agreed criteria to make decisions about the significance of risks to the organisation.

The MAT uses a 3x3 matrix to assess impact and probability as high, medium or low, as illustrated below:

Impact	3	3	6	9
	2	2	4	6
	1	1	2	3
		1	2	3
		Probability		

The descriptors for high, medium and low impact and probability can be expanded as follows:

#### Impact of risk occurring

Impact	Description
High <i>score 3</i>	The financial impact will be significant [in excess of £50,000] Has a significant impact on the MAT's strategy or on teaching and learning Has significant stakeholder concern
Medium <i>score 2</i>	The financial impact will be moderate [between £15,000 and £50,000] Has no more than a moderate impact on strategy or on teaching and learning Moderate stakeholder concern
Low <i>score 1</i>	The financial impact is likely to be low [below £15,000] Has a low impact on strategy or on teaching and learning Low stakeholder concern

#### Probability of risk occurring

Probability	Description	Indicator
High <i>score 3</i>	Likely to occur each year, or more than 25% chance of occurrence within the next 12 months	Potential of it occurring several times within a 4 year period. Has occurred recently

Medium <i>score 2</i>	Likely to occur within a 4 year time period or less than 25% chance of occurring within the next 12 months	Could occur more than once within a 4 year period. Some history of occurrence
Low <i>score 1</i>	Not likely to occur within a 4 year time period or less than 5% chance of occurrence	Has not occurred Is not likely to occur

### 3.4. Risk appetite

The term risk appetite describes the MAT's readiness to accept risks and those risks it would seek to reduce. The MAT's risk threshold is the boundary delineated by the pink shaded area (represented by scores of 6 and above) in the risk matrix in paragraph 3.3. Above this threshold, the MAT will actively seek to manage risks and will prioritise time and resources to reducing, avoiding or mitigating these risks. Scores of 3 – 4, represented by the yellow shaded area, will be kept under constant review to determine whether action to actively manage risks is required relative to other risks and priorities.

### 3.5. Addressing risks

When responding to risks, the MAT will seek to ensure that it is managed and does not develop into an issue where the potential threat materialises.

The MAT will adopt one of the 4 risk responses outlined below:

Avoid	Counter measures are put in place that will either stop a problem or threat occurring or prevent it from having an impact on the business
Transfer	The risk is transferred to a third party, for example through an insurance policy.
Mitigate	The response actions either reduce the likelihood of a risk developing, or limit the impact on the MAT to acceptable levels.
Accept	We accept the possibility that the event might occur, for example because the cost of the counter measures will outweigh the possible downside, or we believe there is only a remote probability of the event occurring.

## 4. Risk Reporting and Communication

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

### 4.1. Risk register

The reporting mechanism will be the MAT's Risk Register. This will highlight the key risks facing the MAT, as well as a breakdown for each key strategic aim. The Risk Register will be monitored by the F&WC on a termly 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, Directors or raised by a member of staff will be evaluated and, if appropriate, recorded in the Risk Register.

### 4.2 Communicating Risks

The Finance & Workforce Committee monitors the risk register each term. The ABMs will ensure that any perceived new or increased risks or significant failure of risk management control measures are considered and reported to the F&WC, along with a summary of actions taken. The Business Directors will endeavour to raise awareness that risk management is a part of the MAT'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 (CEO) review provides a annual assessment of the effectiveness of the MAT's management of risk.

The Business Managers will prepare an annual review of risk for the F&WC annually in the autumn term. This will enable the F&WC to report to the Board of Directors on::

- The significant risks facing the MAT
- The effectiveness of the risk management processes
- That the MAT 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 F&WC.

