

RISK MANAGEMENT POLICY STATEMENT

Definition of Risk Management

Risk is the threat that an event or action will adversely affect an organisation's ability to achieve its objectives and to successfully execute its strategies. Risk management is the process by which risks are identified, evaluated and controlled. It is a key element of the framework of governance together with community focus, structures and processes, standards of conduct and service delivery arrangements.

Audit Commission - Worth the Risk: Improving Risk Management in Local Government (2001: 5)

Policy Statement

Shildon Town Council 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 the opportunities to achieve its vision.

The Council is aware that some risks can never be eliminated fully and it has in place a strategy that provides a structured, systematic and focussed approach to managing risk.

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

Objectives

The objectives of the Council's risk management strategy are to:-

- Integrate risk management into the culture of the council
- Manage risk in accordance with best practice
- Anticipate and respond to changing social, environmental and legislative requirements
- Prevent loss, disruption, damage and injury and reduce the cost of risk, thereby maximising resources
- To inform policy and operational decisions by identifying risks and their likely impact
- Raise awareness of the need for risk management.

These objectives will be achieved by:

- Establishing clear roles, responsibilities and reporting lines within the council for risk management
- Providing opportunities for shared learning on risk management across the council.
- Providing risk management training and awareness sessions
- Incorporating risk management considerations into the Council's management processes eg project management
- Effective communication with, and the active involvement of, employees
- Monitoring arrangements on an on-going basis

Responsibility for Risk Management

The Council recognises that it is the responsibility of all Councillors and employees to have regard for risk in carrying out their duties. If uncontrolled, risk can result in a drain on resources that could better be directed to front line service provision, and to the meeting of the Council's objectives and community needs.

This policy has the full support of the Council which recognises that any reduction in injury, illness, loss or damage benefits the whole community. The co-operation and commitment of all employees is required to ensure that Council resources are not squandered as a result of uncontrolled risk.