

# MUCH HOOLE PARISH COUNCIL: RISK MANAGEMENT PLAN

Reviewed 12<sup>th</sup> May 2025

## 1. RISK MANAGEMENT POLICY

- 1.1 The recognition and management of risk is integral to the Council's stewardship of their assets and resources and the effective and efficient discharge of their duties and responsibilities to the community.
- 1.2 Risk assessment is a continuous process for the Council. Risks may be financial or non-financial.
- 1.3 The Council are responsible for the management of risk to minimise risks in accordance with this policy and plan.
- 1.4 The Parish Clerk being the Responsible Financial Officer (RFO) is responsible for advising the Council on risk assessment and for conducting his/her duties in a manner, which avoids undue risk to the Council.
- 1.5 Key risks are identified in the Risk Management Plan and Register.

## 2. RISK MANAGEMENT PLAN

- 2.1 This plan aims to define significant risks and define how the Council will manage and minimise these identified risks.
- 2.2 Risks can be defined as any actual or implied situations/ actions that will affect the interests and functioning of the Council.
- 2.3 The level of risk can be judged by a) the likelihood of it occurring, and b) the effect on the Council should it do so. Both aspects need to be minimised by resolute and agreed action by the Council, the Clerk and the Responsible Financial Officer (RFO).
- 2.5 Judgement of the level of risk will rely on best practice and on past experience. The Council will determine whether a risk is acceptable.
- 2.6 Generally much of the identified risks, which can be quantified financially, are covered by insurances carried by the Council, i.e.:
  - Public liability
  - Employer liability
  - Money
  - Fidelity guarantee
  - Property damage
  - Equipment
- 2.7 The appended Risk Management Register forms part of this Plan.
- 2.8 The Council will review the Plan as part of their Annual Meeting held in May.
- 2.9 The Plan should be read in conjunction with the Council's adopted Financial Regulations and Standing Orders.

## MUCH HOOLE PARISH COUNCIL – RISK MANAGEMENT REGISTER

RISK	PROBABILITY	IMPACT	MITIGATION	CONTROL	RESPONSIBILITIES
1. Financial loss due to banking error (e.g. loss of interest or bank charges being levied)	Low – banks make few errors today. Need to maintain funds in the Current account for expenditure	Reduction in Council's financial resources.	Regular monitoring and review by the council including monthly bank reconciliations.	Application of financial regulations, including scrutiny of all bank statements at the end of each month. Periodic review of banking arrangements to secure best possible terms and conditions.	Council and R.F.O.
2. Loss of monies due to fraudulent action by the Responsible Financial Officer	Low – any significant impact would easily be detectable.	Reduction in Council's financial resources.	All payments to be initiated online only by the RFO (except in an emergency when a Councillor will initiate the payment) which must be authorised by two Councillors against invoices and in line with a minuted agreement in a Council meeting to make the payment so that all expenditure is approved by Council. Accounts subject to Council and Auditor scrutiny.	Application of the Council's adopted financial regulations. Monthly bank reconciliations.	Council and R.F.O.
3. Improper expenditure of money	Medium – lack of care in assessing expenditure.	Insufficient funds to cover expenditure. Additional costs incurred by audit.	Regular monthly monitoring of expenditure against the agreed annual budget. Awareness of council powers.	Application of financial regulations in respect of quotations and authorising expenditure. Monthly bank reconciliations. Training. Full assessment of the need for the expenditure.	Council and R.F.O.

