

Little Baddow Parish Council
Risk Management Review 2015

Introduction

The Council is required to undertake a regular review of the risks faced in its operations, and its arrangements for their management if appropriate.

This document is issued as a draft, to give Councillors an opportunity to contribute to the risk review.

The table below needs to be completed in respect of identified risks. Councillors are asked to submit to the Clerk any additional items that they feel it might be appropriate to include. Input should ideally be made using the enclosed proforma page, but is acceptable in any form.

The left hand column names the risk.

The next column identifies the ***assessed probability*** of the risk materialising within 10 years –

- Low – very improbable
- Medium – could happen, but not thought likely
- High – a significant chance of occurrence exists

The third column identifies the ***assessed degree of impact*** it would have if it ***did*** occur – taking no account of the probability of it occurring –

- Minor – the Council would have to respond to the occurrence, but problems arising could be dealt with without major disruption to Council operations
- Medium – significant adverse impact on overall Council operations
- Major – highly disruptive to Council operations.

The final column identifies the mechanisms that are used/to be used to reduce or manage the risk. This may itemise existing or planned mechanisms.

<u>Risk</u>	<u>Probability of Occurrence</u>	<u>Impact of Occurrence</u>	<u>Reduction/Management Mechanisms</u>
Loss of Council's physical records – minutes, income/expenditure book, etc., due to fire	Low	Low	Copies of most records naturally exist elsewhere, so could be re-compiled to some degree in an emergency. Not realistic to seek to maintain full duplicate set in another location. Able to re-compile approximate financial records from computer system, bank accounts, hall diary, etc. Some financial loss could occur, but not significant.
Loss of Council computer records due to fire or theft	Low	Low	Regular full back-up taken of system and stored "in the cloud" so no separate off-site back-up required. Computer equipment held in a private house. Cost of replacement equipment insured.
Loss of Council documents of title, deeds, etc.	Medium	Medium	Key documents kept in secure, fire-resistant location or duplicated electronically – Clerk reviewing for the future (2015)
Hall income (primary non-precept income) lost due to forced closure of hall or other cause of bookings' losses. Examples: fire or serious structural problem	Low	Low	Maximum loss c.£20k per annum (2015). Insured against income loss. In addition, part of annual hall related costs of c.£20k per annum would be eliminated.
New, big cost burden arises – e.g. need for major (say >£15k) repairs/refurbishment to hall, SCPA or pavilion that cannot be delayed while funds are built over an extended period	Medium	Medium	Have rebuilt reserves over several years to provide an uncommitted reserve of £23,000, as recommended by EALC. Hall Reserve committed in 2015 to roof refurbishment and will need to be replenished in the next few years. Pavilion reserve of £10,000 available.
Substantial financial loss due to fraud perpetrated by Clerk	Low	Medium	Council has in place a range of control mechanisms in line with NALC recommendations. All drawings from bank accounts require dual signatures. Fidelity insurance is maintained. Policy decision made not to move to electronic banking unless dual control systems are offered by banks.

<u>Risk</u>	<u>Probability of Occurrence</u>	<u>Impact of Occurrence</u>	<u>Reduction/Management Mechanisms</u>
Clerk seeks to resign/retire	High	Medium	Probability of retirement without reasonable notice to enable handover is low. Financial and administrative record-keeping exemplary (2015).
Individual Councillor(s) resign or are unable to continue with their duties. Councillors have specific areas of responsibility which could be critical	Medium for any one Councillor	Minor	<p>Arrangements in place to ensure each Councillor has at least one "support" Councillor, who could cover for the short term in such circumstances.</p> <p>When new Council formed (2015) it is essential that lead Councillors are reminded to keep their support Councillors "in the loop" by email at all times. Councillors must also ensure ongoing activities are handed over in the event of planned significant absences.</p>
Liability to the Public arising from injury on Council premises.	Low/Medium	Minor	<p>Councillors recognise the Council's public liability risk, and always maintain a stringent view regarding health and safety issues. Regular testing of all equipment and facilities in Council premises is undertaken. Fire service inspections take place annually.</p> <p>Separate risk assessments are in place for the Memorial Hall, the Sports Ground and the Wickhay Green Play Area.</p>