## Risk Register

Risk ref no	Risk description	Risk consequences	Risk score	Existing internal controls and evidence	Existing controls adequate: Fully or partially met	Actions required to improve controls (if existing controls <b>NOT</b> fully adequate)	Person responsible	Target date
<b>RISK 1: Strategic and Reputational Risks</b>								
1.1	Failure to ensure that the objectives of the MAT are met	<ul style="list-style-type: none"> <li>Risk that the MAT/academies fail to operate within the strategic objectives agreed by the MAT Board (MB)/Local Governing Body(LGB)</li> <li>Risk that the MATs' strategic objectives become out of date or no longer appropriate;</li> <li>Risk that the academies receive an unfavourable OFSTED report;</li> <li>Risk that the objectives of the MAT/academies are seen as controversial</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Experienced SLT;</li> <li>✓ Active and experienced Directors (Trustees) and LGB;</li> <li>✓ Stakeholders who take an active role in the operation of the Academies</li> </ul>	Fully			
1.2	Failure to monitor and react accordingly to the requirement of our stakeholders	<ul style="list-style-type: none"> <li>Risk that stakeholders &amp; beneficiaries do not consider the school service to be valuable and of high quality</li> </ul>	1 x 1 = 1 Low	<ul style="list-style-type: none"> <li>✓ Reports to the MAT Directors;</li> <li>✓ Reports to the LGBs</li> </ul>	Fully			
1.3a	Failure to monitor and react accordingly to the risks associated with competitor establishments	<ul style="list-style-type: none"> <li>Risk that competitors make a more attractive offer to beneficiaries;</li> <li>Risk of competition for the same share of the market</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Marketing strategy;</li> <li>✓ Effective networking</li> </ul>	Partially	Revise marketing strategy and review promotional material	MS	Ongoing
1.3b	Failure to maintain pupil numbers	<ul style="list-style-type: none"> <li>Financial risk</li> <li>Reputational risk</li> <li>Staffing level risk</li> </ul>	2 x 2 = 4 Medium	<ul style="list-style-type: none"> <li>✓ Marketing strategy</li> <li>✓ 3-year budget forecasts and reporting to Board;</li> <li>✓ Maintaining good Ofsted outcomes</li> <li>✓ Community engagement at local level</li> <li>✓ Effective networking</li> </ul>	Partially	Revise marketing strategy and review promotional material	MS	Ongoing
1.4	Failure to ensure that Information Technology in the school is maintained to the highest standard	<ul style="list-style-type: none"> <li>IT security risk;</li> <li>Risk of the corruption or loss of data;</li> <li>Risk that IT equipment and services are outdated and no longer fit for purpose;</li> <li>Financial risk;</li> <li>Risk of litigation</li> </ul>	2 x 2 = 4 Medium	<ul style="list-style-type: none"> <li>✓ IT Support contract;</li> <li>✓ IT strategy;</li> <li>✓ Access to school IT staff and policies</li> </ul>	Partially	Strengthen monitoring of contract delivery and user feedback	HD, MS	Ongoing
1.5a	Failure to ensure that the school had adequate insurance cover	<ul style="list-style-type: none"> <li>Financial risk;</li> <li>Risk of litigation;</li> <li>Reputational risk</li> </ul>	1 x 1 = 1 Low	<ul style="list-style-type: none"> <li>✓ MAT/Academies' insurance review process organised by the Business Managers;</li> </ul>	Fully			

Risk ref no	Risk description	Risk consequences	Risk score	Existing internal controls and evidence	Existing controls adequate: Fully or partially met	Actions required to improve controls (if existing controls <u>NOT</u> fully adequate)	Person responsible	Target date
				<ul style="list-style-type: none"> <li>✓ Regular liaison with insurance companies;</li> <li>✓ Buildings insurance held by the MAT;</li> <li>✓ Employee insurance held by the MAT as employer;</li> <li>✓ Employer, Public Liability, Professional Indemnity held by the MAT</li> </ul>				
1.5b	Failure to have specific insurance to cover maternity leave	<ul style="list-style-type: none"> <li>• Financial risk</li> </ul>	2 x 2 = 4 Medium	<ul style="list-style-type: none"> <li>✓ Academies cover risk either from revenue funds of by taking specific insurance</li> </ul>	Partially	MAT overview of plans for each academy	HD, ABMs	12/2020
1.6	Failure to monitor the effect of risks over which the school has no or little control such as economic and natural disaster	<ul style="list-style-type: none"> <li>• Financial risk;</li> <li>• Risk of litigation;</li> <li>• Reputational risk</li> </ul>	1 x 1 = 1 Low	As 1.5a	Fully			
1.7	Failure of the Members to recruit Directors and failure of Directors to appoint LGB members who have the correct profile	<ul style="list-style-type: none"> <li>• Risk that a Director or Governor could attract negative publicity;</li> <li>• Risk that stakeholders and beneficiaries lose confidence in the MAT Board and LGBs</li> </ul>	1 x 1 = 1 Low	<ul style="list-style-type: none"> <li>✓ Profiles of skills required against those offered by potential Directors or Governors;</li> <li>✓ Board approval of all new LGB members;</li> <li>✓ Independent Clerk to the Governing Body;</li> <li>✓ Directors or Governor training and induction</li> </ul>	Partially	Engage Members and RSC in identifying suitable people to fill Board vacancies	PG	12/2020
1.8	Failure of the MAT to produce open and regular management accounts	<ul style="list-style-type: none"> <li>• Management and admin costs are perceived as too high by the stakeholders;</li> <li>• SMT salaries are perceived as being too high;</li> <li>• MAT reserves are seen to be too high or too low and not directed towards meeting the MAT objectives</li> </ul>	1 x 1 = 1 Low	<ul style="list-style-type: none"> <li>✓ Monthly management accounts;</li> <li>✓ Reports to SLT and MAT Board;</li> <li>✓ Budget Monitoring;</li> <li>✓ Awareness of financial regulations;</li> <li>✓ Effective internal and external audit</li> </ul>	Fully			
1.9	Failure of the MAT to have financial management systems that prevent fraud	<ul style="list-style-type: none"> <li>• Financial risk;</li> <li>• Risk of litigation;</li> <li>• Reputational risk;</li> <li>• Risk to the future of the MAT/Academies</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Monthly management accounts;</li> <li>✓ Internal controls;</li> <li>✓ Regular and timely reconciliations;</li> <li>✓ Robust financial policies and procedures;</li> <li>✓ Robust anti-fraud and corruption policies;</li> <li>✓ Internal and external audit</li> </ul>	Fully			

