Hampton Parish Council

Making it happen for the Parish of Hampton Hargate and Vale

Hampton Parish Council Risk Management Policy

A policy which sets out how the Council will identify, quantify, manage, assess and review risks

Adopted May 2025

Review May 2026

What is Risk Management?

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.

Objectives

The objectives of the risk management policy are to:

- 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

These objectives will be achieved by:

• Identification of risk

• Undertaking risk assessments

• Managing the risk and recording actions

• Incorporating risk management considerations into council processes

• Providing appropriate training

• Establishing clear roles, responsibilities and reporting lines

• Effective communication with, and active involvement of, employees

Risk Register

The risk register enables the parish council to assess the risks that it faces and confirm that it has taken appropriate steps to manage those risks.

The council has broken the risks into four areas:

1. Finance

2.. Governance & Management

3.. Workplace

4.. First Aid

The risks are identified, described and evaluated according to the potential consequence of the risk occurring (impact) and how likely this is (likelihood) i.e. high, medium or low risk. The response to risk may involve one or more of the following responses:

• Tolerate the risk – for the risks where the downside is containable with appropriate contingency plans or if the controls cannot be justified (e.g. because they would be disproportionate; and for unavoidable risks, e.g. terrorism.

• Treat the risk – by imposing controls so that the parish council can continue to operate; or my setting up prevention techniques

• Transfer the risk – by buying a service from a specialist external body or taking out insurance

• Terminate the activity giving rise to the risk (or not start) which involve intolerable tasks or those where no response can bring the risk to a tolerable level.

The risks are identified, assessed and recorded on the following risk register and will be reviewed by the council not less than annually.

TOPIC	RISK	L/M/H	MANAGEMENT/CONTROL OF RISK	REVIEW/ASSESS /REVISE
FINANCIAL				
Precept	Request not submitted	L	Full Parish Council minute showing complete precept.	
Precept	Not paid by City Council	L	Checked and reported to full council. Reserves held.	
Precept	Adequacy of Precept	M	Review of income, expenditure and variances every quarter against budget	
Reserves - General	Inadequate to cover possible expenditure	L	Considered at the budget meetings. Reserves of minimum of 75% of precept held	
Reserves - Earmarked	Inadequate to cover possible expenditure	L	Considered at the budget meetings.	
Assets	Loss. Damage etc	M	Regular inspections, insurance in force and sums insured checked annually. Asset register updated annually – internal audit	
Assets	Risk or damage to third party property or individuals	M	Adequacy of Public Liability Insurance reviewed annually.	

Cash	Loss through theft or dishonesty	L	Adequacy of Fidelity guarantee insurance reviewed annually. Financial regulations and internal audit procedures in operation.	
Legal Powers	Illegal Activity or Payment	L	Power to spend stated in minutes. Council informed as to legal powers. Clerk attends relevant training. Council holds GPC	
Best Value	Overspend on services	M	Ensure correct tendering for services. Estimates obtained prior to precept if possible	
Salaries	Wrong salary paid	L	Payroll company engaged Checked to minute and budget. Verified by internal auditor and Chairman.	
Salaries	Wrong rate of pay	L	Payroll company engaged Checked to minute and budget. Verified by internal auditor and Chairman.	
Salaries	Wrong deductions of PAYE	L	Payroll company engaged Checked to PAYE Calculations. Notified to Council, checked by Chairman and Internal Auditor	
Direct Costs and overhead expenses	Goods not supplied to Parish Council	L	Clerk confirms, Member verifies.	
Direct Costs and overhead expenses	Payment payable is in excess of budget	M	Payment authorised by Full Council . Council informed via monthly payment list submitted for approval.	
Direct Costs and overhead expenses	Payment made to wrong party	L	All payments checked by Full Council and approved by F&GP Chair or other signatory	
Grants & Support	No agreement of Council to pay	M	Agenda/Budget item. Minuted and payment authorised by all members	
Elections Costs	Estimate only given by PCC Late submission of City Council invoice therefore cost not fully covered by budget	M	RFO and full Council checks/considers budget.	

