

Chelmsford Garden Community Council Risk Management policy

1. Introduction

1.1 Chelmsford Garden Community Council (CGCC) adopts this risk management policy in compliance with its Financial Regulations and the guidance set out the Practitioners Guide issued by the Joint Practitioners Advisory Group and to give effect to the Health and Safety at Work Act 1974.

1.2 This document sets out:

- the CGCC risk management policy
- Types of risk
- Risk management process
- Roles and responsibilities
- Approach to future monitoring

1.3 This policy aims to further develop risk management and raise its profile across the Council by

- Integrating risk management into the culture of the organisation;
- Embedding risk management through the ownership and management of risk as part of all decision making processes;
- Managing risk in accordance with best practice.

2. The policy

2.1. CGCC recognises that it has a responsibility to manage risks effectively in order to protect its employees, assets, liabilities and community against potential losses, to minimise uncertainty in achieving its goals and objectives and to maximise its opportunities.

2.2. CGCC is aware that some risks can never be eliminated fully and its strategy provides a structured, systematic and focussed approach to managing risk.

2.3. Risk Management is an integral part of the Council's management processes.

3. Objectives of Risk Management

3.1. The objectives of risk management are to:

- Identify, evaluate and manage the opportunities and risks to which the Parish Council is exposed, at strategic and operational level;
- To protect physical assets, promote employee and public safety and maximise resources;
- Embed risk management into day to day management and working arrangements;

- Enable effective and safe delivery of services to local people and to minimise the risk of significant failures
- Enable the identification of opportunities and risks associated with the Council's budget options and business planning to ensure that opportunities and risks are controlled;
- Enable better, more informed decision making at all levels;
- Review, evaluate and implement issues identified from past experience;
- To promote good corporate governance;

3.2. It is the responsibility of all Members and staff to have regard for risk management whilst carrying out their duties.

3.3. This Strategy will enable risks and opportunities to be identified, evaluated, controlled, monitored and reported.

3.4. Seek assurances that action(s) are being taken on risk related issues identified by auditors and inspectors.

4. Types of Risk

The examples below are high profile but not exhaustive:

Health & Safety Risk The Council will adhere to the requirements of the Health and Safety at Work Act 1974 and other relevant health and safety legislation and codes of practice.

Strategic Risk The long term adverse impacts from poor decision making or poor implementation. Damage to the reputation of CGCC, loss of public confidence.

Compliance Risk The failure to comply with legislation, or laid down procedures or the lack of documentation to prove compliance. Exposure to prosecution, judicial review, employment tribunals, inability to enforce contracts.

Financial Risk Fraud and corruption, waste, excess demand for services, bad debts. Risk of additional audit investigation, objection to accounts, reduced service delivery, dramatically increased council tax levels/impact on CGCC reserves

Operating Risk Failure to deliver services effectively, malfunctioning equipment, hazards to service users, the general public or staff, damage to property. Risk of insurance claims, higher insurance premiums, lengthy recovery processes.

5. The Risk Management process

The risk management process comprises 4 steps:

Identify

To identify and then recording any risks.

Identification may take place when employing a new member of staff or changing working arrangements, within everyday working situations, as a result of a regular

inspections of assets, when undertaking a new project or initiative and when organising events.

It is important to identify any risks early in the process and prior to implementation so that decisions can be appropriately managed.

Identification of risks may also be by individual Councillors, staff, members of the public, contractors or volunteers and such information should be passed to the Executive Officer at the earliest opportunity to enable this procedure to be followed.

Evaluate

Upon identification of a risk it should be fully evaluated using a risk assessment assigning a level of risk.

Risk Control and mitigation

To consider what controls are in place or should be put in place to control the risk and to record the findings. The four main methods of risk control are as follows:

Terminate – take measures to remove the risk factor so that it no longer exists. Alternatively, depending upon the risk assessment and severity of risk, if the risk cannot be removed or mitigated to an acceptable level (under the heading of ‘treat’) it may be necessary to take a decision to discontinue the activity.

Transfer – Pass the risk to others e.g. by way of insurance or a revision in contractual terms.

Treat – Put in place controls that will reduce the impact or likelihood of the risk.

Tolerate – Fully document a decision to accept or tolerates a particular risk

CGCC will be given an opportunity to assess the risks, risk control measures and actions either at a Council or committee meeting together with any scoping activity to determine the resources (time, effort and funds required) to implement the measures. All risk assessments shall be retained on file.

6. Roles and Responsibilities

It is important that risk management becomes embedded into the everyday culture and performance management process of CGCC. The roles and responsibilities set out below, are designed to ensure that risk is managed effectively across the Council and its operations, and responsibility for risk is located in the right place. The process must be driven from the top but must also involve staff throughout the Council.

To assist in the management of these responsibilities, the Executive Officer will provide a quarterly Risk report for Councillors consideration.

Councillors

Risk management is seen as a key part of Councillors' role and there is an expectation that they will lead and monitor risk management. This will include:

- Approval of the Risk Management Policy.
- Analysis of key risks in reports on major projects, ensuring that all future projects and services undertaken are adequately risk managed including the assessment of any risk assessment presented for consideration and any request for additional resources.
- Consideration of the Quarterly Risk management document.
- Consideration annually of a full financial risk assessment and endorsement of the Statement of Internal Controls.
- Consideration of any recommendations of the Internal Auditor or as a result of the External Audit.
- Assessment of risks whilst setting the budget, including any bids for resources to tackle specific issues.

Executive Officer (Clerk and RFO)

The Executive Officer will act as the lead officer on risk management, overseeing the implementation of the detail of the Risk Management Strategy and will:

- Provide advice as to the legality of policy and service delivery choices.
- Provide advice on the implications of potential service actions for the Council's aims and objectives.
- Update CGCC on the implications of new or revised legislation. Advise on any health and safety implications of the chosen or proposed arrangements for service delivery.
- Assess and implement the Council's insurance requirements.
- Assess the financial implications of policy options.
- Provide assistance and advice on budgetary planning and control.
- Ensure that the budget monitoring documents allow effective budgetary control and informs financial decisions made by CGCC.

Other staff

Other staff will be involved in service delivery and planning, particularly in relation to events and shall comply fully with this policy, specifically the risk management process and if further information or resources are required either to assess the risk or for the safe and effective delivery of services or events then it shall be promptly requested of the Council via the Executive Officer.

Internal Auditor

The Independent Internal Auditor provides an important scrutiny role carrying out audits to provide independent assurance to the Council that the necessary risk

management systems are in place and all significant risks are being managed effectively. The Internal Audit Report, and any recommendations contained within it, will help to shape the operation of CGCC and should be fully considered by the Council annually upon receipt.

7. Monitoring and Reporting

A substantive review of the risk management arrangements will be carried out Annually by CGCC. In addition this policy shall be reviewed every 2 years.

This policy was agreed and adopted at the meeting held on 1st August 2024

Date for review : May 2025