



Beaminster Town Council

RISK MANAGEMENT POLICY

1. Introduction

The Council recognises that, in addition to its statutory duties, it has a responsibility to manage risks effectively within its areas of responsibility to protect the community, its employees and assets. The purpose of the Policy is to ensure those risks are identified and controls put into place.

2. Roles and Responsibilities

This Policy places a responsibility on all members and staff to have regard for risks when carrying out their duties.

Councillors have a duty to:-

- consider and review annually their approach to risk management and approve the action where necessary in response to identified risks
- to oversee the management of risk by Council officers
- share collective responsibility to understand and manage the strategic risks the Council faces
- ensure all risks have been identified and considered when proposing, discussing and making a decision
- ensure they are familiar with the procedures need to manage and operate in an emergency situation via the Emergency Plan
- ensure action is taken on any risks identified by auditors and inspectors

Town Clerk has a duty to:-

- identify and evaluate significant risks faced by the Council and provide adequate information for the Council on the status of risks and controls.
- Ensure that risks are fully considered in all strategic decision making
- Assess and implement the Council's insurance requirements
- Assess the financial implication of any initiative or decision taking by the Council
- Assist and advise on budgetary planning and control
- Effectively manage the Council's investments and loan portfolio

Employees have a duty to:-

- Consider the risks as part of everyday duties
- Manage risk effectively in their work and report any threats or risk identified
- Understand their accountability for individual risk
- Report any perceived risk or failure of existing control measures
- Play a pro active role in reporting and assessing physical risks in respect of public, staff and property.

2. Role of Internal Auditor

The internal auditor provides independent scrutiny and assurance to the Council that risk management systems are in place and assist with development of such.

3. Risk Control

Risk control requires the identification of the likelihood of a risk event occurring and implementation of operating systems to mitigate the risk. Options for management include:

- Elimination – to remove the circumstances from which the risk arises
- Reduction – to introduce control measures to reduce the impact or likelihood of the risk occurring
- Transfer – the risk is transferred to a third party
- Sharing – the risk is shared with a third party
- Insuring – insure against risks to mitigate financial impact
- Accept – to accept risk

4. Risk Identification and Monitoring

Identification

Understanding the hazards and risks are fundamental if informed decisions are to be made with regard to service delivery. Once those risks have been identified they must be accurately assessed to ensure steps are taken to control the risk.

Control

Risk control procedures put in place require ongoing monitoring and review as circumstances and the nature of the risk may change. These should be based on frequency of those events.

The risks facing the Council are split into every day operational risk assessments and fire risk assessments.

5. Review

The Council will review the effectiveness of the internal control system and in doing so will:

- review the previous year and examine the Council's history on risk management.
- consider the internal and external risk profiles of the coming year.
- consider whether the current internal control arrangements are likely to be effective

As part of its review, the Council will consider:

- the objectives and its financial and non-financial targets.
- the management approach to risk.
- the appropriateness of the level of delegation of authority .
- prioritisation of risks.