Risk ref no	Risk description	Risk consequences	Risk score	Existing internal controls and evidence	Existing controls adequate: Fully or partially met	Actions required to improve controls (if existing controls <u>NOT</u> fully adequate)	Person responsible	Target date
1.10	Failure of the MAT/Academies to comply with legislative requirements	<ul style="list-style-type: none"> <li>Financial risk;</li> <li>Reputational risk;</li> <li>Risk of litigation;</li> <li>Risk of poor morale affecting staff;</li> <li>Risk to the future of the MAT/Academies</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Clear policies disseminated to staff;</li> <li>✓ Risk assessment process;</li> <li>✓ Health and Safety Policy;</li> <li>✓ Guidance from MAT legal advisers on Data Protection and other legal issues;</li> </ul>	Fully			
1.11	Failure of the MAT Board and the LGBs to ensure that the MAT/academies have a robust organisational approach to governance	<ul style="list-style-type: none"> <li>Risk that committees fail to operate;</li> <li>Risk that committee delegation is poor;</li> <li>Risk that the MAT Board and LGBs do not delegate or delegate too much to the Head or SMT;</li> <li>Risk that terms of reference are inadequate and unfit for purpose</li> </ul>	1 x 1 = 1 Low	<ul style="list-style-type: none"> <li>✓ Independent Clerk to the MAT Board and LGBs;</li> <li>✓ Director and Governor training and induction;</li> <li>✓ Register of Director and Governor interests;</li> <li>✓ Internal audit;</li> <li>✓ Minutes of MAT Boards and LGBs via GovernorHub</li> </ul>	Fully			
1.12	Failure of the MAT/academies to have procedures in place to cover the absence of the Head of the academies or another member of SLT	<ul style="list-style-type: none"> <li>Financial risk;</li> <li>Reputational risk;</li> <li>Risk of poor morale affecting staff;</li> <li>Risk to the day to day operation of the Academies</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Clear guidance of senior staff roles;</li> <li>✓ Clear cover arrangements;</li> <li>✓ Active MAT Board and LGB membership;</li> <li>✓ Crisis Management Policy</li> </ul>	Partially	Develop MAT Crisis Management Policy	MS	04/2021
<b>RISK 2: Operational Risks</b>								
2.1	Failure to ensure that the quality of Management Information produced by the MAT is of a high quality and timely	<ul style="list-style-type: none"> <li>Risk that financial and non-financial performance cannot be managed or reviewed by SLT;</li> <li>Risk that financial and non-financial performance cannot be challenged or reviewed by the MAT Board or Local Governing Body;</li> <li>•Risk to the academies of receiving poor audits and inspections</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Regular reporting and review of performance against targets;</li> <li>✓ SLT Review process;</li> <li>✓ MAT Board and Local Governing Body reports and minutes;</li> </ul>	Fully			
2.2	Failure to ensure that the quantity of Management Information produced by the MAT is good enough to aid decision making	<ul style="list-style-type: none"> <li>Risk that the SMT cannot make informed decision making;</li> <li>Risk that the MAT Board cannot make informed strategic decisions</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Regular reporting and review of performance against targets;</li> <li>✓ SLT Review process;</li> <li>✓ MAT Board and Local Governing Body reports and minutes</li> </ul>	Fully			
2.3	Failure to ensure that the Directors who are recruited to the MAT Board, and the Governors recruited to the	<ul style="list-style-type: none"> <li>Risk of insufficient educational knowledge within the MAT Board and Local Governing Body;</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ CEO, Head of School &amp; Deputy Head profile of skills required against those offered by potential Governors;</li> </ul>	Fully			

Risk ref no	Risk description	Risk consequences	Risk score	Existing internal controls and evidence	Existing controls adequate: Fully or partially met	Actions required to improve controls (if existing controls <u>NOT</u> fully adequate)	Person responsible	Target date
	Local Governing Bodies, possess the skills and experience required to run the MAT and its academies.	<ul style="list-style-type: none"> <li>• Risk that the Directors and Governors do not have the required experience;</li> <li>• Risk that Directors and Governors fail to honour their obligations leading to poor availability and attendance at meetings;</li> <li>• Risk that Directors and Governors become too involved with management of the academies;</li> <li>• Risk that Directors and Governors do not act solely in the interest of the MAT and its academies but for other interests e.g. business;</li> <li>• Risk that the MAT Board has no financial expertise;</li> <li>• Risk that Directors and Governors play a "passive" role on the MAT Board and Local Governing Bodies</li> </ul>		<ul style="list-style-type: none"> <li>✓ Independent Clerk to the MAT Board and LGBs;</li> <li>✓ Directors and Governor training and induction;</li> <li>✓ Register of MAT Board and LGB interests;</li> <li>✓ MAT LGB Chairs' Forum</li> </ul>				
2.4	Failure to ensure that the leaders of the academies possess the skills and experience required to manage the academies	<ul style="list-style-type: none"> <li>• Risk that members of SLT do not have the capability, experience or integrity required</li> <li>• Risk that succession planning is ignored</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Academy Recruitment and Selection Policy and Procedures;</li> <li>✓ Continuing professional development;</li> <li>✓ Active MAT Board and Local Governing Body membership;</li> <li>✓ Performance management;</li> <li>✓ Staff development strategy</li> </ul>	Fully			
2.5	Failure to ensure that staff recruited to the academies have the required skills and expertise to meet the strategic objectives of the academies	<ul style="list-style-type: none"> <li>• Risk to learning of welfare of children;</li> <li>• Risk to staff and beneficiaries of low morale;</li> <li>• Risk of poor retention and success rates;</li> <li>• Risk of recruiting unsuitable staff;</li> <li>• Risk of poor appraisal, CPD processes and the need to instigate costly disciplinary procedures, tribunals etc</li> <li>• Risk that health and safety and safeguarding could be compromised amongst beneficiaries, staff and stakeholders;</li> <li>• Financial risk;</li> <li>• Risk of litigation;</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ School Recruitment and Selection Policy and Procedures;</li> <li>✓ Continuing professional development;</li> <li>✓ Active MAT Board and Local Governing Body membership;</li> <li>✓ Staff development strategy;</li> <li>✓ Support of MAT HR provider</li> </ul>	Partially	Develop standardised appropriate policy	MS/PG	Ongoing

