

Risk Management
Peterborough Diocese Education Trust
Risk Register

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1.0 Trust details

Trust Name:

Peterborough Diocese Education Trust

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Trust Website:

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Chief Executive and Chair of Directors:

Chief Executive: Miranda Robinson

Email: miranda.robinson@peterborough-diocese.org.uk

Chair of Directors: Dr John Herrick

Trust Details:

Academy mix: Sponsor and convertor academies

Age Range: to year 6

Number of academies: 13

Number of Pupils: 2020

The Peterborough Diocese Education Trust was established in April 2013. Our first academy joined us in May 2014 and we have grown to become the home of a number of academies across the Diocese.

We aim to provide an excellent education to all of the children in all of our schools and do our best to support our staff to deliver this.

PDET is responsible for employing all staff and managing the finances and other central services for the Academies in the Trust. These services include school effectiveness; HR; facilities and health and safety support. Although the multi-academy trust was formed initially to support church schools, PDET is happy to work with any community school that shares our values. Each of our schools maintains its own unique identity but we believe that by working together, we can achieve more than by each school working alone.

Our schools seek to serve their local communities; they are inclusive welcoming children of the Christian Faith of other faiths or of no faith, children from all backgrounds and of all abilities. We believe in the infinite worth of each person: children deserve the very best education and staff deserve support to deliver this.

2.0 Risk Register Information

2.1 Key Information

Date	11 September 2015
Author(s)	Michael Cowland, Peterborough Diocese Education Trust (PDET)
Review Date	
Author(s)	
Review Date	
Author(s)	

2.2 Introduction

The Board of Directors is responsible for risk management and for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, whilst safeguarding public funds and other funds and assets for which it is responsible. The Board of Directors is advised in this role by the PDET Business Management Committee and both are advised and informed by PDET's Senior Leadership Team.

Purpose and aims

The Board of Directors fulfills its role by establishing the following system of internal control:

- Approving and reviewing a series of policies that underpin the internal control process
- Agreeing objectives, plans and resources by means of the budget and the Strategic Plan
- Approving this policy statement and the attached Risk Register and reviewing them carefully each year to identify risks, near misses and opportunities
- Considering carefully the advice from a Responsible Officer, Auditor and Audit Committee on internal financial controls, together with advice from any external consultants or inspectors.

Risk Register

The PDET Business Management Committee who will recommend it to the Board of Directors revises the Risk Register annually. In its annual consideration of the Risk Register, the Board of Directors should consider these issues:

- Whether risk management continues to be linked to the achievement of the Trust's objectives
- The appropriate risk appetite or level of exposure for the Trust as a whole
- Whether risk review procedures cover fundamental strategic and reputational, operational, compliance, financial and other risks to achieving the Trust's objectives
- Whether risk assessment and risk-based internal control are embedded in on-going operations and form part of its culture
- Changes in the nature and extent of fundamental risks and the Trust's ability to respond to changes in its internal and external environment since the last assessment; the scope and quality of management's on-going process of monitoring the system of internal control, including such elements as the effectiveness of assurance functions
- The extent and frequency of reports on internal control to the Board of Directors and whether this is sufficient for the Board of Directors to build up a cumulative assessment of the state of control and effectiveness of risk management
- The incidence of any fundamental control failings (risk events) or weaknesses identified at any point within the year (near misses) and the impact that they have had or could have on financial results
- The effectiveness of the Trust's public reporting processes
- The effectiveness of the overall approach and policy to risk management and whether changes or improvements to processes and procedures are necessary.

The Risks to the Trust are divided into five sections:

- Strategic and Reputational Risks
- Financial Risks
- Compliance Risks
- Operational Risks
- Safeguarding
- Risks specific to academy conversion

Abbreviations Used In The Risk Register:

CEO	PDET's Chief Executive Officer	BM	PDET's Business Management Committee	AC	PDET's Audit Committee
STAN	PDET's Standards Committee	GC	PDET's Governance Committee		
AGM	PDET Members' Annual General Meeting	BoD	Board of Directors	RO	Responsible Officer

2.3 Trust Risk Matrix and Risk Notes

Risk Rating

- Provide a score of 1 – 5 for the perceived impact of the risk
- Provide a score of 1 – 5 for the likelihood (probability) that it will happen.
- Times the two numbers together to create a risk rating

