

Application of the AMSD Risk Management Framework

Academies of concern

Version 7.3 – March 2020

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Part 2 of [Risk Management Knowledge](#)

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Note: hyperlinks can only open when viewed as a slideshow

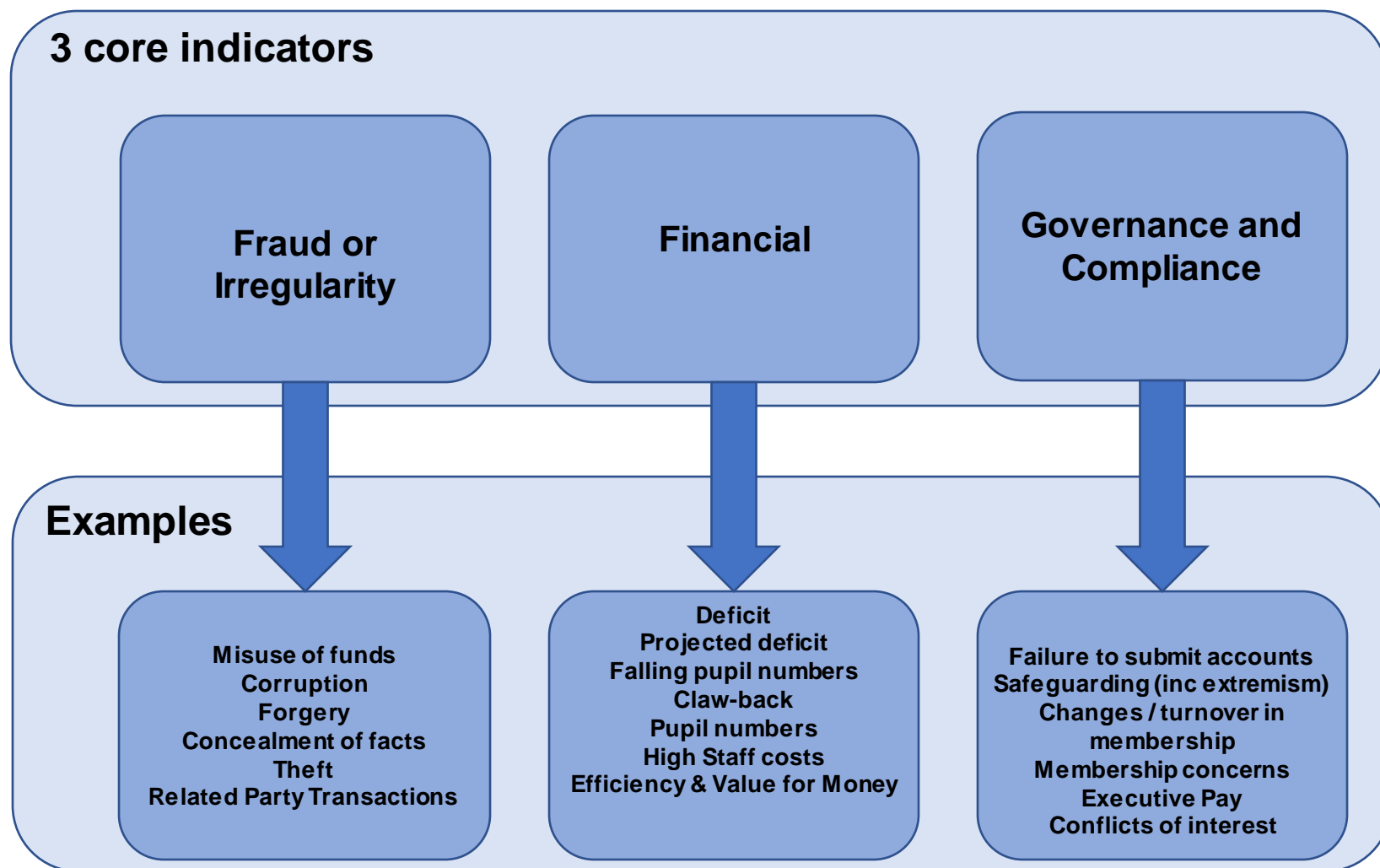
Introduction

- The ESFA is responsible for monitoring the compliance of open academy trusts with their funding agreement.
- This guide explains how we should consistently and fairly apply the risk management framework to identify and manage academy trusts of concern.
- **Please note** – it is not intended to be prescriptive or inflexible. You may find that it does not cover aspects of cases that arise. Judgement should be exercised when assessing cases of concern.
- **However, where a decision to deviate from the criteria has been made, you must clearly set out the rationale for this when recording the level of concern in DaRT.**
- **Case leads should bear in mind the findings of the NAO report into AMSD intervention in academy trusts which can be found [here](#).**