Risk ref no	Risk description	Risk consequences	Risk score	Existing internal controls and evidence	Existing controls adequate: Fully or partially met	Actions required to improve controls (if existing controls <u>NOT</u> fully adequate)	Person responsible	Target date
		<ul style="list-style-type: none"> <li>Risk to the achievement of the MAT and academies' strategic objectives</li> </ul>						
2.6	Failure to ensure that the GAG and other Government grant income due to the academies is collected in a timely manner and fully reconciled as per financial regulations	<ul style="list-style-type: none"> <li>Financial risk;</li> <li>Risk to the achievement of the MAT's strategic objectives;</li> <li>Risk of poor audit reports and the claw back of funding</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Monthly Management Accounts;</li> <li>✓ Effective use of the academies' Credit Control system;</li> <li>✓ Monthly budget monitoring and reconciliation</li> </ul>	Fully			
2.7	Failure to ensure that Goods and Services are purchased in line with financial regulations and that suppliers are paid in a timely and efficient manner	<ul style="list-style-type: none"> <li>Financial risk;</li> <li>Reputational risk;</li> <li>Risk to the achievement of the MAT's strategic objectives;</li> <li>Risk to the financial viability of suppliers;</li> <li>Risk of breaking financial regulations;</li> <li>Risk of poor audit reports;</li> <li>Risk of breaking the Bribery Act leading to litigation</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Monthly Creditor Accruals;</li> <li>✓ Monthly reports from the academies</li> <li>✓ Financial Regulations awareness;</li> <li>✓ Internal controls operated by the MAT and its academies;</li> <li>✓ BACs Payment system used by the academies;</li> <li>✓ Effective internal and external audit</li> </ul>	Fully			
2.8	Failure to ensure that a comprehensive up to date list of suppliers to the MAT's academies is maintained	<ul style="list-style-type: none"> <li>Risk that by only using a key supplier, supplies may not always be available;</li> <li>Risk that the quality of supplies could be compromised;</li> <li>Risk that the availability of competitive prices will be compromised;</li> <li>Risk to the achievement of the MAT's strategic objectives</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Financial Regulations awareness;</li> <li>✓ Internal controls operated by the MAT and its academies</li> <li>✓ Effective internal and external audit</li> </ul>	Partially	HD to liaise with ABMs to ensure a robust list held in each academy	HD/ ABMs	04/2021
2.9	Failure to implement a risk management strategy	<ul style="list-style-type: none"> <li>Failure to optimise educational opportunities;</li> <li>Non-compliance with FSA requirements; Exposure of the MAT and its academies to unnecessary risk;</li> <li>Increased costs e.g. insurance</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Risk strategy;</li> <li>✓ Risk Register and Action Plans;</li> <li>✓ MAT Board and Local Governing Body reporting mechanisms;</li> </ul>	Fully			
<b>RISK 3: Compliance Risks</b>								
3.1	Failure to ensure that the MAT and its academies comply with employee legislation	<ul style="list-style-type: none"> <li>Risk that legislative requirements are not known or complied with;</li> <li>Risk that Equal Opportunities legislation may not be complied with or discrimination in the work place may occur;</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Support of MAT's HR provider and the associated policies and procedures;</li> <li>✓ Adequate awareness of data protection with supporting policy and procedure;</li> </ul>	Fully			

