Bournheath Parish Council
Risk Management policy

The Parish Council has in place a system to help it manage risk; the system is designed to be flexible to cater for future progress and any developments over time.

Bournheath Parish Council acknowledges that risk management is increasingly important and that parish councils are expected to be explicit in their approach to it. The failure to manage risks effectively can be expensive in financial terms and in terms of service delivery and in addition, the parish council's ability to achieve its objectives would be threatened causing the electorate to lose trust in the council.

Bournheath Parish Council will therefore ensure that it:

- ❖ Identifies key risks (as in the appendix to this policy);
- ❖ Evaluates the potential to the council of one of these risks taking place; and
- ❖ Agrees measures to avoid, reduce or control the risk or its consequence.

For example, physical assets could be lost as a result of fire or flood, damage by vandals, theft or simply deterioration through lack of maintenance. All these risks can be minimised or transferred by various means, such as taking out insurance, securing alarms or by regular inspection and maintenance.

In addition to identifying risk it is a good idea to make a judgment about the likelihood of the risk occurring and its potential impact.

The Parish Council undertakes to manage risk by:

- Taking out appropriate insurance
- Working with another party to reduce the risk where relevant, and
- Managing the risk itself

Appendix 1 outlines the:

- ✓ Areas of risk to the Parish Council
- ✓ Type of risk that may occur
- ✓ Likelihood of the risk occurring, graded Low (1), Medium (2,3,4), High (5)
- ✓ Potential impact of the risk occurring
- ✓ Actions taken to reduce the risk occurring
- ✓ Evidence of actions taken to reduce risk
- ✓ Further actions for improvement

Asset list – please refer to the current asset list (forms part of meeting notes and current budget).

Signed_____

Chair, Bournheath Parish Council

For approval at meeting held 14/05/25, reviewed annually.

Appendix 1

RISK AREA	RISK IDENTIFIED	LIKELIHOOD OF OCCURRENCE	POTENTIAL IMPACT	STEPS TO MITIGATE RISK (CONTROL)	EVIDENCE	ACTION (AGREED IMPROVEMENTS)
Assets	Damage to physical assets as identified on the Asset Register (office equipment, street furniture)	Medium 3	Cost of replacing damaged, destroyed or missing assets. Loss of facilities.	Maintain Asset Register; Resolve ownership; regular maintenance of assets, with check sheet; Adequate level of insurance	Current insurance policy. Current maintenance contract	Regular review of insurance policy. Regular review of maintenance contract.
Assets	Security of property, equipment etc	Medium 3	Cost of replacing damaged, destroyed or missing assets. Facilities out of use for a period.	Council laptop covered by all risks insurance. Regular external backup to off-site hard-drive.	Current insurance policy. Back-up system.	Review level and adequacy of insurance cover. Review effectiveness of backup system.
Finance	Banking procedures	Medium 3	Cash flow problems. Increased potential for fraud	Follow clear procedure. Regular banking and reconciliation of statements. Termly internal audit by parish councillors Mandate kept up to date.	Banking procedure agreed by Council. Reconciled bank statements. Signed confirmation of internal audit. Current bank mandate.	Ensure all members have copy of banking procedure. Review bank mandate to ensure cheque signatories are up to date.
Finance	Loss of income as a consequence of damage or theft	Low 1	Inability to provide expected service.	Adequate level of insurance cover. Any important documents backed up to off-site	Current insurance policy schedule.	Review the need for consequential loss insurance cover. Storage of key hard-copy documents to be in a fireproof lockable cabinet.

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			Loss of key data.	hard drive and original paper copies kept in lockable filing cabinet.	IT data back up to external hard-drive and 'cloud' application	
Finance	Loss of cash through theft or dishonesty	Medium 3	Adverse publicity for the council and risk to reputation. Financial loss.	Adequate level of fidelity insurance cover, with a minimum of £10,000.	Insurance policy document	Review level of fidelity insurance relevant to size/activity of council.
Finance	Non-compliance with HMRC regulations	Medium 2	Penalties and/or fines for late returns, errors on submissions etc. Reputational risk and adverse publicity.	Use external advice when necessary. Submit VAT return every 6 months and at least annually. Submit Real-Time payroll monthly and end of year returns online and on time. Internal & externl audit review.	VAT returns and workings. Monthly payroll submission confirmations	Maintain VAT accounting monthly to keep track of when to submit VAT return.
Finance	Inadequate financial controls and records	Medium 3	Lack of control over the Council's assets. Higher likelihood of fraud or misappropriation of assets. Ineffective reporting.	Adherence to Finance Regulations and parish council policies. Accounts and asset register prepared on appropriate computerised accounting system. Bank reconciliations undertaken on a regular basis. Regular inspection of accounts	2-year review of relevant policies. Quarterly (minimum) accounts statements to Parish Council. Bank reconciliation statements.	Review Finance Regulations annually. Maintain asset register and reconcile to agreed insurance values. Update asset register for all future assets purchased.

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			Qualified internal and external audit reports.	day-book by appointed members. Expenditure payments approved by council. Minimum 2 council signatories on payment authorisations. Annual independent internal audit.	Check-sheets signed by appointed members. Signed expenditure payments reports. Signed authorisation reports / cheque stubs. Approved signatories on bank mandate. Auditor's statement 'un-qualified'.	
Finance	Inadequate budgeting	Medium 2	Council receives less funding than is required to meet its obligations and objectives.	Council prepares detailed balanced budget in late Autumn. Precept determined directly from this budget. Actual expenditure versus budget reported to Council twice pa.	Budget versus actual statements with minuted approval, signed by 2 parish councillors.	To include statement of approval in the minutes.
Finance	Non-Compliance with borrowing restrictions	Low 1	Council acting outside its powers	Justification for any additional borrowing fully reviewed and approved by PC. Borrowing approval via NALC.	Internal and external audit reviews.	No borrowing being considered at present.