I • Impact

P • Probability

IxP • Risk Rating

Impact (consequence)	Probability (likelihood)
5 (Major)	5 (Very Likely)
4 (Significant)	4 (Likely)
3 (Moderate)	3 (Unlikely)
2 (Minor)	2 (Very Unlikely)
1 (No Consequence)	1 (Impossible)

Score	Risk Description	Action Requirements
15 - 20	High Risk	Risk will be actively managed with control measures
6 - 12	Medium Risk	Take appropriate action to reduce risk if possible
5 and below	Low Risk	Risk to have low priority in the risk register, activity monitored in case of escalation

Risk Matrix (likelihood and Impact)

Likelihood	Very likely	5	5 Low	10 Medium	15 High	20 High	25 High
	Likely	4	4 Low	8 Medium	12 Medium	16 High	20 High
	Unlikely	3	3 Low	6 Medium	9 Medium	12 Medium	15 High
	Very Unlikely	2	2 Low	4 Low	6 Medium	8 Medium	10 Medium
	Rare/Impossible	1	1 Low	2 Low	3 Low	4 Low	5 Low
			1	2	3	4	5
			No consequence	Minor	Moderate	Significant	Major
Impact							

TRANSFER

This may be done by conventional insurance or by paying a third party to take the risk in another way.

TOLERATE

Exposure to risk may be tolerable without any further action. Alternatively, it may not be possible to do anything about the risk without a disproportionate cost.

TREAT

This may not obviate the risk – it is more likely that the aim will be to contain it to an acceptable level.

TERMINATE

This response is used when the only way to contain a risk to acceptable levels is to discontinue the activity that gives rise to the risk (*not possible if there is a legal duty to engage in the activity*).

Each element in this risk register will be reviewed by PDET's Business Management Committee upon each new academy conversion or every three months, whichever comes first

3.0 Strategic and Reputational Risk

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
1. Strategic Risk	Stakeholder risk: Quality of service / product risk and failure to react to the requirements of stakeholders	Academies and other stakeholders don't consider that the Trust provides a valuable, high quality service	3	4	Treat	Annual academy satisfaction survey. Headteacher reference group Bursar/Business Manager meetings.	BM BoD BD
	Insurance Risk	Risk of financial loss, litigation, reputational damage and inability to replace items if the Trust does not have adequate insurance cover	2	4	Treat	Regularly meet with insurance broker to review insurance programme and ensure comprehensive cover. Insurance brokers visit each new academy prior to conversion. Regularly review the RPA scheme. Keep abreast of best practice.	BM
	Macroeconomic risk	Risk of the impact an uncontrollable event will have on the Trust e.g. recession, change of government, war, oil crisis	2	5	Treat	Manage reserves Monitor	BoD
	Long term demand risk	Insufficient demand for any Academy's services leaves it unsustainable	4	4	Treat	Regular monitoring of trends in pupil numbers, budget information and employment costs Experienced Local Governing Bodies and senior leaders in each academy.	BM BoD

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
						Every academy has an admissions policy	GC
						Every academy has a communication policy and a marketing strategy	BM
	Natural disaster risk	Risk of the impact on uncontrollable event will have on the Trust or an academy e.g. fire, flood	2	4	Treat/ Transfer	Business Continuity Plan Adequate insurance, ie – Fixtures, Fittings, Employer, Public Liability, Professional Indemnity etc	BM
	Technology risk	Information security risk	4	4	Treat	Access to and awareness of staff and pupils' ICT usage	BM
		Virus risk, corruption of data risk	4	4	Treat	Business continuity plan includes ICT	
		IT systems out of date, no longer supported	3	3	Treat	Anti virus on all computers Every academy has an ICT strategy, policy and procedures Every academy has an appropriate ICT support contract	

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
	Demand risk	Risk of too much interest in PDET from schools	4	3	Treat	Manage expectations Strategic plan specifies predicted growth	BM
		Risk of too little interest in PDET from schools	2	4	Treat	Proactive marketing of PDET Reputation management, including the use of social media PDET Communication Strategy	
2. Public Profile Risk	Expenditure risk	Management and administration costs are perceived by the public to be too high	3	3	Treat	Regular review, awareness of the sector	BoD
		Senior members of the Trust are seen by the public to be paid high salaries	2	3	Treat	Policy review, awareness of the sector	
		Reserves level risk – Trust and/or academies seen to be holding reserves and not spending enough on current resources	3	2	Tolerate	Regular review of reserves	BM

