

# Waltham Parish Council

EST. 1894

<https://waltham-pc.gov.uk>

<https://clerk@waltham-pc.gov.uk>

## RISK MANAGEMENT POLICY STATEMENT

**Adopted by full council on: 1<sup>st</sup> July 2025**

### Introduction:

The Council's previous Risk Management Policy was adopted in 2024.

### Definition of Risk Management

Risk is an uncertain event or condition that, if it occurs, will influence the achievement of an authority's operational and strategic objectives. Risk Management is the process whereby authorities methodically address the risks associated with what they do and the services they provide. The focus of risk management is to identify threats that an event or action will adversely affect an organisation's ability to achieve its objectives, what can go wrong and to take proportionate steps to avoid this or successfully manage the consequences.

Risk is not restricted to potential threats but can relate to 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, an important factor when developing devolution policies under the **Localism Act (2011)**. Examples below are high profile but not exhaustive:

- **Health & Safety Risk.** Councils should adhere to the requirements of the Health and Safety at Work Act 1974; The Management of Health and Safety at Work regulations 1999 and other relevant health and safety legislation and codes of practice.
- **Strategic Risk.** Councils should have regard to the long-term adverse impacts from poor decision-making or poor implementation, risk damage to the reputation of the Council, loss of public confidence or at worst Government intervention.
- **Compliance Risk.** Councils should be aware that failure to comply with legislation or lack of documentation to prove compliance risks exposure to prosecution, judicial review, employment tribunals, or inability to enforce contracts.
- **Financial Risk.** Fraud and corruption, waste, excess demand for services, bad debts create the risk of additional audit investigation, objection to accounts, reduced service delivery and/or significantly increased impact on Council Reserves or Precept level.
- **Operating Risk.** Failure to deliver services effectively; malfunctioning equipment; hazards to service users the public or staff produces the risk of insurance claims, higher premiums, and lengthy recovery processes.

### Risk Management Policy Statement

Waltham Parish Council has a statutory responsibility under the **Accounts and Audit Regulations (2015)** to manage risks effectively to protect its members and staff, assets, liabilities and the community against potential losses, to minimise uncertainty in achieving its objectives and to maximise its opportunities.

The council is aware that some risks can never be fully eliminated and has in place a strategy that provides a structured, systematic, and focussed approach to managing potential problems. All risks should be systematically identified and managed in the most cost-effective manner within the resources available. Each risk identified is reported to full council and recorded in minutes. The

potential impact is assessed, appropriate control measures are applied, and the frequency of review determined. The main categories of risk for *this* authority are:

- : **Financial** – loss of money
- : **Security** – fraud, theft or embezzlement
- : **Property** – damage to property
- : **Legal** – breaking the law or being sued
- : **Information Technology** – failure of IT systems or misuse: and
- : **Reputational** – actions that could harm the council’s public reputation.

It is the responsibility of all councillors and the clerk as an employee to have regard for risk in carrying out their duties. If uncontrolled, risk can result in a drain on resources that could be better directed to the meeting of the council’s objectives and community needs.

### Risk Assessment

In producing a risk management framework, the council uses the following risk assessment matrix suggested in assertion 5 of **Governance and Accountability (2019)** to assess the potential consequences of a risk occurring (impact) and consider how likely this is (likelihood). The numerical score achieved will suggest priorities for action in managing those risks.

Risk Assessment Matrix				
Likelihood	Highly likely (3)	Medium (3)	High (6)	High (9)
	Possible (2)	Low (2)	Medium (4)	High (6)
	Unlikely (1)	Low (1)	Low (2)	Medium (3)
		Negligible risk (1)	Moderate risk (2)	Severe risk (3)
<b>Impact</b>				

Thus, a minor accountancy error of £1 may be possible but the impact would be negligible giving a score of (2) and would require informal action to ascertain the cause. However, a case of fraud in poorly managed accountancy systems may be highly likely, would have a severe financial and reputational impact giving a score of (9), and would require urgent multiagency intervention and remedial action. This matrix is expanded in the Risk **Management Register (Appendix 1)** in conjunction with the councils **Financial Regulations (2019)** and **Standing Orders (2022)** to manage the main risk categories.

The assessed probability of risk for Waltham Parish Council is currently low, and providing mitigation and control measures are maintained this should continue during 2025-26.

Tracey Block  
Proper Officer.

**WALTHAM PARISH COUNCIL  
RISK MANAGEMENT REGISTER**

<b>Risk</b>	<b>Probability</b>	<b>Impact</b>	<b>Mitigation</b>	<b>Control</b>	<b>Responsibility</b>
<b>Financial Security</b>					
Loss due to banking error	Low	Reduction in financial resources	Regular monitoring and review	Monthly bank and cash book reconciliation	RFO
Inadequate Internal Audit	Low	Loss of financial credibility	Employment of qualified accountant	Review of control objectives	Member/RFO
Loss due to fraud	Low	Reduction of financial resources	Two signature authorisation.	Monthly Payment schedules	RFO & Members
Loss of cheques/ cash	Nil	Nil	Insurance cover	Online banking	RFO
<b>Property</b>					
Damage by third party	Low	Repair cost	£5K insurance	Monthly safety checks	Members / clerk
Third party injury	Low	Meeting claims	£10million insurance	Monthly safety checks	Members / clerk
<b>Legal</b>					
Employee compensation claim	Low	Meeting claims	Employers liability insurance	Working from home assessment	Members / clerk
Council negligence	Low	Financial loss & reputation damage	Strict compliance with policies & procedures	Regular policy reviews	Proper Officer
Libel or slander	Low	Financial loss & reputational damage	Careful minute wording and other communication	Chair/clerk joint monitoring	Chair / clerk
Contractor Liability	Low	Insurance claim	Service Level Agreement	Chair/Clerk joint Monitoring	Chair / Clerk
<b>Policy Liability</b>	<b>Low</b>	<b>Not meeting public expectations</b>	<b>Regular review of policies and procedures</b>	<b>Public updates via website and Annual Parish Meeting</b>	<b>Chair, Website admin; Clerk.</b>
<b>Information technology</b>					
Poor website maintenance	Low	Poor flow of information to electorate	Combined use of website; Facebook and PAWNews	New .gov.uk website. Updating content	Member/Clerk
Non-compliance with GDPR	Low	Reduction of credibility & open to challenge	Strict adherence to policies and procedures	Regular review of policies and procedures	Members / clerk
<b>Reputational Damage</b>					
Failure to represent community interests	Low	Limited attention to operational and strategic planning	Increased parishioner engagement	Development and regular review of Parish Plan	Members and Proper Officer.
Poor engagement with District and County Councils	Low	Reduction in collaboration and innovation	Participation in consultations. Inclusive approach In addressing local issues	Timely responses in communications. Team approach in pc meetings	Members / clerk