

## **Risk Management Policy**

### **1. Definition of Risk Management**

1.1. 'Risk is the threat that an event or action will adversely affect an organisation's ability to achieve its objectives and to successfully execute its strategies. Risk management is the process by which risks are identified, evaluated and controlled. It is a key element of the framework of governance together with community focus, structures and processes, standards of conduct and service delivery arrangements.'<sup>1</sup>

### **2. Policy Statement**

2.1. Westbourne Parish Council recognises that, in addition to its statutory duties, there are significant economic and ethical reasons to take all reasonable and practicable measures to safeguard the people that it works with, and provides services for, and to protect the natural and built environments for which it is responsible.

2.2. It is further recognised that risk management extends beyond Health & Safety into all aspects of the Council's work.

### **3. Aims**

3.1. The Council's aims with respect to risk management are as follows:

- a) To integrate risk management into the culture of the Council;
- b) To raise awareness of the scope of risk management including business risk, the identification of opportunities as well as threats and that the process supports innovation;
- c) To manage risk in accordance with good practice;
- d) To minimise losses, injury and damage and reduce the cost of risk;
- e) To ensure appropriate and proportionate actions are taken to address identified risks;

3.2. These aims will be achieved through the co-operation of all Parish Councillors and the Clerk. The Clerk will ensure that risk assessments are undertaken for all new activities of the Council and that existing risk assessments are kept under review and updated as appropriate. The Council will maintain a register of all risk assessments and make at least one formal review of the register annually; this will form part of the annual review of the effectiveness of the Council's system of internal control.

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<sup>1</sup> Audit Commission, Worth the Risk: Improving Risk Management in Local Government (2001)

#### 4. Categories of Risk

4.1. In undertaking risk assessments the Council will have regard to the following categories of risk:

<b>STRATEGIC</b> Risks which may threaten the achievement of the Council's objectives	<b>OPERATIONAL</b> Risks which Parish Councillors, the Clerk, contractors and volunteers may encounter in the daily course of their work.
Political: failure to deliver key objectives or policies of other levels of Government	Professional: professional competencies of staff or contractors
Economic: the Council's ability to meet its financial commitments	Financial: financial planning and control and the adequacy of insurance cover
Social: the effects in changes in demographic, residential or socio-economic trends on the Council's ability to deliver its objectives	Legal: possible breaches of legislation
Technological: the Council's capacity to deal with technological change or its ability to use technology to meet changing demands	Physical: fire, security, accident prevention and health & safety
Legislative: current or potential changes in national or European law.	Contractual: the failure of contractors to deliver services or goods to agreed costs and specifications
Environmental: the environmental consequences of service delivery (in terms of energy efficiency, pollution, re-cycling, landfill needs, emissions etc)	Technological: reliance on operational equipment (IT systems or equipment and machinery)
Competitive: the competitiveness of the service/ the ability to deliver best value.	Environmental: pollution, noise or energy efficiency of on-going service operation.
Customer: failure to recognise the changing needs and expectations of the community	