



## STRATEGIC RISK REGISTER POLICY

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## Purpose

The purpose of this policy is to detail the framework for identifying, assessing, managing, and monitoring strategic risks that may impact the Town Council's ability to achieve its objectives. This policy ensures compliance to the Audit and Accountability Act 2014, and the Accounts and Audit Regulations 2015, to protect the Council from avoidable losses and support the annual assurance statement on the effectiveness of the Council's system of internal control.

## Scope

A risk register is a management tool that enables Thornbury Town Council to understand the comprehensive risk profile. This repository contains the risks and controls for the whole organisation. It is through this process the Town Council identifies, assesses and takes action to manage the risks. It is the responsibility of all elected council members, management and employees to ensure that they fulfil their role in risk management.

## Definition

### Risk

The Audit Commission (2001) defined risk as an event or action which will adversely affect an organisation's ability to achieve its objectives, project plans and processes and to successfully execute its strategies.

### Risk Management

The process, by which risks are identified, evaluated and controlled. The Town Council's risk management approach is guided by the following principles:

Proactivity – Identifying and managing risks before they become critical issues.

Accountability – Defining clear roles and responsibilities for risk management.

Integration – Embedding risk management into decision-making and planning.

Transparency – Maintaining openness in reporting and addressing risks.

Continuous Improvement – Regularly reviewing and updating risk management processes.

# Roles and Responsibilities

It is good practice to embed risk management in the culture of the Council and embraced by all employees and councillors.

## Internal

### Full Council

To provide leadership and oversight of risk management. This will include the annual review of the strategic risk register and agree the acceptable levels of risks.

### Committees

At least annually review the risks within their remit and make recommendations of risk management to Full Council.

### Chief Executive

Provide legal and strategic advice on policy, service delivery, and financial planning for the Town Council. Ensure compliance with legislation, assess the implications of strategic objectives, and support litigation claims. In consultation with external advisors, provide guidance on human resources, health and safety, and risk management. Oversee insurance requirements, budgetary planning, and financial controls while maintaining the Town Council's Risk Register. Manage investments and loans to support effective governance and service delivery.

### Management

When developing projects or recommending service changes will ensure that risks are identified and the measures to eliminate or control risks are documented in agenda reports and briefing papers to be considered by Council and Committees. Managers will be responsible for ensuring records are up to date including the Risk Monitoring Spreadsheet

### Employees

Will notify managers when a risk is identified. I assist in completing risk assessments and will undertake their job within risk management guidelines ensuring that their skills, experience and knowledge are used effectively. All employees will maintain an awareness of the impact and costs of risks and how to feed information into the formal process. They will work to control risks or threats within their roles, monitor progress and report on task related risks to their manager or the Chief Executive.

## External

### Internal Audit

Provides an important scrutiny role by carrying out audits to provide independent assurance to the Town Council that the necessary risk management systems are in place and all significant business risks are being managed effectively. Internal Audit reports, and any recommendations contained within, will help to shape the Annual Governance Statement. The report is presented to the Town Council upon receipt.

## HR & Employment Law

This is a contracted service for expert HR and employment law advice ensuring compliance with legal obligations while managing staffing issues effectively.

## Health & Safety

This is a contracted service with tailored health and safety advice, risk assessments, policies, and training to create a safe working environment. The services help councils meet regulatory requirements, prevent workplace accidents, and protect employees, volunteers, and the public.

## Risk Treatment

Identifies how to respond to the risk and there are four main actions; transfer, tolerate, treat, terminate:

**Treat** - Improve the controls to reduce the probability or impact to acceptable limits

**Transfer** - Insure against risk / outsource

**Tolerate** - Live with it, the risk is acceptable, and additional controls would not be cost-effective

**Terminate** - the risk is unacceptable and cannot be effectively mitigated to an acceptable

## Risk Management Strategy

The strategy is a separate document that sets out Thornbury Town Council's approach to risk management and the mechanisms it employs to identify, analyse, and manage risk from workplace, day to day functions, projects and events. It provides guidance on responsibilities for risk management and information on how risk assessments are to be completed. Any operational risk assessments resulting in a mitigated risk score of over 10 (amber) will also be entered in the risk register.

