



UK Management College

Risk Management Policy and Framework

Version history

Date	Author	Summary of changes	Version	Authorised
July 2025	Academic Board	Update to policy	2	Academic Board, Sept 2025
October 2025	Head of Quality and Compliance	Minor amendments to structure (Board of Governors changed to Board of Directors); risk appetite definitions updated in alignment with the Institutional Risk Register; adaptations from Director of Academic Quality and Compliance notes Comprehensive consolidation incorporating the Risk Management Framework; aligned with OfS condition E7 (risk and audit documents — E7.2(c), E7.9(l), E7.9(m)) and condition E8 (internal control, accuracy of externally submitted data, fraud and public funds); governance, delegation, oversight and reporting clarified; risk taxonomy, accountability matrix, scoring, appetite and review cycle aligned with the Institutional Risk Register (E004); cross-references to the Anti-Bribery and Corruption Policy and the Whistleblowing Policy finalised	3	Academic Board, Dec 2025

Policy management and responsibilities

Field	Detail
Policy/Procedure Owner	Managed by the Executive Board and overseen by the Audit and Risk Committee. Approved by Academic Board and provided to the Board of Directors and the Audit and Risk Committee. Day-to-day implementation is delegated to relevant stakeholders across the Executive Board and to risk owners within departments.
Authorised By	Academic Board
Effective From	December 2025
Next Review	Dec 2028
Version	3
Internal/External	Internal
Linked Documents	UKMC Institutional Risk Register (E004); Annex D — Governance and Committee Structure and Terms of Reference Compendium (Audit and Risk Committee Terms of Reference); Whistleblowing Policy; Anti-Bribery and Corruption Policy; Conflicts of Interest Policy; Fraud and Public Funding Declaration; Business Continuity Plan
Dissemination	Audit and Risk Committee; Board of Directors and subsequent management layers
Accessibility	Alternative formats on request — Quality@ukmc.ac.uk



1. Policy statement

UK Management College (“the College”) will adopt, wherever possible, recommended best practice in the identification, evaluation and cost-effective control of risks, to ensure that they are eliminated or reduced to a level that is acceptable to the College. Effective risk management is a continuous and comprehensive process, embedded within the culture and activities of the College, that goes beyond the minimum requirements imposed by regulation or reporting.

2. Rationale and scope

The College has a duty to maintain appropriate arrangements for managing risk. This policy, the Risk Management Framework set out within it, and the Institutional Risk Register (E004) together describe how the College identifies, assesses, controls, monitors and reports risk, and how it oversees its audit arrangements.

For the purposes of OfS initial condition E7, the College’s “risk and audit functions” are the functions relating to: (i) identifying and managing risks; and (ii) overseeing internal and external auditing of the College and its financial reporting and disclosures. This policy and framework, read with the Institutional Risk Register (E004) and the Audit and Risk Committee Terms of Reference in Annex D, constitute the College’s “risk and audit documents” for condition E7.2(c), and also support the College’s arrangements under condition E8 (fraud and the inappropriate use of public funds). This policy is reviewed at least once per year and updated as necessary.

3. Strategy

To achieve effective risk management the College will: integrate risk management into its culture; manage risk in accordance with recommended best practice; establish regulatory compliance as a minimum standard; anticipate and respond to changing funding, social, environmental and legislative requirements; prevent injury and damage wherever possible; and continually raise awareness among all employees of the need to manage risk. This is delivered through the continuous development of risk strategies and risk action plans derived from the register, monitoring of registers and action plans, effective communication and awareness training, and the preparation of contingency and business-continuity plans where an occurrence could have a significant negative effect.

4. The College’s approach to risk management

Effective risk management requires a process which measures or assesses risk and develops strategies to manage it. It is continuous and embedded within the culture and activities of the College, and is approached in a structured way with a clear timetable that enhances existing processes such as strategic planning and self-assessment. The Executive Board, reporting to the Board of Directors, oversees risk management; the Audit and Risk Committee supports and oversees the management of the College’s risk profile; the College makes prudent recognition and disclosure of the financial and non-financial implications of risks; senior managers assure good practice within their areas; and key risk indicators are identified and monitored regularly.

5. Governance, delegation, oversight and reporting

This section sets out who holds responsibilities in relation to the College's risk and audit functions, the nature of those responsibilities and how they are discharged in practice, and — where responsibilities are delegated by the Board of Directors — the arrangements for Board oversight and reporting.

