



Penrith Town Council

Unit 1, Church House, 19-24 Friargate, Penrith, Cumbria, CA11 7XR
Tel: 01768 899 773 Email: office@penrithtowncouncil.co.uk

RISK MANAGEMENT POLICY

INTRODUCTION

Risk Management is an essential feature of the Town Council's corporate governance arrangements. Risk Management applies to all areas of the Council's work and this Policy outlines the overarching approach to Risk Management. This Policy is supported by other approved policies, protocols and procedures.

DEFINITION

Risk Management is the way that the Council responds to uncertainty in both the internal and external environment. Having a policy for risk management allows the Council to:

- Identify risks in the context of corporate objectives
- Assess risks to determine and develop actions and controls to manage risks
- Communicate with all stakeholders its process for identifying and managing risk

POLICY STATEMENT

Penrith Town Council recognises that it has a responsibility to manage risks, both internal and external, and is therefore committed to the implementation of a risk management strategy to protect the Council.

The Town Council recognises that Risk management is an essential part of effective corporate governance and that the Council has a statutory duty to have in place arrangements for managing risk as stated in the Account and Audit Regulations.

ASSESSING RISK

The Accounts and Audit Regulations 2015 require smaller authorities, each financial year, to conduct a review of the effectiveness of the system of internal control and prepare an annual governance statement in accordance with proper practices in relation to accounts. Risk management is part of the review and when completing The Annual Governance Statement for the external auditor, the Council is confirming the following assertion:

"Assertion 5: Risk Management

We carried out an assessment of the risks facing this smaller authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required."

To warrant a positive response to this assertion, the Council needs to have the following arrangements in place:

- Identifying and assessing risks. The Council needs to identify, assess and record risks associated with actions and decisions it has taken or considered taking during the year that could have financial or reputational consequences.
- Addressing risks. Having identified, assessed and recorded the risks, the Council needs to address them by ensuring that appropriate measures are in place to mitigate and manage risk which will include the use of internal controls and insurance cover.

RISK ASSESSMENT

Risk Assessment forms a key element as to how the Council assesses risk. The Council on an annual basis will review the following corporate risk assessments:

- Business Continuity
- Finance
- Governance
- Information Technology and Website
- Fire
- Lone Working
- Services and Assets

Furthermore, the Council reviews annually several its key policies and procedures to identify and manage risk. These include:

- The annual review of the corporate health and safety policy
- The annual review of corporate risk assessments
- The annual review of the financial risk management protocol
- The annual review of the procurement policy
- The annual review of the internal control policy
- The annual review of the corporate financial regulations

The Council maintains a documented Governance and Finance Schedule that it monitors and manages across the year.

REVIEWING OUR RISK

The risk assessment template used to prepare the corporate risk assessments is the Health and Safety Executive corporate template.

Each risk assessment includes what action is necessary, who is responsible and by when following the identification of a risk.

Risk Assessments are a continual process and whilst they are reviewed annually, they are live documents which form an essential part of service delivery.

REPORTING OF RISKS

The risk assessments and supporting policies are reviewed annually by the Finance Committee.

The identification of risks, including new risks are discussed at the staff team briefings.

PERSONS RESPONSIBLE FOR THE DELIVERY AND MONITORING OF THIS POLICY

Risk management is embedded in the everyday culture of the Council. The roles and responsibilities are set out below and are designed to ensure that risk is managed effectively:

Elected Members

Risk management is a key part of the Members role, where they lead on the monitoring, approval, review of the Risk Management Strategy, Risk Assessments and associated policies.

Town Clerk

Is responsible for the oversight and management of the Council employees and the implementation of agreed policies. The Town Clerk will communicate with and provide advice to Elected Members on matters relating to Risk Management.

Services and Contracts Manager

The corporate Health and Safety Policy and the preparation and ongoing monitoring of risk assessments. This includes the inspection and monitoring of assets and the health and safety responsibilities for third party contractors.

Responsible Finance Officer

Section 151 of the Local Government Act 1972 the RFO manages the financial affairs of the Council

Employees

All employees have a duty responsibility to achieve a healthy and safe workplace, and to take reasonable care of themselves and others. Employees are required to report risk factors to managers and elected members as appropriate.

Internal Audit

Provides an important scrutiny role by carrying out audits to provide independent assurance to the Council that the necessary management systems are in place and that business risks are being managed effectively.

External Services

The Council has a range of external providers including external accountancy, IT and website support who manage, monitor and advise on risks as required. The Council will submit its accounts annually to an external auditor.

Approved: September 18

Review: Annually