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Liability	Third party property or individuals	Medium 3	Funding cost of a successful action or claim against the Council. Reputational risk.	Public liability insurance cover (£10M)	Current insurance policy.	
Liability	Legal liability as a consequence of asset ownership (e.g. street furniture, etc)	Medium 3	Funding cost of a successful action or claim against the Council. Reputational risk.	Adequate Insurance; clarify land ownership responsibility	Current insurance policy.	Proof of ownership
Employer Liability	Non-compliance with employment law	Medium 3	Employee dissatisfaction and disputes, potentially leading to industrial tribunal.	Employer Liability Insurance cover. Relevant staff training and experience. Advice from relevant professional advisers and membership bodies e.g. CALC Training for members	Staff qualifications and training records. Membership confirmation. Contractual arrangements with professional advisers.	Review line management responsibilities
Employer Liability	Non-compliance with HMRC requirements	Medium 3	Fines and penalties for late returns, errors etc. HMRC investigations.	Relevant staff training and experience. Advice from HMRC as required. Internal and external audit reviews.	Records of HMRC returns and submissions.	

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Employer Liability	Safety of staff and visitors	Low 1	Funding cost of a successful action or claim against the Council. Reputational risk.	Adequate insurance. Relevant staff training. Adherence to Council policy on lone working and health and safety.	Current insurance policy. Signed confirmation of acceptance of policy. Training certificates	Revisit employee safe-working policies.
Employer Liability - Lengthsman	Coming into contact with the COVID 19 virus	Medium 3	Meeting a member of the public and becoming infected	Adhere to social distancing guidelines	Confirmation of awareness of Government Guidelines	Council to provide masks
Employer Liability - Lengthsman	Coming into contact with the COVID 19 virus	Medium 3	Touching a surface where the virus is present	Avoid touching face, wear gloves, wash down gate entrances, equipment and vehicles before others use them	Confirmation of awareness of Government Guidelines	Council to provide hand sanitizer and wipes
Employer Liability - Lengthsman	Falling ill whilst on the job	Medium 3	Becoming too ill to work and not receiving medical treatment	Not to work if feeling ill, to let the Clerk know where and when they will be working and to check in once finished	Worksheets / Timesheets	Update worksheet to include text to Clerk
Employer Liability - Lengthsman	Falling ill whilst on the job	Low 1	Underlaying health condition worsened their situation	Lengthsman to advise Clerk of any health issues	Copy of email	Adjust risk level if advised of underlaying health issues
Contractual Liability	Failure to fulfil contract	Medium 2	Cost of legal support in	Adequate insurance.	Copy of agreed written	

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			event of claim. Reputation at risk.	Both sides to agree terms of contract. Contractors to provide proof of insurance cover	contract signed & retained. Copy of contractors' insurance retained	
Legal liability	Non-compliance with legal powers (acting *ultra vires*)	Low 1	Potential reputational and financial risk.	Parish Clerk clarifies the legal position. Legal advice to be taken as necessary. Regular WorcsCALC updates circulated. Access to CALC /NALC	Council minutes.	
Legal Liability	Inaccurate and/or non- timely reporting via the minutes	Medium 3	Inappropriate or no actions undertaken. Reputational risk. Non-compliance with the Freedom of Information Act	Full council meets regularly and receives and approves minutes of meetings. Minutes made available to public via the Council website. Staff training.	Council minutes consecutively numbered, signed and dated. Hard copy available as well as via the website.	
Legal Liability	Inaccurate and/or non-timely disclosure via public media eg newsletter / website	Medium 3	Misleading information provided. Legal claim against the Council Risk to reputation.	All media double-checked for accuracy. Newsletter proof-read. Permissions obtained. Libel/slander insurance cover	Regular reporting to council, recorded in minutes. Signed copies of permissions retained.	

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Legal Liability	Misconduct of Clerk	Low 1	Risk to reputation 3rd-party claim against the Council Cost of legal advice	Regular liaison with Clerk Membership of relevant professional body CPD training	Diarised meetings Chairman and Clerk Support of membership to SLCC. Annual appraisal and review of training needs	
Health & Safety	Failure to comply with legislation	Medium 3	Action or claim against the council. Reputational risk	Policies on health and safety adopted and reviewed biennially. Checklists and risk assessments of relevant activities are undertaken. Training of staff. Lead Health and Safety Officer identified.	Review of policy minuted. Health and Safety policy available. Accident record book retained in office. First-Aid kit.	Check suitability of First-Aid kit and purchase replacement items if required.
Legal Liability	Document control	Medium 2	Loss of key data. Confidential data compromised. ICO investigation. Council unable to function effectively	Any key legal documents kept in locked office cabinet or archived at County Records Office. Computer backed up regularly using stand-alone hard drive. Uploaded to the BPC website	Schedule of which documents are contained in locked cabinet and those at County Archive.	Identify and list statutory documents (eg employers liability, minutes)

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Councillor Propriety	Non-Declaration of Interests	Medium 3	Councillors' conflict of interest Corruption	Register of Interest completed and reviewed annually. Agenda item to prompt Declarations of Interest Update forms available at meetings Training of councillors	Register available online via link to District Council website. All declared interests recorded in Parish Council minutes Councillors' training record maintained	
Councillor Propriety	Non-compliance with Code of Conduct	Medium 3	Bringing the Council into disrepute	Signed acceptance of Code; copy provided to all members. Training of councillors	Parish Council minutes Councillors' training record maintained	Ensure new members receive appropriate training