5.1 Responsibilities and how they are discharged in practice

Table 1 — Risk and audit roles and responsibilities

Body / role	Role	How it is discharged in practice
Board of Directors	Owns risk; sets culture and appetite	Sets the tone and culture of risk management; approves major decisions affecting the risk profile; monitors significant risks; satisfies itself that lesser risks are actively managed; annually reviews the approach to risk management and the effectiveness of internal control. Ultimately responsible for the system of internal control. Delegates operational oversight to the Audit and Risk Committee.
Audit and Risk Committee	Delegated oversight of risk and audit functions	Oversees the risk management framework and the risk register; commissions and oversees internal and external audit; reviews the integrity of financial reporting and externally submitted data; advises the Board on the effectiveness of internal control; reports to the Board after each meeting and provides an annual assurance report. Full Terms of Reference are in Annex D.
Executive Board	Day-to-day accountability for risk management	Comprises the Chief Executive Officer, the Provost (Senior Deputy CEO), the Deputy Provost and the Dean; the Chief Operating Officer attends in the CEO's absence or where additional senior input is required. Implements this policy; identifies and evaluates significant risks; maintains the risk register; provides timely information to the Board and the Audit and Risk Committee; and undertakes the annual review of internal control effectiveness.
Risk owners (senior managers)	Own and manage risks in their areas	Manage assigned risks per the Accountability Matrix (Appendix A); implement and evidence controls and mitigations; monitor key risk indicators; and escalate emerging risks.
Internal audit	Independent assurance over controls	Reviews and tests the systems of control over the risk management process; reports findings to management and the Audit and Risk Committee; and provides an annual opinion on the adequacy and effectiveness of internal control.
External audit	Independent audit of financial statements	Provides an independent opinion on the financial statements and the proper application of funds, and feeds back to the Audit and Risk Committee on internal financial controls.

5.2 Delegation and Board oversight

The Board of Directors retains ultimate responsibility for the system of internal control and for the College's risk and audit functions. The Board delegates operational oversight of these functions to the Audit and Risk Committee, while reserving to itself the setting of risk appetite, the approval of major decisions affecting the risk profile, and the annual review of the effectiveness of internal control. The Audit and Risk Committee reports to the Board after each meeting; a copy of the Institutional Risk Register is provided to the Board through the year; and the Committee provides the Board with an annual assurance report on the effectiveness of internal control and the College's system for managing risk. Delegated decision-making is therefore subject to clear Board oversight and reporting.

5.3 The Audit and Risk Committee

The Audit and Risk Committee is the committee with delegated responsibility for the College's risk and audit functions. Its full constitution and operation are set out in its Terms of Reference in Annex D, which



provide for: its purposes and objectives; the number of members and the role of each; the process for appointing members; its roles and responsibilities, including commissioning and overseeing internal and external audits of the College; its decision-making procedures; its meeting arrangements and frequency; and the arrangements for Board oversight of the Committee, including reporting to the Board. In summary, the Committee monitors and reviews the risk management framework and the risk register; oversees the internal audit function and the integrity of financial reporting; recommends the appointment, remuneration and removal of external auditors and reviews their findings; monitors compliance with OfS and other regulatory requirements; and reports its activities, findings and recommendations to the Board, including an annual report. Where the College uses an external person to support these functions — for example an outsourced internal audit provider or external professional advisers — this is set out in the relevant arrangements, and any such provider reports to the Committee.

6. Risk management as part of the system of internal control

The College's system of internal control incorporates risk management through a number of elements that together enable effective and efficient operation: policies and procedures attached to significant risks and approved by the Academic Board; comprehensive monthly reporting that monitors key risks and their controls, with corrective decisions taken at the Executive Board; the business planning process, used to set objectives, agree action plans and allocate resources; periodic review of this policy by the Executive Board; oversight by the Audit and Risk Committee, which reports to the Board on internal controls and emerging issues; an internal audit programme; external audit feedback on internal financial controls; and third-party reports where specialist skills are required.