This framework is underpinned by core working principles

- Case leads are responsible for the **quality** and **accuracy** of cases in DaRT, ensuring all required fields are completed and reviewed / updated frequently.
- We take an **evidence based** approach using a blend of hard and soft information to identify concerns, and we can **articulate clearly** why something is a concern and how significant it is.
- We optimise available tools (**including the Trust Financial Forecasting model and RAT**), and data to be proactive, inquisitive and, where necessary, forensic in identifying cases of concern.
- By following [operational policy guidance](#), we can explain the course of action that needs to happen to remove a concern or bring it under control.
- Territory DDs remain accountable and will have the final decision to confirm the level of risk associated with each concern - the reasons for the decision must be recorded in DaRT, especially where a different approach is felt to be the most appropriate action. In this process we should fact check and verify assumptions made by the trust.
- The Issue of Concern can shift or multiply, as we investigate a case further and escalate our intervention; e.g. may start as a late accounts return due to failure by the Trust to accept their position, which then identifies poor governance. **When a concern shifts, there is no need to close and reopen a new case. Simply update the main issue.**
- **Please note in significant multi-faceted concern cases, where more than one red risk is identified, consideration should be given for an overall Red Plus rating. This escalation tends to occur where the Trust has a complete failure to grasp the severity of the situation and subsequently manage this.**

Each Issue of Concern clearly defined and has examples and thresholds for escalation



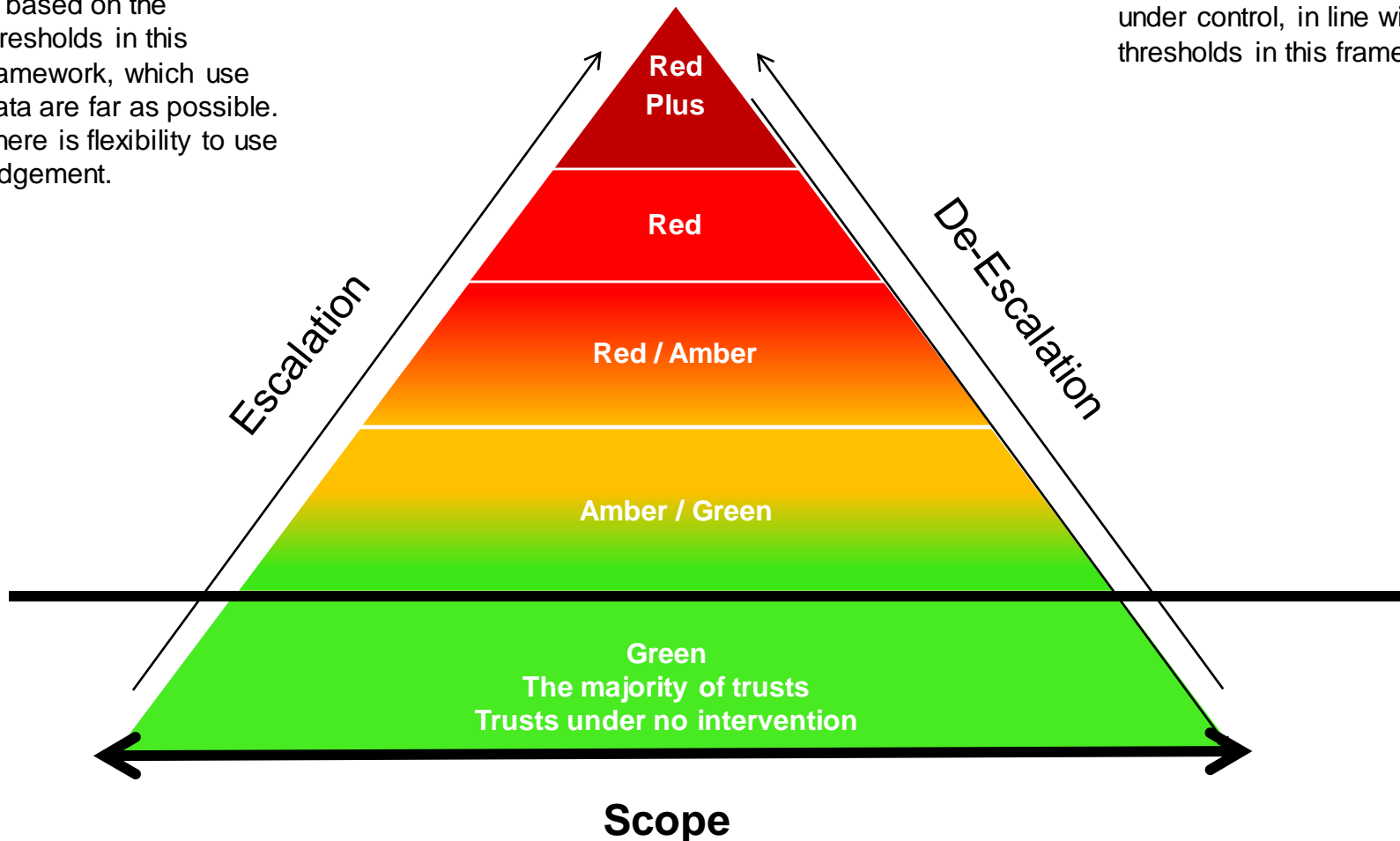
Please note – these examples are not an exhaustive list

