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# RISK MANAGEMENT POLICY

## Introduction

Risk is the threat that an event or action will adversely affect the Council's ability to achieve its objectives, implement its strategies and provide its services.

Risk management is the process by which risks are identified, evaluated, addressed and reviewed. The Council recognises that it has a responsibility to take all reasonable and practical measures to safeguard its employees, the people it works with and provides services for; and to protect the natural and built environments for which it is responsible.

The Council is aware that some risks cannot be eliminated fully and has in place a strategy that provides a structured, systematic and focused approach to managing risk and including where necessary, the introduction of internal controls and/or appropriate use of insurance cover. Members and staff must have regard for risk management through the following objectives:

- Integrate risk management into the culture of the Council
- Manage risk in accordance with best practice and legislative requirements
- Minimise loss, disruption, injury and damages
- Inform policy and operational decisions by identifying risks and their likely impact
- Raise awareness of the need for risk management through effective communication and provision of appropriate training.

Risk Assessment is a systematic examination of working conditions, workplace activities and environmental factors which will enable the Council to identify all potential risks. The Council will, based on these assessments, take all practical and necessary steps to reduce or eliminate the risk, as far as is practically possible. Whilst some risks can never be eliminated fully they can be reduced/managed by having a structured approach to manage risk through the following steps:

1. Identify the hazards facing the Council.
2. Decide on who may be harmed and how.
3. Evaluate the risk and decide on precautions which would reduce the consequences of injury or harm.
4. Record findings and implement them.
5. Monitor the effectiveness of these risk management arrangements and revise accordingly.

Cleobury Mortimer Town Council has adopted this policy as part of its commitment to identify and manage risk in order to be able to satisfy itself that it has taken adequate steps to minimise risk. It is a key element to enable council to be able to fulfil its functions – to be able to represent the local community, deliver services to meet local need and strive to improve the quality of life of its residents.

The Town Council uses the Risk Schedule and appropriate risk assessments in order to protect its staff, assets and the community against potential losses. Loss may be financial (loss of money from fraud, waste, theft, damage, poor decision making, non-compliance with legislation) or operational (reputational damage, inability to meet its objectives and provide services).

The *Practitioners' Guide 2025 - Governance and Accountability* - published by the Smaller Authorities Proper Panel (SAPPP), makes the following observations regarding risk management. As part of the Annual Governance and Annual Return, AGS Assertion 5, in order for the Council to provide a positive response to the question of Risk Management, the Council 'must have appropriate arrangements in place. As a minimum, an authority must identify and assess risks, and address those identified risks by mitigating or managing them.' The arrangements 'need to be proportionate to the size and nature of the operations of an authority.' And council 'should identify both financial and operational risks.' 'The authority generally, and members individually are responsible for risk management.' And that 'Insurance is a significant way of managing and reducing risks relating to property, cash and legal liability'.

Risk is managed by Council members and staff as well as when working with external partners i.e. contractors for asset inspections, maintenance, contract grass-cutting etc where job-specific risk assessments may be requested from the supplier. Risk management is also inherent when working with the internal auditor for internal controls advice, solicitor for legal advice and through insurance.

Internal controls help manage risk i.e. use of policies, notably Standing Orders, Financial Regulations, Code of Conduct and procedures i.e. risk assessments and method statements. Physical assets will be inspected regularly and details recorded with appropriate maintenance being carried out as soon as practicable. The Asset Register is updated on a regular basis by the Clerk/Deputy Clerk. Significant purchases and planned events/activities will be notified to the Insurer.

Council will review its insurance schedule each year prior to being presented to Council for approval and minuted accordingly. Insurances to be considered are:

- a) Public Liability
- b) Employer's Liability
- c) Officer Indemnity
- d) Fidelity Guarantee
- e) Property Damage
- f) Libel and Slander
- g) Personal Accident
- h) Business Interruption
- i) Legal Expenses

## Risk Schedule

The Risk Schedule enables the Town Council to assess the risks that it faces and record that it has taken appropriate steps to minimise those risks through management. This Schedule is subject to regular review in conjunction with the risk assessments.