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
	Failure to ensure that the objectives of the Trust are met	Risk that the Trust fails to operate within the strategic objectives agreed by the Board of Directors	2	3	Treat	Experienced Directors, Head Office staff and senior leaders at all academies	BoD
		Risk that the Trust's objectives are out of date or no longer appropriate	3	3	Treat	Active and experienced Trustees and Governing Body	BoD (until STAN is established)
		Risk that the objectives of the Trust or an academy are seen as controversial				Stakeholders who can take and active role in the operation of the academy	
		Risk that the Trust or an academy receives an unfavourable OFSTED report	4	4	Treat	Regular academy improvement visits by experienced improvement officers	
	Fraud risk	Fraud discovered at the Trust or any academy attracts poor publicity	3	5	Treat	Regular review Internal audit checks Financial regulations adhered to by Trust and academies	BoD
	Failure to comply with legislation risk	Failure to comply with Health and Safety Legislation results in an employee / volunteer/ pupil attracting bad publicity	3	5	Treat	H&S policy reviews H&S inspections	BoD
		Failure to comply with employment law e.g. unfair dismissal of employees	3	5	Treat	Use of competent health and safety consultant Use of professional HR advice	
		Failure to comply with Equality Legislation results in an employee / volunteer/ pupil attracting bad publicity	3	5	Treat	Use of HR professional	
	Litigation risk	Trust or any academy is	2	5	Treat	Experienced legal advisors	BoD

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
		involved with litigation				employed on a retainer	
3. PDET organisational risk	Delegation risk	Committees not established with delegated authority	5	5	Treat	In place and schemes of delegation are understood	BoD
		Committee terms of reference not consistent or adequate or flexible	2	3	Treat	Terms of Reference in place and regularly reviewed	
		Directors delegate too little or too much to the Chief Executive and Head Office staff	3	4	Treat	Schemes of delegation are adopted and followed	
	Key member of staff absence risk	Directors do not ensure rigorous monitoring is undertaken in the absence of a key member of staff	2	4	Treat	Ensure adequate cover and expertise can be provided	BoD

4.0 Financial Risks

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
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Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
1. Overall Financial control risk	Budget Risk	Risk that budget cannot be prepared in accordance with DfE timetable	2	2	Treat	Financial Regulations Manual	BM
		Risk that an academy budget will be in deficit	3	4	Treat	Careful planning of reserves Budget monitoring	
		Risk that actual performance is not measured against the budget on a regular basis	3	5	Treat	Each academy budget is prepared in consultation with senior leaders, with regular reviews.	
		Risk that the budget headings are manipulated to ensure targets are met	2	4	Treat	PDET budget is prepared in consultation with Directors BoD approves academy budgets	
		Errors in accounts caused by inadequately skilled or experienced finance staff	4	4	Treat	Training required and regularly reviewed	
		Risk that a balanced budget relies on additional funding, such as lettings	3	3	Treat	Good experienced team of bursars and Business Managers in academies. A strong support team at PDET	
	Reconciliation Risk	Risk that the bank reconciliations and other key reconciliations are not completed and reviewed	3	3	Treat/ Transfer	Financial Regulations Manual	BM
		Risk that the suspense accounts are not cleared or reconciled	3	2	Treat/ Transfer	Financial Regulations Manual	
	Failure to ensure a robust	Risk that PDET committees fail to operate	4	4	Treat	Effective Terms of Reference that are regularly reviewed	BoD

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
	organisational approach to financial Governance	Risk that delegation to LGBs is poor	3	5		Effective Schemes of Delegation that are regularly reviewed	BoD
2. Financial systems risk	Systems suitability risk	Risk that financial systems are not suitable for the Trust and academy's needs	4	4	Treat	Regular BM/Bursar meetings Review system with accountant Regular meetings with supplier	BM
	Maintenance risk	Risk that financial systems will not be maintained by the provider in the long-term	2	4	Tolerate	Use of a reputable provider and system	BM
	Disaster risk	Risk that financial information cannot be recovered in the event of a disaster e.g. fire, theft, vandalism	2	4	Treat	In the business continuity plan Regular back ups	BM
	Access risk	Risk of unauthorized access to financial systems	2	4	Treat	Apply ICT Policy	BM
	Failure to have procedures in place to cover the Chief Executive of the Trust and other senior members of staff	Financial risk Reputational risk Risk of poor moral effecting staff Risk of the day to day operation of PDET	2	2	Treat	Clear guidance of senior staff roles Clear cover arrangements Regular staff meetings Clear guidance of senior staff roles including clear cover arrangements	BoD
3. Income risk	Competitiveness risk	Invoices not raised for all transactions	2	3	Treat	Financial Regulations Manual includes effective credit control	BM
		Donations in kind or intangibles are not recorded				Financial Regulations Manual	