The risk management framework - and movement of concern cases between the different levels. De-escalation is based on a plan being in place and evidence it is working.

Escalation is based on new risk factors emerging or risks being realised. It is based on the thresholds in this framework, which use data as far as possible. There is flexibility to use judgement.

The Academies of Concern Report details Red Plus and Red cases.

De-escalation is based on information showing the risk is diminishing, or agreed action is working effectively and risks are under control, in line with the thresholds in this framework.



Direction of travel

Case leads make a decision about the Direction of Travel, using this guidance to aid consistency. These decisions are taken through to the stage 1 risk meetings for discussion and ratification.

Cases with a risk rating up to Red/Amber can be agreed by G7s in month. Similarly, Red/Amber and Amber/Green cases can be de-escalated by G7s in month.

When a new case is created as either a Red Plus or Red concern, this should be agreed with G6s prior to the Stage 1 meeting, and then ratified at the Stage 1 meeting. Escalation of existing Amber/Red or below cases to Red or Red Plus should be agreed at Stage 1 meetings. Red and Red Plus cases cannot be de-escalated down to Amber/Red or below until agreed at Stage 1 meetings.

Direction of travel should be confirmed at Stage 1 meetings. As this is a monthly update, **the assessment should be a comparison to the status of the case at the previous Stage 1, not an overall assessment of the case to date.** There are 3 options to assign to the risk:

- **Improving** – there has been an improvement since the last Stage 1 meeting, although this doesn't necessarily equate to de-escalation or closure of the concern case.
- **Unchanged** – there has been no significant change in the status of this case. This does not mean that no activity has taken place, however, any activity has not resulted in significantly changed assessment of the circumstances of the trust.
- **Deteriorating** – there has been a deterioration in the case in the last month, although not necessarily sufficient to escalate the case.

Monitoring 'Unchanged' cases - AMSD Performance & Risk team will identify **cases that have had an 'unchanged' status for the past six consecutive months.** This list of trusts will be shared on a quarterly basis with Stage 1 meeting attendees ahead of their risk meeting.

In some circumstances there may be a legitimate reason - e.g. closure case which can be lengthy but we are satisfied that all is on track; but equally it may identify that a case is stalled and needs unblocking – sometimes outside of AMSD's control where another team leads. Each case needs to be investigated to ensure sufficient intervention in place.

Thresholds

This section of the guidance explains Risk ratings and factors for escalation and de-escalation by the type of concern.

Following these guidelines will help us make consistent, quality judgements on risk.

Thresholds – Financial

		Green / Amber; e.g. unchecked allegations; unsubstantiated risk		Amber / Red; Active intervention by Territories		Red / Red Plus; National Concerns
Risk Type	CLOSE		CHANGE		CHANGE	
Deficit (guidance link)	<p>Consider closure if there is a high degree of confidence following evidence provided by the trust.</p> <p>Consider using ‘closed for monitoring’ for example where awaiting financial returns to confirm recovery; or monitoring progress against a repayment plan.</p>	Confirmed cumulative deficit of less than 5% of year’s total income in most recent audited accounts with evidence that shows trust financial plan is on track for at least 3 months.	<p>De-escalate to Green / Amber if evidence shows that trust financial plan is on track for at least 3 months.</p> <p>Escalate to Amber / Red if there is no evidence of a plan being adhered to.</p>	Confirmed cumulative deficit of less than 5% of year’s total income in most recent audited accounts. An agreed trust financial plan may be in place but it has not been adhered to for 3 months.	<p>Consider de-escalating to Amber / Red if deficit is equal to or greater than 5% but agreed trust financial plan in place and evidence shows it has been adhered to for at least 3 months. Earlier de-escalation possible if there is <u>very high degree of confidence</u> in the trust and its agreed plan.</p> <p>Escalate to Red or Red Plus if there is evidence of plan not being adhered to, advance of funding is required and substantiated or cumulative deficit worsens over time to 5% of income or greater (e.g. in next audited accounts).</p>	<p>Red – Confirmed cumulative deficit 5% of year’s total income or greater in most recent audited accounts. An agreed trust financial plan may be in place but it has not been adhered to for 3 months.</p> <p>Consider escalating to Red Plus if there are multiple Red issues and decreasing confidence</p> <p>or</p> <p>if closure is being actively pursued.</p>