7. Internal control over the accuracy of externally submitted data

The College maintains specific internal control processes to ensure the accuracy of data submitted to other organisations for purposes related to receiving or accessing public funds — including returns and data provided to the Student Loans Company, the Office for Students, the Higher Education Statistics Agency / Jisc, awarding-body partners and other funding bodies. These controls address condition E8.2 (as defined at E8.3(b)) and operate as follows: data is prepared by the responsible operational team (for example Registry and Planning and Student Systems); validated against source records and reconciled before submission; subject to documented review and sign-off by the relevant senior officer prior to release; and retained with an audit trail of the data, its validation and its authorisation. The accuracy of externally submitted data is treated as an Averse-appetite risk in the Institutional Risk Register, with assigned ownership and assurance. Responsibility sits with the Head of Planning and Student Systems and the Registrar for data preparation and validation, and with the Head of Quality and Compliance for regulatory data integrity, consistent with the Accountability Matrix (Appendix A). The Audit and Risk Committee oversees the operation of these controls and may commission internal audit assurance over them.

8. Fraud and the inappropriate use of public funds

The College manages the risk of fraud and the inappropriate use of public funds as part of its risk management arrangements and in support of OfS condition E8. Fraud and public-funding risks are recorded in the Institutional Risk Register with corresponding mitigations, and ownership of fraud and public-funding risk sits with the Head of Quality and Compliance under the Accountability Matrix. These arrangements are reinforced by the College's Anti-Bribery and Corruption Policy, which implements the six principles of the Bribery Act 2010; its Whistleblowing Policy, which provides confidential internal and



external reporting routes — including to the Office for Students as a prescribed person — and protects those who raise concerns in good faith; and its Conflicts of Interest Policy, together with staff awareness of fraud detection and the internal controls described in Sections 6 and 7. Concerns raised under the Whistleblowing Policy that bear on fraud, the use of public funds or significant risk are reflected in the Institutional Risk Register and overseen by the Audit and Risk Committee. The Audit and Risk Committee oversees the College's fraud and public-funds arrangements and the related entries in the risk register, and a completed Fraud and Public Funding Declaration is provided as part of the College's condition E8 submission.

9. Annual review of effectiveness

The Board of Directors reviews the effectiveness of internal control, based on information provided by the Audit and Risk Committee. For each significant risk the College reviews the previous year's track record of risk management and internal control and considers whether current arrangements are likely to remain effective. In doing so it considers the control environment (objectives and targets, organisational structure, culture and resources, and delegation of authority); the ongoing identification and evaluation of significant risks; the quality and timeliness of information and communication; and its monitoring and corrective action, including its ability to learn from problems and respond promptly.

10. Risk Management Framework

The following sections set out the College's Risk Management Framework — the process and methodology by which the policy is delivered in practice. The Framework is incorporated within this document and is applied through the Institutional Risk Register (E004).

10.1 The risk management process

The process is cyclical: define the areas and activities for review and the key strategic and operational objectives; identify the risks to achieving those objectives, including ongoing assessment of new activities during the year; prioritise and score risks to produce the risk register; analyse significant risks to draw out causal factors or sub-risks, existing controls and their adequacy, and any new controls required; develop a clear risk action plan identifying responsible persons and deadlines; monitor and report progress against the plan during the year; and conduct an annual review and conclusion, carrying issues forward into the following year.

10.2 Risk identification — strategic pillars and areas for review

Risks are identified across the College's strategic pillars and areas of activity, mirroring the themes used in the Institutional Risk Register: Strategic Framework and Vision; Student Recruitment, Access and Widening Participation; Financial Viability and Sustainability; Regulatory and Legal Compliance; Student Outcomes and Experience; Human Resources and Working Culture; and Operational Coherence. Within these, risks span governance, management, academic, financial, human resources, business, facilities, and business systems and information technology. Consideration is given to early-warning signs that indicate a future issue, whether foreseeable or sudden.

10.3 Structure of the Institutional Risk Register

Each risk in the Institutional Risk Register (E004) is recorded using a consistent structure, summarised below.

Table 2 — Risk register fields

Field	Description
Risk appetite	The agreed appetite for the risk (Averse, Minimal or Cautious).
Strategic pillar / theme	The strategic pillar or theme to which the risk is linked.
Risk description and potential impacts	The specific risk and its potential impacts on the College.
Controls in place	The controls the College currently has in place.
Inherent risk (likelihood × impact)	Likelihood (1–4) and impact (1–4) considering the controls in place.
Mitigation strategies	Further actions in place or planned to reduce the risk.
Residual risk (likelihood × impact)	Likelihood (1–4) and impact (1–4) after mitigation.
Risk owner	The individual who owns the risk (per the Accountability Matrix).
Action timelines, status and updates	Deadlines, current status and notes on developments.
Frequency of review	The review cycle for the risk (typically quarterly).

