Manley Parish Council
Risk Policy

Reviewed January 2024

Content

1. Policy Statement

This risk management policy forms part of Manley Parish Council's ("**MPC**") internal control and governance arrangements. The policy outlines MPC's underlying approach to risk management and other key parties in relation to risk management. It also outlines key aspects of the risk management process and identifies the main risks in the accompanying Risk Register.

2. Definition of Risk

Risk is defined as the possibility that an event will occur and adversely affect the achievement of objectives.

3. Underlying Approach

The following key principles outline MPC's approach to risk management and internal control:

- An open and receptive approach to solving risk problems is adopted by MPC;
- MPC makes conservative and prudent recognition and disclosure of the financial and non-financial implications of risks;
- MPC are responsible for encouraging appropriate risk management practices;
- Any risks identified will be closely monitored by the MPC Committee.

4. Roles and Responsibilities

4.1 The Manley Parish Council Committee members

The Committee plays a fundamental role in the management of risk. Its role is to set the tone and influence the culture of risk management within MPC. This means determining what types of risk are acceptable and which are not and setting the standards and expectations with respect to risk matters.

The Committee shall:

- Determine the appropriate risk appetite for MPC;
- Approve major decisions affecting MPC's risk profile or exposure;
- Monitor the management of significant risks to reduce the likelihood of unfortunate events;
- Satisfy that the less significant risks are being actively managed, with the appropriate controls in place and working effectively; and
- Periodically review its approach to risk management and approve changes or improvements.

5. Risk Management Responsibilities

5.1 Annual Review of Effectiveness

In carrying out this review MPC will consider the following:

- **Control environment**
    - MPC's objectives and its financial and non-financial targets.
    - Committee structure.
    - Culture, approach, and resources with respect to the management of risk.
    - Delegation of authority.

- **On-going identification and evaluation of significant risks**
    - Timely identification and assessment of significant risks.
    - ensure the adequacy of supplier (procurement) onboarding controls to combat potential fraud, third party claims and sub-standard work.
    - Prioritisation of risks and the allocation of resources.

- **Information and communication**
    - Quality and timeliness of information on significant risks.
    - Time it takes for control breakdowns to be recognised or new risks to be identified.

- **Monitoring and corrective action**
    - MPC's ability to learn from errors.
    - Commitment and speed with which corrective actions are implemented.