		
ISSUED BY: AO Director Caroline Walton	Awarding Organisation Policies and Procedures	**ISSUE DATE:** September 2026 **REVIEW DATE:** September 2027
	Risk Management Policy	**ISSUE:** V7

Scope and Purpose

ELS is committed to managing risk effectively to support the delivery of End-Point Assessment services, safeguard organisational objectives and ensure compliance with regulatory requirements. ELS adopts the principles of the Management of Risk (M_o_R®) framework to identify, assess, control and monitor risks across all areas of the Awarding Organisation.

The aim of this policy is to communicate why risk management should be undertaken in relation to the delivery of ELS AO services. It is important for ELS to outline how we plan to articulate risk and the ownership of risk both internal and external to the company.

ELS will keep up to date Regulatory Documents on file and will incorporate them in our information management systems to ensure that they are part of the day-to-day management of the organisation. These documents form the core rationale for operating in a risk-based approach to awarding qualifications.

ELS will abide by all documented requirements; it will take due notice of all recommendations and guidelines for good practice set out in regulatory documents. In cases where ELS has an undertaking with Ofqual, the Responsible Officer will ensure compliance and take personal responsibility and accountability for compliance.

This policy provides a framework for identifying, assessing, monitoring and mitigating risks that may affect apprentices, employers, assessment quality, operational effectiveness, reputation, financial stability or regulatory compliance.

Responsibilities

The Directors have overall authority and responsibility for internal control, including risk management. They will approve the implementation of appropriate policies that will safeguard the processes and procedures under the AO. With support from the ELS Senior Management Team, the Directors are responsible for identifying, assessing and controlling financial and non-financial risks.

The Directors have decided to adopt the guidance documented within the publication "Management of Risk: Guidance for Practitioners" (the M_o_R© Guide) on the understanding that the principles within the publication are based on proven corporate governance. For risk management to be effective, risks need to be:

- **Identified**: This includes risks being considered that could affect the achievement of objectives within the context of a particular organisational activity; and then described to ensure that there is a common understanding of these risks.
- **Assessed**: This includes ensuring that each risk can be ranked in terms of estimated impact and immediacy; and understanding the overall level of risk associated with the organisational activity being studied.
- **Controlled**: This includes identifying appropriate responses to risks, assigning owners and then executing, monitoring and controlling these responses.

AO Director / Responsible Officer

- Approve funding for risk management
- Act as risk champions, driving risk management from the top down
- Ensure all major strategic decisions are subject to a business risk assessment
- Regularly review the most serious risks threatening strategic objectives
- Undertake routine risk management assurance from a strategic perspective.

Heads of Department (Senior Management Team):

- Regularly review the most serious risks threatening programme and project objectives.
- Undertake routine risk management assurance from the programme and project perspectives.
- Clarify and assign risk tolerances and thresholds at the programme and project perspectives.

Risk Manager:

- Reviews any reported risks
- Reports major concerns to the ELS Directors
- Summarises any risk updates during monthly management meetings
- Updates the ELS Central Risk Log

Apprenticeship Assessment Scheduling Team:

- Understand the risk management policy, process and reporting requirements.
- Maintain risk reporting as required.
- Escalate risks as required in this policy.
- Support the risk audit process.
- Adopt Risk management procedures as a matter of routine.

Risk Tolerance Thresholds

Risk tolerance defines the level of risk exposure that ELS is willing to accept before additional controls, mitigation measures or escalation are required. Risk tolerance thresholds support consistent decision-making and ensure that significant risks are managed appropriately.

Any risk will be forecasted, which can include- risks that will either outweigh the gain of the company or that can enhance the AO. The Director oversees the risks thresholds and will make informed decisions based on the referrals and information they receive.

This is a continuous process all the way through the apprenticeship assessment lifecycle and these thresholds will be continuously monitored throughout. This is to prevent any unforeseen high-level risk, causing disruption to the running of the AO and the company.

Risk Appetite and Capacity

Risk appetite describes the amount and type of risk ELS is willing to accept in pursuit of its strategic and operational objectives. Risk appetite is reviewed regularly to ensure it remains aligned with organisational priorities, resources and regulatory requirements.

ELS understand the market environment continuously changes, which is why during the apprenticeship assessment lifecycle, risk appetite levels are continuously monitored to match those of the market environment ELS is in. It is however required that risk appetite is applied so ELS can achieve objectives, which in turn enhance the running of the AO and continues the lifecycle journey.

