

BROOKTHORPE WITH WHADDON PARISH COUNCIL

Risk Management Policy:

1. Introduction

Brookthorpe with Whaddon Parish Council is committed to safeguarding its community, assets, reputation, finances, and services through effective risk management. Risk management is not about eliminating all risk but about understanding and managing threats and opportunities in a structured, proportionate, and transparent way.

This policy sets out the council's approach to identifying, assessing, and managing risks across all its functions and activities, ensuring decisions are well-informed and services resilient.

2. Purpose and Scope

The purpose of this policy is to:

- Embed a risk-aware culture across the council.
- Ensure risks are identified, assessed, controlled, and monitored consistently.
- Support the achievement of the council's strategic objectives and community priorities.
- Protect the council's ability to deliver high-quality, sustainable services.

This policy applies to all areas of council business, including:

- Finance and assets
- Governance and compliance
- Human resources and employment matters
- Projects, events, and service delivery
- Partnerships, contracts, and commissioning
- Community engagement and reputation
- Health, safety, and the environment
- Technology and information management

3. Principles

The council's approach to risk management is guided by the following principles:

- **Transparency** – processes and decisions will be open and accountable.
- **Proportionality** – risk control will be appropriate to the scale of risk.
- **Integration** – risk will be embedded in all decision-making, projects, and plans.
- **Continuous improvement** – risks and controls will be reviewed regularly to learn and adapt.

4. Definitions

- **Risk**: The possibility that an event or action may occur which could affect the achievement of the council's objectives.
- **Risk management**: The process of identifying, evaluating, controlling, and monitoring risks in order to reduce them to an acceptable level (the council's *risk appetite*).
- **Risk appetite**: The level of risk the council is willing to accept in pursuit of its objectives.

5. Roles and Responsibilities

- **The Full Council**: Approves this policy, reviews the risk register, and ensures risk management is embedded in decision-making.
- **Councillors (individually)**: Consider risk implications when debating and making decisions.
- **Committees and Working Groups**: Monitor risks relevant to their remit and report to full council.
- **The Clerk / Responsible Financial Officer (RFO)**: Maintains the risk register, ensures controls are in place, and reports on significant risks.

- **Internal Auditor:** Provides independent assurance that risk management and internal controls are effective.
- **Contractors / Delivery Partners:** Expected to demonstrate adequate risk management arrangements in line with this policy.

6. The Risk Management Process

The council will manage risks through a systematic process:

1. **Identification** – Risks are identified across all areas of council activity.
2. **Assessment** – Each risk is assessed for *likelihood* and *impact*, using the risk matrix below.
3. **Control / Treatment** – Risks are managed by:
 - Eliminating the risk where possible
 - Reducing likelihood/impact through controls
 - Transferring the risk (e.g., insurance or contractual terms)
 - Accepting the risk if further control is disproportionate
4. **Recording** – Risks are recorded in the **Risk Register**, detailing description, score, controls, actions, responsible person, and review date.
5. **Monitoring & Review** – Risks are reviewed by the Clerk and reported to Council. Progress feeds into the annual governance and accountability return (AGAR).

Risk Categories

Risks will be recorded under the following categories:

- Financial (fraud, loss of income, reserves, budget management)
- Governance & compliance (statutory duties, data protection, elections)
- Reputational (public confidence, communications, complaints)
- Health & safety (events, facilities, staff and volunteer safety)
- Environmental (climate risks, biodiversity, land use)
- Operational / IT (cybersecurity, records management, systems failure)
- Strategic (delivery of objectives, partnerships, projects)

Risk Matrix

Likelihood Impact

Low (1) Minor disruption

Medium (2) Noticeable disruption / cost

High (3) Major service / financial / reputational damage

Risk Rating

Green (Monitor)

Amber (Manage)

Red (Immediate action)

Final risk scores are calculated as **Likelihood × Impact** (1–9 scale).

7. Risk Register

The Risk Register will include:

- Risk description
- Category
- Likelihood (1–3)
- Impact (1–3)
- Risk score (1–9)
- Current controls in place
- Further actions required
- Responsible officer
- Review date

The register will be:

- Reviewed annually by the Clerk and reported to Council.
- Updated as circumstances change (e.g., new projects, emerging threats).
- Formally considered as part of the annual review of governance and internal audit.

8. Financial Controls

The Council will manage financial risks through:

- Standing Orders and Financial Regulations
- Annual budgeting and monthly monitoring
- Segregation of duties and dual authorisation of payments
- Adequate insurance (liability, property, fidelity guarantee), reviewed annually
- Monitoring for fraud risk and irregularities
- Maintaining adequate reserves and contingencies

9. Internal Control Framework

Risk management sits within the council's wider internal control framework, which includes:

- Written policies and procedures
- Performance and budget monitoring
- Internal and external audit
- Reporting to committees and full council
- Training and appraisal for councillors and staff

10. Communication and Training

- All councillors and staff will be briefed on this policy.
- Risk management awareness will form part of councillor and staff induction.
- Refresher training will be offered at least annually.
- Significant risks and mitigation actions will be reported in council meetings and included in key communications as appropriate.

11. Business Continuity and Incident Response

The council will maintain basic business continuity arrangements to ensure essential services can continue during disruption (e.g., IT failure, severe weather, reputational crisis). This will include:

- Identification of critical services and resources
- Emergency contact arrangements
- Use of remote / alternative working where required
- Media / communications protocol during incidents

12. Approval

This Risk Management Policy was adopted by Brookthorpe with Whaddon Parish Council at its meeting held on 3 March 2026.

Adopted: March 2026

Next Review Due: March 2027