



For Information

Risk Management Policy and Register 2022/2023

Adopted: 05/07/2022

Chairman: Cllr. Stephen Houghton

Minute Ref.: 220705/09

*Administered by Clerk and Responsible Financial Officer to
Wiswell Parish Council.*

1. Background

Risks can be defined as any threat or possibility that an action or event will affect the interests of the Parish Council. Risk management is not a process of avoiding risk but an attempt to identify risk and assess its implications in order to make informed decisions.

While, some risks can never be fully eliminated, it is important to have a plan in place that provides a structured, systematic, and focused approach to managing risk.

The Parish Council is responsible for the management of risk in accordance with this plan. The Clerk is responsible for advising the Parish Council on risk assessment and for conducting their duties in a manner which avoids undue risks to the Council.

Most of the Parish Council’s identified risks are covered by insurances taken out, i.e., public liability, employer liability, money, fidelity guarantee, property damage, official’s indemnity, and asset insurance.

Risk assessment is a continuous process for the Council and this plan is not exhaustive. The Parish Council may wish to consider other risks not identified. The plan will be reviewed annually, and it should be read in conjunction with the Parish Council’s Financial Regulations and Standing Orders.

2. Risk Assessment

Once the Council has identified its key risks, the next step is to assess the potential consequences of a risk occurring (Impact) and consider how likely this is (Likelihood). The risk assessment enables the Council to decide which risks it should pay most attention to when considering what measures to take to manage them.

The Council is using a simple numerical score (1 – 3) and multiplying the two scores to arrive at a risk assessment score for each risk of High, Medium, or Low.

		Medium (3)	High (6)	High (9)
LIKELIHOOD	Highly likely (3)	Medium (3)	High (6)	High (9)
	Possible (2)	Low (2)	Medium (4)	High (6)
	Unlikely (1)	Low (1)	Low (2)	Medium (3)
		Negligible (1)	Moderate (2)	Severe (3)
		IMPACT		

3. The Risk Management Register

The Parish Council is expected to carry out as a minimum an annual risk assessment and identify any actions it considers necessary to minimise those risks. The Risk Management Register was adopted at its meeting on 10 September 2018 and re-adopted at its meeting on 25 May 2021.

#	Description of Risk	Impact	Likelihood	Impact	Risk Rating	Mitigation	Responsible
1	Personal injury or damage to the public or their property arising from defects in Council owned assets.	Claims for compensation and costs to the Council in defending claims where appropriate.	1	2	2	<ul style="list-style-type: none"> Covered under the Council's Public Liability Insurance Policy – £10 million. Regular inspection and maintenance and prompt repair of any damage. Periodic review of insurance cover and timely renewal 	Council and Clerk
2	Compensation claims by an employee in respect of injury sustained in carrying out their employment.	Claims for compensation and associated costs.	1	2	2	<ul style="list-style-type: none"> Potential liabilities, including costs, covered by Council's insurance policy - £10 million in respect of employees. Maintain adequate insurance cover in respect of employees. 	Council and Clerk
3	Compensation claims by contracted person in respect of injury sustained in the cause of engagement.	Claims for compensation and associated costs.	2	1	2	<ul style="list-style-type: none"> Ensure contractor has suitable insurance as required by service contract. Lengthsman is required to take out suitable insurance as required by service contract. Lengthsman to complete weekly Risk Management Assessment Forms (RMAF's) as provided under LCC Risk Assessment and Safe Working Practices documentation. Sample inspection of weekly RMAF's to confirm appropriate completion. Occasional site checks to ensure compliance with risk procedures. 	Lengthsman Scheme Administrator Clerk
4	Loss of cheques, cash etc. held on the Council's behalf.	Reduction in Council's financial resources.	1	2	2	<ul style="list-style-type: none"> Such losses are covered by insurance policy. Prompt payment of receipts into bank No petty cash held. 	Council and Clerk Clerk

#	Description of Risk	Impact	Likelihood	Impact	Risk Rating	Mitigation	Responsible
5	Financial loss due to banking error. For example, loss of interest or bank charges levied.	Reduction in Council's financial resources.	1	1	1	<ul style="list-style-type: none"> • Scrutiny of bank statements upon receipt. • Periodic review of banking arrangements to secure reasonable terms and conditions. 	Clerk
6	Loss of monies due to fraudulent action by Council employee(s).	Reduction in Council's financial resources and reputation.	1	3	3	<ul style="list-style-type: none"> • All cheques and invoices signed by two signatories. • All expenditure approved by Council. • Financial Statements provided to Council. • Accounts subject to scrutiny by Internal Auditor, and overview by External Auditor. • Apply financial regulations. • Regular review of insurance cover. 	<ul style="list-style-type: none"> • Council • Council • Council • Auditors • Clerk • Clerk
7	Damage to Council property by third party.	Repair / replacement costs to be covered.	2	2	4	<ul style="list-style-type: none"> • Council's insurance policy covers items of equipment and street furniture. • Regular inspection of all Council assets. 	<ul style="list-style-type: none"> • Clerk • Clerk/Council
8	Actions against the Council for libel or slander.	Substantial costs to the Council. Reputational damage to the Council.	1	3	3	<ul style="list-style-type: none"> • Financial risk covered by the Council's insurance £250,000. • Ensure Members are aware and have training on such matters. • Proper conduct of meetings by the Chairman. • Professional advice from Clerk. 	<ul style="list-style-type: none"> • Members • Chairman • Clerk
9	Failure to represent community interest adequately in relation to matters likely to impact significantly on the Parish.	Reduction in local facilities and/or quality of life or missed opportunity to benefit from external funding or advice.	1	3	3	<ul style="list-style-type: none"> • Membership of NALC/LALC • Threats and opportunities reported to Council meetings. • Special meetings called as required. • Council to be kept informed 	<ul style="list-style-type: none"> • Council and Clerk • Council and Clerk • Clerk • Clerk
10	Loss of Council paper records or computer files.	Inconvenience in tracing information particularly legal and historical records.	1	3	3	<ul style="list-style-type: none"> • All computer files stored in the Cloud • Paper records stored at the clerk's house 	Clerk
11	Council assets subject to inclement weather, vandalism, theft, malicious or accidental damage.	Injury to public because of any malfunction.	1	3	3	<ul style="list-style-type: none"> • Insurance cover for public liability and replacement value. • Regular inspections, especially over the festive period. 	Council and Clerk