**MUCH HOOLE PARISH COUNCIL – RISK MANAGEMENT REGISTER**

<b>RISK</b>	<b>PROBABILITY</b>	<b>IMPACT</b>	<b>MITIGATION</b>	<b>CONTROL</b>	<b>RESPONSIBILITIES</b>
4. Personal injury/damage to member(s) of the public or their property arising from use of, or involvement with, council's property or actions including the use of the cycle pump track.	<b>High</b> – Council has responsibility for the proper maintenance of the cycle pump track to minimise the risk of injury to users or bystanders because, by its nature, the track affords inherent risks to users.	Claims for compensation and costs to the Council in defending claims when appropriate.	Covered through Council's insurance of £5 million public liability cover.	Periodic review of insurance cover and timely renewal - significant changes to be agreed by Council. Council to produce a separate detailed Risk Assessment for the Cycle Track which is kept under regular review.	Council in general and the particular Councillors responsible for looking after the cycle pump track. The Cycle Track Lengthsman has specific responsibility to advise the council of what needs to be done to maintain the area in a condition to minimise risks to all at the site.
5. Compensation claim by employee or contracted person in respect of injury sustained during his/her employment or engagement by the Council. Re. Negligence	Medium –Whilst Clerk's duties are essentially office based, the two Lengthsmen are engaging in inherently risky activities.	Claims for compensation and associated costs.	Potential liabilities, including costs, are covered by insurances of £10m Employer's Liability cover.	Maintain adequate insurance cover. Produce agreed Job Descriptions and risk assessments for each role and keep them under review. The two Lengthsmen are engaging in inherently risky activities and at all times must exercise caution.	Council + RFO.

6. Loss of cash etc held on Council's behalf	VERY Low – Receipts never in cash and rarely by cheque.	Reduction in Council's financial resources.	Such losses covered by insurances, including theft. Direct payment of Precept and VAT refunds are direct into bank account.	Maintain adequate insurance cover	RFO + Council.
7. Failure to represent community interest adequately in relation to matters likely to impact significantly on the Parish.	Low – the Council's sole purpose is to benefit the community and represent its interests so it is unlikely it will fail in that task.	Reduction in local facilities and/or quality of life or missed opportunity to benefit from external funding or advice.	Council recognised by other agencies for consultation and information dissemination. Membership of NALC/LALC. Attendance at SRBC Liaison Committee and LALC Area Committee. Subscribers to NALC publications. Council to issue newsletters annually to keep residents informed of the work of the Council on their behalf.	Threats and opportunities reported to Council meetings. Special meetings called as required. Clerk monitors SRBC agenda papers and publications.	Council and Clerk.
8. Failure to provide information as per 'Freedom of Information' Act requests.	Medium - Possibility of inadequate record keeping	Possibility of breaking the law	Proper minutes of meetings. Rules for applying 'Freedom of Information' Act adopted.	The situation requires regular assessment and prompt action by the Clerk and Chairman of Council when a FOI request is received.	Clerk and Chairman of Council

9. Actions against the Council for libel or slander.	Low - Proper conduct of Council meetings.	Potentially substantial cost to the Council.	Risk covered by insurance –although low risk; insurance cost is also low. Council and Clerk’s judgement regarding correspondence, etc.	Council’s and Clerk’s awareness. Proper conduct of meetings by Chairman. Council and Clerk to receive training. Clerk to gain CILCA qualification	Chairman, Councillors and Clerk
10. Councillors making statements on behalf of the council, which may commit the council to courses of action not previously agreed by the council.	Low - Councillors, Clerk and RFO not knowing or appreciating the nature of a contact outside the council.	Potential for unexpected costs and commitments by the council or Councillor.	Training of council members.	Council and Clerk to be to be aware of the corporate entity of the council. Training in corporate responsibilities to be made available to council members.	Council members and Clerk
11. Loss of Parish Council electronic documents.	Low – Clerk’s laptop automatically backs up data regularly to the Cloud.	Loss of corporate memory.	Ensuring clerk is aware of responsibilities.	Clerk to back up documents to pen drive/external hard drive monthly in addition to the Cloud. HMRC data to be backed up monthly.	Clerk
12. Lack of transparency /inappropriate decision-making in respect of releasing money to the Village Hall.	Medium - Voting members of MHPC, who are also trustees of Village Hall committee (recipient body) relying on dispensations previously granted.	Public loss of confidence in transparency of Council decision making.	Ensure procedures to be followed in respect of withdrawal from meetings and conflicts of interests when any decisions are taken in respect of monies allocated to Village Hall projects or development.	The payment authorisation procedures in the adopted Financial Regulations state that no payment to the Village Hall can be initiated nor guaranteed by Councillors who are also Trustees of the Village Hall.	Councillors and RFO