



# WISTOW PARISH COUNCIL

## Risk Management Strategy & Scheme

### Document Control

Changes	Reviewed By	Approval Date	Next review date
3.4 & Risk Scheme	Full Council	May 2026	May 2027



## **Wistow Parish Council**

### **RISK MANAGEMENT STRATEGY & SCHEME**

#### **1. Introduction**

1.1 This document forms Wistow Parish Council's Risk Management Strategy. It sets out:

- What risk management is;
- Why the Parish Council needs a risk management strategy;
- The Parish Council's philosophy on risk management;
- The risk management process;
- Roles and responsibilities;
- Future monitoring.

1.2 The objectives of this strategy are to:

- Further develop risk management and raise its profile across the Parish Council;
- Integrate risk management into the culture of the organisation;
- Embed risk management through the ownership and management of risk as part of all decision making processes; and
- Manage risk in accordance with best practice.



## 2. What Risk Management is

2.1 *'Risk is the threat that an event or action will adversely affect an organisation's ability to achieve its objectives and to successfully execute its strategies. Risk management is the process by which risks are identified, evaluated and controlled. It is a key element of the framework of governance together with community focus, structures and processes, standards of conduct and service delivery arrangements.'* Audit Commission, Worth the Risk: Improving Risk Management in Local Government, (2001: 5)

2.2 Risk management is an essential feature of good governance. An organisation that manages risk well is more likely to achieve its objectives. It is vital to recognise that risk management is not simply about health and safety, but applies to all aspects of the Parish Council's work.

2.3 Risks can be classified into various types, but it is important to recognise that for all categories the direct financial losses may have less impact than the indirect costs such as disruption of normal working. The examples below are not exhaustive:

**Strategic Risk** – Long-term adverse impacts from poor decision-making or poor implementation. Risks damage to the reputation of the Parish Council, loss of public confidence, in a worst-case scenario Government intervention.

**Compliance Risk** – Failure to comply with legislation, laid down procedures or the lack of documentation to prove compliance. Risks exposure to prosecution, judicial review, employment tribunals and the inability to enforce contracts.

**Financial Risk** – Fraud and corruption, waste, excess demand for services, bad debts. Risk of additional audit investigation, objection to accounts, reduced service delivery, dramatically increased Council Tax levels/impact on Parish Council reserves.

**Operating Risk** – Failure to deliver services effectively, malfunctioning equipment, hazards to service users, the general public or staff, damage to property. Risk of insurance claims, higher insurance premiums, lengthy recovery processes.

2.4 These risks can be broken down further into specific areas which could impact on the achievement of the Parish Council's strategic objectives and day-to-day delivery of services:



**Political** – Those associated with the failure to deliver local, regional or national policy;

**Financial** – Those affecting the ability of the Parish Council to meet its financial commitments; failure of major projects; internal and external audit requirements; failure to prioritise and allocate resources effectively; poor contract management; initiative overload.

**Social** – Those relating to the effects of changes in demographic, residential, or socioeconomic trends on the Parish Council's ability to deliver its strategic priorities;

**Technological** – Those associated with the capacity of the Parish Council to deal with the pace/scale of technological change, or its ability to use technology to address changing demands. This includes the consequences of internal failures on the Parish Council's ability to deliver its objectives;

**Legal** – The ability of the Parish Council to meet legislative demands affecting breaches of legislation (UK & EU);

**Environmental** – Those relating to the environmental consequences of progressing the Parish Council's objectives in terms of energy-efficiency, pollution, recycling, emissions etc;

**Partnership/Contractual** – Those associated with the failure of partners/contractors to deliver services to an agreed cost and specification and similarly failure of the Parish Council to deliver services to an agreed cost and specification; compliance with procurement policies (internal/external); ensuring open and fair competition;

**Human Resources** – Those associated with the professional competence of staff; training and development; over-reliance on key personnel; ineffective project management; recruitment and selection issues;

**Organisational** – Those associated with the review of services and delivering continuous improvement;

**Health & Safety/Physical** – Those related to fire, safety, accident prevention and health & safety which pose a risk to both staff and the public; safeguarding and accounting of physical assets;



**Reputational** – Those associated with the changing needs of customers and the electorate; ensuring appropriate consultation; avoiding poor public and media relations.

