

Risk Management Policy

Introduction

Risk is a threat that an event or action will adversely affect the Council's ability to achieve its objectives, implement its strategies and provide its services.

Risk management is the process by which risks are identified, evaluated, addressed and reviewed. The Council recognises that it has a responsibility to take all reasonable and practical measures to safeguard its employees, the people it works with and provides services for; and to protect the natural and built environments for which it is responsible.

The Council is aware that some risks cannot be eliminated fully and has in place a strategy that provides a structured, systematic and focused approach to managing risk and including where necessary, the introduction of internal controls and/or appropriate use of insurance cover. Members and staff must have regard for risk management through the following objectives:

- Integrate risk management into the culture of the Council
- Manage risk in accordance with best practice and legislative requirements
- Minimise loss, disruption, injury and damages
- Inform policy and operational decisions by identifying risks and their likely impact
- Raise awareness of the need for risk management through effective communication and provision of appropriate training.

Risk Assessment is a systematic examination of working conditions, workplace activities and environmental factors which will enable the Council to identify all potential risks. The Council will, based on these assessments, take all practical and necessary steps to reduce or eliminate the risk, as far as is practically possible.

Whilst some risks can never be eliminated fully they can be reduced/managed by having a structured approach to manage risk through the following steps:

1. Identify the hazards facing the Council.
2. Decide on who may be harmed and how.
3. Evaluate the risk and decide on precautions which would reduce the consequences of injury or harm.
4. Record findings and implement them.
5. Monitor the effectiveness of these risk management arrangements and revise accordingly.

Risk Management Policy and Risk Schedule

Neen Savage Parish Council has adopted this policy as part of its commitment to identifying and managing risk in order to be able to satisfy itself that it has taken adequate steps to minimise risk. It is a key element to enable Council to be able to fulfil its functions – to be able to represent the local community, deliver services to meet local need and strive to improve the quality of life of its residents.

The Parish Council uses the Risk Schedule and appropriate risk assessments in order to protect its staff, assets and the community against potential losses. The categories of risks are financial (loss of money, fraud, theft, damage), poor decision-making, non-compliance with legislation or operational (reputational damage, inability to meet its objectives and provide services).

The Practitioners' Guide 2025 - Governance and Accountability – published by the Smaller Authorities Proper Panel (SAPPP), makes the following observations regarding risk management. As part of the Annual Governance and Annual Return, AGS Assertion 5, in order for the Council to provide a positive response to the question of Risk Management, the Council 'must have appropriate arrangements in place. As a minimum, an authority must identify and assess risks, and address those identified risks by mitigating or managing them.' The arrangements 'need to be proportionate to the size and nature of the operations of an authority.' and Council 'should identify both financial and operational risks.' 'The authority generally, and members individually are responsible for risk management.' Also, 'Insurance is a significant way of managing and reducing risks relating to property, cash and legal liability'.

Risk can be managed by Council members and staff as well as when working with external partners ie contractors for asset inspections and maintenance, the internal auditor for internal controls advice, solicitor for legal advice and through insurance.

Internal controls help manage risk ie use of policies, notably Standing Orders, Financial Regulations, Code of Conduct and procedures ie risk assessments and method statements. Physical assets will be inspected regularly and details recorded with appropriate maintenance being carried out as soon as practicable. The Asset Register is updated on a regular basis by the Clerk. Significant purchases and planned events/activities will be notified to the Insurer.

Council will review its insurance schedule each year prior to being presented to Council for approval and minuted accordingly. Insurances to be considered are:

- a) Public Liability
- b) Employer's Liability
- c) Officer Indemnity
- d) Fidelity Guarantee
- e) Property Damage
- f) Libel and Slander
- g) Personal Accident
- h) Business Interruption
- i) Legal Expenses

Risk Schedule

The Risk Schedule enables the Parish Council to assess the risks that it faces and record that it has taken appropriate steps to minimise those risks through management. This Schedule is subject to regular review in conjunction with the risk assessments.