Financial Records	Inadequate records	L	Checked annually plus regular internal audit	
Minutes	Failure to be adequate and legal	L	Reviewed by Council/Committee at following meeting.	
Members Interests	Conflict of Interest	L	Declarations of interest updated at each Council meeting with reminder note printed on agenda.	
RFO/Councillors committing fraud	Parish Precept/ public funds Reputation of Parish Council	L	Fidelity Insurance cover of £300,000 Finance Regs and Internal Audits in operation	Amount of Fidelity Insurance to be reviewed annually
Loss of money through Bank	Parish Precept/ public funds	L	Division of reserves between 2 banks spreads the risk to minimise financial loss. Financial Services Compensation Scheme covers up to £85,000 per authorised bank or building society	
GOVERNANCE & MANAGEMENT				
Lack of forward planning and budgetary controls	Lack of direction insufficient funds to cover spend	L	Budget in operation and reviewed every quarter	
Poor reporting to Council	Poor quality decision making Council becomes ill informed	L	Timely and accurate financial reporting. Clear instructions to staff. Matter raised at meeting	
Failure to keep proper financial records in accordance with statutory requirements	Inadequate financial control	L	Proper arrangements for the notification of income and approval of Expenditure. Review of internal controls in place and their documentation. Internal auditor	
Failure to respond to electors' wish to right of inspection	Loss of confidence Loss of reputation	L	Operating protocols set by Government & external auditor	
Poor document control	Information not passed on in a timely manner. Deadlines missed. Lack of achievement	L	Clear job descriptions	

Failure to ensure that the Council complies with law in particular: *Health and Safety *Equal Opportunities *Data Protection *Human Rights *Disability Discrimination *Employment Law *Racial Discrimination	Fines and Penalties from regulation bodies Loss of reputation	L	Clear policies and procedures Regular review of law. Training	
Failure of the provision of services being carried out under agency/partner agreements with principal authorities	Loss of reputation Loss of services Poor public image	L	Clear statement of management responsibility for each service when first taken on. Review of adequacy of insurance cover provided by suppliers	
Failing to ensure that all business activities are within legal power	Illegal expenditure	L	Recording in the minutes the precise power under which expenditure is being approved	
Failure to provide proper, timely and accurate reporting of Council business in the minutes	Confusion and misunderstandings Actions not reflecting the intentions of Council	L	Draft Minutes published within 10 working days after the meeting. Approval by Committee/Parish Council. Minutes properly numbered. Master copy kept in safekeeping	
Council lacks relevant skills and commitment	Council fails to achieve its purpose. Decision making bypasses Council. Poor value for precept money.	L	Training for Councillors Close review of attendance	

Council becomes dominated by one or two individuals.	Conflicts of interest. Pursuit of personal agendas. Decisions made outside Council	L	Clear Standing Orders regarding conduct of meeting and conflict of interests	
Councillors benefiting from being on the Council	Affect reputation Conflicts of Interest	L	Clear Standing Orders Code of Conduct SI 2007 No.1159 adopted August 2023. Standards Board guidance issued to all members	
Insufficient protection of physical assets owned by the Council – furniture, play equipment, benches etc.	High cost of repair Loss of Assets Disruption Damage to public property or person	M	Insurance cover. Police report or damage report. Maintain an up to date register of assets Regular maintenance arrangements for physical assets Annual review of risk and adequacy of insurance cover	
Loss of records	Services not provided? Inability to carry out functions? Loss of historical records (irreplaceable)	L	Copies of important documentation issued to Cllrs. Ensure regular backups undertaken (copies to be kept in separate locations)	
Cyber Security	Loss of sensitive information Loss of funds Lack of confidence in the Council. Disruption of services	L	Use a good quality paid for Anti-virus. Full firewalls in place. Encryption on the hard drives in place, to prevent access if the computers are stolen	
Safeguarding – Assault/injury Failure of the Council to take reasonable steps to ensure anyone carrying out duties for or on behalf of the Council is adequately safeguarded.	Injury/assault on a member staff or councillor	L	Site meetings to be carried out by any Councillor to be notified to the office in advance and accompanied where possible. All other precautions stated in the staff risk assessment to be applied to councillors.	

This includes not placing any such person in a potentially vulnerable position.				
Workstation	Repetitive strain injury Eye damage/VDU Screen	L	Computer screen free from defect. Keyboard adequate. Good lighting. No glare. Adjustable chair, footrest. Eye test every two years. Annual inspection of office to be Carried out by Finance & General Purposes Committee.	
Accident occurring in office	Injury to Clerk, Public, Councillors	L	Flooring inspected regularly for defects. Filing cabinets closed when not in use Windows checked regularly for defects. Equipment regularly checked for defects & annual inspection carried out by General Purposes Committee. Electrical inspection annually by competent electrical engineer. Personal alarm. First Aid equipment & insurance cover provided.	
Fire	Fire	L	Fire precautions and equipment provided including fire alarm. Annual inspection to be carried out by General Purposes Committee	
Public Access Defibrillators	Stolen/missing/not working	M	Regular inspections carried out to ensure heated boxes and defibrillators are in full working order and available for use by the public. Monthly inspections, replace battery and pads on the defibrillators every two years or earlier if display indicates the need.	