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
		or recognised in the financial systems				Monthly management accounts	

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
	Restricted Income risk	Income is not identified as restricted on receipt	2	3	Treat	Financial Regulations Manual Regular Finance visits to academies	BM
		Restricted income is used for purposes other than restriction	2	3	Treat	Monthly management accounts and review of expenditure	
		Restricted funds are transferred to unrestricted funds without consent of donor	2	3	Treat/ Transfer	Monthly management accounts and review of expenditure Regular BM/Bursar meetings to academies Pupil Premium reviews in each academy	BoD (until STAN is established)
	Academy conversion risk	Academies do not join PDET at the rate predicted in the strategic plan and budget forecast	2	4	Treat	Proactive marketing of PDET Reputation management, including the use of social media PDET Communication Strategy	BM
	Cut off risk	Risk that income is accounted for in the wrong accounting period	3	2	Treat	Financial Regulations Manual Regular Finance visits to academies Monthly management accounts	BM
	Fraud risk	Risk that funds are misappropriated	3	4	Treat	Monthly management accounts Financial Regulations Manual Regular BM/Bursar meetings Internal and external audit procedures	BM BM (until AC is established)

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
4. Expenditure risk	Authorisation risk	Risk that expenditure is not authorised	3	3	Treat	Financial Regulations Manual Internal and external audit procedures	BM BM (until AC is established)
	Allocation risk	Risk that expenditure is allocated incorrectly between headings	4	2	Treat	Financial Regulations Manual Regular BM/Bursar visits to academies	BM
	Price risk	Risk that best prices are not obtained on purchases or services	3	2	Treat	Purchasing and Competitive Tendering Policy	BM
	Cut off risk	Risk that expenditure is accounted for in the wrong accounting period	2	2	Treat	Financial Regulations Manual Internal and external audit procedures	BM
	Fraud risk	False invoice and payment risk, funds are misappropriated	3	4	Treat	Financial Regulations Manual Regular BM/Bursar meetings Internal and external audit procedures Credit card protection Suitable insurance	BM
5. Treasury risk	Cash flow risk	Risks that cash flow requirements are not forecast	3	4	Treat	Financial Regulations Manual Regular BM/Bursar visits to academies	BM
		Risk that cash is all tied up in investments and insufficient readily available cash is insufficient to meet short-term cash flow needs	1	4	Tolerate	Review any investments regularly	

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
6. Fixed asset risk	Capital construction risk	Risk that assets built by constructors do not meet specifications or actual cost exceeds budget	3	4	Treat	Professional facility management support for all buildings projects Legal support	BM
	Asset reconciliation risk	Risk that assets are not capitalised	3	2	Treat	Financial Regulations Manual Regular BM/Bursar visits to academies	BM
		Risk that depreciation rate is not appropriate	2	3	Treat	Advice from auditors	
	Fraud risk	Risk that assets are misappropriated	2	2	Treat	Financial Regulations Manual Fixed asset register at PDET and each academy Internal and external audit procedures	BM BM (until AC is established)
7. Building and facility risk	Poor maintenance risk	Risk that the academy facilities have not been maintained appropriately	3	4	Treat	Each academy has a programme of planned preventative maintenance (PPM)	BM
		Risk that academies are not aware of their obligations	2	4		Each academy has a named officer responsible for building and facility maintenance Each academy has an appropriate level of funding allocated to facility maintenance Each academy receives a facility audit prior to conversion Each academy receives specific support on their PPM programme	
	Unpredictable or other sudden	Risk that there is a sudden failure, such as a boiler or	3	5	Treat	Each academy has a sufficient level of reserves to cover the cost	BM