#	Description of Risk	Impact	Likelihood	Impact	Risk Rating	Mitigation	Responsible
12	Precept not submitted on time, or not paid by RVBC or inadequate for purpose.	Reduction in Council's financial resources and inability to deliver services	1	3	3	<ul style="list-style-type: none"> Budget and precept considered each November Regular reviews against budget Reminder sent out by RVBC 	Council and Clerk
13	<ul style="list-style-type: none"> Salaries wrongly calculated and paid. False employees registered for payment Tax and NI deductions incorrect 	Reduction in Council's financial resources and impact on the Council's reputation.	1	3	3	<ul style="list-style-type: none"> All payments by cheque and signed in accordance with Financial Regulations Regular budget comparison by Council Individual payments considered at Council meetings 	Council and Clerk
14	Payments made for goods not received	Reduction in Council's financial resources.	1	2	2	<ul style="list-style-type: none"> Purchases made from reputable known suppliers Generally, only paid after receipt of goods/service 	Clerk
15	Insufficient reserves	Inability to deliver Council services and impact on the Council's reputation.	1	3	3	<ul style="list-style-type: none"> Annual Budget approved with regular reviews. New expenditure only undertaken where reserves allow. Reserves maintained at levels commensurate with expenditure commitments and historical experience 	Council and Clerk
16	Loss of key personnel	Inability to operate and deliver services and impact on the Council's reputation.	2	3	6	<ul style="list-style-type: none"> Ensure Clerk has adequate training, support, and hours to undertake role as to avoid stress or early departure. Ensure regular back up of computer files Ensure sufficient notice periods are provided to allow replacement. Continue membership of NALC for advice. Maintain regular contact with the Clerk. 	<ul style="list-style-type: none"> Council Clerk Council Clerk and Council Council
17	Failure to comply with procedures for awarding contracts of goods and services	Reduction in Council's financial resources. Inability to deliver services Impact on the Council's reputation	1	3	3	<ul style="list-style-type: none"> Ensure adherence of Standing Orders and Financial Regulations for awarding of contracts Ensure contractors have necessary appropriate risk assessments and insurances in place. Procedures in place and cheques signed in accordance with Financial Regulations 	Council and Clerk

#	Description of Risk	Impact	Likelihood	Impact	Risk Rating	Mitigation	Responsible
18	Asset maintenance.	Loss or damage to asset or injury to third party or property.	1	3	3	<ul style="list-style-type: none"> • Maintain a regime of regular inspection in locations where the asset is located or held. • Insurance cover for public liability and replacement value. • Annual review of the asset register for insurance provision. 	Council and Clerk
20	Council's reputational loss	Council cannot function properly.	1	3	3	<ul style="list-style-type: none"> • Ensure Standing orders, and Financial Regulations are up to date. • Ensure internal audit is adequate. • Ensure tenders and quotes follow procedures. • Ensure Members are adequately trained. • Ensure Clerk is adequately trained. • Develop training programme for Councillors. • Retain membership of NALC and LALC. • Ensure members interests are recorded. 	Council and Clerk
21	Loss of Councillors resulting in meetings being inquorate.	Council cannot function	2	3	6	<ul style="list-style-type: none"> • Ensure Councillor numbers retained at 100% by co-option. • Create waiting list of co-optees • Follow up with Councillors not attending meetings 	Council and Clerk

4. Possible actions to further mitigate potential risks.

The table below sets out additional mitigation measures the Council may consider.

#	Description / Impact	Additional Mitigation	Responsible
10	Loss of Council paper records. Inconvenience in tracing information particularly legal and historical records.	Look to digitize all hardcopy records and correspondence.	Council and Clerk
13	Salaries wrongly calculated and paid. False employees registered for payment. Tax and NI deductions incorrect. Reduction in Council’s financial resources and impact on the Council’s reputation.	Look to engage separate agent to administer the Council’s PAYE scheme.	Council and Clerk
17	Failure to comply with procedures for awarding contracts of goods and services. Reduction in Council’s financial resources. Inability to deliver services. Impact on the Council’s reputation.	Review and update Standing Orders to reference the Council’s Financial Regulations.	Council and Clerk

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