Risk ref no	Risk description	Risk consequences	Risk score	Existing internal controls and evidence	Existing controls adequate: Fully or partially met	Actions required to improve controls (if existing controls <u>NOT</u> fully adequate)	Person responsible	Target date
		<ul style="list-style-type: none"> <li>• Risk that Data Protection legislation may not be complied with;</li> <li>• Risk that Human Rights legislation will not be complied with;</li> <li>• Risk that employee contract legislation may not be complied with;</li> <li>• Risk that employee Pension legislative requirements are not known or complied with;</li> <li>• Risk that Health and Safety legislative requirements are not known or complied with</li> </ul>		<ul style="list-style-type: none"> <li>✓ Health and Safety Policy, incorporating First Aid and Fire Safety, and supported by academy procedures;</li> <li>✓ Support from the academies' Health and Safety Officer/adviser</li> </ul>				
3.2	Failure to ensure that the MAT and its academies comply with environmental legislation	<ul style="list-style-type: none"> <li>• Risk that UK legislative requirements are not known or complied with;</li> <li>• Risk that EU legislative requirements are not known or complied with</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Reporting to MAT Board and Local Governing Body;</li> <li>✓ Support of the MAT Board as legal owner of property</li> </ul>	Fully			
3.3	Failure to ensure that the Financial Reporting requirements of the MAT are met	<ul style="list-style-type: none"> <li>• Risk that the legislative requirements relating to the production and reporting of the Statutory Accounts are not known or complied with;</li> <li>• Risk that the legislative requirements relating to Accounting Standards are not known or complied with;</li> <li>• Risk that the Charities Statement of Recommended Practice (SORP) legislative requirements are not known or complied with</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Monthly Management Accounts;</li> <li>✓ Reports to MAT Board and the LGB;</li> <li>✓ Budget monitoring;</li> <li>✓ Awareness of Financial Regulations;</li> <li>✓ Support of the MAT Business &amp; Finance Manager and associated policies and procedures;</li> <li>✓ Effective Internal and External Audit;</li> <li>✓ 3 year financial forecasts</li> </ul>	Fully			
3.4	Failure to ensure that up to date information regarding the legislation relating to charities is maintained and kept updated by the MAT Board	<ul style="list-style-type: none"> <li>• Risk that legislative requirements are not known or complied with;</li> <li>• Financial risk;</li> <li>• Risk that the MAT Board are not aware of their legislative obligations</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Independent Clerk to the MAT Board and Local Governing Bodies;</li> <li>✓ EFSA Updates;</li> <li>✓ Academy and MAT websites</li> </ul>	Fully			
3.5	Failure to ensure that the MAT complies with legislation regarding tax	<ul style="list-style-type: none"> <li>• Risk that legislative requirements relating to VAT, PAYE, National Insurance etc is not known or complied with;</li> <li>• Financial risk;</li> <li>• Litigation risk</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Support from MAT's financial adviser and accountants;</li> <li>✓ Support of MAT's HR provider and the associated policies and procedures</li> </ul>	Fully			

Risk ref no	Risk description	Risk consequences	Risk score	Existing internal controls and evidence	Existing controls adequate: Fully or partially met	Actions required to improve controls (if existing controls <u>NOT</u> fully adequate)	Person responsible	Target date
3.6	Failure to ensure that the school ensures that Data Protection systems, procedures and processes are adequate	<ul style="list-style-type: none"> <li>Risk that the legislative requirements relating to the protection of data are not known or complied with;</li> <li>Financial risk;</li> <li>Litigation risk</li> </ul>	2 x 2 = 4 Medium	<ul style="list-style-type: none"> <li>✓ MAT Board and Business Manager awareness of and supporting policy and procedure</li> <li>✓ CEO designated as MAT Data Protection Officer (DPO)</li> <li>✓ DPOs appointed in each academy, linking with CEO through a joint MAT Data Protection Group</li> </ul>	Fully			
3.7	Failure to ensure that the school is compliant in relation to Welfare issues	<ul style="list-style-type: none"> <li>Risk that the legislative requirements relating to disability are not known or complied with;</li> <li>Risk that the legislative requirements of the Child Protection Act are not known or complied with</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Support of school HR Department and the associated policies and procedures;</li> <li>✓ Parent and Carer Communication Policy;</li> <li>✓ CRB Policy;</li> <li>✓ Citizenship Policy;</li> <li>✓ Personal, Social, Health and Economic Education Policy;</li> <li>✓ Safeguarding Policy</li> <li>✓ Reporting mechanisms to the Governing Body</li> </ul>	Fully			
3.8	Failure to ensure that the school is compliant in respect of the requirements of the Government, EFSA, DfE and, where appropriate, the Local Authority	<ul style="list-style-type: none"> <li>Risk that the terms and conditions relating to the payment of grant is not known or complied with;</li> <li>Risk that the legislative requirements relating to licensing are not known or complied with</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Independent Clerk to the MAT Board and Local Governing Bodies;</li> <li>✓ Reports to MAT Board and the Local Governing Bodies;</li> <li>✓ Ofsted Inspections;</li> <li>✓ Internal and External Audit;</li> <li>✓ Visits to other schools;</li> <li>✓ Head teacher meetings</li> </ul>	Fully			
<b>RISK 4: Financial Risks</b>								
4.1	Failure to ensure that the MAT maintains overall financial control in relation to its budget	<ul style="list-style-type: none"> <li>Risk that a budget cannot be prepared in accordance with the DfE's timetable;</li> <li>Risk that the budget will be in deficit;</li> <li>Risk that the actual financial performance of the MAT and its academies is not measured against the budget on a regular basis;</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Monthly Management Accounts;</li> <li>✓ Budget Monitoring Reports;</li> <li>✓ Reports to MAT Board and the Local Governing Bodies</li> </ul>	Fully			

