

# **Penrice Community Council**

## **Managing Risk at 20.07.2020**

### **1.0 Introduction**

- 1.1 Council has a legal obligation to manage risk. It is also an important aspect of the audit framework and Council will be asked to confirm within the Annual Governance Statement that proper risk management is in place.
- 1.2 An intrinsic part of risk management is a risk assessment which should help guide the Council to minimise either risks or their consequences.
- 1.3 The Council has a variety of roles which may give rise to risks including: fund-holder, statutory body, employer, land-owner.

### **2.0 Timing & Documentation**

- 2.1 The Council should have in place a risk assessment and formally review it at least once a year.
- 2.2 The Council should also review and update its risk assessment in the following circumstances:  
  
when the Council plans significant changes to its activities;  
when there are external changes which affect the Council's activities and responsibilities;  
when actions to mitigate risks are being planned or carried out.
- 2.3 It should be minuted that a risk assessment has been prepared and reviewed under 2.1 and that risk management has been considered for activities identified at 2.2.

### **3.0 Risk Assessment**

- 3.1 A risk assessment should identify the operational and financial risks the Council could face. This should be addressed systematically by category.
- 3.2 Each risk should be evaluated. It should be considered whether the potential consequence of the risk, the likelihood of the risk and the resultant consequence should be rated as high, medium or low.
- 3.3 Options for managing each risk - to avoid, reduce or control the risk or its consequences - should be considered and appropriate actions selected and implemented.
- 3.4 The Risk Assessment may include a description of current working practices for the relevant theme or category and use this as the basis on which potential risks will be assessed.