NAVIGATING PROVISION 29:

Strengthening Risk, Resilience, and Assurance under the UK Corporate Governance Code

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In this expert-led session, GRC analyst and strategist Michael Rasmussen provided an in-depth breakdown of Provision 29 of the UK Corporate Governance Code, set to take effect in January 2026. Designed to reshape how listed organizations govern risk and internal control, Provision 29 marks a move away from compliance checklists and toward outcome-based oversight by corporate boards.

Attendees explored how forward-looking governance frameworks must incorporate real-time insights, holistic risk orchestration, and technology-driven assurance models. With practical examples and strategic insights, Rasmussen challenged attendees to elevate their risk practices and embed risk, resilience, and assurance as core pillars of corporate performance.

Key Takeaways

1. Provision 29 emphasizes board accountability for monitoring and reviewing the effectiveness of both risk management and internal control frameworks. It applies to UK and non-UK firms listed on the London Stock Exchange, and may extend to other public interest entities.
2. The provision focuses on outcomes over rules, adopting a “comply or explain” approach that encourages organizations to tailor governance practices to their unique context.
3. Risk management should be forward-facing. ISO 31000’s definition of risk as “the effect of uncertainty on objectives,” and urged companies to adopt a three-tiered approach: control self-assessment, objective-aligned risk management, and strategic decision-making.
4. Strong leadership is key to cultural integration of risk, summarized as: “Tone at the top, melody in the middle, and beat at the bottom.” Organizations need a central “conductor of risk” to unify and guide efforts across departments.

Key Changes to Corporate Governance Code

1. Outcomes-Based Reporting

- Outcomes-based reporting is a crucial aspect of board governance. Boards should use this reporting mechanism to clearly demonstrate how their actions and observable outcomes align with the company’s strategy and objectives.

2. Embedded Culture

- In addition to setting the company’s culture from the top down, boards should actively work to ensure that culture is manifested throughout the organization.

3. Effectiveness of Risk Management & Internal Controls.

- Boards are expected to monitor the company’s risk management and internal control framework. They must provide an annual report declaring the effectiveness of material controls and risk management.

> “Organizations that treat Provision 29 as a catalyst for transforming their risk and control environment—rather than a compliance hurdle—will be better positioned to lead with resilience, integrity, and strategic clarity.”

Navigating Provision 29

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To comply with Provision 29, organizations must build a **strong and integrated control framework**. This starts by breaking down silos between departments to ensure alignment across the business. Key components include:

- assessing objectives, risks, and obligations
- establishing and implementing effective controls
- automating control processes
- monitoring performance
- managing issues as they arise
- consistently reporting outcomes to leadership

This end-to-end structure enables organizations to stay agile and accountable.

A critical distinction emphasized in the session is the **relationship between risk and compliance**. These functions should operate separately but in close collaboration. The risk team must remain neutral in assessing potential impacts and uncertainties, while compliance defines boundaries to ensure adherence to laws and standards. Neither function should report into the legal department, to preserve objectivity and clarity in oversight.

Provision 29 also signals the end of manual-heavy processes in risk reporting. Rasmussen highlighted how some organizations still spend hundreds of hours compiling reports—an approach that is both inefficient and unsustainable. Instead, **companies need modern platforms that support centralized visibility**, enterprise-wide control management, automated monitoring, and regular attestation. These tools not only improve speed and accuracy but also enhance transparency and leadership confidence.

Technology platforms like **LogicGate** were identified as enablers in this transformation. By automating routine workflows and centralizing key risk data, such solutions can reduce operational strain, deliver measurable risk reduction, and increase organizational accountability.

Lastly, boards will be required to **regularly attest to the effectiveness of material controls**—those that could significantly impact financial performance or the achievement of business objectives. Assessing these controls demands both left-brain (quantitative) and right-brain (qualitative) methods. Rasmussen encouraged the use of models like Monte Carlo simulations and Bayesian analysis, alongside tools such as bow tie assessments and visual storytelling, to fully understand and communicate the organization's control posture.