Risk Management Policy 2024-2025

This policy sets out how our Council will identify, assess, and manage the risks

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1. **Introduction**

1.1 Denham Parish Council is adopting this risk management policy in accordance with guidance set out in the Governance and Accountability for Local Councils – a Practitioners' Guide (England) issued by the Joint Practitioners Advisory Group and complies with the Health and Safety at Work Act 1974.

1.2 This document sets out the:

- Parish Council's Risk Management Policy[1]
- Objectives of Risk Management
- Types of Risk
- Roles and Responsibilities
- Future monitoring / Assessment

1.3 This policy aims to further develop risk management and raise awareness across Denham Parish Council by:

- Integrating risk management into the culture of the organisation.
- Embedding risk management through the ownership and management of risk through the decision-making processes.
- Managing risk in accordance with best practice.

2. **The Policy**

2.1 Denham Parish Council recognizes that it has a responsibility to manage risks effectively to protect its employees, assets, liabilities, and community against potential losses, to minimise uncertainty and to maximise its opportunities.

2.2 The Parish Council is aware that some risks can never be eliminated fully and this strategy provides a structured, systematic, and focussed approach to managing risk.

2.3 Risk Management is an integral part of the Parish Council's management processes.

3. **Objectives of Risk Management**

3.1 The objectives of risk management are to:

- Identify, evaluate, and manage the risks that the Parish Council is exposed to, at a strategic and operational level.
- To protect physical assets, promote employee and public safety.
- Embed risk management into day-to-day management.
- Enable effective and safe delivery of services to residents and to minimise the risk.
- Enable the identification of opportunities and risks associated with the Council's budget and to ensure that risks are controlled.
- Review, evaluate and identify issues to minimise future risk.

3.2 It is the responsibility of all Members and staff to have regard to risk management whilst carrying out their duties.

3.3 This strategy will enable risks and opportunities to be identified, evaluated,

[1] Denham Parish Council Risk Management Register details the level of risk.

controlled, monitored, and reported.

3.4 Seek assurances that action(s) are being taken on risk related issues identified by auditors and inspectors.

4. Types of Risk

4.1 To manage risk, the Council needs to know what risks it faces. Identifying risks are therefore the first step in the risk management process.

4.2 The Council will identify the key risks to achieving its priorities and objectives:

- Asserts – Protection of physical assets, Security and Maintenance.
- Financial – Loss of money, Budgeting.
- Liability – Risk to third party, Property, Individuals and Asset Ownership.
- Property – damage to property.
- Interruption of Business – Destruction of office, Cyber Security.
- Employer Liability – Compliance, Safety and staff working alone.
- Legal Liability – Compliance, Reporting and Document Control.
- Councillors Propriety – Register of Interests and Code of Conduct.

5. Roles and responsibilities for Risk Management

5.1 All Council members and staff members of the Parish Council are responsible for risk management.

5.2 All Members:

- Have collective responsibility in understanding the strategic risks which the Parish Council may face.
- Ensure that all identified risks have been considered in the decision-making process.
- Agree and publish a risk management policy and oversee the effective management of the risks by the Parish Clerk.
- Monitor the effectiveness of the Parish Council's risk management arrangements and report issues to the Council.
- Know how the Parish Council will manage and operate in a crisis.

5.3 Parish Clerk:

- The lead officer for risk management and the owner of the Risk Management Strategy.
- Has the responsibility to understand the strategic and operational risks that the Parish Council faces and to oversee the effective management of these risks by officers.
- Ensure that risks are fully considered in all strategic decision making to achieve the objectives and protect the assets of the Council.
- Provides advice as to the legality of the policy and to update the Parish Council on any new legislation.
- Assess and implement the Council's insurance requirements.
- Assess the financial implications.

5.4 Finance Committee:

- Support the Parish Clerk in all aspects of risk management.
- Understand the strategic and operational risks of the Parish Council
- Ensure that a structured and systematic approach is in place to identify,

report and resolve issues that may arise.
- Ensure that risks are fully considered in all strategic decision making to achieve the objectives and protect the assets of the Council.
- Embedding a culture of risk management through the Parish Council.

5.5 All Employees:
- Understand their accountability for individual risk.
- Understand how they can enable continuous improvement of risk management.
- Understand risk management and risk awareness is a key part of the Parish Council.
- Report systematically and promptly to the Parish Clerk any perceived risk.
- Record areas of risk which fall directly within their day-to-day activities.
- Provide a pro-active role in reporting and assessing of physical risks in respect to members of the public, staff, and property.

5.6 Role of Internal Audit:
- Provide scrutiny role by carrying out audits to provide independent assurance to Members, via the Internal Auditor's annual audit plan and post audit report to ensure that the necessary risk management systems are in place.

6. The Risk Management Process

The process of risk management is straight forward and involves a number of key steps as follows.

- The Parish Council staff and members of the Council have a collective responsibility in understanding the strategic risks which the Parish Council may face.

- The Parish Clerk is responsible for identifying and recording any risks. Identification will be either via a formal process of communication, or through a planned inspection process, or identified during daily activities.

- Changes that might occur through a new initiative, event or project should be assessed by the Clerk to identify any risks, prior to implementation.

- Determine the level of risk; High - 6, Medium 3-4, and Low 1-2.

- If High risk, the Council's Chair should be notified by the Clerk and the relevant Chair of the service committee involved. Any process should be stopped if this level is breached, until measures have been put in place to bring down the risk or resolution has been put in place to rectify this risk.

- Medium risk, report it to the appropriate Chair of the standing committee.

- Low risk, report it to the appropriate standing committee.

Probability

Highly Likely	3	6	9
Possible	2	4	6
Unlikely	1	2	3
	Low	Medium	High

Impact

Risk Management Matrix

- The Parish Clerk should consider what controls are in place to mitigate the risk, to find a solution to the problem, which may mean liaising with the appropriate standing committee Chair.

- Any mitigation may mean reviewing the Risk Management register and updating the register accordingly.

- An annual review report should be provided to Council.

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