

## Lifton Parish Council

### Risk Management Policy

#### Introduction

1. This document explains Lifton Parish Council's approach to risk management.

#### Approach to Risk Management

2. The Council acknowledges that 'risk' cannot be eliminated wholly but considers it vital to take all reasonable steps to minimise the incidence and extent of injury, damage and/or financial loss.

Typical categories of risks include:

- financial – loss of money;
- security – fraud, theft, embezzlement;
- property – damage to property;
- legal – breaking the law or being sued;
- IT – failure of IT systems or misuse or data loss; and
- reputational – actions taken could harm the authority's public reputation.

2a. Risks are uncertain events or conditions (not just financial) that if they occur, will affect the Council's ability to achieve its objectives. The Council generally (members and staff) individually are responsible for risk management.

2b. Insurance is a significant way of managing and reducing risks relating to property, cash and legal liability (amongst other things). The Council will ensure it has adequate insurance cover and that its cover is reviewed regularly and renewed on an annual basis.

#### Aim of the Policy

3. The policy will further the Council's commitment to identifying and reducing/eliminating risks and to the good practices of financial management.

#### Reviewing the Policy

4. The Council's approach to risk management will be reviewed annually with a view of incorporating improvements to key elements of its processes and procedures.

#### Strategy for implementing the Risk Management Policy

5. The Smaller Authorities Proper Practices Panel (SAPPP) recommends the Council carry out an assessment of the risks facing smaller authorities and take appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.

The following paragraphs aim to comply with the recommendations.

6. The first step for management of risks is to identify them. Government legislation, NALC guidance and Lifton Parish Council's policies and procedures include pointers to risks involved in the Council's operations. The Council will seek professional advice in specialist areas when needed and/or where appropriate. The Council will also maintain a Risk Assessment document which will be reviewed and updated when necessary and/or annually.

7. For successful implementation of the policy, it is essential that:
- (a) All Councillors and staff understand what constitutes a risk; and
  - (b) The Council adopts a uniform approach to managing risk.

This should facilitate choosing of the most appropriate method for dealing with each risk.

8. Both Councillors and the Clerk/RFO will assist in and take responsibility for the identification, control and reduction of risk and containment of cost in all aspects of their activities.

9. Councillors and the Clerk/RFO will provide adequate information about identified risk to Lifton Parish Council in a timely manner.

11. Complaints, including those from the public, will be reviewed to identify any problem areas that may be indicative of risks being managed inadequately.

11. Identified risks will be entered in the Council's risk assessment register, evaluated and prioritised.

12. Training opportunities for Councillors and the Clerk/RFO will be made available where necessary.

### **Assessment of the Strategy**

13. Both Internal and External Audits provide an independent review of the Council's systems of internal control for risk identification and management. The External Audit is conducted annually by a government appointed auditor.

14. The Internal Audit is conducted annually by an independent auditor appointed by Lifton Parish Council.

15. The External Audit is conducted annually by government appointed auditor. For the period **2024-25 and 2025-26** the appointed auditor is PKF Littlejohn LLP.

Adopted: 29<sup>th</sup> May 2025

Reviewed on: 19<sup>th</sup> March 2026

Next review: March 2027