10.4 Risk scoring and the risk matrix

Each risk is assessed for likelihood and impact on a 1–4 scale, first considering the controls already in place (the inherent score) and then, after mitigation, the residual score. Likelihood and impact are combined and classified red, amber or green to determine priority; the definitive scoring bands are set out in the register's Legend.

Table 3 — Likelihood scale (1–4)

Likelihood	Description
1 — Unlikely	Has not occurred before and is not expected within the year.
2 — Possible	Could occur, typically due to external influences.
3 — Likely	Difficult to control and will probably occur within the year.
4 — Almost certain	Will occur this year and may already have begun.

Table 4 — Impact scale (1–4)

Impact	Description
1 — Minor	Minimal effect; managed within normal activity (e.g. <1% of budget; minor complaint).
2 — Moderate	Noticeable effect; some management action and resource required.
3 — Major	Significant effect on finances, reputation, compliance or the ability to deliver education.
4 — Catastrophic	Severe/extreme effect; serious legal or regulatory consequences or major disruption to students.

Table 5 — Risk matrix (likelihood × impact), with red / amber / green classification

Likelihood \ Impact	Minor (1)	Moderate (2)	Major (3)	Catastrophic (4)
Almost certain (4)	4	8	12	16
Likely (3)	3	6	9	12
Possible (2)	2	4	6	8
Unlikely (1)	1	2	3	4

10.5 Risk appetite (aligned with the Institutional Risk Register)

The College sets a risk appetite for each entry on the register at the start of the academic year. It operates a controlled, low risk appetite consistent with its regulatory context, using the appetite categories applied in the register:

Table 6 — Risk appetite categories

Appetite	Definition
Averse	The College actively avoids this risk. Minimal tolerance for exposure; strict controls, rapid escalation and prompt corrective action are expected. Applied to regulatory non-compliance, safeguarding, fraud and the misuse of public funds, and the accuracy of externally submitted data.
Minimal	A very low appetite. Limited exposure is accepted only where necessary and must be thoroughly justified, evidence-based and closely monitored, with assurance that exposure remains contained.
Cautious	A low appetite in which proportionate, well-managed risk may be accepted to enable progress, supported by robust governance and ongoing monitoring.

10.6 Inherent and residual risk, and risk response

The inherent risk is the level of risk given the controls currently in place; the residual risk is the level remaining after mitigations and assurances have taken effect. Where the residual risk does not meet the College's target for that risk, further mitigating actions or controls are developed. For each significant risk the College identifies causal factors or sub-risks, confirms the existing controls and mitigating actions in place (strategic and operational plans, cross-College policies and procedures, financial regulations and controls, and operational, Executive Board and committee controls), and applies a challenge process to confirm that each control is well-defined, owned without conflict, practical, and reviewed at the right frequency by the right person. The output is compiled into a detailed action plan with clear measurable actions, monitoring arrangements, responsibilities and timescales.

10.7 Risk reporting, review cycle and escalation

Risk is reported and reviewed through a defined cycle, ensuring that information flows from risk owners to the Executive Board, the Audit and Risk Committee and the Board of Directors. Staff escalate any concern regarding risks to their line manager and through the Executive Board, or via the termly departmental review of their risk register; significant or emerging risks are escalated promptly to the Executive Board and, where material, to the Audit and Risk Committee.

Table 7 — Risk reporting and review cycle

Activity	Responsible	Reports to	Frequency
Review of each risk and its controls	Risk owners	Executive Board	Quarterly
Departmental risk register review	Department heads	Executive Board	Termly
Risk management oversight and risk register	Executive Board	Audit and Risk Committee	Each meeting
Internal control and risk assurance; emerging issues	Audit and Risk Committee	Board of Directors	After each meeting; annual report
Annual review of the effectiveness of internal control	Board of Directors	—	Annually
Internal audit opinion on internal control	Head of internal audit	Audit and Risk Committee	At least annually
External audit opinion on the financial statements	External auditors	Audit and Risk Committee	Annually



10.8 Emerging risks, horizon scanning and business continuity

The College actively scans for emerging risks — including regulatory change, financial and sector pressures, subcontractual and partnership risks, cybersecurity and the governance of artificial intelligence — and adds them to the register as they arise. Where an occurrence could have a significant negative effect on the College and its activities, contingency and business-continuity arrangements are prepared, and the Executive Board may convene a Business Continuity Group to review disaster management and recovery planning.

