Salterforth Parish Council

Risk Management Policy

Policy Title:	**Risk Management**	**Policy Version: 1**
Author:	**Clerk/RFO**	**Adopted: 23.07.2025**
Reviewed by Council:	**23.07.2025**	**Effective from: 23.07.2025**
Review Period:	**Annual or before if required**	
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Next Review Date:	**On or before 31.05.2026**	

1. Policy Scope

The recognition and management of risk is integral to Salterforth Parish Council's stewardship of their assets and resources and the effective and efficient discharge of their duties and responsibilities to the community. Risk assessment is a continuous process for the Council. Risks may be financial or non-financial. Salterforth Parish Council is responsible for the management of risk in accordance with this policy. The Clerk is responsible for advising Salterforth Parish Council on risk assessment and for conducting their duties in a manner which avoids undue risk to the Council. Key risks are identified in the Risk Management Register. Risk management is an aspect of the internal controls operated by Council through its approved Financial Regulations. Internal controls are subject to examination by the Internal Auditor.

Controlled

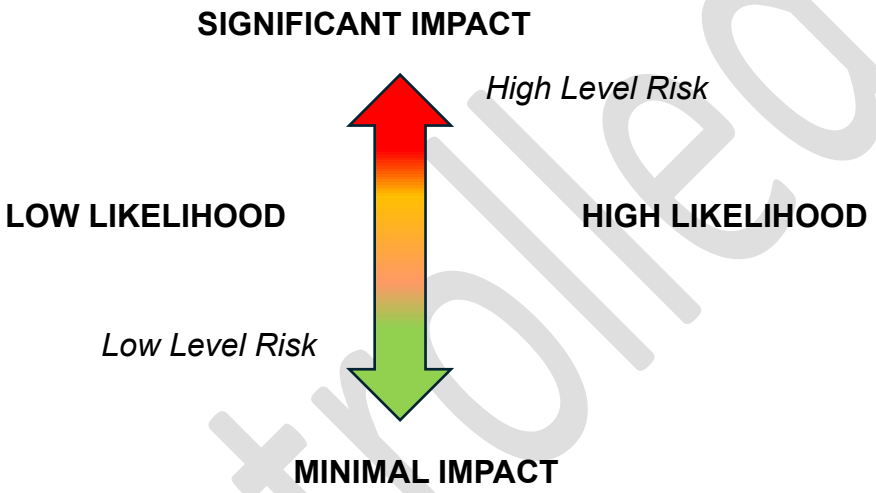
2. Risk Management Register

Salterforth Parish Council Risk Management Register defines how identified risks will be managed by the Council.

Risks can be defined as any threat or possibility that an action or event will adversely (or beneficially) affect the interests of the Council.

Risk management is not a process of avoiding risk altogether but seeks to identify risk and assess its implications to inform decisions. The level of risk can be judged by:

- the likelihood of it occurring, and
- the effect on the Council should it do so.



Judgement of the level of risk may rely on experience or a specific assessment of a particular instance, or both. Salterforth Parish Council will determine whether a risk is acceptable in all the circumstances.

Generally, much of the identified risk which can be quantified is covered by the insurance policy carried by the Council (levels stated as of 1st June 2025 from the Zurich Municipal Insurance policy).

• Public Liability	£12,000,000
• Employer Liability	£10,000,000
• Money in Transit	£5,000
• Libel & Slander	£250,000
• Members Indemnity	£250,000
• Employees Indemnity	£250,000
• Personal Accident – Death or Permanent Disability	£100,000*
• Legal Expenses	Operative*

***See Policy detail for additional information**

The Risk Management Register on the following pages forms part of this policy.
Salterforth Parish Council will review this policy on an annual basis.

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RISK MANAGEMENT REGISTER MATRIX

RISK	PROBABILITY	IMPACT	MITIGATION	CONTROL	RESPONSIBILITY
1. Personal injury or damage to member(s) of the public or their property arising from defect(s) in Council property	Low Council property comprises fixed installations such as Bus Shelters, Benches and Notice Boards	Claims for compensation and costs to the Council in defending claims where appropriate.	Covered under the Council's Public Liability Insurance Policy (£12,000,000)	Regular condition reports, maintenance and repair of any damage. Periodic review of Insurance cover and timely renewal	Clerk/RFO Clerk/RFO
2. Compensation claims by employees (or contracted persons) in respect of injury sustained in the cause of their employment/engagement	Low – Consideration of duties in conjunction with experience and training	Claims for compensation and associated costs	Potential liabilities, including costs, covered by the Council's Insurance Policy in respect of Employees (£12,000,000)	Maintain adequate Insurance cover in respect of employees. Produce independent Insurance Policy on request	Clerk/RFO Clerk/RFO
3. Loss of cheques, cash etc. held on the Council's behalf	Low – Receipts are rarely in cash and small amounts. Cheques are being phased out. Both limited to those without access to bank transfer	Reduction in Council's financial resources	Losses are covered by Insurance Policy Prompt electronic transfer of payment into bank Precept, VAT refunds and grant monies are paid direct into the Council's bank account	Maintain adequate Insurance cover Prompt transfer/payment of amount into bank	Clerk/RFO Clerk/RFO