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
	failure	roof failure				<p>of a sudden failure</p> <p>A comprehensive insurance programme is in place</p> <p>Each academy is aware of the process for the Capital Improvement Fund – Emergency Funding Applications</p>	

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
	Vandalism and/or terrorism risk	Risk that an academy is vandalised from the inside or outside	2	4	Treat	Comprehensive insurance programme	BM
8. Debtors risk	Recoverability risk	Risk that debts are not recovered	3	3	Treat	Financial Regulations Manual Debt recovery policy	BM
		Risk that provision for doubtful debts is overstated or understated	2	2	Tolerate	Regular PDET Finance Officer visits to academies	
	Completeness risk	Risk that debtor record is not complete	2	2	Tolerate	Regular PDET Finance Officer visits to academies	BM
	Cut off risk	Risk that debtors are accounted for in the wrong accounting period	2	2	Treat	Financial Regulations Manual Regular PDET Finance Officer visits to academies	BM
	Cash flow risk	Risk that profile of aged debtors deteriorates, which impacts on cash flow position	2	2	Tolerate	Debt recovery policy	BM
9. Provisions and contingent liability risk	Recognition risk	Risk that the Trust or academies are not recognising provisions or commitments	2	2	Transfer	Financial Regulations Manual Regular PDET Finance Officer visits to academies	BM
	Contractual commitments risk	Risk that the Trust or any academy has entered into future commitments without having future funding available to meet them	2	2	Tolerate	Regular PDET Finance Officer visits to academies Internal audit	BM
10. Related party risk	Identification risk	Risk that related party transactions and transactions with connected persons are not identified	3	2	Tolerate	Financial Regulations Manual Register of Business Interests is kept up to date	BM

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
	Disclosure risk	Risk that related party transactions are not correctly or fully disclosed in the financial statements	2	2	Tolerate	Auditor and Accountant advice	BM
11. Funds risk	Level of funds	Risk that fund levels are too high or too low Risk that unrestricted funds are in deficit and restricted funds are in surplus	2	3	Treat	Monthly budget reports	BM
12. Pension risk	Funding risk	Risk that scheme is in significant deficit	2	2	Tolerate	Accountant's advice HR advisor possesses pension knowledge External audit	BM BM (until AC is established)
	Contribution risk	Risk that employees contribution rate increases Risk that the Trust or any academy is not making the correct contributions	3 2	3 5	Tolerate Treat	Careful budget management Appropriate levels of reserves HR advisor possesses pension knowledge External audit	BM BM (until AC is established)

5.0 Compliance risks

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
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Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
1. Employee Legislation risk	Employment laws risk	Risk that legislative requirements are not known or complied with	2	4	Treat	Regular advice from HR professional	BM
		Discrimination risk	2	4	Treat	HR policies adopted and followed consistently	
		Data protection risk	3	4	Treat	Apply Data protection policy and ICO registration	
		Human rights risk	2	3	Treat		
		Equal opportunities risk	2	4	Treat	Equal Opportunities Policy	
		Contract risk	2	3	Transfer	Ensure contracts are fit for purpose and used by all academies	
1. Employee Legislation risk	Pension risk	Risk that legislative requirements are not known or not complied with	3	3	Treat	Regular advice from HR professional Reputable payroll provider who implements changes correctly	BM
	Health and Safety risk	Risk that legislative requirements are not known or complied with	2	3	Treat	Seek advice from a Health and Safety professional Ensure health and safety policy is regularly reviewed	BM
	UK Legislation	Risk that legislative requirement are not known or complied with	3	3	Treat	Research and consider all relevant legislation	BM
2. Environmental Legislation risk							

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
	EU Legislation	Risk that legislative requirements are not known or complied with	3	3	Treat	Research and consider all relevant legislation	BM
3. Financial risk	Statutory accounts risk	Risk that legislative requirements are not known or complied with	3	4	Treat	Financial Regulations Manual Regular PDET Finance Officer visits to academies Regular updates and comprehensive support from experienced accountants	BM
	Accounting standards risk	Risk that legislative requirements are not known or complied with	4	4	Treat	Regular updates and comprehensive support from experienced accountants	BM
	SORP Compliance risk	Risk that legislative requirements are not known or complied with	4	4	Treat	Regular updates and comprehensive support from experienced accountants	BM
	Purchasing risk	Risk that academies do not procure services competitively and/or issue appropriate tenders for contracts	4	4	Treat	Purchasing and competitive tendering policy	BM
	EFA risk	Not complying with the "Musts" in the Academies Financial Management Handbook	3	5	Treat	Financial Regulations Manual Comprehensive support from experienced accountants	BM
4. Charities Legislation risk		Risk that legislative requirements are not known or complied with	4	4	Treat	Source and provide training for PDET and academy staff	BM
		Risk that Directors are not aware of the legislative requirements of being on the	3	3	Treat	Source and provide training for Directors. Disseminate guidance to academies	BM

