

CHEVERELL MAGNA PARISH COUNCIL

RISK MANAGEMENT POLICY

This Policy was adopted by the Council at its Meeting held on 13 March 2017 (Minute 47/17(a)).

Introduction

1. Cheverell Magna Parish Council (“the Council”) recognises the importance of Risk Management in informing the allocation of resources (both time and financial), and in meeting the needs of Parishioners and visitors to Great Cheverell.
2. However, the Council notes that Risk Management does not mean Risk Avoidance. Risk is a constant feature which can never be completely mitigated, but only managed to an acceptable level.

Methodology

3. The Council maintains a Risk Register, which is periodically reviewed and is available on the Council’s website for review and input by appropriate persons. The Council welcomes informed opinion in order to reassess its priorities to meet developing needs.
4. The Risk Register uses a scoring and ‘traffic light’ system in order to prioritise risks. The scoring system is as follows:

Likelihood	The probability that an event may occur.	1 (very unlikely) to 5 (very likely)
Impact	The perceived effect should such an event occur.	1 (little impact) to 5 (significant impact). This score is weighted 1/2/3/5.
Overall Risk Score	Likelihood x Impact	
Rating	1 – 4: Low (green) risk 5 – 7: Medium (amber) risk 8+: High (red) risk	

5. The Council mitigates risk in accordance with HM Treasury guidance. In particular, the “Four T’s” mnemonic is used:

Tolerate	This is an important or Statutory function with low associated risks. Therefore it will continue, albeit with ongoing review to ascertain any change in the risk level.
Treat	The function will continue under specific control.
Transfer	The risks will be mitigated with a third party. The most common example of this is through Insurance.
Terminate	The function is not Statutory, but the risks are unacceptably high and cannot be mitigated. Therefore the function will be stopped.