Risk Area	Risk identified	Level of Risk Low/Medium/High	Management/Control of Risk	Review
GENERAL				
Meetings	Adequacy Health and Safety of Venue	Low	Council meetings held monthly except August and December (where a meeting will be called if required). Parish Hall venue has good facilities, public liability cover and risk assessments in place. Council has Public Liability cover in place.	Annual Review
Business Activities Illegal decisions Poor decisions Actions not carried out	Illegal activity or payments Financial mismanagement Reputational damage	Low	All activity and payments made within powers of Council, resolved at Council meetings, notified by public Agenda. Regular reporting. Annual Internal Audit. Council adheres to Standing Orders, Financial Regulations and has adopted a Code of Conduct. Internal Audit. Training.	Annual Review
Business Continuity	Council not being able to continue its business due to unexpected circumstances	Low	All files and recent records kept at Clerk's home address. Computer has OneDrive back up as well as hard-copy back-ups. Business Interruption Insurance.	Annual Review and in case of incident.

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Legislation	Failure to comply with legislation. Fines, penalties. Loss of reputation	Low	Policies and Procedures in place. Insurance in place.	Annual Review.
Insurance	Adequacy Cost Compliance	Low	Annual review of all assets, equipment and activities of the Council. New items notified to insurer as required.	Annual Review Of Policy Schedule
PEOPLE				
Councillor, staff, volunteers	Injury or death	Low	Risk Assessments for activities. Employer's Liability Insurance.	Annual Review.
Councillors and staff	Accusations of libel or slander	Low	Training. Policies. Libel and Slander Insurance.	Annual Review
Employees	Non-compliance with Employment Law. Salary and associated costs incorrect or not paid.	Low	Clerk has a Contract. Clerk uses HMRC Basic Tools software for payroll processing. This system calculates correct amounts to be paid to Clerk and HMRC which are then put forward for payment at Council meetings. Compliant with Pensions Regulator. Employer's Liability Insurance.	Monthly checks of payments at each meeting. Annual Review of overall process. Internal Audit.
Employees	Fraud Theft Stress Job dissatisfaction.	Low	Monthly meetings, quarterly financial reviews and bank reconciliations. Good working relationships and Annual Appraisals. Fidelity Insurance. Regular training available. Membership support from local ALC available.	Annual Review

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FINANCE				
Financial Records	Inadequate records. Irregularities. Error or Omission. Negligence.	Low	Council has quarterly reviews of accounts and bank reconciliations, follows Financial Regulations, undertakes Internal independent audit. Officer Indemnity Insurance.	Annual Review Internal Audit
Payments	Fraud – goods not supplied Mistakes – errors on invoice or when writing cheques. Lawful – powers to spend. Within budget.	Low	Invoices checked for accuracy before adding to Agenda. Payments assessed against budget and ear-marked funds and noted on monthly Agendas. All payments checked and signed by two councillors. S.137 payments assessed for community groups and noted separately. Legal power to spend noted on accounts. Quarterly financial reviews include bank reconciliations. Direct Debits reviewed annually.	Monthly, quarterly and annual review. Financial Regulations reviewed annually.
Budget and Precept	Inadequate precept and funds for the Council to carry out its statutory duties resulting in loss of services and reputational damage.	Low	Council prepares budget and precept requirements with full consideration. Council reviews current income and expenditure against budget, forecast and ear-marked reserves and bank statements on a quarterly basis to keep informed.	Quarterly budget reviews. Annual budget preparation.
Loss of money through theft, fraud or dishonesty	Affect Council services. Reputational damage.	Low	Quarterly budget reviews and bank reconciliation checks. Follow Financial Regulations. Internal Audit. Fidelity Guarantee insurance.	Annual Review