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
		board					

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
5. Tax legislation risk	VAT/ PAYE/ NI risk	Risk that legislative requirements are not known or complied with	3	3	Treat	Financial Regulations Manual Regular updates from the accountants VAT policy Reputable payroll provider who deals with requirements correctly	BM
6. Data Protection Act risk	Data risk	Risk that legislative requirements are not known or complied with	3	3	Treat	Data Protection Policy Legal support	BM
7. Welfare compliance risk	Disability risk	Risk that legislative requirements are not known or complied with	3	3	Treat	Source and provide training for Directors. Disseminate guidance to academies.	BM
	Mental Health compliance risk	Risk that legislative requirements are not known or complied with	3	3	Treat	Source and provide training for Directors. Disseminate guidance to academies.	BM
	Child protection risk	Risk that legislative requirements are not known or complied with	3	3	Treat	Strict adherence to safeguarding policy. Child protection expert on a retainer to provide advice to academies.	BM
8. Sector compliance	Curriculum compliance	Risk that legislative requirements are not known or complied with	2	2	Treat	Source and provide training for Directors. Disseminate guidance to academies.	BoD (until STAN is established)

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
risk							
9. Local Authority and Central Government risk	Grant criteria risk	Grant and conditions are not complied with	2	3	Treat	Financial Regulations Manual Regular PDET Finance Officer visits to academies	BM
	Licensing risk	Risk that legislative requirements are not known or complied with	3	2	Treat	Source and provide training for Directors. Disseminate guidance to academies.	BM
	Central Government Policy changes	Risk that Central Government changes policy to return academies back to local authority control	2	5	Treat	Manage reserves Monitor	BoD
10. Freedom of Information Risk	FOI risk	Risk that legislative requirements are not known or complied with	3	3	Treat	Freedom of Information Policy Legal support	BM

6.0 Operational risks

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
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Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
1. Management Information Risk	Quality risk	<p>Risk that information produced (financial and non-financial) for Directors, Governors and senior management is not accurate or is not in a format suitable for monitoring the performance of the Trust and academies</p> <p>Risk that the PDET Directors and/or academy Headteachers cannot make informed decisions</p>	5	5	Treat	<p>Develop standard reporting templates for finance/HR/accidents/facilities etc</p> <p>Develop standard reporting templates for academy performance</p> <p>Establishment of effective committees (inc LGBs)</p>	<p>BM</p> <p>BoD (until STAN is established)</p> <p>BoD</p>
	Timeliness risk	Risk that management information is not available quickly after the period in which it relates.	2	3	Treat	<p>Monthly financial reporting</p> <p>Regular reporting of all other information and review of performance against targets for recruitment</p>	BM
	Review risk	Risk that management information is not subject to review	3	3	Treat	<p>Regular review and on agenda of committees</p> <p>Actions followed up</p>	BM
		Risk that action is not taken after the review of management information	3	3	Treat		
Loss of information risk	An academy loses management information, ie information on a pupil either through ICT failure, loss or theft	2	4	Treat	<p>Regular back ups</p> <p>IT policy, including acceptable use and use of portable hard drives</p> <p>Insurance</p>	BM	
2. Human	Management risk	Senior management capability/ experience of	2	4	Treat	HR training to senior members of staff	BM