Not all of these risks are insurable and for some the premiums may not be cost effective. Even where insurance is available, a monetary consideration might not be an adequate recompense. The emphasis should always be on eliminating or reducing risk before costly steps to transfer risk to another party are considered.

- 2.5 Risk is not restricted to potential threats but can be connected with missed opportunities. Good risk management can facilitate proactive, rather than merely defensive responses. Measures to manage adverse risks are likely to help with managing positive ones.

### **3. Why the Parish Council needs a Risk Management Strategy**

- 3.1 Risk management will strengthen the ability of the Parish Council to achieve its objectives and enhance the value of services provided.
- 3.2 The Risk Management Strategy will help to ensure that all Committees and service areas have an understanding of risk and that the Parish Council adopts a uniform approach to identifying and prioritising risks. This should in turn lead to conscious choices as to the most appropriate method of dealing with each risk, be it elimination, reduction, transfer or acceptance.
- 3.3 Strategic risk management is an important element in demonstrating continuous service improvement.
- 3.4 There is a requirement under the Accounts and Audit Regulations 2015 SI 2015/234, reg 3 to ensure that financial, operational and risk management is effective.

### **4. Risk Management Policy Statement**



Wistow Parish Council recognises that it has a responsibility to manage risks effectively in order to protect its employees, assets, liabilities and community against potential losses, to minimise uncertainty in achieving its aims and objectives and to maximise the opportunities to achieve its vision.

The Parish Council is aware that some risks can never be eliminated fully and it has in place a strategy that provides a structured, systematic and focussed approach to managing risk.

Risk management is an integral part of the Parish Council's management processes.

## **5. Implementing the Strategy**

### **5.1 Risk Control**

Risk control is the process of taking action to minimise the likelihood of the risk event occurring and/or reducing the severity of the consequences should it occur. Typically, risk control requires the identification and implementation of revised operating procedures, but in exceptional cases more drastic action may be required to reduce the risk to an acceptable level.

Options for control include:

**Elimination** – The circumstances from which the risk arises are removed so that the risk no longer exists;

**Reduction** – Loss control measures are implemented to reduce the impact/ likelihood of the risk occurring;

**Transfer** – The financial impact is passed to others e.g. by revising contractual terms;

**Sharing** – The risk is shared with another party;

**Insuring** – Insure against some or all of the risk to mitigate financial impact; and



**Acceptance** – Documenting a conscious decision after assessment of areas where the Parish Council accepts or tolerates risk.

## 5.2 Risk Register

The Strategic Risk Register will be regularly refined and updated as part of this Risk Management Strategy.

## 5.3 Risk Monitoring

The risk management process does not finish with putting risk control procedures in place. Their effectiveness in controlling risk must be monitored and reviewed. It is also important to assess whether the nature of any risk has changed over time. The Risk Management Plan will be reviewed at least annually by the Full Council.

The information generated from applying the risk management process will help to ensure that risks can be avoided or minimised in the future. It will also inform judgements on the nature and extent of insurance cover and the balance to be reached between self-insurance and external protection.

### Training and Awareness

Risk management training will be provided to councillors and employees annually. Training will include workshops, case studies and guidance on using the risk assessment matrix. Awareness campaigns will ensure risk management remains a priority across all levels of the Council.

### Communication and Public Accountability

This document will be published on the Council's website to promote transparency and public accountability.

## 5.4 Risk Management System

**Risk Identification** – Identifying and understanding the hazards and risks facing the Parish



Council is crucial if informed decisions are to be made about policies or service delivery methods. The risks associated with these decisions can then be effectively managed.

**Risk Analysis** – Once risks have been identified they need to be systematically and accurately assessed using proven techniques. Analysis should make full use of any available data on the potential frequency of events and their consequences. If a risk is seen to be unacceptable, then steps need to be taken to control or respond to the risk.

**Risk Prioritisation** - An assessment should be undertaken of the impact and likelihood of risks occurring, with impact and likelihood being scored Negligible (1), Low (2), Medium (3) and High (4).