Thresholds – Financial

		Green / Amber; e.g. unchecked allegations; unsubstantiated risk		Amber / Red; Active intervention by Territories		Red / Red Plus; National Concerns
Risk Type	CLOSE		CHANGE		CHANGE	
Projected Deficit / Low Future Surplus (guidance link)	<p>‘Closed for monitoring’ should be used in the first instance where there is high confidence in the trust, but we’re still awaiting financial returns to confirm improving position.</p> <p>Consider closure once monitoring conditions have been met.</p>	<p>Concern of unsubstantiated projected cumulative deficit in the current year, the following AY, or beyond.</p> <p>Evidence through the Trust Financial Forecasting tool of a volatile future position or unstable forecast, i.e. less than 2% cumulative surplus, with deteriorating balances / recurring in-year deficits.</p>	<p>De-escalate to Green / Amber if evidence that a trust financial plan is on track for at least 3 months.</p> <p>Escalate to Amber / Red if Substantiated projected cumulative deficit at the end of the <u>current year</u> is less than 5% of that year’s income.</p> <p>or</p> <p>Substantiated projected cumulative deficit at the end of a <u>future year</u> is 5% or greater of that year’s income</p>	<p>Substantiated projected cumulative deficit at the end of the <u>current year</u> is less than 5% of that year’s income.</p> <p>Substantiated projected cumulative deficit at the end of a <u>future year</u> is 5% or greater of that year’s income.</p> <p>Ensure the trust acknowledges its financial management responsibilities and has exhausted all options to restoring a balanced budget before confirming the deficit position.</p>	<p>De-escalate to Amber / Red if the <u>current year</u> projected deficit becomes less than 5% of total income, or the trust financial plan has been adhered to for 3 months or longer. Earlier de-escalation possible if there is <u>very high degree of confidence</u> in the trust and its agreed plan.</p> <p>Escalate to Red if a current year projected cumulative deficit position is confirmed and if this will be equal to or greater than 5% of total income.</p> <p>Do not escalate above Amber / Red on the basis of future year deficit figures.</p>	<p>Red - Projected cumulative deficit for current AY is anticipated to be equal to or greater than 5% of that year’s income, with no agreed trust financial plan.</p> <p>All cases with an FNTI should initially be escalated to Red. However, where a robust trust financial plan is in place and there is clear evidence that the trust is operating effectively and has adhered to the trust financial plan for at least 3 months, consider de-escalating to Amber / Red.</p> <p>Consider escalating to Red Plus if there are multiple Red issues and decreasing confidence</p> <p>or</p> <p>if closure is being actively pursued.</p>

Thresholds – Financial

		Green / Amber; e.g. unchecked allegations; unsubstantiated risk		Amber / Red; Active intervention by Territories		Red / Red Plus; National Concerns
Risk Type	CLOSE		CHANGE		CHANGE	
Cash flow Shortfall (guidance link)	<p>‘Consider closure’ if advance is no longer required,</p> <p>or</p> <p>if there is a high degree of confidence that the repayment plan will be adhered to/cashflow is being managed effectively.</p> <p>Closed for monitoring should not be used for this case type.</p>	<p>Monitor at Green / Amber until assurances provide enough confidence the trust is managing its cashflow. For example updated cashflow forecasts an/or monthly management accounts.</p>	<p>De-escalate to Green / Amber or closed if funding request is unsubstantiated and advance is no longer required</p> <p>or</p> <p>there is a high degree of confidence the repayment plan will be adhered to.</p>	<p>If the trust has made a funding request, monitor the trust at Amber / Red, while gathering evidence to take the request into context of the financial position.</p>	<p>Consider de-escalating to Amber / Red if agreed trust financial plan in place (repayments maybe deferred but evidence of other milestones on track) Earlier de-escalation possible if there is <u>very high degree of confidence</u> in the trust and its agreed plan.</p> <p>Escalate to Red if advance of funding is required and concern substantiated</p> <p>or</p> <p>where any case defaults payment without pre-approval. If a case closes but the trust subsequently defaults on payment, a new red case should be created.</p>	<p>Red - Concern substantiated and advance of funding is required.</p> <p>Consider escalating to Red Plus if there are multiple Red issues and decreasing confidence</p> <p>or</p> <p>if closure is being actively pursued</p> <p>or</p> <p>where any red case has multiple defaults of payment without pre-approval.</p>

