

BASTON PARISH COUNCIL - RISK MANAGEMENT POLICY

Baston Parish Council is committed to good risk management.

A risk is anything that can threaten or impact upon the assets, operation or reputation of the Parish Council. Risk management is the planned and systematic approach to the identification, analysis and control of all risks.

This Risk Management Policy forms part of the Parish Council's internal control and corporate governance arrangements. It explains the Parish Council's underlying approach to risk management and documents the roles and responsibilities of Councillors and the Clerk.

The Parish Council faces the following risks:

- Strategic risks as a result of poor decision making or poor implementation.
- Compliance risk as a result of failing to comply with legislation or procedures or lack of documentation to prove compliance.
- Financial risk as a result of fraud and corruption, waste and bad debt.
- Operational risk resulting in the failure to deliver services due to malfunctioning of damaged equipment or property, hazards to staff/public.

The following key principles outline the Parish Council's approach to risk management and internal control:

- The Parish Council, as a whole, has responsibility for overseeing its own risk management.
- An open and receptive approach to managing risk is adopted by the Parish Council.
- The Clerk supports, advises and implements policies approved by the Parish Council.
- The Parish Council makes conservative and prudent recognition and disclosure of the financial and non-financial implications of risk.
- The Parish Council is aware that some risks can never be eliminated fully and takes a structured, systematic and focused approach to managing risk.

The system of internal control incorporates risk management. This system encompasses a number of elements that together facilitate an effective and efficient operation, enabling the Parish Council to respond to risks:

- Policies and procedures
- Planning and budgeting
- Finance transactions shared with Council monthly and minuted.
- Internal auditor twice yearly inspections
- Appropriate insurance provision

The Baston Parish Council Risk Management Scheme documents the perceived risks, their potential impact and strategies to mitigate those risks.

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