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RISK	PROBABILITY	IMPACT	MITIGATION	CONTROL	RESPONSIBILITY
4. Financial loss due to banking error leading to levied bank charges	Low – Due to business systems, best practice and financial experience of Clerk/RFO	Reduction in Council's financial resources	Frequent monitoring and review of online account balance/bank statements. 2FA used with password protection to protect account access and data integrity	Application of Financial Regulations and scrutiny of bank data upon receipt	Clerk/RFO
Financial losses due to poor investment practice	Low – Council does not invest in Financial Markets	Reduction in income streams			Clerk/RFO
5. Loss of monies due to fraudulent action by employee	Low – Any loss would be detected through the publication of financial records and immediate access to information to meet transparency requests on demand	Reduction in Council's resources	All expenditure approved by Full Council	Application of Financial Regulations	Council
			Regular Financial Statements provided for scrutiny and approved by Council	Publication of Financial Data. Readily available on request	Clerk/RFO/Council
			Robust financial accounting system in place		Clerk/RFO
			Accounts subject to review by Internal Auditor and overview by External Auditor annually	Annual Audit Annual External Audit	Internal Auditor External Auditor
			Insurance cover in place	Annual review of Insurance	Clerk/RFO/Council

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RISK	PROBABILITY	IMPACT	MITIGATION	CONTROL	RESPONSIBILITY
6. Payment made for goods/services not received	Low	Reduction in Council's financial resources	Purchases made from reputable known suppliers with payment made after receipt	Payment made after receipt of goods/services and invoice	Clerk/RFO
7. Insufficient Funds	Low	Reduction in Council's financial resources Inability to deliver services Inability to discharge lawful debt	Annual Budget approved by Council in a timely manner. Regular budget review in place. New expenditure only undertaken where reserves allow. Reserves maintained at a level commensurate with expenditure/budget and commitments	Accurate budget setting. Regular budget review v actual spend. Transparency at meetings and publication of financial data	Clerk/RFO/Council
8a. Damage to Council owned property by a 3rd party	Low - Play equipment purchased/renewed and of a robust design	Repair/replacement costs covered in budget/insurance	Covered by Insurance for outdoor property	Weekly inspections carried out with reporting provided by PBC Annual independent inspection carried out with extensive report Maintenance as required Insurance cover in place	Clerk/RFO/Council Clerk/RFO

Confirmed

RISK	PROBABILITY	IMPACT	MITIGATION	CONTROL	RESPONSIBILITY
8b. Damage to Council owned property by a 3rd party	Medium – 5 x Bus Shelters in the Parish	Repair/replacement costs covered in budget/insurance	Covered by Insurance for outdoor property	Regular condition reports and appropriate action where required Insurance cover in place	Clerk/RFO/Council Clerk/RFO
8c. Damage to Council owned property by a 3rd party	Low – Street Furniture such as picnic tables/benches, planters located throughout the parish	Repair/replacement costs covered in budget/insurance	Covered by Insurance for outdoor property	Regular condition reports and appropriate action where required Insurance cover in place	Clerk/RFO/Council Clerk/RFO
9. Loss of Council records due to accident or otherwise	Low – Council's records are digitised and maintained in a recognised online archive	Inconvenience in tracing information particularly historical and legal records	Paper records maintained at a secure location, digitised and regularly backed up to the Cloud service – accessible and secure		Clerk/RFO

Controlled

RISK	PROBABILITY	IMPACT	MITIGATION	CONTROL	RESPONSIBILITY
10. Loss of key personnel/poor performance in role	Low	Inability to operate and deliver services Functions not being delivered to a satisfactory standard	Ensure Clerk/RFO have adequate training, support, equipment and hours to undertake role. Ensure a sufficient notice period is provided within employment contracts to facilitate transition to new staff	Maintain regular contact and approve training and support mechanisms as appropriate Employment contracts to include minimum notice periods for both parties Identify performance issues of concern to employees at earliest opportunity for action/resolution	Council Clerk/RFO/Council Council

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