

Risk Ref	Risk Description	Consequences / Impact	Risk Owner	Original Risk Score Impact	Original Risk Score Likelihood	Original Risk Score	Risk Action Tolerate / Transfer / Terminate	List of Current Controls / Actions Embedded and operating soundly	Risk Indicators to be used to monitor the risk	Current Risk Score (as at 31/12/17) Impact	Current Risk Score (as at 31/12/17) Likelihood	Current Risk Score	Risk Action Tolerate / Transfer / Terminate	Further Action / Additional Controls	Action Owner	Action Target Date	Q2 Comments / Updates
25	Increased competition	1. Possible implications on business volume, reputation, new business and on trading results in the Catalogue business 2. Through collaboration with CCS and YPO; CCS is dominating the management of such contracts (MFDs) including the management of the rebates; ensuring security of the income stream is becoming a major threat to ESPO's business model. 3. Amazon: moving deliberately into the public sector space, and focussing on education as a key are, Amazon have expressed interest widely within the market place at becoming more than an ad hoc supplier to schools of all levels, expressing their intention to partner with, or secure suppliers who have tailored offering for the sector.	Director	5	4	10	Treat	1. Working with suppliers and customers to improve the 'offering', facilitating this relationship through capturing and using business intelligence and managing this 'knowledge'. 2. Continue seeking efficiencies through International sourcing 3. Amazon: Continue to market our 'not for private profit' credentials and continue to craft our ranges to offer the very best solution to all tiers of education from our stock and directs position. To explore collaboration with our PBO neighbours to ensure opportunities are not missed in securing market share dominance on key lines such as paper, glue sticks and exercise books.	1. Changes to key customers' buying (as highlighted at Weekly Trading) 2. Fluctuations in rebate income (as highlighted at Weekly Trading) 3. Stalling of e-commerce uptake trends (as highlighted in IT update) 4. Amazon: Reduction in traditional stationery and direct electrical item sales at category level.	5	2	10	Treat	1. Review loyalty scheme - increased requirement on income streams 2. Robust sales and marketing strategy to be developed to reflect the heightened competition in this sector and to support the revised MTFS in 2017 3. Review of Customer Offer 4. MATs package	Director	Sep-18	13/06/2018 Amazon added to Consequences/Impact, Controls / Actions- and Risk Indicators.
58	Risk of loss of major supplier on MSTAR framework resulting in disruption and/or loss of supply for customers and loss on Income for ESPO	1. Financial loss in terms of rebate outstanding from suppliers to ESPO. Also ESPO time in advising customers and helping them to migrate to new suppliers. 2. Reputational risk from stakeholders resulting from ESPO 'not having taken mitigating action' to minimise risk and impact. 3. Legal Risk in that stakeholders suffering financial loss may seek to hold ESPO liable in terms of negligence for 'not having taken mitigating action' to minimise risk and impact. 4. Operational Risk of customers not having a provider of services - PR risk to ESPO. 5. Business objectives risk of a reduction in choice for customers on the framework. 6. Business objectives risk for ESPO as there may be a reduction in customer confidence in other ESPO frameworks.	AD Commercial	4	4	16	Treat	1. Daily financial stability assessments on top 4 MSTAR suppliers (Comensura, Adecco, Matrix and Reed) using Creditsafe 'Bespoke Monitoring' report (& weekly on remaining 7). 2. Use of Creditsafe 'Risk Tracker' to flag any changes in suppliers' Creditsafe records, including publicity in the media for further investigation. Full Creditsafe reports run for suppliers (and parents where necessary) on a regular basis for review by ESPO Finance since May 2016. Training for Mstar contract managers provided (in confidence) by Creditsafe. Scope - signs to watch out for, what these might mean, possible actions to take, possible questions to ask, possible control measures. 3. Regular meetings with suppliers in the industry. 4. Meeting held with LCC legal on 19 May 16 for analysis of the legal risks facing ESPO and members, in terms of possible liabilities for managing the framework and migrating customers. Advice provided and fed into the migration flowchart in terms of risk. 5. Review of the above actions takes place at 1-2-1 meetings with Mstar contract managers.	1. Deterioration of financial stability metrics 2. Supply chain payment failures identified directly from sub-contractors or customers 3. Late provision of MI and/or late and/or understated rebate payment 4. Aggressive supplier behaviour and/or poor contract performance 5. Adverse publicity in the media or 'noise' in the industry for further investigation.	4	3	12	Treat	1. Increased frequency of rebate collection (subject to contractual constraints). 2. Audit of supplier framework business levels. 3. Audit of suppliers' supply chain payment practices. 4. Develop an emergency change management plan to migrate customers over to other suppliers in the event of failure of their existing supplier or supply chain. 5. Develop a 'balanced scorecard' of supplier 'framework management' performance in terms of provision of MI, payment of rebate and payment of agencies. A declining score may provide a lever for the parties 'to agree' to collect rebate more regularly. Exposure per supplier approx £15-£20k/qtr. 6. Recruitment of CRM post to enhance customer management and free resource to increase SRM activities.	Head of Procurement & Commercial	1. Not enforceable contractually - see also 5: max. exposure/supplier = £20k/qtr - not proportionate? 3. Summer 2017 5. end of Sept 2016 6. June 2017	15/12/17 Supply chain audit completed, follow up actions in progress. Further Action/Additional Controls: 6. CRM recruited and in post. 12/06/2018 Work in progress on 2 high risk await recommendations: - payment terms - analysis of 'top' agencies chains 3. Commitment from the suppliers to work with us to improve payment performance. Included in quarterly reviews. 4. Emergency change management plan to be developed from analysis of top 5 agencies supply chain data & risks vary according to whether MSP/agency.
58.1	Risk of loss of major supplier on MSTAR framework resulting in disruption and/or loss of supply for customers and loss on Income for ESPO (Continued)	...above continued... 7. Loss of confidence/less attractive MSTAR offer results in customers moving to competitor solutions.	AD Commercial	4	4	16	Treat			4	3	12	Treat		Head of Procurement & Commercial		

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