10.9 Assurance

The risk register records the type of assurance required for each risk, categorised across three lines of defence: first-line assurance from the department performing the day-to-day activity; second-line organisational oversight from functions such as HR, IT and finance; and third-line independent assurance from sources independent of the College, including internal and external audit.

11. Definitions

Risk — the possibility of an event occurring that will have an impact on the achievement of objectives, defined together with its cause and effect. Controls — systematic measures (reviews, checks and balances, methods and procedures) instituted to conduct business in an orderly and efficient manner, safeguard assets, deter and detect errors, fraud and theft, ensure the accuracy and completeness of accounting data, and ensure adherence to policies and plans. Assurances — an outcome, such as an internal audit report, which verifies the operating effectiveness of a control. Inherent risk — the level of risk on the basis of the controls currently in place. Residual risk — the level of risk remaining after the inherent risk has been mitigated by the College's internal controls and assurances.

12. How this document meets OfS requirements

This Risk Management Policy and Framework, read with the Institutional Risk Register (E004) and the Audit and Risk Committee Terms of Reference in Annex D, sets out: the persons, governing body and committee with risk and audit responsibilities, the nature of those responsibilities and how they are discharged in practice (E7.9(l)(i)); the delegation from the Board of Directors and the arrangements for Board oversight and reporting (E7.9(l)(ii)); and, for the Audit and Risk Committee, its purposes, membership and roles, appointment process, audit-commissioning role, decision-making procedures, meeting frequency and Board reporting (E7.9(l)(iii), set out in full in Annex D). It defines the College's risk and audit functions (E7.9(m)) and provides clear, plain-English arrangements that are consistent with the College's other governing documents (E7.3(f)–(g)). It also supports condition E8 through the internal control processes for the accuracy of externally submitted data (Section 7) and the fraud and public-funds arrangements (Section 8).

Appendix A — Risk categories and accountability

The following Accountability Matrix mirrors the Institutional Risk Register (E004) and assigns overall responsibility for each risk area. All areas are overseen by the Audit and Risk Committee on behalf of the Board of Directors.

Table 8 — Accountability Matrix

Risk area	Overall responsibility
Fraud and public funding risk	Head of Quality and Compliance

Risk area	Overall responsibility
Financial controls	Head of Finance / Group Accountant
Admissions integrity	Head of Admissions
Attendance and engagement monitoring	Registrar / Academic Registrar
Governance	Board of Directors
Operational, health and safety risks	Chief Operating Officer
Academic integrity	Provost / Chief Academic Officer
Academic quality and standards	Dean
Student experience and satisfaction	Dean
Regulatory compliance (OfS / awarding bodies)	Head of Quality and Compliance
Research integrity and compliance	Dean
Research funding and grants compliance	Head of Research and Knowledge Exchange
Equality, diversity and inclusion (EDI)	Head of Wellbeing
Data protection and information governance	Data Protection Officer / Head of Quality and Compliance
Cybersecurity and IT resilience	Head of IT
Business continuity and disaster recovery	Chief Operating Officer
Estates, buildings and infrastructure	Chief Operating Officer
Environmental sustainability / net zero	Chief Operating Officer
People, workforce and employment risks	Head of HR
Staff wellbeing and organisational culture	Head of HR
Partnerships	Provost / Chief Academic Officer
Commercial activity and subsidiary companies	Head of Finance / Group Accountant
Procurement and supplier risk	Head of Finance / Group Accountant
Legal risk	Chief Executive Officer
Reputation and communications risk	Provost / Chief Academic Officer
Political, social and external stakeholder risk	Provost / Chief Academic Officer
Safeguarding (students and staff)	Registrar / Designated Safeguarding Lead
Prevent and radicalisation risk	Registrar / Designated Safeguarding Lead
Student complaints and appeals	Registrar / Designated Safeguarding Lead
Academic misconduct and assessment offences	Head of Assessment Office
Artificial intelligence (AI) governance	Head of IT
Health, safety and wellbeing of students	Chief Operating Officer
Security and campus safety	Chief Operating Officer
Change management and strategic projects	Provost / Chief Academic Officer
Institutional strategy delivery	Provost / Chief Academic Officer
Quality of partnerships and franchise provision	Provost / Chief Academic Officer