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
resources risk		academy sector risk					
		Inappropriate people management	4	3	Treat	Whistleblowing procedure known and followed	
		Key person loss/ succession risk	4	3	Treat	Review resignations timescales	
		Entrepreneurial risk – risk that activities of the Trust or academies could be outside of its objectives	1	2	Treat/ Transfer	Comprehensive insurance programme Legal support	BM
		HR policies are not adopted or appropriate/legal	3	5	Treat	HR support Clarify TUPE rules to all transferring staff	BM
	Staff risk	Low moral risk	3	3	Treat	Monitor and report	BM
		Retention risk	3	3	Treat	Monitor and report	
		Recruitment risk (recruiting someone unsuitable to work with children)	2	5	Treat	Recruitment and selection policy	
		Appraisal/assessment risk	2	3	Treat	Performance management policy	
		Academies not making use of HR professionals, may lead to tribunals	3	3	Treat	Clear communication of HR Advice service	
		Inadequate or inappropriate training	2	3	Treat	Monitor and identify skill and knowledge gaps	
		Technical capacity risk	4	3	Treat	Skilled staff in place with appropriate training	

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
	Recruitment of experienced and skill based Directors, PDET committee members and Governing Body members	Risk of insufficient educational knowledge of the Directors, PDET committee members and Governing Body members	3	4	Treat	Profile of skills required against those offered by potential Directors, PDET committee members and Governing Body members	GC
		Risk that the Directors, PDET committee members and Governing Body members do not have the required experience	3	3	Treat	Independent Clerks to the Local Governing Bodies Director, PDET committee member and Governing Body training and induction	GC
		Risk that the Directors, PDET committee members and Governing Body members fail to honour their obligations leading to poor availability and attendance at meetings	2	3	Treat	Register of Business interests	
		Risk that the Directors, PDET committee members and Governing Body members become too involved with the operational management of the academy	3	3	Treat		
		Risk that the Directors, PDET committee members and Governing Body members do not act solely for the interests of the academy	3	3	Treat		
	Unsuitable recruitment of non-experienced and non-skill based	Risk to staff and beneficiaries – low morale Risk of poor recruitment of learners	3	4	Treat	Academy recruitment and selection policy and procedures Continuing professional development	BM

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
	staff to meet strategic objectives	Risk of poor retention and success rates	3	3		Active Governing Body membership	
		Risk of the recruitment of unsuitable staff	2	4		Staff development strategy	
		Risk of poor appraisals	3	4			
		Risk that Trust and academy procedures and processes are not undertaken in an appropriate manner	2	3			
		Risk the health and safety is compromised	2	4			

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
	Volunteer risk	Excessive reliance of volunteers	2	3	Treat	Monitor and review	BM
		Lack of control over volunteers	2	4	Treat	Safeguarding policy	
		Training risk	2	2	Treat	Identify training requirements, seek suitable courses	
		Risk that volunteers are not of appropriate quality, vetted, subject to police checks	3	5	Treat	Volunteer policy	
	Health and Safety risk	Fatality or injury to pupil, staff or third party	3	5	Treat	Health and safety training, advice and regular reviews	BM
3. Supplier risk	Supplier selection risk	Supplier financial viability	2	3	Treat	Purchasing and Competitive Tendering Policy	BM
		Supplier inappropriate	2	3	Treat	Financial Regulations Manual, Register of Business Interests regularly updated	
		Supplier connected with Directors, PDET committee members and Governing Body members and/or staff	2	3	Treat		
		Delivery risk	2	3	Treat		
		Quality risk	2	3	Treat	Penalty clauses and returns for poor quality and delivery	
	Key supplier dependency risk	Risk that supplies are not available	2	3	Tolerate	Stringent planning and contingencies	BM
	Risk of dependency on few suppliers	3	3	Treat	Tenders conducted and regular review of supplier performance		

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
	Failure to ensure that a comprehensive up to date list of suppliers is maintained	<p>Risk that by using a key supplier, supplies may not always be available</p> <p>Risk that the quality of supplies could be compromised</p> <p>Risk that the availability of competitive prices will be compromised</p> <p>Risk to the achievement of the Trust and academy's strategic objectives</p>	2	2	Treat	Suppliers listed on Financial Management System and regularly reviewed	BM
	Value for money risk	Purchase price risk	2	3	Treat	Purchasing and Competitive Tendering Policy	BM
4. Damage or loss due to external factors	Risk of theft, vandalism, fire etc	<p>Risk of theft</p> <p>Risk of vandalism and/or terrorism</p> <p>Risk of fire</p>	3 2 2	3 4 4	Treat/ Transfer Treat/ Transfer Treat/ Transfer	<p>Comprehensive insurance programme</p> <p>Data backed up in fire proof environment</p> <p>ICT policy</p>	BM