Risk ref no	Risk description	Risk consequences	Risk score	Existing internal controls and evidence	Existing controls adequate: Fully or partially met	Actions required to improve controls (if existing controls <u>NOT</u> fully adequate)	Person responsible	Target date
		<ul style="list-style-type: none"> <li>Risk that the budget headings are manipulated to ensure that targets are met</li> </ul>						
4.2	Failure to ensure that the MAT maintains overall financial control in relation to reconciliations	<ul style="list-style-type: none"> <li>Risk that bank account reconciliations and other key reconciliations are not completed and reviewed;</li> <li>Risk that suspense accounts are not cleared or reconciled</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Strict month end and year end accounts timetable;</li> <li>✓ Financial Regulations;</li> <li>✓ Internal Controls;</li> <li>✓ Internal and External Audit</li> </ul>	Fully			
4.2.1	Failure to ensure that the financial systems of the MAT and its academies are suitable	<ul style="list-style-type: none"> <li>Risk that the financial system is not suitable for the needs of the MAT;</li> <li>Financial risk;</li> <li>Reputational risk</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Monthly Management Accounts;</li> <li>✓ Budget Monitoring Reports;</li> <li>✓ Reports to MAT Board;</li> <li>✓ Internal and External Audit</li> </ul>	Fully			
4.3	Failure to ensure that the financial systems of the MAT and its academies are maintained	<ul style="list-style-type: none"> <li>Risk that the financial system will not provide the Directors with regular and up to date information on the financial performance;</li> <li>Risk that financial decisions may be made, that are not in the best interest of the MAT and its academies;</li> <li>Significant financial risk</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Monthly Management Accounts;</li> <li>✓ Budget Monitoring Reports;</li> <li>✓ Reports to MAT Board;</li> <li>✓ Awareness of Financial Regulations;</li> <li>✓ Support of the academes' Business/Finance Managers with associated policies and procedures;</li> <li>✓ Effective Internal and External Audit;</li> <li>✓ 3 year financial forecasts</li> </ul>	Fully			
4.4	Failure to ensure that an adequate disaster recovery plan is in place in relation to the MAT and academy financial systems	<ul style="list-style-type: none"> <li>Risk that financial information cannot be recovered in the event of a disaster e.g. fire, vandalism, theft;</li> <li>Risk to the delivery of the MAT's vision;</li> <li>Significant financial risk;</li> <li>Significant operational risk</li> </ul>	3 x 1 = 3 Medium	<ul style="list-style-type: none"> <li>✓ MAT Disaster Recovery and Business Continuity Plan;</li> <li>✓ Security systems operated by the academies;</li> <li>✓ Risk Assessment Policy and Procedures operated by the academies;</li> <li>✓ Cloud based storage and enhanced systems to recover information and data held by IRIS (formerly PS Financials)</li> </ul>	Partially	Developments of MAT Disaster Recovery and Business Continuity Plan	HD/MS/PG	
4.5	Failure to ensure that the financial systems of the MAT and its academies are secure	<ul style="list-style-type: none"> <li>Risk of unauthorised access to financial systems;</li> <li>Risk of litigation;</li> <li>Significant financial risk</li> </ul>	3 x 1 = 3 Medium	<ul style="list-style-type: none"> <li>✓ MAT Disaster Recovery and Business Continuity Plan</li> <li>✓ Cloud based storage and enhanced systems to recover information and data held by IRIS (formerly PS Financials)</li> </ul>	Partially	Developments of MAT Disaster Recovery and Business Continuity Plan	HD/MS/PG	

Risk ref no	Risk description	Risk consequences	Risk score	Existing internal controls and evidence	Existing controls adequate: Fully or partially met	Actions required to improve controls (if existing controls <u>NOT</u> fully adequate)	Person responsible	Target date
4.6	Failure to ensure that the income due to the academies is collected in a timely and efficient manner and fully reconciled as per financial regulations	<ul style="list-style-type: none"> <li>Financial risk;</li> <li>Risk to the achievement of the MAT's strategic objectives;</li> <li>Risk of poor audit reports and the claw back of funding</li> </ul>	2 x 2 = 2 Medium	<ul style="list-style-type: none"> <li>✓ Monthly Management Accounts;</li> <li>✓ Effective use of the academies' Credit Control system;</li> <li>✓ Performance Monitoring Reports</li> </ul>	Partially	Direct IA to make this issue a priority for assessment in academies	HD, ABMs	07/2020
4.7	Failure to ensure that donations and income are not subject to fraud	<ul style="list-style-type: none"> <li>Risk that donations are misappropriated;</li> <li>Financial risk;</li> <li>Reputational risk;</li> <li>Risk of litigation</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Monthly Management Accounts;</li> <li>✓ Internal Controls of the MAT;</li> <li>✓ Regular and timely reconciliations</li> <li>✓ Robust Financial policies and procedures</li> <li>✓ Financial Regulations of the MAT;</li> <li>✓ Internal and External Audit;</li> </ul>	Fully			
4.10	Failure to ensure that the expenditure in the academies is well controlled	<ul style="list-style-type: none"> <li>Risk that expenditure is not authorised;</li> <li>Risk that expenditure is allocated incorrectly between budget headings;</li> <li>Risk that discounts or price reductions due to the academies on purchases of goods and services are not obtained;</li> <li>Risk that expenditure is not applied to the correct accounting period;</li> <li>Risk that fraudulent invoices are submitted and payments made;</li> <li>Financial risk</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Monthly Management Accounts;</li> <li>✓ Reports to MAT Board;</li> <li>✓ Budget Monitoring;</li> <li>✓ Awareness of Financial regulations;</li> <li>✓ Effective Internal and External Audit;</li> </ul>	Fully			
4.11	Failure to ensure that the MAT and its academies have a robust set of Treasury procedures in place	<ul style="list-style-type: none"> <li>Risk that cash flow requirements are not forecast;</li> <li>Risk that cash is all committed to investment and insufficient is available to meet short term cash flow needs:</li> <li>Financial risk</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Robust Financial policies and procedures</li> <li>✓ Financial regulations of the MAT;</li> <li>✓ Internal and External Audit</li> </ul>	Partially	Continue to roll out cash flow reporting in academies	HD/ABMs	04/21
4.12	Failure to ensure that the MAT has a robust set of Fixed Asset procedures in place	<ul style="list-style-type: none"> <li>Risk that assets are not capitalised;</li> <li>Risk that the depreciation rate is not appropriate</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Financial policies and procedures</li> <li>✓ Financial regulations of the MAT;</li> <li>✓ Internal and External Audit</li> </ul>	Fully	Consider moving to termly reporting		
4.13	Failure to ensure that the MAT and its academies have a robust set of procedures in place with regard to stock control	<ul style="list-style-type: none"> <li>Risk that stock is misappropriated;</li> <li>Significant financial risk</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Financial policies and procedures</li> <li>✓ Financial regulations of the MAT;</li> <li>✓ Internal and External Audit</li> <li>✓ Stock levels minimised in academies</li> </ul>	Fully			

