RIDGMONT PARISH COUNCIL

Risk Management Policy

Summary

Risk management refers to the culture, processes and structures that are directed towards the effective management of potential opportunities and threats which may impact on the business of the Council. It is the Council's policy to proactively identify, understand and manage the risks inherent in its services and associated with its projects, plans and strategies, so as to encourage responsible informed risk taking balancing risk and opportunity.

The Accounts and Audit regulations (through the Annual Governance Statement) make risk management a central plank of Governance processes within the Council.

Responsibilities

All members with the guidance of the Parish Clerk have responsibility for the development, introduction, monitoring and review of the risk management policy.

Background

The Council, like all organisations, has to understand and manage its business risks in order to maximize opportunities, reduce or avoid threats and achieve its objectives. Effective risk management can help to improve performance, respond to emerging issues, manage potential problems early, achieve the outcomes that are needed and give confidence to customers and stakeholders. Risk management is therefore central to the Council's governance arrangements.

The policy provides a framework within which the Council can decide on the appropriate level of formality and structure for risk management.

Objectives of the Policy

The Council will:
 + Increase awareness so that
  . risks are identified and managed
   and
  . that risks are managed at the appropriate level.
 + Put the Council in a better position to take advantage of opportunities and recognise when and how it needs to deal with threats, including the transfer, the control and "living" with the risks.
 + Integrate risk management within the day-to-day and business processes.
 + Integrate the Council's Health and Safety policy within the day-to-day and business processes.
 + Be able to demonstrate to stakeholders that the Council's risk management is appropriate and proportionate.

The Policy Framework

The Council will achieve the policy objectives by:
+ Developing a simple risk management process to:
  . identify, understand, and manage key risks affecting the Council, at operational levels
  . consider the risks for likelihood and impact, identification of mitigating controls with clear allocation of responsibility
  . ensure that processes include risk monitoring
+ Ensuring risk management is embedded into business critical processes ensuring that risks are considered as part of the formulation of Council's projects, policies and performance.
+ Setting out key responsibilities, for officers, members, and committees including reporting structures.
+ Ensuring processes are cascaded effectively to officers and members, using adequate mentoring facilitation and training.

Items Requiring Regular Review/Assessment

Items which the Council needs to assess regularly and review in relation to the Policy includes financial management, insurance, building/land inspections and maintenance, staffing and health and safety policies.

Financial Management

The Council will review at yearly intervals the following:

. Financial Regulations, monitoring the administration of the Council's affairs

. Its responsibility for appointing, by resolution, an independent Internal Auditor to carry out checks of the Council's financial procedures and accounting records

. The preparation of accounts to ensure that there are sufficient balances in reserves and in line with the budget to meet the forthcoming invoices and costs for the remainder of the year and future projects

. Its budgetary requirements in order to agree a precept figure to be submitted to the Unitary Council for the next financial year.

. Contracts for yearly services i.e. mowing, street lighting etc

. Level of reserves

. Banking arrangements

Insurance

The Council will review at intervals the following:

. The requirement for the Clerk to ensure adequate insurance of all the Council's risks

.The insurance of all the Council's properties ensuring it is adequate in the present financial climate.

.Any necessary changes, amendments or any new requirements to be reported to the insurers throughout the year

. Any claims against the insurance cover whenever necessary.

Staffing

The Council will review when changes occur but at least on an annual basis the following:

. Terms and conditions of employment

. Salaries

. Staff training requirements

Health and Safety

The Council will review the following:

. On a regular basis the Council's Health and Safety Policy which highlights the safety of its employees and the use of all Council facilities.

This policy was approved in November 2019