Thresholds – Financial

		Green / Amber; e.g. unchecked allegations; unsubstantiated risk		Amber / Red; Active intervention by Territories		Red / Red Plus; National Concerns
Risk Type	CLOSE		CHANGE		CHANGE	
Clawback (guidance link)	<p>‘Closed for monitoring’ should be used in the first instance where we are awaiting completion of agreed repayment plan.</p> <p>Consider closure once clawback is complete and there is no further ESFA action.</p>	PNA is confirmed at below 10% of GAG income with no agreed repayment plan in place.	Consider ‘close for monitoring’ once repayment plan in place or obtained agreement to defer repayment.	PNA is confirmed at between 10-30% of GAG income with no agreed repayment plan in place.	Consider ‘close for monitoring’ once repayment plan in place or obtained agreement to defer repayment.	<p>Red – PNA confirmed at over 30% of GAG income with no agreed repayment plan in place.</p> <p>Where ESFA assessment concludes clawback is unaffordable amend the main concern to ‘Projected Deficit’ or ‘Deficit’ intervention and use the appropriate slides for guidance.</p> <p>Consider escalating to Red Plus if there are multiple Red issues and decreasing confidence</p> <p>or</p> <p>if closure is being actively pursued.</p>

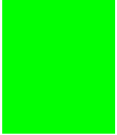





Thresholds – Financial

		Green / Amber; e.g. unchecked allegations; unsubstantiated risk		Amber / Red; Active intervention by Territories		Red / Red Plus; National Concerns
Risk Type	CLOSE		CHANGE		CHANGE	
School Resource Management Advisors (guidance link)	<p>Consider closure once SRMA report is reviewed and no concerns identified/ remain.</p> <p>Consider using 'closed for monitoring' when a proactive SRMA has been deployed, the report has been reviewed and recommendations worthy of monitoring are identified.</p> <p>Do not use monitoring, if serious concerns are raised. Instead follow guidance from the change column.</p>	SRMA proactively deployed at request of a trust (and there are no risk triggers evident) OR SRMA deployed at request of ministers, HTB, Capital, etc.	If SRMA deployment identifies serious financial or governance concerns, this SRMA proactive engagement case should be closed and a new concerns case opened against the appropriate DaRT concern type.	<p>***These RAGs are not applicable. Any risks identified from SRMA deployment should be recorded via a new concerns case and against the appropriate concern type***</p>		

Thresholds – Governance and Compliance- Compliance

		Green / Amber; e.g. unchecked allegations; unsubstantiated risk			Amber / Red; Active intervention by Territories			Red / Red Plus; National Concerns	
Risk Type	CLOSE			CHANGE			CHANGE		
Financial Returns Compliance	<p>Close once returns received and no issues remain.</p> <p>‘Closed for monitoring’ should not be used for this case type.</p>	<p>One return from the list submitted late for the academic year (Sept – Aug) – Late return case escalated to AMSD from ARFD – following trust’s failure to engage with standard chasing process and submit return with a reasonable time.</p>		<p>De-escalate to Green / Amber once adequate assurances with clear timeframes received.</p> <p>De-escalate to closed once returns received with no remaining issues.</p> <p>Escalate to Amber/Red – if a trust fails to respond with adequate assurances within communicated deadlines resulting in continued risk of non-return.</p> <p>If there is evidence of wider governance concerns, consider escalation under the governance section of the framework.</p>	<p>One return submitted late and the opportunity to provide assurances has been missed by the trust.</p>		<p>Consider escalating to Red if a second return is submitted late within the academic year (Sept – Aug).</p> <p>De-escalate to Green / Amber once adequate assurances with clear timeframes received.</p> <p>De-escalate to closed once returns received with no remaining issues.</p>	<p>Red – Two or more returns are submitted late within the academic year (Sept – Aug).</p> <p>If the first is already resolved, still record as Red and follow de-escalation route in line with the second late return.</p> <p>Consider escalating to Red Plus if multiple late returns and continued failure to submit on time over consecutive years.</p>	

