Dalbury Lees Parish Council

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DRAFT RISK MANAGEMENT POLICY

Adopted	
Minute reference	
Next review due	

1. Purpose

Dalbury Lees Parish Council recognises that effective risk management is an essential part of good governance and supports the proper protection of public money, assets, information, employees, councillors and members of the public.

The purpose of this policy is to establish the Council's approach to identifying, assessing and managing risks that could prevent it from achieving its objectives or carrying out its functions lawfully, safely and effectively.

This policy should be read alongside the Council's Risk Assessment, which records the individual risks identified, the controls in place and any further action required.

2. Scope

This policy applies to all activities undertaken by or on behalf of the Council, including:

- financial management and banking;
- legal and regulatory compliance;
- council meetings and decision-making;
- employment and personnel matters;
- land, buildings, equipment and other assets;
- insurance;
- contracts, procurement and projects;
- health and safety;
- information governance, data protection and cybersecurity;
- communications and reputational risks;
- service continuity and emergency arrangements; and
- activities carried out by volunteers or contractors on behalf of the Council.

Risk management is the responsibility of the Council as a corporate body. Individual councillors, the Clerk and Responsible Financial Officer must also act within their respective responsibilities to identify and manage risks.

In relation to health and safety, the Council is committed, so far as is reasonably practicable, to protecting the health, safety and wellbeing of its employees, councillors, contractors, volunteers, members of the public and visitors who may be affected by its activities.

The Council will carry out suitable and sufficient risk assessments where required, including in accordance with the Health and Safety at Work etc. Act 1974, the Management of Health and Safety at Work Regulations 1999 and other relevant legislation.

3. Risk-management principles

The Council will adopt a proportionate approach reflecting the size, responsibilities, finances and activities of Dalbury Lees Parish Council.

The Council will:

1. identify significant financial, operational, legal, health and safety, information and reputational risks;

2. assess the likelihood of each risk occurring and the possible effect on the Council;

3. identify the controls already in place;

4. determine whether further action is reasonably required;

5. allocate responsibility for any further action;

6. monitor whether the agreed controls remain effective; and

7. formally review its risks at least annually.

Risk management does not require the elimination of every risk. The Council will seek to reduce risks to an acceptable level, taking account of the likely impact, the cost and practicality of additional controls, and the Council's statutory responsibilities.

4. Risk assessment

The Council will maintain a written Risk Assessment or risk register identifying the significant risks associated with its functions, activities, assets and responsibilities.

The risk-assessment process will, where appropriate:

- identify the activity, asset or area concerned and the hazards or risks arising from it;
- identify who or what may be affected and the possible consequences;
- assess the likelihood and potential impact of the risk;
- identify the controls already in place;
- assess the level of risk remaining after those controls;
- determine whether further controls or action are reasonably required;
- allocate responsibility for any further action and, where appropriate, a target or review date;
- record the significant findings; and
- review the assessment when required.

Risks may be assessed using a simple low, medium or high rating or another proportionate method approved by the Council.

The Council's general Risk Assessment or risk register does not remove the need for specific health and safety, event, project or activity risk assessments where these are appropriate.

Specific risk assessments should be undertaken before an activity begins where the nature of the activity, the people affected or the level of risk makes this necessary.

Risk assessments must be reviewed periodically and whenever there is reason to believe that an assessment is no longer valid, including following a significant incident, material change in circumstances, introduction of a new activity or relevant change in legislation.

5. Management of risks

Having identified and assessed a risk, the Council may decide to:

- **avoid the risk**, by not undertaking or continuing the activity;
- **reduce the risk**, by introducing controls or changing how the activity is carried out;
- **transfer the risk**, for example through insurance or appropriate contractual provisions; or
- **accept the risk**, where it is minor, unavoidable or where additional controls would be disproportionate.

A decision to accept a significant risk should be made consciously by the Council and recorded in the minutes or Risk Assessment.

Insurance is an important control but does not replace appropriate risk assessment, safe working practices, financial controls or compliance with the law.

6. Responsibilities of the Council

The Council is responsible for:

- adopting this policy;
- approving and reviewing the Risk Assessment at least annually;
- ensuring that appropriate internal controls are established and maintained;
- considering risk when making significant decisions;
- ensuring that adequate insurance arrangements are maintained;
- providing sufficient resources to manage significant risks;
- considering relevant findings from internal and external audit;
- ensuring that agreed risk-management actions are completed.
- ensuring that suitable and sufficient health and safety risk assessments are undertaken where required;
- providing appropriate resources to implement agreed control measures;
- monitoring whether significant controls remain appropriate and effective; and
- promoting a proportionate and positive approach to health, safety and risk management throughout the Council's activities.

The Council should formally review the Risk Assessment during each financial year, normally before it approves the Annual Governance and Accountability Return.