Risk Area	Risk identified	Level of Risk Low/Medium/High	Management/Control of Risk	Review
<b>GENERAL</b>				
Meetings	Adequacy  Health and Safety of Venues	Low	Council meetings held monthly, plus Committee and Working Group meetings as required.  Cleobury Country Centre, Market Hall and St Mary's Place venues have good facilities, public liability cover and risk assessments provided.  Council has Public Liability cover in place.	Annual Review
Business Activities  Illegal decisions  Poor decisions  Actions not carried out	Illegal activity or payments  Financial mismanagement  Reputational damage	Low	All activity and payments made within powers of Council, resolved at Council meetings, notified by public Agenda.  Regular reporting, Annual Internal Audit.  Council adheres to Standing Orders, Financial Regulations and has adopted a Code of Conduct.	Annual Review

			Internal Audit. Training.	
Business Continuity	Council not being able to continue its business due to unexpected circumstances.	Low	Current files and records all backed up on line. Cemetery records in fireproof safe. Business Interruption Insurance.	Annual Review and in case of incident.
Legislation	Failure to comply with legislation.  Fines, penalties  Loss of reputation	Low	Policies and Procedures in place.  Insurance in place.	Annual Review
Insurance	Adequacy  Cost  Compliance	Low	Annual review of all assets, equipment and activities of the Council.  New items notified to insurer as required.	Annual Review of Policy Schedule.



<b>PEOPLE</b>				
Councillors, staff, volunteers	Injury or death	Low	Risk Assessments for activities. Employer's Liability Insurance.	Annual Review Annual Review
Councillors and staff	Accusations of libel or slander	Low	Training Policies Libel and Slander Insurance	Annual Review
Employees	Non-compliance with Employment Law  Salary and associated costs incorrect or not paid.	Low	All staff have contracts.  Payroll processing contract in place to ensure all HMRC / Pension liabilities met.  Compliant with Pensions Regulator.  Employer's Liability Insurance.	Monthly checks of all payroll.  Annual Review of overall process.  Internal Audit.  Annual Review.
Employees	Fraud  Theft	Low	Good working relationships and regular contact with all staff. Fidelity Insurance.	Annual Review
Employees	Stress  Job dissatisfaction.	Low	Regular contact with staff. Good working relationships. Annual appraisals, regular training available. Membership support from local ALC and SLCC available.	Annual Review



<b>FINANCE</b>				
Financial Records	Inadequate records Irregularities, error or omission Negligence	Low	Council has quarterly reviews of accounts and bank reconciliations, follows Financial Regulations, undertakes Internal independent audit.  Officer Indemnity Insurance.	Annual Review
Payments	Fraud – goods not supplied Mistakes – errors on invoice or when writing cheques. Lawful – powers to spend. Within budget.	Low	Invoices checked for accuracy before adding to Agenda. Payments assessed against budget and ear-marked funds and noted on monthly Agendas. All payments checked and signed by two councillors or paid by debit card/petty cash and notified to members. S.137 payments assessed for community groups and noted separately. Legal power to spend noted on accounts. Direct Debits reviewed annually.	Monthly, quarterly and Annual Review.
Budget and Precept	Inadequate precept and funds for the Council to carry out its statutory duties resulting in loss of services and reputational damage.	Low	Council prepares budget and precept requirements with full consideration.  Council reviews current income and expenditure against budget, forecast and ear-marked reserves and bank statements on a quarterly basis to keep informed.	Quarterly budget reviews.  Annual budget preparation.



Loss of money through theft, fraud or dishonesty	Affect council services Reputation	Low	Quarterly budget reviews and bank reconciliation checks. Follow Financial Regulations. Internal Audit. Fidelity Guarantee insurance.	Annual Review
VAT	VAT not recorded in accounts. Reclaims not made. Incorrect claims.	Low	Clerk updates accounts monthly. Council undertakes quarterly reviews of accounts to verify accuracy. Council has independent Internal audit. VAT reclaim annual.	Annual Review
Annual Governance and Accountability Return (AGAR)  Audit	Not submitted on time  Electors rights not in accordance with current legislation	Low	Internal Audit completed in April for Council to approve in May along with AGAR.  Clerk sends documents to External Auditor on time.  Electors' Rights Notice completed and published on time.	Annual Review