## Risk Categories

Strategic risks are high-level risks that have the potential to impact the long-term goals and sustainability of the Town Council. These may include:

<b>STRATEGIC</b> Risks which may threaten the achievement of the Council's objectives	<b>OPERATIONAL</b> Risks which members and employees may encounter in the daily course of their work.
<b>Political:</b> Failure to deliver key objectives or policies of other levels of Government.	<b>Professional:</b> Professional competences of staff
<b>Economic:</b> The Council's ability to meet its financial commitments	<b>Financial:</b> Financial planning and control and the adequacy of insurance cover
<b>Social:</b> The effects in changes in demographic, residential or socio-economic trends on the Council's ability to deliver its objectives	<b>Legal:</b> possible breaches of legislation
<b>Technological:</b> The Council's capacity to deal with technological change or its ability to use technology to meet changing demands	<b>Physical:</b> fire, security, accident prevention and health & safety
<b>Legislative:</b> Current or potential changes in national or European law	<b>Contractual:</b> the failure of contractors to deliver services or goods to agreed costs and specifications
<b>Environmental:</b> The environmental consequences of service delivery (in terms of energy efficiency, pollution, re-cycling, landfill needs, emissions etc)	<b>Technological:</b> reliance on operational equipment (IT systems or equipment and machinery)
<b>Customer:</b> Failure to recognise the changing needs and expectations of the community	<b>Environmental:</b> pollution, noise or energy efficiency of on-going service operation

## Risk Management

Task	Description
Identify the Risk	Chief Executive to add the risk identified to the Risk Register by giving the risk a title and including details of the risk
Category	Identify the category of risk applicable
Inherent Risk Score	The impact and likelihood of the risk occurring should be scored using the criteria provided below. The two scores should then be multiplied to determine the risk/priority score (between 1 – 25)
Risk Management	Identify the treatment of the risk.
Mitigation Controls	State the controls to manage or to mitigate the risk. The control should reduce the likelihood that a risk will occur and/or the impact were it to occur. The time, effort and expense of managing the controls should not outweigh potential benefits. Target dates and assignment of responsibility will also be stated.
Residual Risk Score	The impact and likelihood of the risk occurring should be scored again, this time to reflect the level of the risk with the stated controls in place.
Review	The Chief Executive will review the risk register regularly. Managers are required to notify the Chief Executive as soon as new risks are identified. Committees will review their risks as least annually or when a new risk is identified.

## Impact Matrix

		Financial	Reputation	Stakeholder	Community/ Customers	Health & Safety	Environmental
1	Negligible	Under £500	Minimal loss of public trust	Minimal impact on stakeholder business arrangements	Minimal impact or disruption to community contained within a community area	First aid case, with no lost time.  Negligible safety impact.  Mild health effect for short period.	Minimal environmental impact.
2	Minor	£501 - £1,000	Slight loss of trust with no lasting impact. Little adverse publicity	Minor impact on stakeholder business arrangements	Minor impact to community and community dissatisfaction. Limited service disruption.	Minor injury (worker or third party).  Medical treatment beyond first aid.  Reversible health effect.  Minor illness.	Local impact requiring response, but from which there is a natural recovery.



		Financial	Reputation	Stakeholder	Community/ Customers	Health & Safety	Environmental
3	Moderate	£1,001 - £5,000	Moderate loss of trust that receives significant adverse publicity locally with no lasting impact	Moderate disruption to stakeholder's arrangements.	Moderate impact to community and customer dissatisfaction. Moderate service disruption.	Single major injury.  Irreversible health effect for example loss of hearing.  Serious illness from which there is full recovery.	Moderate environmental impact, requiring response to aid recovery.  Reportable to authorities.
4	Major	£5,001 - £10,000	Significant loss of trust and receives local media attention. Potential for lasting impact	Significant disruption to and opposition from stakeholders	Significant service disruption and community opposition. Threat of legal action.	Multiple major injuries which may result in permanent disabilities.  Life shortening health effect.  Health effect causing significant irreversible disabilities.	Major environmental incident resulting in significant impact requiring management by external authorities

		Financial	Reputation	Stakeholder	Community/ Customers	Health & Safety	Environmental
5	Catastrophic	Over £10,000	Significant loss of trust and receives national media attention with potential for persisting impact.	Major disruption to and strong opposition from stakeholders who represent vulnerable clients	Major service disruption. Significant community opposition. Legal action. Long-term public memory.	Death	Extreme environmental incident, resulting in irreversible long term or widespread harm

## Likelihood Matrix

	Description	Guidance	Probability Range
1	Improbable	Very remote probability that the event would occur	0 -1%
2	Remote	Event may occur only in exceptional circumstances	1 - 10%
3	Possible	Event could occur at some time	11 - 50%
4	Probable	Event should occur at some time	51 - 90%
5	Almost Certain	Event will occur in most circumstances	>90%

Impact	5	10	15	20	25
	4	8	12	16	20
	3	6	9	12	15
	2	4	6	8	10
	1	2	3	4	5
	Likelihood				

RED RISK	Red Risk: Unacceptable risk. Reduce risk by mitigation. Transfer risk.
AMBER RISK	Amber Risk: Reduce risk by mitigation. Regularly review.
YELLOW RISK	Yellow Risk: Tolerate risk. Review control measures.
GREEN RISK	Green Risk: Acceptable Risk. Monitor risk.