		Impact			
		Negligible (1)	Low (2)	Medium (3)	High (4)
Likelihood	High (4)	4	8	12	16
	Medium (3)	3	6	9	12
	Low (2)	2	4	6	8
	Negligible (1)	1	2	3	4

The scores for impact and likelihood are scored as above. Risks scoring 12 and above will be subject to detailed consideration and preparation of a contingency/action plan to appropriately control the risk.

## 6. Roles and Responsibilities



- 6.1 It is important that risk management becomes embedded into the everyday culture and performance management process of the Parish Council. The roles and responsibilities set out below, are designed to ensure that risk is managed effectively right across the Council and its operations, and responsibility for risk is located in the right place. The process must be driven from the top but must also involve staff throughout the organisation.
- 6.2 **Councillors** – Risk management is seen as a key part of Councillors’ stewardship role and there is an expectation that Councillors will lead and monitor the approach adopted, including:
- i) Approval of the Risk Management Strategy;
  - ii) Analysis of key risks in reports on major projects, ensuring that all future projects and services undertaken are adequately risk managed;
  - iii) Consideration, and if appropriate, endorsement of the Annual Governance Statement
  - iv) Assessment of risks whilst setting the budget, including any bids for resources to tackle specific issues.
- 6.3 **Employees** – will undertake their job within risk management guidelines ensuring that their skills, experience and knowledge are used effectively. All employees will maintain an awareness of the impact and costs of risks and how to feed information into the formal process. They will work to control risks or threats within their roles, monitor progress and report on task related risks to their line manager or the Clerk.
- 6.4 **The Clerk**– will act as the lead officer on risk management, assisted by the Council, and be responsible for overseeing the implementation of the Risk Management Strategy. The Clerk will:
- i) Provide advice as to the legality of policy and service delivery options; ii) Provide advice on the implications for service areas of the Parish Council’s strategic aims and objectives;
  - iii) Update the Parish Council on the implications of new or revised legislation; iv) Assist in handling any litigation claims;
  - v) In consultation with the Parish Council’s external advisors as necessary, provide advice on any human resource issues relating to strategic policy options or the risks associated with operational decisions and assist in handling cases of work related illness or injury;



- vi) In consultation with the Parish Council's external advisors as necessary, advise on any health and safety implications of the chosen or proposed arrangements for service delivery;
- vii) Assess and implement the Parish Council's insurance requirements;
- viii) Assess the financial implications of strategic policy options;
- ix) Provide advice on budgetary planning and control;
- x) Ensure that the financial information systems and processes allow effective budgetary control;
- xi) Ensure the Parish Council's Risk Register is maintained;
- xii) Effectively manage the Parish Council's investment and loan portfolio.

6.5 **Role of Internal Audit** – Internal Audit provides an important scrutiny role by carrying out audits to provide independent assurance to the Parish Council that the necessary risk management systems are in place and all significant business risks are being managed effectively.

Internal Audit assists the Parish Council in identifying both its financial and operational risks and seeks to assist the Parish Council in developing and implementing proper arrangements to manage them, including adequate and effective systems of internal control to reduce or eliminate the likelihood of errors or fraud.

Internal Audit reports, and any recommendations contained within, will help to shape the Annual Governance Statement.

6.6 **Training** – The aim will be to ensure that both Staff and Councillors have the skills necessary to identify, evaluate and control the risks associated with the services they provide. Risk Management training and development is generally provided by the Local Association (CAPALC).

6.7 In addition to the roles and responsibilities set out above, the Parish Council is keen to promote an environment within which individuals and groups are encouraged to report adverse incidents promptly and openly.



**7. Future Monitoring**

7.1 **Review of Risk Management Strategy** – This Strategy will be reviewed annually by the Full Council.

**8. Conclusion**

The adoption of a sound risk management approach should achieve many benefits for the Parish Council. It will assist in demonstrating that the Parish Council is committed to continuous service improvement and effective corporate governance.

