

RISK MANAGEMENT POLICY

Updated on the 17 April 2023
Next review by 30 April 2027

1. AIMS

- 1.1 The aim of the Chesham Town Council (the Council) risk management policy is to protect the Council's ability to deliver its vision to "Improve the quality of life of all the residents of Chesham" through meeting its strategic objectives. These objectives are broad ranging and include the provision of cultural and recreational facilities; promoting economic and commercial vitality; protecting the town's unique identity, heritage and environment; consulting with residents; developing social inclusivity; and providing secure and effective financial management.
- 1.2 The purpose of the policy is to set a framework to identify, prioritise and manage risks that could negatively impact upon delivery of the vision. Risk management should be a proactive, rather than reactive, process.

2. TYPES OF RISK

- 2.1 The Council faces **operational risks** associated with the daily management of its services. Management of these risks are overseen by the managers of each service area. The Council also faces **strategic risks** and the management of these will be overseen by the Council's Senior Leadership Team (SLT).

3. RISK MANAGEMENT PROCESS

- 3.1 The SLT shall ensure up to date risk registers are produced following the steps below:
- a) Identify risks - there are many ways to identify risks, including using Members' and officers' knowledge and experiences, external and internal auditing, reviewing incident and accident reporting, reviewing complaints and internal risk assessments.
 - b) Assess the risk - each risk will be assessed based on an analysis of the consequences/impact on the delivery of the Council's Vision and the likelihood of the risk occurring. The most significant risks can then be prioritised.
 - c) Develop a response to the risk - this involves identifying what can be done to reduce the likelihood of a risk, and what can be done to manage the risk should it occur. Depending upon the likelihood and impact of the risk, it may be appropriate to:
 - Remove the risk
 - Accept the risk
 - Mitigate the risk (e.g. through insurance)
 - Reduce the risk by introducing controls
 - Avoid the risk by taking an alternative approach or avoiding the activity
 - d) Treat the risks - if mitigation or implementing controls are appropriate, ideas to reduce or eliminate the risk are converted into tasks at this point. Action will be prioritised according to the risk rating.
 - e) Monitor and review the risks - risks will be regularly reviewed by the SLT in conjunction with the relevant Service Managers. Both operational and strategic risk registers will be presented to the appropriate Council committee on a 6-monthly basis to ensure oversight by members of the risks the Council faces and the actions being taken to mitigate risk.

4. ROLES AND RESPONSIBILITIES

- 4.1 The Council has overall responsibility for risk management.
- 4.2 The Chief Executive Officer (CEO) has been delegated overall responsibility for risk management on a day to day basis. The CEO must ensure risk registers have been reviewed and updated by the SLT for their areas on a quarterly basis. The CEO must ensure the Council's risk registers have been presented to the relevant committee, for consideration, on an annual basis by the SLT.
- 4.3 The Committees are responsible for the review, amendment and/or approval of a Council risk register, which it monitors in line with its Terms of Reference.
- 4.4 The Council are responsible for the review, amendment and/or approval of the Council's Risk Management Plan.
- 4.5 The SLT are responsible for the engagement of Service Managers and other staff in the risk management process to ensure the risk register reflects the risks the Council has, and the steps being taken to mitigate risks are appropriate. Where the likelihood is low, but the impact high, the CEO may choose to develop contingency arrangements with the SLT, e.g. business continuity plans.
- 4.6 The Finance Committee shall consider financial risks and mitigation as presented by the RFO from the following information:
- the external auditor's annual governance statement
 - the internal auditor's reports
 - periodic statements of income and expenditure against budget
 - the annual estimates for revenue services and capital projects
 - the Council's investment policy and reports
 - outstanding debts report
 - the Council's Financial Regulations
 - the Council's insurance policy annual review
 - the Council's budget and precept setting
 - the Council's treasury management plan, including its investment strategy
- 4.7 The RFO will provide the Finance Committee with a Finance Risk Register on a 6-monthly basis.
- 4.8 The Council is responsible for ensuring that it does not act *ultra vires* when a decision is taken. The Democratic Services Officer (DSO) will record the legal powers bestowed upon the Council in the minutes against decisions taken, where appropriate. Minutes are reviewed during the audit process. The DSO and the CEO are responsible for ensuring that agenda, notices and minutes adhere to legal requirements.
- 4.9 The Head of Corporate Services is responsible for risk management relating to staffing issues. They will provide the Staffing Committee with a Staffing Risk Register on an annual basis.
- 4.10 The Head of Operational Services is responsible for risk management relating to health and safety issues. Risk assessments for each service area will be reviewed at least annually (or more frequently in the event of a significant, relevant change) by the Service Managers or their delegated staff members. The Head of Operational Services will undertake an annual

review of the Council's Health and Safety Policies and will produce an annual monitoring report on the risk assessment programme for consideration by Council. Risk assessments for all events by third parties on Council land will be requested by a Service Manager as delegated by the Head of Operational Services.

4.11 The Council will consider an annual review of its performance as measured against its Environmental Policy, this will be presented by the Community, Economy and Environment Manager.

5. RISK REGISTERS

5.1 The following scoring system shall be used to score a risk:

CHESHAM TOWN COUNCIL Risk Register				Impact			
				Extreme	Major	Moderate	Minor
Scoring Matrix				Complete close down of the Council	Close down of one Council service	Partial closure of one service	Very limited impact on service
				4	3	2	1
Likelihood	Certain	We will experience incidents of this nature straight away	4	16	12	8	4
	Probable	It is probable we could experience incidents of this nature this year	3	12	9	6	3
	Possible	It is possible we could experience incidents of this nature this year	2	8	6	4	2
	Unlikely	It is unlikely we will experience incidents of this nature this year	1	4	3	2	1

5.2 The Council will have a risk register for the following services:

Strategic Services	Corporate Services	Operational Services
Annual Strategic Plan/Projects	Finance	Cemeteries & Allotments
Community & Economy	Human Resources	Chesham Moor Gym & Swim
Democratic Services	Information Technology	Chesham Town Hall
Emergency Planning	Procurement & Contracts	Grounds Maintenance
Environment		Property & Assets
		The Elgiva Theatre

5.3 The following risk register template shall be used to assess risks:

CHESHAM TOWN COUNCIL

Risk Register

Updated on 1 Apr 2023

Strategic Services Chief Executive's Office																
No	Date Added	Owner	Risk	Cause	Consequence	Start			Mitigation Taken	Revised			Next Steps	Target		
						L	I	S		L	I	S		L	I	S
1						0	0	0		0	0	0		0	0	0
2						0	0	0		0	0	0		0	0	0
3						0	0	0		0	0	0		0	0	0