Risk capacity represents the maximum level of risk that ELS can absorb without compromising organisational viability, regulatory compliance or service delivery. Capacity is influenced by financial resources, workforce capability, operational resilience and market conditions.

On an annual basis the AO Director will review the data provided to determine the capacity available, which can be reported back to the apprenticeship assessment team and across the board of the company.

Procedure

Stage 1: Identification of Risk

Risk is inherent in any business activity. Risk management is therefore required to ensure that ELS adopts an effective risk management process that in turn will support more informed decision making through a greater understanding of risks and their potential impacts. Risk management is not a “one-off” exercise, it is a continuous process designed to underpin the continuous decision-making process required through the apprenticeship assessment lifecycle.

Stage 2: Risk Logging and Assessment

If a member of the Apprenticeship Assessment Scheduling Team identifies a potential risk, they must report this to the AO Delivery Manager.

Stage 3: Escalation

The AO Delivery Manager will make a record of the reported risk in the AO Risk Log. Every project/contract area under ELS will have its own internal Risk Log. The AO, as its own capability, therefore, has an independent Risk Log, managed by the AO Delivery Manager.

Stage 4: Monitoring & Review
Risks are scored 1-10 within the Log, based on the probability of the risk occurring and the impact if it were to occur. Multiplying the probability score and the impact score produces the overall severity score.

Stage 5: Reporting
The AO Delivery Manager will report on the risks with the highest severity at the ELS Monthly Managers Meeting, unless needing to be addressed sooner.

The ELS Directors will decide on which risks (if any) need to be added to the Central Company Risk Register, in addition to the AO specific register. This would typically be in the case of a major risk, with a high severity score and the potential to impact the entire business.

The AO Director (also Responsible Officer) will ensure major risks are reported to Ofqual with details of the cause, event and adverse effects and what ELS will be doing to mitigate/manage the risk.

All logged risks are reviewed weekly by the ELS Risk Manager in addition to being discussed during Monthly Manager's Meetings.

Risk Scoring

Score	Risk Rating
1-10	Low
11-25	Medium
26-50	High
51-100	Critical

Regulatory and Quality Indicators
The aim of risk management and audit is not to record every metric applicable to each business activity, rather, only those areas that have a direct bearing on company health and success should be measured, recorded and acted upon.

The following factors are to be assessed and reported upon:

- Assessment complaints
- Appeals upheld
- Malpractice incidents
- Assessment delays
- Assessor capacity risks
- EPA completion times
- IQA findings
- Ofqual-related risks

Continuous Improvement
ELS will review risk trends, emerging threats, completed mitigation actions and residual risks through monthly management meetings and annual policy reviews.

Lessons learned from incidents, audits, complaints, appeals, malpractice investigations and management reviews will be used to strengthen risk management arrangements and improve organisational resilience.

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Important Contacts

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Review and Version Control

ELS is committed to ensuring all policy documentation is subject to document control and reviewed annually.

RELATED DOCUMENTS:-	**APPROVED BY:-** Caroline Walton, AO Director

Glossary of Terms

Risk: An uncertain event or set of events that, should it occur, will influence the achievement of objectives. A risk is measured by a combination of the probability of a perceived threat or opportunity occurring and the magnitude of its impact on objectives.
Threat: An uncertain event that could have a negative impact on objectives or benefits.
Opportunity: An uncertain event that could have a favourable impact on objectives or benefits.
Issue: A relevant event that has occurred, was not planned and requires management action. It could be a problem, query, concern, change request or risk that has occurred. Note: A risk that is forecast to occur, i.e. it is known that it will happen, is to be managed as an issue.
Management of Risk: The systematic application of policies, methods and practices to the tasks of identifying, estimating and evaluating risks and then preparing and implementing risk response. This provides a disciplined environment for proactive decision-making.
Risk Appetite: An organisation's unique attitude towards risk taking, which in turn dictates the amount of risk that it deems acceptable.
Risk Tolerance: The threshold levels of risk exposure, which with appropriate approvals, can be exceeded, but which when exceeded will trigger some form of response.

Avoid the threat
Exploit the opportunity
Reduce the threat
Enhance the opportunity
Transfer the risk
Share the risk
Accept the risk
Prepare contingency plans