**RISK MANAGEMENT SCHEME**

		Impact			
		Negligible (1)	Low (2)	Medium (3)	High (4)
Likelihood	High (4)	4	8	12	16
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	Low (2)	2	4	6	8
	Negligible (1)	1	2	3	4



## Wistow Parish Council Risk Assessment

Risk	Risk Level	Controls	Responsibility
<b>People and Management</b>			
Over reliance on key individuals	Medium (2:2)	<p>Good documentation of procedures .</p> <p>Working towards simplified processes.</p> <p>Timely recruitment and adequate staffing</p> <p>Succession planning</p> <p>Support from bodies such as CAPALC if cover was needed for a Locum.</p>	Clerk
Skills and capacity do not match complexity of organisation	Medium (2:2)	<p>Regular performance reviews and feedback.</p> <p>Those with management responsibilities to be given training where needed.</p> <p>Councillor and staff training programme.</p> <p>Good recruitment and remuneration practices.</p>	Clerk
Acting Ultra vires	Medium (2:2)	<p>Maintain good Scheme of Delegation</p> <p>Councillors abide by Code of Conduct</p> <p>Councillors undertake training</p> <p>Town Clerk to receive regular CPD</p>	Clerk



<b>Property</b>			
Misuse of Council land e.g. adverse possession / prescriptive rights	High (3:2)	Regular land inspections Zero tolerance approach to potential trespasses Retain legal support for land disputes Clear signage and boundary marking Regular intervention taken when potential trespass is discovered	Clerk and members
Inadequate upkeep of assets	Medium (1:3)	Maintain adequate reserves Conservative maintenance budgeting Thorough programme of maintenance in place	Clerk, RFO and Portfolio Member
Injury caused by faulty equipment or assets	Medium (1:3)	Good health and safety records and processes System of regular maintenance inspections Adequate Public Liability Insurance cover Comprehensive health and safety procedures with support	Clerk & Portfolio Member



Injury or damage caused by falling trees	Medium (1:3)	Maintain up to date tree maps and schedule of works Retain professional arboricultural support Maintain tree management plan Undertake regular tree inspections.	Clerk & Portfolio Member
Over reliance on contractors	Medium (2:2)	Carry out due diligence on all tenders Seek trade references Communicate clear and concise written instructions Regular review of contracts	Clerk
<b>Record Management</b>			
IT Failure	Low (2:1)	Regular data back ups Off site working possible Maintain software support where needed Effective security measures including firewall	Clerk
Destruction of critical records	Medium (2:2)	All files to be backed up electronically Legal documents backed up electronically Restricted access to sensitive documents Up to date policy on records management	Clerk



Compliance with rules on openness, transparency and data protection	Medium (2:2)	Timely and accurate recording of minutes Accessible and comprehensive website content Registered with the Information Commissioners Office Adequate privacy and data protection policies	Clerk
<b>Finance and Legal</b>			
Banking	Medium (1:3)	Accounts handled by Clerk (RFO) Bank reconciliation prepared by RFO and approved by full Council and signed by Chairman Current account held with Unity Trust Bank Debit card for Clerk with limits on spend Access to online banking for all Councillors with limited number able to authorise payments set up by Clerk. No one person has access to all levels of authority on the account. Non bank signatory undertakes a monthly internal control audit.	Clerk & Members
Insurance	Low (1:1)	Insurance cover is reviewed annually or as/when legislations changes or if new assets are obtained. Employers Liability, Public Liability and Fidelity Guarantee / Officials Liability are all statutory requirements	Clerk & Members
VAT	Low (1:2)	VAT requirements are set out in Financial Regulations. VAT returns completed at least quarterly.	Clerk & RFO



Precept	Medium (2:2)	<p>Sound budgeting to underly annual precept requests.</p> <p>Full Council to review requirements for next financial year in autumn and feedback provided to Clerk.</p> <p>Expenditure against budget reported to full Council on a monthly basis.</p> <p>Risk Assessment of General Reserves to ensure sufficient funding available in an emergency (3-12 months running costs).</p>	Clerk & Members
Payroll	Low (1:2)	<p>Ensure it complies with HMRC regulations.</p> <p>Council receives payroll support from LGS Services.</p> <p>Council is a member of CAPALC (and in turn NALC) and receive regular updates.</p>	Clerk & Members
Annual Governance and Accountability Return (AGAR)	Low (1:1)	<p>AGAR completed and signed off by RFO and Chairman at appropriate Council meeting.</p> <p>AGAR signed by Internal Auditor.</p> <p>Clerk works to the statutory timetable for submission to ensure submitted correctly and on time</p> <p>Recommendations of both internal and external auditors provided to Council for consideration and any actions documented and minuted for future action</p>	Clerk, Chairman & Members.