Risk ref no	Risk description	Risk consequences	Risk score	Existing internal controls and evidence	Existing controls adequate: Fully or partially met	Actions required to improve controls (if existing controls <u>NOT</u> fully adequate)	Person responsible	Target date
4.14	Failure to ensure that the MAT and its academies have a robust debtor procedure in place	<ul style="list-style-type: none"> <li>Risk that debts owed to the academies are not recovered;</li> <li>Risk that provision for unpaid debt is under / over stated in the MAT's annual financial statements;</li> <li>Risk that the details of debt is not an accurate record;</li> <li>Risk that debtors are not accounted for in the correct period;</li> <li>Risk that the profile of aged debt deteriorates and subsequently impacts on the cash flow position</li> </ul>	2 x 2 = 2 Medium	<ul style="list-style-type: none"> <li>✓ Monthly Management Accounts;</li> <li>✓ Effective use of the academies' Credit Control system;</li> <li>✓ Performance Monitoring Reports</li> </ul>	Partially	Direct IA to make this issue a priority for assessment in academies	HD, ABMs	07/2020
4.15	Failure to ensure that the MAT has a clear policy in place relating to taxation	<ul style="list-style-type: none"> <li>Risk that the MAT is liable for tax on non-school trading activity;</li> <li>Risk that the MAT is not aware of changes in taxation legislation</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Support from Internal audit and accountants;</li> <li>✓ Support of MAT HR provider and the associated policies and procedures;</li> </ul>	Partially	Direct IA to look into non-Government income		
4.16	Failure of the MAT to make provision for contingent liability risk	<ul style="list-style-type: none"> <li>Risk that the MAT has not recognised provisions and commitments in respect of pension liabilities;</li> <li>Risk that the MAT has entered into future commitments without having the future funding available to meet them</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Financial policies and procedures</li> <li>✓ Financial regulations of the MAT;</li> <li>✓ Internal and External Audit</li> </ul>	Fully			
4.17	Failure to ensure that the funds of the MAT and its academies are not monitored closely	<ul style="list-style-type: none"> <li>Risk that funding levels are too low or too high;</li> </ul>	2 x 1 = 2 Low	<ul style="list-style-type: none"> <li>✓ Monthly Management Accounts</li> <li>✓ Internal Controls of the MAT;</li> <li>✓ Regular and timely reconciliations</li> <li>✓ Robust Financial policies and procedures</li> <li>✓ Financial Regulations of the MAT;</li> <li>✓ Internal and External Audit;</li> </ul>	Fully			
4.19	Failure of the MAT to monitor the performance of the employee pension scheme(s)	<ul style="list-style-type: none"> <li>Risk that the pension scheme(s) are in significant deficit;</li> <li>Risk that the employer pension contribution increases significantly;</li> <li>Risk that the MAT is not making the correct level of contribution to the pension scheme(s) on behalf of the employees;</li> </ul>	3 x 1 = 3 Medium	<ul style="list-style-type: none"> <li>✓ Advice from MAT's payroll, legal and HR providers, accountants;</li> <li>✓ Historically low risk pension schemes;</li> <li>✓ Pension scheme performance;</li> <li>✓ External Audit</li> </ul>	Fully			