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VAT	VAT not recorded in accounts. Reclaims not made. Incorrect claims.	Low	Clerk updates accounts monthly. Council undertakes quarterly reviews of accounts to verify accuracy. Council has independent Internal audit. VAT reclaims annually.	Annual Review
Annual Governance and Accountability Return (AGAR) Audit	Not submitted on time Electors' rights not in accordance with current legislation	Low	Internal Audit completed in April for Council to approve in May along with AGAR. Clerk sends document to External Auditor by end of June. Electors' Rights Notice completed and published on time.	Annual Review
OPERATIONAL				
Documents and records	Poor management of documents. Loss through fire, theft, damage. Non-compliance with legislation. Data corruption or loss. Data Protection breaches. Reputational damage and fines.	Low	Document Retention Policy in place. Registered with Information Commissioner. Digital information password protected. Computers have anti-virus, firewalls. Policies and procedures in place. Secure storage and management of information in Clerk's office and at Hall. Older documents at County Archives. Electronic files on OneDrive and hard-copy back-ups. Contents Insurance. Business Interruption Insurance.	Annual Internal Audit. Information Commissioner registration renewed each February.
Meetings – Agendas and Minutes	Agenda errors, not timely. Minutes – errors, not reflect the business conducted.	Low	Agendas and Minutes produced by Clerk to legal requirements. Minutes numbered. Hard copy kept in file. Agendas displayed on Council Notice Boards and website. Draft Minutes sent out within one week to Council members	Annual Review Internal Audit

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			and verified at next Council meeting, then published on website as per Transparency Regulations. Business on Agenda managed by Chair at meeting following Standing Orders. Annual Internal Audit.	
Policies and Procedures	Non-compliance.	Low	Council has all policies in place and on regular review.	Annual Review.
Members Interests	Documents not in place. Documents not up-to-date. Non-declaration of Interests. Conflicts of interest. Reputational damage.	Low	Register of members interests all in place. Members responsibility to keep their Interests up-to-date. Councillors invited to declare any interests at each meeting. Website links to Shropshire Council.	Members invited to review annually.
Insurance	Adequacy Cost Compliance Fidelity Guarantee	Low	Quotes sought each year and policy schedule reviewed prior to approval to ensure adequate cover. Insurer notified of new assets or activities. Fidelity Guarantee in place.	Annual Review
Public Liability	Risk to third party or property.	Low	Risk Assessments for all Council assets and activities. Insurance in place.	Risk Assessments reviewed 6-monthly and if required, sooner. Insurance annual review.
Data Protection	Non-compliance with legislation. Data corruption or loss. Reputation damage and fines.	Low	Council registered with Information Commissioner. Computer has anti-virus and firewalls. Data Protection policies and procedures in place.	Information Commissioner registration renewed each February.

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			Secure storage and management of information.	Policies on review cycle.
Freedom of Information	Non-compliance with legislation. Reputational damage and fines.	Low	The Council has adopted the Model Publication Scheme, adapted for the Parish Council. Council adheres to the Transparency Code requirements to publish information. Council has policies in place to manage FOI and other requests for information.	Annual Review. Requests for information dealt with as required.
Transparency and Accountability	Non-compliance with Legislation	Low	Council adheres to the Transparency Code.	Annual Review
Fraud and corruption	Illegal activity. Financial loss. Reputational damage.		Standing Orders, Financial Regulations and Code of Conduct in place. Fidelity Guarantee Insurance.	Annual Review Internal Audit
Outdoor Assets: Bus Shelter Notice Boards Benches	Deterioration through lack of maintenance causing injury or loss of asset. Theft. Damage.	Medium	Outdoor assets inspected monthly and maintained appropriately. Up-to-date Asset Register. All-risk Property Insurance. Public Liability Cover	Annual Review
Indoor Assets: Documents and records Laptop computer	Loss through fire, theft, damage. Computer breakdown or theft.	Low	Recent documents and computer stored at Clerk's home address. Older documents at Parish Hall locked cabinet. Old documents at County Archives. Electronic files on OneDrive for automatic back-ups as well as to a hard-drive (monthly). Contents Insurance.	Annual Review

Policy Review Date: May 2027.