



# **CYNGOR TREF MACHYNLLETH TOWN COUNCIL**

## **RISK POLICY**

### **Background :**

- 1 - Machynlleth Town Council (MTC) recognises the potential for events and consequences to impact both positively and adversely on its objectives and activities.
- 2 - MTC defines such events or consequences as risks and considers effective management of risk to be a key part of its responsibilities.

### **Purpose :**

The purpose of this policy is to

- set out MTC's approach to risk;
- describe the method by which MTC assesses the risk;
- explain the process by which MTC identifies risks and their potential consequences;
- explain how MTC seeks to mitigate identified risks.

### **Risk Identification :**

- 1 - Every year MTC will discuss the risks it believes that are present in discharging its responsibilities. Councillors will list risks and collectively classify them according to their probability of occurrence and severity of impact.
- 2 - Although a more sophisticated framework could be adopted to separately assess risk probability and impact, MTC will utilise a simple three point scale to assess the combined effect of both probability and impact and will rate each risk as High, Medium and Low. This reflects the scale of both MTC's responsibilities and the potential risks that it faces.

### **Risk Controls :**

For each identified risk, MTC will look at existing controls such as policies, procedures, training, or insurance to reduce the likelihood or impact of a risk.

MTC will then identify such additional controls as it deems necessary so as to further reduce the risk - either within the same risk rating of High, Medium or Low, so as to reduce the rating to a lower category.

**Risk Register :**

The Council will record the results of its review of risks in a Risk Register. The register will record the assessment of risks, existing and proposed control measures and the Council's preferred strategy for dealing with identified risks.

**Risk Appetite :**

While there are some risks that MTC is willing to tolerate, there are specific risks that MTC will not accept.

These include any course of action that will contribute or could reasonably be anticipated to contribute to the following occurrences :

- permanent injury or death to any of our residents, employees, Councillors or members of the general public;
- a prolonged loss or disruption to service for which MTC has a responsibility to a significant number of our residents;
- any decision which would represent a significant departure from our annual budget;
- any breach of the law;
- breach of regulation which could lead to intervention and/or sanction;
- irreparable damage to the Council's reputation;

**Insurance :**

MTC will maintain sufficient insurance cover to address known risks of injury to persons, theft and fraud.

Reviewed and adopted by Council on 26<sup>th</sup> January 2026.  
Next review January 2027.