Risk ref no	Risk description	Risk consequences	Risk score	Existing internal controls and evidence	Existing controls adequate: Fully or partially met	Actions required to improve controls (if existing controls <u>NOT</u> fully adequate)	Person responsible	Target date
4.20		<ul style="list-style-type: none"> <li>Risk that the morale of staff may be affected;</li> <li>Financial Risk</li> </ul>						
	Insufficient central MAT income from academy levy to sustain the costs of providing MAT core workforce (CEO, BM)	<ul style="list-style-type: none"> <li>Loss of leadership at MAT level,</li> <li>Loss of financial planning and business management across the MAT</li> <li>Loss of capacity to provide improvement support to existing and new academies.</li> <li>Loss of credibility to expand for new converter schools.</li> <li>Lack of RSC support to expand with new sponsored academies.</li> </ul>	2 x 2 = 4 Medium	<ul style="list-style-type: none"> <li>✓ Monthly Management Accounts</li> <li>✓ Internal Controls of the MAT;</li> <li>✓ Internal and External Audit;</li> <li>✓ Profile with maintained schools, local authority, RSC and DBE</li> <li>✓ Continuous scrutiny of central costs and cost efficiencies.</li> <li>✓ Ongoing effective central contracting to minimise contract costs and maximise availability of revenue from the central academy levy.</li> </ul>	Partially	<p>Ongoing profile improvement and promotion of the MAT to encourage new converters</p> <p>Ongoing improvement of central contracting</p> <p>Contingency planning for interim additional income streams to offset any shortfall.</p>	MS/HD/ PG/ Board	Ongoing

Risk ref no	Risk category and description	Risk consequences	Risk score	Existing internal controls and evidence	Existing controls adequate: Fully or partially met	Actions required to improve controls (if existing controls <u>NOT</u> fully adequate)	Person responsible	Target date
<b>Risk 5 Academy Specific Risks</b>								
<b>5a Archbishop Cranmer</b>								
5a.1		•		✓				
<b>5b East Bridgford St. Peter's</b>								
5b.1	<b>Building safety</b> Unstable floor in Pre-School/Reception building with potential for partial or complete collapse	<ul style="list-style-type: none"> <li>Injury to children and/or staff if sudden collapse – <i>deemed low risk by expert</i></li> <li>Closure of building with no appropriate alternative for three class groups.</li> <li>Loss of facility for before and after school provision.</li> </ul>	3 x 2 – 6 High	<ul style="list-style-type: none"> <li>✓ Reported to MAT Board.</li> <li>✓ Expert professional survey indicating medium-term (non-acute) and localised risk</li> <li>✓ Preparation of CIF bid for capital funding – unsuccessful 2018/19, successful 2019/20.</li> <li>✓ Planning for alternative classroom provision.</li> </ul>	Partially	<p>Planning for work to be undertaken summer 2021.</p> <p>Project management plan and contractor appointment and liaison through CIF intermediary.</p>	<p><b>MAT:</b> HD</p> <p><b>Acad:</b> Head, LGB, Site manager, BM</p>	08/2021
5b.2	<b>Heating failure</b> Whole school heating system approaching failure due to age of system (5 – 80 years), failing gas boilers and non availability of spares	<ul style="list-style-type: none"> <li>Whole school closure due to lack of hot water and heating in all areas.</li> </ul>	3 x 2 – 6 High	<ul style="list-style-type: none"> <li>✓ Reported to MAT Board.</li> <li>✓ Expert professional survey indicating medium-term but unpredictable risk</li> <li>✓ Preparation of CIF bid for capital funding – unsuccessful 2019/20</li> </ul>	Partially	<p>Resubmission of CIF bid in 2020/21 round with enhanced case and evidence.</p> <p>Development of a Disaster Plan for short-term system failure.</p>	<p><b>MAT:</b> HD</p> <p><b>Acad:</b> Head, LGB, Site manager, BM</p>	12/2020
5b.3	<b>Safeguarding</b> Sale of former Headteacher's house accessed through school playground by current freehold owner to new owners.	<ul style="list-style-type: none"> <li>No control on who buys the house.</li> <li>No control or restrictions on access rights 24/7.</li> <li>No facility to check suitability of new owners in respect of safeguarding (DBS etc).</li> <li>No control over visitors to the house.</li> <li>Risk to children due to vehicle movement across playground.</li> <li>Safeguarding risk to children of uncheckable occupants.</li> </ul>	3 x 2 – 6 High	<ul style="list-style-type: none"> <li>✓ Reported to MAT Board., DBE and EFSA.</li> <li>✓ Initial dialogue with current owners (limited benefit)</li> <li>✓ Advice from property expert of MAT legal advisers.</li> </ul>	Partially	<p>Exploration of funding sources for MAT/academy to purchase the freehold.</p> <p>Dialogue with EFSA and Diocese on risks and options.</p> <p>Development of a risk mitigation</p>	<p><b>MAT:</b> CEO</p> <p><b>Acad:</b> Head, LGB Chair</p>	Ongoing

						plan should the sale result in new private owners/ occupants.		
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<b>5c Gunthorpe</b>								
5c.1		•			✓			

<b>5d Kirkby Woodhouse</b>								
5d.1		•			✓			

<b>5e Oak Tree</b>								
5e.1		•			✓			

<b>5f Sir John Sherbrooke</b>								
5f.1		•			✓			