<b>Reputation and Liability</b>			
Public Liability (see also Property above)	Medium (1:3)	<p>Insurance cover is in place.</p> <p>Open spaces are checked regularly by trained council staff and members with records kept.</p> <p>Annual inspections of play equipment carried out by a professional body i.e. RoSPA.</p> <p>Visual inspection and report on work required to trees carried out by professional arboriculturist (minimum every three years with more frequent assessments as required).</p> <p>Repairs/maintenance carried out as recommended.</p> <p>Risk assessments carried out for all council led events.</p>	Clerk and members
Safeguarding Children and Adults at Risk	Low (1:2)	<p>DBS checks completed on any member of staff, councillor or volunteer in contact with children or adults at risk (where practically possible)</p>	Clerk
Legal Liability	Low (1:2)	<p>Clerk to clarify legal position on proposals to be considered by the Council and seek advice where necessary.</p> <p>Minutes are received and approved at the next appropriate meeting. Draft minutes circulated to all councillors as soon as practicable after the meeting.</p>	Clerk



Employer Liability	Medium (1:3)	<p>Councillors and Clerk to undertake training where needed.</p> <p>Professional advice to be sought where necessary.</p> <p>Employers Liability Insurance in place.</p> <p>Membership of various national and regional organisations.</p> <p>All employees issued with up to date contract of employment and job description.</p>	Clerk and members
Minutes, Agendas and Statutory Documents	Low (1:2)	<p>Agendas and Minutes are produced in the prescribed method and timescales, adhering to legal requirements.</p> <p>Minutes are approved at the next appropriate meeting and checked for accuracy.</p> <p>Minutes are made available to the public and press by appointment or available on the website (as per current data protection legislation).</p> <p>Business conducted at council and committee meetings are managed by the Chairman and in-line with adopted Standing Orders.</p>	Clerk
Legal Powers	Low (1:2)	<p>All activity and payments made within the duties and powers available to the Council. All decisions clearly resolved and powers detailed in minutes (if Council does not have General Powers of Competence).</p>	Clerk
Committees & Working Groups	Low (1:2)	<p>Terms of Reference in place for all.</p>	Clerk and Members
Health and Safety	Medium (2:2)	<p>Lone Worker Policy in place</p> <p>Continue to monitor the access to staff by members of the public.</p> <p>Regular Health and Safety risk assessments carried out.</p> <p>Meeting locations are to be reviewed to ensure appropriate facilities.</p>	Clerk



Freedom of Information and Data Protection	Low (1:2)	<p>The Council has relevant policies and procedures in place for compliance with Data Protection Legislation including:</p> <ul style="list-style-type: none"> <li>Publication Scheme (based on the ICO model document)</li> <li>Privacy Data notice</li> <li>Privacy Policy</li> <li>Data Protection Policy</li> <li>Management of Council Records</li> <li>Record of Processing Activities</li> </ul> <p>The Council conduct monthly data audits keep evidence to support this.</p> <p>The Council also keep a register of:</p> <ul style="list-style-type: none"> <li>Data Breaches</li> <li>Freedom of Information Requests</li> <li>Subject Access</li> </ul>	Clerk
Libel and Slander (Reputational)	Medium (2:2)	<ul style="list-style-type: none"> <li>Code of conduct in place</li> <li>Members to take advice from Clerk</li> <li>Professional approach is undertaken on all Council matters.</li> <li>Members to receive training (Code of Conduct)</li> <li>Monitoring of communications</li> </ul>	Clerk



Fraud	Low (1:2)	Regular review of Financial Regulations. Regular internal audits from member Maintenance of strong financial controls	Clerk, RFO, Portfolio Member
Councillor Propriety	Medium (1:3)	Councillors have a legal obligation to declare any interest before or at the start of a meeting, or when a conflict becomes apparent during a meeting. Register of Members Interests forms are completed at the beginning of a term and reviewed annually or when there is a change in circumstances.	Members