

UPTON & NORTH ELMSALL PARISH COUNCIL RISK MANAGEMENT POLICY

1. Purpose

This policy sets out a structured approach to identifying, assessing, and managing risks across all Council activities, ensuring effective governance, service delivery, and protection of public funds and assets.

2. Risk Management Approach

The Council adopts a continuous process: - Identify risks - Assess likelihood and impact - Implement controls - Monitor and review - Report significant risks to Council

3. Risk Register

The Council shall maintain a Risk Register which: - Identifies key risks - Assesses likelihood and impact - Records existing controls - Identifies further actions required - Allocates responsibility for managing risks

The Risk Register shall be reviewed at least annually and when new projects or activities arise.

4. Risk Scoring

Risks shall be scored using a combination of likelihood (1–5) and impact (1–5): - 1–5: Low Risk - 6–10: Medium Risk - 11–25: High Risk

5. Key Risk Areas and Controls

5.1 Financial Risks

Risks: - Fraud or misappropriation - Budget overspend - Errors in financial reporting or VAT - Cash handling and receipting of income - Inadequate or insufficient insurance cover - Failure of banking controls or reconciliation processes - Inaccurate or incomplete accounting records - Ineffective internal audit arrangements

Controls: - Compliance with Financial Regulations - Segregation of duties - Dual authorisation of payments - Payments approved by Council prior to release - Monthly bank reconciliations - Quarterly independent checks - Budget monitoring reports - Internal and external audit - All income is receipted and banked promptly, with no petty cash system in operation - Insurance policies (Employers'

Liability, Public Liability and Fidelity Guarantee) are maintained and reviewed annually - Accounting records are maintained using an approved financial system with full audit trail - An independent internal auditor is appointed and engaged annually

5.1a Financial Systems and Controls

The Council operates a robust system of financial controls, including the use of an approved accounting system, regular reconciliation of accounts, and clear separation of duties between authorisation and processing of payments. All financial transactions are supported by appropriate documentation and subject to internal and external audit.

5.2 Operational Risks

Risks: - Contractor failure - Service disruption - Event-related risks

Controls: - Contracts and monitoring arrangements - Risk assessments for events - Contingency planning - Appropriate procurement and contractor selection processes

5.3 Governance Risks

Risks: - Non-compliance with legislation - Improper decision-making - Weak or ineffective internal control framework - Non-compliance with procurement and tendering requirements

Controls: - Standing Orders and Financial Regulations - Proper agenda setting and notice periods - Decisions made by formal resolution - Accurate minute recording - Clerk advice - Internal control procedures reviewed regularly - Procurement processes follow Standing Orders and Financial Regulations

5.4 Delegation Risks

Risks: - Misuse of delegated powers - Unauthorised decisions

Controls: - Scheme of Delegation clearly defines powers - Defined financial limits - Requirement to report decisions to Council

5.5 Health and Safety Risks

Risks: - Injury to public or staff - Unsafe buildings or assets

Controls: - Regular inspections - Risk assessments - Appropriate insurance cover

5.6 IT and Data Risks

Risks: - Cyber-attack - Data breach - Loss of records

Controls: - Secure systems and password protection - Restricted access - Regular data backups - Compliance with data protection legislation

5.7 Business Continuity Risks

Risks: - Loss of key staff - IT system failure - Loss of critical records

Controls: - Secure backups - Documented procedures - Access and contingency arrangements

5.8 Reputational Risks

Risks: - Negative publicity - Poor communication

Controls: - Clear and accurate communication - Professional conduct - Appropriate use of social media

6. Roles and Responsibilities

- Responsible for overall risk management - Reviews and approves the Risk Register

Clerk / RFO - Manages risks on a day-to-day basis - Maintains the Risk Register - Reports significant risks to Council

Councillors - Monitor and report risk - Support risk management processes

7. Monitoring and Review

The Risk Register shall be reviewed at least annually

Risks shall be reviewed when new projects or activities arise

High-risk areas shall be reported to Council

Controls shall be updated as necessary