

DILTON MARSH PARISH COUNCIL
Risk Management Policy

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1. **Introduction.** This document details the Parish Council’s Risk Management Policy. It includes:
 - a. The background to the Policy.
 - b. An overview of the Parish Council’s risk management methodology.
 - c. Roles and responsibilities.
2. Further guidance can be found in the Local Government Association must know guide: Risk management¹
3. **Background.** Dilton Marsh Parish Council recognises that it has a responsibility to manage effectively the risks it faces in order to:
 - a. ensure that statutory obligations and policy objectives are met.
 - b. prioritise areas for improvement in service provision and encourage meeting or exceeding customer and stakeholder expectations.
 - c. safeguard its employees, service users, members, and all other stakeholders to whom the Parish Council has a duty of care.
 - d. protect its assets including equipment, information and all other resources.
 - e. identify and manage potential liabilities.
 - f. maintain effective control of public funds and the efficient deployment and use of resources to achieve ‘value for money’.
 - g. preserve and promote the reputation of the Parish Council.
 - h. support the quality of the environment.
 - i. engage effectively with its partner organisations and wider community.

¹ <https://www.local.gov.uk/publications/must-know-guide-risk-management>

- j. learn from previous threats, opportunities, successes, and failures to inform the future management of risks.
4. Risk management is an integral part of the Parish Council's corporate governance arrangements and has been built into the management processes as part of the overall framework to deliver continuous improvement. All members and officers have a responsibility and a role to play in managing risk.
5. The Parish Council will seek to achieve effective risk management by:
- a. implementing a Risk Management Framework that is fit for purpose and which complements the other governance processes of the Parish Council.
 - b. equipping all employees and members with the skills required to identify and assess risk and communicate this appropriately and effectively.
 - c. acknowledging that risks can be shared across partner organisations, which can increase the complexity of analysis and reporting, and that assurances regarding the level of risk may need to be sought from third parties as well as internal sources.
 - d. reviewing the effectiveness of risk management annually and reporting the results as part of the Annual Governance Statement.
 - e. considering on a continuous basis that the Parish Council's approach remains in line with good practice, whilst reviewing the Policy and Framework formally every two years.
6. **Risk Management Methodology.** Risks are identified and scored from 1-3 in terms of Likelihood and Severity. The individual scores are defined as:
- Likelihood:
- 1 - Improbable
 - 2 - Occasional
 - 3 - Probable
- Severity:
- 1 - Marginal
 - 2 - Moderate
 - 3 - Critical
7. The product of these individual scores for a given risk provides an overall mark reflecting the management priority associated with the risk.

8. For each risk, action/treatment is identified to reduce the likelihood and/or severity and the risk re-scored to reflect the new, combined score.
9. All risks, together with their treatment and pre- and post- treatment scores are recorded in the Parish Council's Risk Register. Each risk is assigned an owner.
10. Risks are reviewed as follows:
 - a. Risks with a combined score after treatment of 2 or below do not require further action and are reviewed annually.
 - b. Risks scoring between 6 and 3 are reviewed quarterly with a view to reducing their severity and likelihood further.
 - c. Risks scoring more than 6 are unacceptable and if their impact cannot be ameliorated the associated activity must be ceased or delivered in a different way.

11. Roles and Responsibilities.

- a. All members of the Parish Council have collective responsibility for the identification and management of risks.
- b. Individual risk owners have lead responsibility for identifying treatment measure for risks to reduce their likelihood and severity.
- c. The Parish Clerk is responsible for maintaining the Risk Register.
- d. The Parish Clerk is responsible for ensuring that the Parish Council reviews individual risks at the frequency required by this policy.
- e. The Parish Clerk is responsible for ensuring that the Parish Council reviews the overall effectiveness of its risk management system and reports the results as part of the Annual Governance Statement.
- f. The Parish Clerk is responsible for ensuring that the Parish Council reviews the Risk Management Policy formally every two years.