Thresholds – Governance and Compliance - Compliance

		Green / Amber; e.g. unchecked allegations; unsubstantiated risk		Amber / Red; Active intervention by Territories		Red / Red Plus; National Concerns
Risk Type	CLOSE	 	CHANGE	 	CHANGE	 
Financial Reporting Compliance (guidance link)	<p>Consider closure if no further intervention required.</p> <p>‘Closed for monitoring’ should not be used for this case type.</p>	<p>Financial statements (including Audit opinion and/or Auditor’s/AO regularity report) indicate between 1 and 3 high-risk Management Letter concerns that the trust are yet to address.</p>	<p>De-escalate to Green / Amber if fewer than 4 high-risk Management Letter concerns remain and close once all are addressed with no further ESFA intervention required.</p> <p>Escalate to Amber / Red if there is evidence of action plan not being adhered to.</p>	<p>There are 4 or more high-risk Management Letter concerns, that the trust are yet to address, indicating general weakness in the system of internal controls.</p>	<p>De-escalate to Amber / Red if action plan is in place and adhered for at least 3 months. Earlier de-escalation possible if there is <u>very high degree of confidence</u> in the trust and its agreed plan.</p> <p>Consider escalating to Red if continued evidence that action plan is not being adhered to</p>	<p>Red - Accounts have an “adverse opinion” or “disclaimer of opinion” recorded by the independent auditor indicating that there are critical concerns</p> <p>or</p> <p>Continued non-compliance over consecutive accounting periods (e.g. failing to address previous years’ recommendations) and/or the trust is not sufficiently engaging with the ESFA.</p> <p>or</p> <p>There are 8 or more high-risk Management Letter concerns, that the trust are yet to address, indicating significant weakness in the system of internal controls.</p> <p>Consider escalating to Red Plus if there are multiple Red issues and decreasing confidence</p> <p>or</p> <p>if closure is being actively pursued.</p>

Thresholds - Governance and Compliance - Governance

		Green / Amber; e.g. unchecked allegations; unsubstantiated risk		Amber / Red; Active intervention by Territories		Red / Red Plus; National Concerns
Risk Type	CLOSE		CHANGE		CHANGE	
Executive Pay (guidance tbc)	<p>Close once assurances have been provided.</p> <p>‘Closed for monitoring’ should not be used for this case type.</p>	<p>Evidence of one salary greater than £150k or two salaries greater than £100k.</p>	<p>Consider closure once assurances provided.</p> <p>Escalate to Amber / Red if there is a lack of engagement from the trust.</p>	<p>Failure to comply with requests for information or insufficient assurance provided on executive pay governance.</p>	<p>De-escalate to Amber / Red if action plan is in place and adhered to for at least 3 months. Earlier de-escalation possible if there is <u>very high degree of confidence</u> in the trust and its agreed plan.</p> <p>Escalate to Red if there is evidence of plan not being adhered to.</p>	<p>Red – Evidence indicates breaches of AFH (relating to governance on executive pay) that require intervention, with no plan in place.</p> <p>Consider escalating to Red Plus if there are multiple Red issues and decreasing confidence</p> <p>or</p> <p>if closure is being actively pursued.</p>

Thresholds - Governance and Compliance - Governance

		Green / Amber; e.g. unchecked allegations; unsubstantiated risk		Amber / Red; Active intervention by Territories		Red / Red Plus; National Concerns
	CLOSE		CHANGE		CHANGE	
Governance (guidance link)	<p>Consider closure if no further ESFA intervention is required.</p> <p>Consider using 'closed for monitoring' where remaining low-level concerns have a robust plan or we are awaiting outcome of other agencies processes (e.g. TRA, s128).</p>	<p>General governance concern – e.g. unsubstantiated allegation via a complaint or whistleblower or internally raised issues for substantiation</p> <p>or</p> <p>failure to publish required information on Academy / Trust websites, multiple low-level governance concerns are highlighted, regular changes to membership or failure by trust to provide chair contact information after initial request.</p>	<p>Consider de-escalating to Green / Amber or 'close for monitoring' if an adequate response provided by the trust and/or sufficient progress is being made.</p> <p>Escalate to Amber / Red if there is a lack of adequate response from trust and/or insufficient progress being made</p> <p>or</p> <p>a general concern is substantiated.</p>	<p>Substantiated general governance concern requiring ESFA investigation and/or intervention</p> <p>or</p> <p>the trust fails to provide an adequate response or insufficient progress being made with Green / Amber concern(s).</p>	<p>De-escalate to Amber / Red if an adequate response provided by the trust with a plan now in place.</p> <p>Escalate to Red or Red Plus if further / repeated lack of compliance with requirements, failures to provide requested information or where response is of insufficient detail or quality</p> <p>or</p> <p>there is evidence of a serious breach.</p>	<p>Red – Substantiated serious governance concern(s) being investigated by ESFA and/or requires intervention with no plan in place, or potential for reputational damage. E.g. Breaches of FA, AFH, lack of internal control, or if in breach of Articles.</p> <p>Consider escalating to Red Plus if there are multiple Red issues and decreasing confidence</p> <p>or</p> <p>if closure is being actively pursued.</p>