7.0 Safeguarding

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
1. People	Unsuitable people working with children	Inadequate controls in place Risk that the legislative requirements relating to disability and safeguarding are not known or complied with Risk that the legislative requirements of the Child Protection Act and associated legislation are not known and complied with	2 2 2	4 4 4	Tolerate	Safeguarding policy DBS process Visitors policy Recruitment and selection policy Educational visits policy Interview panels must have at least one person trained in safer recruitment	BM
2. Places	Buildings are unsafe for occupation	Lack of health and safety controls	2	3	Treat	Risk assessments in place Health and Safety policy Health and Safety Audit completed Statutory testing Professional advice	BM
3. Staffing	Key personnel absent	Long term Designated Safeguarding Officer absence in an academy	2	4	Tolerate	Contingency plans in place to include more than one person	BoD (until STAN is established)
4. E-Safety	Student and/or staff using the internet in an appropriate manner	Inadequate controls in place	2	3	Treat	E Safety Policy Academy rules and expectations E-safety audits and training Ability to monitor computer use	BM

8.0 Risks specific to academy conversion

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
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Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
1. Inadequate due diligence	Financial risk	The academy has a deficit budget that would be inherited upon conversion	3	4	Treat	Five year budget forecast is assessed for each academy prior to conversion	BM
		PDET inherits a poorly agreed contract	3	4	Treat	Contract matrix completed prior to conversion. Contracts are obtained and are read by legal advisors	
	Facilities/building risk	The academy has serious facility/building issues	3	4	Treat	Full facility survey completed on each academy prior to conversion	BM
	HR risk	The academy has long term staffing issues	3	3	Treat	HR audit completed prior to conversion	BM
	Safeguarding risk	The academy lacks safeguarding policies or has bad practice	2	4	Treat	Safeguarding audit completed prior to conversion	BoD (until STAN is established)
	Governance risk	The academy has poor governance arrangements	3	3	Treat	Governance audit completed prior to conversion	GC
	Academy performance risk	The academy is performing badly	4	3	Treat	Academy performance assess prior to conversion	BoD (until STAN is established)
		The academy has poor members of teaching staff	3	3	Treat	Teaching is assessed prior to conversion	
	Health and safety risk	The academy lacks H&S policies or has bad practice	3	4	Treat	H&S audit is completed prior to conversion	BM
Pension risk	The academy has built up a large pension deficit	4	3	Treat	Assessment of pension deficit is carried out upon conversion	BM	
2. Lack of	Lack of capacity to support academy	There is too much demand for PDET's academy improvement officers	4	3	Treat	Assess workload, investigate increasing capacity where appropriate and affordable	BoD (until STAN is established)

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action	
capacity	improvement							
	Lack of capacity to support academy support services	Lack of capacity to deliver:				Treat	Commission services from large, reputable sector specialists with good references and extensive experience Ability to support academies with PDET core team where possible Shared experience and knowledge around academies Other options for provision where possible	BM
		Payroll service	2	5				
		HR service	3	4				
		Accountancy service	3	3				
		External audit service	2	3				
		Internal audit service	4	3				
		Banking	2	4				
		Legal support	4	3				
		Health & Safety support	3	3				
		Education Visits support	3	2				
		Procurement support	4	3				
Business Continuity	3	3						
3. Inadequate conversion compliance	Agreements not written correctly or to DfE timeline	Risk of challenge at a later date	2	4	Treat	Commission legal support for academy conversions from large, reputable sector specialists with good references and extensive experience	BM	
		Risk of delays in academy conversion	3	3				
	Inadequate conversion consultation	Risk of challenge at a later date	3	3	Treat	Implement agreed consultation plan VC schools in partnership with the relevant Local Authority	BM	
		Risk of delays in academy conversion	3	3				
	Conversion costs are in	Risk of overspending the conversion grant	3	4	Treat	Maintain appropriate levels of reserves	BM	

Category	Sub-Category	Specific	Likelihood Occurring (1=Low 5 = High)	Impact Occurs (1=Low 5 = High)	Response	Control Procedure	Committee responsible for action
	excess of the conversion grant					<p>Monitor conversion expenditure</p> <p>Competitive Tendering Policy when procuring providers of due diligence services</p> <p>Services carried out in house where possible</p>	