



SHENSTONE PARISH COUNCIL RISK MANAGEMENT POLICY

Introduction

Shenstone Parish Council integrates risk management into its internal control and governance framework. A risk is any event or circumstance that could threaten or impact the Council’s assets, finances, people, operations, or reputation. Effective risk management allows the Council to identify, analyse, and control risks in a structured and cost-effective way.

Approach to Risk Management

Risk management is a planned and systematic process comprising policies, procedures, audits, and reports that together ensure the Council operates efficiently and safely. Shenstone Parish Council manages risks at two levels:

1. A corporate risk register capturing risks to Council business.
2. A financial risk register capturing all risk that may impact the financial stability and sustainability of the council

On an ‘as required basis’ the Council may complete activity-specific risk assessments for example:

- The application of weedkiller treatments in public spaces
- Play area, fitness equipment maintenance
- Activities to be completed by Parish Lengthsmen outside of their normal working responsibilities.

Risk Management Process

The Council’s risk management cycle is continuous and comprises:

- **Identify:** Document all potential risks.
- **Assess:** Evaluate each risk’s likelihood and impact using a nine-box grid.

		SEVERITY			
		ACCEPTABLE Little to no effect on event	TOLERABLE Effects are felt but not critical to outcome	UNDESIRABLE Serious impact to the course of action and outcome	INTOLERABLE Could result in disaster
LIKELIHOOD	IMPROBABLE Risk is unlikely to occur	LOW 1	MEDIUM 4	MEDIUM 6	HIGH 10
	POSSIBLE Risk will likely Occur	LOW 2	MEDIUM 4	HIGH 8	EXTREME 11
	PROBABLE Risk will occur	MEDIUM 3	HIGH 5	HIGH 9	EXTREME 12

- **Address:** Develop and implement controls to mitigate significant risks.
- **Review and Report:** Monitor key risks, test control effectiveness, and conduct an annual review of the risk management system.

Role of the Clerk

The Clerk is responsible for:

- Implementing approved risk management and internal control policies.
- Identifying and highlighting significant risks for Council consideration.
- Providing timely, accurate reports on risk status and control measures.
- Commissioning the internal auditor to review risk controls and report findings to the Council.

Annual Review of Effectiveness

Each year the Council will:


- Review the previous year's risk management performance and internal control outcomes.
- Examine emerging internal and external risks for the coming year and assess current controls.
- Update the risk register to ensure comprehensive coverage and verify that mitigation measures are in place.

Migration to Enhanced Risk Registration.

- During Q3/Q4 - 2025/26 the SPC will be migrating all risks to the standard risk register format detailed as Appendix A of this document.

Document History

Version	Summary	Date
Draft A	Update of V2 May 2024	15 Sep 25.

Risk No	Description	Impact	Risk rating	Mitigation /Control
	<p>Strategic Risks (e.g., Local Government Reorganisation places unrealistic work demands responsibilities with the Parish Council)</p>			
	<p>Financial Risks (e.g. precept not provided, expenditure not controlled).</p>			
	<p>Compliance & Legal Risks (e.g., breaches of accounting, procurement regulations; non-compliance with data-protection requirements)</p>			
	<p>Reputational Risks (e.g., negative press around perceived lack of transparency; outcry over neglected public spaces)</p>			
	<p>Environmental Risks (e.g., flood damage impact of extreme weather on outdoor events)</p>			
	<p>IT & Cyber Risks (e.g., loss of financial records through a cyber-attack; failure of online systems)</p>			
	<p>Project-Specific Risks (e.g., delays refurbishment; contractor insolvency during village hall upgrades)</p>			
	<p>Stakeholder & Community Engagement Risks (e.g. opposition from residents to a proposed development)</p>			
	<p> Operational Risks (e.g.Key staffing continuity and succession planning. Loss of access to Parish Office and associated facilities and/or records)</p>			

	<p>🕒 Health & Safety Risks (e.g., injuries to employees provision of safe working environment.</p>			
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