

RISK MANAGEMENT POLICY

Introduction

Hutton Parish Council recognises that risk is an inevitable part of its activities and is committed to managing risk effectively in order to protect its assets, responsibilities, employees, councillors, service users, contractors and the wider community.

The purpose of this policy is to provide a structured and consistent approach to identifying, assessing, controlling and reviewing risks that may affect the Council's ability to achieve its objectives and deliver services.

This policy should be read in conjunction with the Council's Corporate and Financial Risk Assessment and supporting policies including:

- Financial Regulations
- Standing Orders
- Internal Audit Control Policy
- Health and Safety Policy
- Data Protection Policy
- Freedom of Information Policy
- Business Continuity Arrangements
- Asset Register
- Insurance Policies

1. Objectives of Risk Management

The objectives of this policy are to:

- Safeguard public funds and Council assets
- Ensure continuity of Council services
- Protect employees, councillors, contractors and members of the public
- Support informed decision making
- Reduce the likelihood and impact of financial loss, fraud, error or damage
- Ensure compliance with legal and statutory obligations
- Protect the Council's reputation
- Promote good governance and accountability

2. Definition of Risk

Risk is the threat that an event or action may adversely affect the Council's ability to achieve its objectives, deliver services, maintain assets, meet legal duties or protect public funds.

Risks may arise from:

- Financial management
- Governance and decision making
- Legal and regulatory compliance
- Health and safety
- Staffing and employment matters
- Information technology and cyber security
- Damage to assets or property
- Service delivery failure
- Reputational issues
- Environmental or external events

3. Risk Management Process

The Council will adopt the following process for managing risk:

3.1 Identification of Risks

Risks will be identified through:

- Review of Council activities and services
- Financial monitoring and audit
- Inspection of assets and facilities
- Health and safety assessments
- Incident reporting
- Internal and external audit recommendations
- Legislative or regulatory changes
- Complaints or service feedback
- Business continuity considerations

3.2 Assessment of Risks

Risks will be assessed according to:

- The likelihood of the risk occurring
- The severity of the potential impact
- Existing control measures in place

Risks will normally be categorised as:

- High Risk (H)
- Medium Risk (M)
- Low Risk (L)

3.3 Control Measures

The Council will implement proportionate controls to reduce or manage risks. These may include:

- Adoption of policies and procedures
- Financial controls and authorisation processes
- Insurance cover
- Staff training and supervision
- Regular inspections and maintenance
- Secure storage of data and records
- Cyber security and IT backup procedures
- Procurement and contractor checks
- Delegated responsibilities and reporting arrangements

3.4 Monitoring and Review

The Council's Risk Assessment and associated controls will be:

- Reviewed annually as a minimum
- Reviewed following any significant incident, change in legislation or operational change
- Monitored by Full Council
- Considered as part of budget setting and financial planning
- Reviewed during internal and external audit processes

4. Roles and Responsibilities

4.1 Full Council

The Full Council is responsible for:

- Approving and reviewing the Risk Management Policy
- Reviewing the Corporate and Financial Risk Assessment annually
- Ensuring adequate financial controls are in place
- Ensuring adequate insurance arrangements are maintained
- Monitoring significant risks facing the Council
- Considering risk implications when making decisions

4.2 Clerk / Responsible Financial Officer

The Clerk/RFO is responsible for:

- Implementing this policy on a day-to-day basis
- Maintaining the Risk Assessment document
- Reporting significant risks to Council
- Ensuring financial controls are followed
- Ensuring appropriate records are maintained
- Managing insurance arrangements
- Maintaining adequate backup and security arrangements for Council data
- Ensuring compliance with statutory requirements

4.3 Councillors

Councillors are responsible for:

- Considering risk when making decisions
- Complying with the Council's policies and procedures
- Reporting concerns, incidents or emerging risks
- Declaring interests where appropriate

4.4 Contractors and Employees

Contractors and employees are expected to:

- Work safely and in accordance with Council procedures
- Report hazards, incidents or defects promptly
- Follow health and safety requirements
- Protect Council assets and information

5. Financial Risk Management

The Council will manage financial risks by:

- Operating in accordance with Financial Regulations
- Maintaining proper accounting records
- Preparing annual budgets and monitoring expenditure
- Ensuring bank reconciliations are completed regularly
- Requiring authorisation of payments by approved signatories
- Maintaining separation of duties where practicable
- Undertaking internal and external audit reviews
- Maintaining fidelity guarantee insurance
- Following procurement and tender procedures
- Ensuring VAT claims and HMRC obligations are completed correctly

6. Asset and Property Management

The Council will:

- Maintain Play Area Risk Assessments
- Maintain an up-to-date Asset Register
- Ensure appropriate insurance cover is in place
- Undertake inspections of Council-owned land, buildings and equipment
- Arrange maintenance and repairs promptly
- Carry out safety inspections of play equipment and public facilities
- Undertake Risk Assessments for any Council organised events on Council land
- Maintain secure storage arrangements for Council equipment and records

7. Information Management and Cyber Security

The Council recognises the increasing risks associated with electronic data and cyber security.

To reduce these risks the Council will:

- Maintain password protected systems and email accounts
- Undertake regular backups of electronic records
- Use anti-virus and security software where appropriate
- Limit access to confidential information
- Comply with Data Protection legislation
- Dispose of information securely in accordance with retention requirements
- Consider improvements to cloud storage and IT resilience where appropriate

8. Business Continuity

The Council will seek to ensure continuity of service in the event of disruption by:

- Maintaining appropriate staffing arrangements
- Retaining documented procedures and records
- Ensuring access to professional advice and locum support where necessary
- Maintaining adequate insurance cover
- Backing up electronic records and storing backups securely
- Reviewing continuity arrangements periodically

9. Insurance

The Council will maintain appropriate insurance cover including:

- Public Liability
- Employer's Liability
- Asset and equipment cover
- Property insurance where applicable

Insurance arrangements will be reviewed annually.

10. Reporting and Review

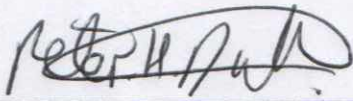
This policy and the associated Risk Assessment document shall be reviewed annually by Hutton Parish Council or sooner if required due to changes in legislation, Council activities or identified risks.

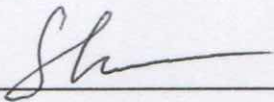
Any significant incidents, losses or emerging risks will be reported to Full Council and appropriate action taken.

Adoption

This Risk Management Policy was adopted by Hutton Parish Council at a meeting held on 1st June 2026

Minute Reference: 26-28

Signed: 
Chair

Signed: 
Parish Clerk

Review Date: June 2027