<b>OPERATIONAL</b>				
Documents and records	<p>Poor management of documents.</p> <p>Loss through fire, theft, damage.</p> <p>Non-compliance with legislation.</p> <p>Data corruption or loss.</p> <p>Data Protection breaches.</p> <p>Reputational damage and fines.</p>	Low	<p>Document Retention Policy in place.</p> <p>Registered with Information Commissioner.</p> <p>Digital information password protected.</p> <p>Computers have anti-virus, firewalls.</p> <p>Policies and procedures in place.</p> <p>Secure storage and management of information in Council offices.</p> <p>Cemetery records and valuable documents in fire-proof safe.</p> <p>Older documents at County Archives.</p> <p>Electronic files on One Drive &amp; Teams with automatic back-ups</p> <p>Contents Insurance.</p>	<p>Annual Internal audit.</p> <p>Information Commissioner registration renewed each February.</p> <p>Polices and Procedures on Schedule.</p>
Meetings – Agendas and Minutes	<p>Agenda errors, not timely.</p> <p>Minutes – errors, not reflect business conducted.</p>	Low	<p>Agendas and Minutes produced by Clerk to legal requirements. Minutes numbered. Hard copy kept in file.</p> <p>Agendas displayed on Council Notice Board and website. Draft Minutes sent to Council members and verified at next Council meeting,</p>	Annual Review



			<p>then published on website as per Transparency Regulations.</p> <p>Business on Agenda managed by Chair at meeting, following Standing Orders.</p> <p>Annual Internal Audit.</p>	
Policies and Procedures	Non-compliance.	Low	Council has all policies in place and on regular review.	Annual Review
Members' Interests	<p>Documents not in place.</p> <p>Documents not up-to-date.</p> <p>Non-declaration of Interests.</p> <p>Conflicts of interest.</p> <p>Reputational damage.</p>	Low	<p>Register of members' interests all in place.</p> <p>Members responsibility to keep their Interests up-to-date.</p> <p>Councillors invited to declare any interests at each meeting.</p>	Members invited to review annually.
Insurance	<p>Adequacy</p> <p>Cost</p> <p>Compliance</p> <p>Fidelity Guarantee</p>	Low	<p>Quotes sought each year and policy schedule reviewed prior to approval to ensure adequate cover.</p> <p>Insurer notified of new assets or activities.</p> <p>Fidelity Guarantee in place.</p>	Annual Review
Public Liability	Risk to third party or property.	Low	<p>Risk Assessments for all Council assets and activities.</p> <p>Insurance in place.</p>	Risk Assessments and Insurance reviewed annually

				but sooner if required.
Freedom of Information (FOI)	Non-compliance with legislation.  Reputational and fines	Low	The Council has adopted the Model Publication Scheme, adapted for Town Council.  Council adheres to the Transparency Code requirements to publish information.  Council has policies in place to manage FOI and other requests.	Annual Review  Requests for information dealt with as legally required.
Transparency and Accountability	Non-compliance with Legislation	Low	Council adheres to the Transparency Code.	Annual Review
Fraud and corruption	Illegal activity  Financial loss  Loss of reputation	Low	Standing Orders, Financial Regulations and Code of Conduct in place.  Fidelity Guarantee Insurance.	Annual Review
Assets and Equipment	Deterioration through lack of maintenance causing injury or loss of asset.  Theft  Damage	Medium	Inspections as per Schedule.  Up-to-date Asset Register.  All-risk Property Insurance.  Public Liability Cover.	Annual Review

## Risk Assessments Register

<b>Task, Area, Activity or Event</b>	<b>Date original document prepared</b>	<b>(Annual) Review due</b>
Bin Emptying and Litter Picking	16.01.23	Feb-27
Bunting – for events and occasions	30.03.23	Feb-27
Cemetery Management	07.05.23	Feb-27
Christmas Event	29.09.23	Feb-27
Christmas Lights	07.03.23	Feb-27
Employment	13.01.23	Feb-27
Festival Event	16.01.23	Feb-27
Governance	30.03.23	Feb-27
Grounds Maintenance	13.01.23	Feb-27
Meetings (Venues other than Council Office)	11.08.23	Feb-27
Memorial Garden Maintenance	17.01.23	Feb-27

<b>Office Activities</b>	<b>10.01.23</b>		<b>Feb-27</b>
<b>Open Spaces Assets</b>	<b>07.05.23</b>		<b>Feb-27</b>
<b>Planters - installing and maintaining</b>	<b>04.04.23</b>		<b>Feb-27</b>
<b>Public Toilets</b>	<b>07.08.23</b>		<b>Feb-27</b>
<b>Remembrance Event</b>	<b>30.03.23</b>		<b>Feb-27</b>
<b>Tree Management Work</b>	<b>29.02.24</b>		<b>Aug 2024-26</b>

**This Register is used in conjunction with the specific Risk Assessments, Property Asset Checks and Maintenance Schedule.**

**Policy Review Date: February 2027.**