Thresholds - Governance and Compliance – Governance

		Green / Amber; e.g. unchecked allegations; unsubstantiated risk		Amber / Red; Active intervention by Territories		Red / Red Plus; National Concerns		
	CLOSE			CHANGE		CHANGE		
Closure (guidance link)	<p>Close once no further ESFA intervention is required.</p> <p>Consider using ‘closed for monitoring’ where awaiting final accounts, or where referrals to other agencies have been made and awaiting outcome (e.g. s128, Insolvency service etc).</p>			<p>‘Close or close for monitoring’ if school level closure plan is in place which mitigates financial risk, or no administrative actions remain,</p> <p>or</p> <p>if trust level closure requires no further ESFA intervention.</p>	<p>School level closure planned with remaining administrative actions .</p> <p>Trust level closure with administrative actions remaining but all decisions have been made and no financial issues to remain.</p>	<p>De-escalate to Amber / Red once a robust trust closure plan is certain, all pupils catered for, and only residual administrative issues.</p> <p>Escalate to Red or Red Plus for trust closure cases only if no plans in place or key decisions/issues remain.</p>	<p>Red – Robust trust closure plan in place but financial issues remain or decisions about the relocation of pupils are still being made.</p> <p>Red Plus – Trust closure proposed but robust plans not yet in place, if the closure proposal is being contested, or if there is the potential for reputational damage to ESFA or the Trust.</p>	

Thresholds - Governance and Compliance - Governance

		Green / Amber; e.g. unchecked allegations; unsubstantiated risk		Amber / Red; Active intervention by Territories		Red / Red Plus; National Concerns
	CLOSE		CHANGE		CHANGE	
Safeguarding (guidance link)	<p>Consider closure once sufficient assurances are received and/or local authority / LADO / Ofsted are satisfied. No further ESFA intervention is required.</p> <p>Consider using 'closed for monitoring' if no concerns remain but awaiting outcome of other agencies investigations (e.g. police & LA).</p>	<p>Safeguarding issues raised - a complaint that needs further action, where the trust has failed to provide suitable assurances demonstrating compliance with statutory guidance to ESFA and/or local authority, safeguarding Board / LADO.</p> <p>Create a concerns case if multiple distinct safeguarding issues* in a trust: for SAT, 3 or more safeguarding cases in 6 months; for MAT, 3 or more safeguarding cases* in 6 months at one academy, or 5+ issues across the trust in 6 months suggesting systemic poor management and controls</p> <p>*Numbers of DaRT cases to be used as a trigger for consideration, not as a justification for escalation. Multiple cases can reflect referral of one issue from different sources (e.g. parent, Ofsted, media).</p>	<p>Consider closure or 'closed for monitoring' if sufficient progress is made towards the action plan and local authority, Safeguarding Board / LADO / Ofsted are satisfied.</p> <p>Consider escalation if trust continues to fail to provide sufficient assurances of compliance or action to achieve full compliance in line with agreed deadlines.</p>	<p>Safeguarding concern indicates moderate issues with the leadership and management of the academy or trust, which needs further action, where the trust has repeatedly failed to provide suitable assurances to ESFA / local authority / LADO. (e.g. failure to follow due process.</p>	<p>De-escalate to Amber / Red if action plan is in place and evidence shows that it is being adhered to for at least 3 months and local authority, Safeguarding Board / LADO / Ofsted satisfied.</p> <p>Consider escalation to Red if sufficient assurances from the academy and/or trust have not been received within an agreed timeframe and serious safeguarding issues remain. This indicates wider concerns with the Trust's handling of safeguarding issues, and systemic poor management and controls. This includes if the local authority, safeguarding partners / LADO / Ofsted is not satisfied with trust's engagement and progress made on action plans.</p>	<p>Red - Serious safeguarding concern that indicates serious systemic issue and concerns with the leadership and management of the academy in terms of failure to take action and work with local authority/Ofsted as required by statutory guidance.</p> <p>Consider escalating to Red Plus if multiple Red issues or multiple safeguarding concerns where the trust has failed to take action, repeatedly failed to provide sufficient assurances and continues to fail to engage with Local authority/Ofsted and remains in substantial breach of statutory guidance. (e.g. failure to have processes in place).</p>

