

# Grundisburgh & Culpho Parish Council

## RISK MANAGEMENT POLICY

The Parish Council is required under the Audit Regulations to give consideration to the major risks to which the Parish Council are exposed and to systems designed to mitigate those risks.

The risk management strategy to support the policy involves assessment of the following broad areas of risk..

Reputational can have an impact on the villages if, for example, unwelcome publicity impedes the work of the council.

Financial is the most common category of risk and it is possible to measure any non-financial risks in terms of financial impacts. Financial risks can be managed through budgets and internal financial procedures embodied in Financial Standing Orders.

Statutory and Legal Requirements such as health and safety, employment law, equal opportunities. Non compliance could lead to high compensation claims.

Operational risk relates to ensuring the continuation of the Council's activities.

Owners/Occupiers Liability relates to the Councils responsibility in connection with property it either owns or manages on behalf of others.

Risks identified as having high and medium impact to be reviewed annually.

The dimensions of likelihood (or probability) and impact (or consequences) measure risk as illustrated in the chart, which also indicates the sort of response that might be required. As can be seen impact is a more serious consideration than likelihood.

	Low Likelihood (not expected to happen, frequency less than once every five years)	Medium Likelihood (could well happen, frequency at least once every five years)	High Likelihood (is happening now or expected to happen within the next year)
High Impact (key organisational objectives not delivered as planned)	Establish contingency plans Insure	Establish contingency plans and preventative controls Insure	Abandon activity
Medium Impact (key operational objectives not delivered as planned)	Accept risk, establish detective controls, respond if threat materialises	Establish preventative controls	Establish preventative controls
Low Impact (plans and resources need adjusting to deliver objectives)	Accept risk, respond if threat materialises	Accept risk respond if threat materialises	Establish preventative controls