7. Responsibilities of the Clerk and Responsible Financial Officer

The Clerk and Responsible Financial Officer, whether these roles are held by the same or different persons, will:

- maintain the Council's Risk Assessment;
- implement the controls and actions delegated to them;
- advise the Council of significant new or changed risks;
- report failures of controls, incidents or near misses;
- ensure that appropriate financial records, contracts and supporting documents are retained;
- support the Council's annual review of risk management and internal control;
- maintain appropriate arrangements for the security and continuity of Council information and records;
- seek professional or specialist advice where a risk is outside the Council's knowledge or competence.
- coordinate the preparation and review of activity-specific risk assessments where this falls within the Clerk's responsibilities;
- report significant hazards, risks or failures of control to the Council;
- ensure that accidents, incidents and near misses reported to the Council are recorded and considered where appropriate; and
- ensure that risk assessments are reviewed following significant changes to Council activities, assets or working arrangements where necessary.

The Clerk may make minor administrative amendments to the Risk Assessment between formal reviews, but any significant new risk or material change to the Council's controls must be reported to the Council.

8. Responsibilities of councillors

Councillors must:

- have regard to this policy and relevant risk assessments when participating in Council decisions or activities;
- take reasonable care for their own health and safety and that of others who may be affected by their actions;
- comply with the Council's agreed controls, procedures and safe working arrangements;
- report identified hazards, defects, accidents, near misses, control failures or other significant concerns promptly to the Clerk;
- avoid acting individually on behalf of the Council unless appropriately authorised; and
- undertake relevant training where reasonably required.

No individual councillor may accept a significant risk, remove or vary an agreed control, or otherwise commit the Council to a different approach to managing a risk without appropriate authority.

9. Employees, contractors and volunteers

Employees, contractors and volunteers undertaking activities for or on behalf of the Council are expected, as appropriate to their role, to:

- take reasonable care for their own health and safety and that of others who may be affected by their activities;
- comply with relevant risk assessments, procedures and control measures;
- use Council equipment and facilities appropriately;
- report hazards, defects, accidents, incidents and near misses promptly; and
- cooperate with the Council in implementing reasonable measures intended to manage risk.

Contractors remain responsible for complying with their own legal and professional health and safety obligations. The Council will take reasonable steps to ensure that contractors engaged by it are competent for the work concerned and that relevant risks are appropriately managed.

10. New activities and significant decisions

Risk should be considered before the Council:

- begins a new service or activity;
- acquires or disposes of land or other significant assets;
- enters into a substantial contract or financial commitment;
- undertakes a significant project;
- appoints contractors or engages volunteers;
- changes its banking, payment or information-management arrangements; or
- assumes responsibility for an asset or service from another body.

Where necessary, a project-specific or activity-specific risk assessment must be prepared before the activity begins.

11. Incidents and emerging risks

Significant incidents, losses, accidents, injuries, data breaches, complaints, control failures and near misses must be reported promptly to the Clerk.

The Clerk will take any immediate action reasonably required within their delegated authority and will report the matter to the Council where appropriate.

Following a significant incident or near miss, the Council will consider:

- the circumstances, causes and consequences of the incident;
- whether existing risk assessments and controls were adequate and were followed;
- whether immediate or additional control measures are required;
- whether insurers, regulators or other authorities must be informed;
- whether the Council's Risk Assessment or any activity-specific risk assessment should be amended; and
- what further action is appropriate to reduce the likelihood of recurrence.

12. Internal and external assurance

The Council will appoint a competent and independent internal auditor to evaluate the effectiveness of its risk management, internal controls and governance arrangements.

The internal auditor provides independent assurance but does not assume responsibility for identifying or managing the Council's risks.

The Council will consider and minute any findings or recommendations made by its internal or external auditor and will agree appropriate actions where required.

13. Review

This policy and the Council's Risk Assessment will be reviewed at least once in every financial year.

They will also be reviewed where appropriate:

- following a significant accident, incident, near miss or control failure;
- when the Council undertakes a significant new activity or project;
- following a substantial change in the Council's responsibilities, staffing, assets, services or financial arrangements;
- where an existing risk changes materially;
- when changes in legislation, guidance or audit recommendations make a review necessary; or
- where there is reason to believe that an existing risk assessment or control is no longer adequate.

Activity-specific risk assessments will be reviewed at intervals proportionate to the activity and whenever there is a significant change affecting the risks concerned.

The Council may amend this policy at any properly convened Council meeting.

14. Related documents

This policy should be read alongside the Council's:

- Risk Assessment;
- Financial Regulations;
- Standing Orders;
- Asset Register;
- insurance arrangements;
- Internal Control Policy or internal control procedures;

- Data Protection and Information Security policies;
- Health and Safety Policy and relevant activity risk assessments;
- Scheme of Delegation; and
- business continuity or emergency arrangements, where applicable.