



INTRODUCTION

Hughenden Parish Council is committed to identifying and managing risks. The principles of risk management are practiced on a daily basis through the council's activities, and are founded on the guidance issued by the Joint Panel on Accountability and Governance.

The guidance is intended as a working tool for smaller authorities, such as Hughenden, providing information on the common 'rules' for completing the Annual Governance and Accountability Return (AGAR).

Assertion 5 of the AGAR — Risk management

"We carried out an assessment of the risks facing this smaller authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required."

In order to warrant a positive response to this assertion, the authority needs to have the following arrangements in place:

1.31 Identifying and assessing risks — The authority needs to identify, assess and record risks associated with actions and decisions it has taken or considered taking during the year that could have financial or reputational consequences.

1.32 Addressing risks — Having identified, assessed and recorded the risks, the authority needs to address them by ensuring that appropriate measures are in place to mitigate and manage risk. This might include the introduction of internal controls and/or appropriate use of insurance cover.

1.33 Supporting information on risk management

POLICY STATEMENT

HPC will seek to identify all material risks its faces. Once identified, risks will be recorded and assessed, and appropriate actions taken, which may include internal controls, support from external parties, and or insurance.

Risks are uncertain events or conditions (not just financial) that if they occur, will affect the authority's ability to achieve its objectives. Risks are unavoidable, but they need to be managed either by mitigation or controls such that they are tolerated, treated, transferred or terminated.

RESPONSIBILITY

The authority generally, and members individually are responsible for risk management.



KEY PRINCIPLES

Typical risk categories 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.

REPORTING AND REVIEW

Hughenden Parish Council use a simple risk assessment register that details the risk, the level, the management and actions and responsibility.

New risks will be recorded as soon as they are identified and the overall register will be formally reported and considered by the authority annually each year at the **April Full Council Meeting**.