Thresholds - Irregularity

		Green / Amber; e.g. unchecked allegations; unsubstantiated risk		Amber / Red; Active intervention by Territories		Red / Red Plus; National Concerns
	CLOSE		CHANGE		CHANGE	
Related Party Transactions – in-year transactions	<p>Consider closure when assurances are received and no further ESFA intervention required.</p> <p>‘Closed for monitoring’ should not be used for this case type.</p>	Evidence of non-compliant RPT.	<p>De-escalate to Green / Amber if completed action is in place but further monitoring is required.</p> <p>Consider escalating to Amber/Red if the level of non-compliance is significant, there are further instances of non-compliance or requested assurance is not satisfactory.</p>	Multiple instances of non-compliant RPTs or a significant compliance issue is identified which requires intervention action.	<p>De-escalate to Amber / Red if action plan is in place and adhered for at least 3 months. Earlier de-escalation possible if there is <u>very high degree of confidence</u> in the trust and its agreed plan.</p> <p>Consider escalating to Red if there is continued insufficient written assurance that the trust is taking action to address concerns</p> <p>or</p> <p>further issues are identified.</p>	<p>Red - Continued non-compliance over consecutive accounting periods (e.g. failing to address previous years’ recommendations) and/or a significant breach in compliance and/or the trust is not sufficiently engaging with the ESFA.</p> <p>Consider escalating to Red Plus if there are multiple Red issues and decreasing confidence</p> <p>or</p> <p>if closure is being actively pursued.</p>

Thresholds - Irregularity

		Green / Amber; e.g. unchecked allegations; unsubstantiated risk		Amber / Red; Active intervention by Territories		Red / Red Plus; National Concerns
	CLOSE		CHANGE		CHANGE	
Allegations & Self-reported concerns (F&I guidance link) (WB guidance link)	<p>Close if ESFA investigation identifies unsubstantiated outcome,</p> <p>or</p> <p>concerns substantiated but adequate assurances received and action plan is adhered to.</p> <p>‘Closed for monitoring’ should not be used for this case type.</p>	<p>Unsubstantiated allegation or general concerns about irregularity requiring investigation.</p> <p>Self-reported Fraud and Irregularity to be monitored at Amber / Green while trust actions are assessed. This includes self-reporting of theft within the trust.</p>	<p>De-escalate to Green/ Amber if an action plan is in place and being adhered to by pre-agreed deadlines.</p> <p>Escalate to Amber/Red or Red once concerns are substantiated. Will investigation lead to report publication?</p>	<p>Substantiated allegation and concerted action that doesn't lead to a published investigation report but would warrant a territorial concern, whilst that action was underway.</p>	<p>Consider de-escalating to Amber / Red if action plan in response to published or unpublished report is in place and evidence being adhered to for at least 3 months. Earlier de-escalation possible if there is <u>very high degree of confidence</u> in the trust and its agreed plan.</p> <p>Consider escalation to Red if any evidence of fraud or irregularity led to publication of a report or potential reputational damage</p> <p>or</p> <p>if multiple substantiated allegations over a period of time (6-12 months).</p>	<p>Red - Substantiated investigation leading to publication of a report or if potential reputational damage to ESFA or the Trust.</p> <p>Consider escalating to Red Plus if there are multiple Red issues and decreasing confidence</p> <p>or</p> <p>if closure is being actively pursued.</p>

Thresholds - Disaster Recovery

		Green / Amber; e.g. unchecked allegations; unsubstantiated risk		Amber / Red; Active intervention by Territories		Red / Red Plus; National Concerns
	CLOSE		CHANGE		CHANGE	
Force Majeure e.g. 'acts of God' (such as fire, explosions, floods) hostilities, contamination (toxic/nuclear), mass illness/pandemic, riot, strikes or disorder.	<p>Consider closure when all actions are completed and trust has stabilised.</p> <p>'Closed for monitoring' should not be used for this case type.</p>	<p>Minor/ short-term disruption which is managed directly by the school.</p> <p>Reported force majeure event which is still in the fact-finding/ monitoring stage. Monitor and keep in touch until issue is resolved.</p>	<p>De-escalate once main issues are resolved and monitoring of remaining concerns is required.</p> <p>Consider escalating if there is evidence that viability is an issue or more long terms effects are a concern.</p>	<p>Medium/long term disruption which requires short term/emergency ESFA support e.g. staff and student displacement, emergency revenue support, staffing issues, counselling and mentoring support.</p> <p>Cases at this level may require cross-department and cross-government support.</p>	<p>De-escalate once agreed support plans are being adhered to.</p> <p>Escalate if closure is a serious possibility.</p>	<p>Red - Closure is a serious possibility or temporary closure as a result of disruption.</p> <p>Consider escalating to Red Plus if there are multiple Red issues and decreasing confidence.</p>