

<b>Committee(s)</b>	<b>Dated:</b>
Audit and Risk Management Committee	7 <sup>th</sup> Feb. 2017
<b>Subject:</b> City of London School: Deep Dive Risk Review	<b>Public</b>
<b>Report of:</b> Sarah Fletcher, Head, CLS	<b>For Information</b>
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### Summary

Following the informal risk challenge attended by the Head in November 2015, the committee requested an update of the risk management arrangement at CLS.

The City of London School's location in the heart of the city exposes it to a number of risks unique to its location. In addition to a full and busy co-curricular schedule, the school continues to maintain a high level of academic achievement. The School is regulated by the ISI and is compliant with all of their requirements.

The school's Senior Management Team ('SMT') periodically reviews and considers the various risks facing the school. As part of this process the school has updated the COL risk register, following discussion with the SMT in January 2017, with Board of Governor approval at their board meeting on 26<sup>th</sup> January 2017.

This risk report aims to outline the key risks that the school continues to face and address, alongside the processes and work undertaken to mitigate these. Over the last year, since the last report, the school has continued to undertake considerable work and invest in areas previously noted as deficient from a risk perspective. This is detailed in the attached risk report, and outlined below.

### Recommendation

Members are asked to note the report.

## Main Report

Following the informal risk challenge attended by the Head in November 2015, the committee requested an update of the risk management arrangement at CLS.

### Risk Management at CLS

#### a. Background

Risks within the register have been grouped into specific areas including – Safety of Pupils and Staff (SPS) – Governance (GOV) – Resources and Facilities (RF) – Educational Ability (EA) – Financial Strength (FS).

The School has identified the following risks in 2017, which are shown against last year's risks below –

Risk	January 2016 assessment	January 2017 assessment
Red	1	0
Amber	9	4
Green	4	8
Deactivated	NK	2

Generally CLS's risk profile has improved over the last 12 months as the management team has undertaken a series of improvements to the school's fabrics, systems and procedures to address risks.

#### b. Increased Risks

No risks have increased during the year. There have been no new risks identified.

#### c. Decreased or unchanged risks

Specific actions have been taken to address the following risks highlighted a year ago:-

- **Academic:** including risks focussing on maintenance of academic standards and the possibility of a decline in this area due to a fall in teaching standards or pupil quality, and strikes/system failures affecting academic performance. These risks contained in CLS EA 001 and CLS EA 003 are deemed to have decreased as the school has improved its performance over the last 12 months despite various industrial actions and strikes by transportation providers. Similarly teaching standards and pupil numbers have been maintained at high levels.

- **Financial and premises:** The School's Asset Register, which was incomplete, was updated during summer 2016. To ensure adequate financial resources were available to maintain and improve teaching and learning facilities in the school, school fees were increased by 5% in September 2016, which is forecast to ensure financial reserves are rebuilt. To further strengthen financial management, a rolling 5 year financial forecast was installed during 2016 and is used as a budgeting and planning tool by the school, reinforcing the previous measures used by CLS/COL. School fee decisions have been brought forward in the academic year, aided by the creation of a Governors Finance Sub-committee, reporting into the Board of Governors. During 2016-17 financial governance has been reinforced with more regular budgeting updates to the SMT, a premises sub-committee created within the school to broaden the decision making process for repairs, maintenance and new build projects in the school, and recognition that capital reserves need to be built for strategic projects. This has led to reductions in Risk item CLS RF 001 associated with maintenance of the building infrastructure.
- **Lettings** have been reviewed and a new lettings manager put in place. This covers a number of risk areas including Safeguarding and Security. A new policy of focussing on corporate rather than individual lets has been put in place to de-risk lets, and a financial model adopted based on 'cost-plus-margin' for most lettings. Safeguarding and maintaining high quality education for pupils has been given priority with any letting decision.
- **Safeguarding.** The Single Central register ('SCR') has been completely overhauled as part of the priority given to safeguarding. The SCR has been a focus of work during 2016 and the success of this turnaround was highlighted by an inspection commissioned by the Town Clerk, and undertaken by independent reviewers from various inspecting bodies (such as the ISI). The review occurred in autumn 2016 when the inspectors complemented the school and key personnel involved in the quality of the SCR. Safeguarding remains a focus for the school, with continued work on policies and procedures to bring them into line with needs. This has led to a decrease in the CLS SPS 002 Risk.
- **Recruitment and retention** of more senior support staff in the highly competitive London market remains an issue. However after considerable effort by the school most key roles have been filled over the last year. Challenges remain but overall the risk associated has declined as posts have been filled successfully; Risk item CLS RF 004.
- **Security** was a concern in the past with an antiquated system of padlocks and key codes for such a high profile site in the City. Security was the 1 red risk which has now been downgraded. However considerable work on replacing old systems, improving security, installing CCTV, installing access control, and better fencing around the site has greatly improved security. Training has become a focus during 2016 with critical incident planning training by the City Police, and fire safety awareness. Overall the Police have complemented the school on the significant progress made in this area.

- **Governance** was highlighted as a weak spot in the past with the Board of Governors only meeting 4 times a year and without the support of system of sub committees for areas such as finance and audit and risk management. This has been changed with the installation of sub-committees in finance/premises, academics and governance, leading to a decrease in the CLS GOV 002 Risk associated with Governance committees.
- **Risk governance** – risk reporting and governance within the school has also improved, with the creation of a Health and Safety Committee within the school, and regular reporting to the Board of Governors on risk matters including Health & safety, financial forecasting, and safeguarding. Quarterly risk reporting to the SMT has been instigated and will be embedded during 2017, with regular reporting to the Board of Governors.

#### **d. Conclusion**

Following investment and focus by the management team over the last year the risk position of the school has improved. Further work on security and safeguarding, alongside other specific risk mitigants are planned for the next 12 months to address outstanding issues. As a whole the risk register shows improvements in the risk register, with no 'red' risks remaining, and a number of 'amber' risks moving into the 'green' area.

Appendix 1 – Risk Register

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