

Itchen Stoke & Ovington Parish Council – Financial Risk Management Record

Risk Area	Risk Identified	Level of risk (H/M/L)	Management of Risk	Action required	Review date May 2023
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Section One : Areas where there may be scope to use insurance to help manage risk

Property and contents owned by the council	Loss or damage	M	<ul style="list-style-type: none"> • An up to date register of assets (held on EXCEL). • An up to date register of investments (held on EXCEL). • Adequate insurance cover. 	<ul style="list-style-type: none"> • Regular review of registers by Full Council, to include recent acquisitions. • Review of insurance cover by Clerk. • Review annually by Council and IA. 	
Damage to third party property or individuals	Public liability	L	<ul style="list-style-type: none"> • Property maintenance. • £10M Public Liability Insurance cover held with Zurich Insurance. • H&S compliance, risk assessments. 	<ul style="list-style-type: none"> • By Chairman with regular reviews by Full Council. • Annual review by Clerk of Insurance cover (renewal date 31.01.22). • Review by IA. 	
Consequential loss of income or the need to provide essential services following critical damage, loss or non-performance by a third party	Public liability		<ul style="list-style-type: none"> • N/A 	<ul style="list-style-type: none"> • Annual review by Clerk of risk • Review by IA. 	
Loss of cash through theft or dishonesty	Fidelity guarantee	L	<ul style="list-style-type: none"> • Fidelity insurance cover held with Insurance in line with level of bank balances. • Review financial regulations. • Limit petty cash flow. 	<ul style="list-style-type: none"> • Annual review of internal controls by Clerk and Chairman • Periodic review by Clerk and Chairman of level of insurance cover in line with balances when developer's contributions are received. • Controls checked by Council and IA. 	

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Legal liability as a consequence of asset ownership	Public liability	M	<ul style="list-style-type: none"> • Property maintenance. • £10M public liability held with Insurance. • H&S compliance - risk assessments & control measures. 	<ul style="list-style-type: none"> • By Clerk with regular review by Chairman. • Annual review by Clerk of insurance cover (renewal date 31.01.22). • Annual review by Council of H&S Policy. • Regular reviews by Officers of documentation. • Agree inspection regime by Officers. 	
<i>Section Two - Working with others to help to manage Risk</i>					
Security for vulnerable buildings/structures, amenities or equipment	Unauthorised access	M	<ul style="list-style-type: none"> • Inspection of buildings/structures • Regular communication with Police. 	<ul style="list-style-type: none"> • By Members, at least quarterly. • Formalise inspection regime and reporting system. 	

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The provision of services being carried out under agency/ partnership agreements with principal authorities	Standing orders and financial regulations dealing with the award of contracts	L	<ul style="list-style-type: none"> • All partners risk assessed. • Multiple quotes obtained and compared in minutes. 	<ul style="list-style-type: none"> • Reviewed by council annually. • IA review. 	

By: LEW

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Banking arrangements, including borrowing or lending	Detect and deter fraud or corruption	L	<ul style="list-style-type: none"> Up to date register of bank names & max amount held at each. Quarterly review of bank statements/bank reconciliation by rotating Cllrs. Limit cheque/BACS authorised signatories to 4. Internal controls - no one person has authority to process cheque/BACS payments. 	<ul style="list-style-type: none"> Council to review list. Councillors. Financial regulations and internal controls reviewed by IA. 	
Ad hoc provision of amenities/ facilities (marquee) for events to local community groups	Public Liability	L	<ul style="list-style-type: none"> Add to finance regulations. Working control methods. 	<ul style="list-style-type: none"> Ask for hirer's insurance, financial regulations and H&S documentation. Ensure deposit received upfront. Officers to check amenity/ facility immediately after use. 	
Professional services (architects, accountancy, design, etc.)	Standing orders and Financial Regs deal with the awarding of contracts	L	<ul style="list-style-type: none"> Referral. HALC for legal/IA reference. Others based on best available advice. 	<ul style="list-style-type: none"> Regular IA review. Review annually by Council. 	
<i>Section Three - Self Managed Risk</i>					
Proper financial records	In accordance with statutory requirements	L	<ul style="list-style-type: none"> Checking bank balances, payments, budgets and reserves. Continued Professional Development for Officers & Councillors. 	<ul style="list-style-type: none"> Review quarterly by Council and annually by IA. 	

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Business activities	Ensuring that they are within the legal powers of councils	L	<ul style="list-style-type: none"> Regular reference to legislation and guidance. 	<ul style="list-style-type: none"> Minute legal power. IA review 	
Borrowing	Complying with restrictions	L	N/A currently.	<ul style="list-style-type: none"> IA review 	
Employment law and Inland Revenue regulations	Ensuring that requirements are met	L	<ul style="list-style-type: none"> Employment law advice from HALC. Inland Revenue Payroll calculated using HMRC Basic PAYE Tools 	<ul style="list-style-type: none"> IA review 	
VAT	Ensuring that requirements are met under HMC&E regulations	L	<ul style="list-style-type: none"> Internal Auditor 	<ul style="list-style-type: none"> IA review 	
Annual precept	Ensuring adequacy within sound budgeting arrangements	L	<ul style="list-style-type: none"> Annual budget consideration (October) for all members and Officers. 	<ul style="list-style-type: none"> IA review 	
Monitoring of performance		L	<ul style="list-style-type: none"> Full Council to reviews budget annually 	<ul style="list-style-type: none"> All Members 	
Grants	Ensuring the proper use of funds granted to local community bodies under specific powers or under section 137	L	<ul style="list-style-type: none"> Grants Awarding Policy Adopted 21.02.18 	<ul style="list-style-type: none"> Officer to check all applications and supporting documentation for compliance with Policy. Detail of specific or S137 power on Officer's agenda report and on minutes. Checked annually by IA. 	

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Council Minutes	Proper, timely and accurate reporting of council business in the minutes	L	<ul style="list-style-type: none"> Draft & approved minutes circulated to Councillors and posted on website once ratified. 	<ul style="list-style-type: none"> IA review. 	
Rights of inspection		L	<ul style="list-style-type: none"> All documentation freely available on the Council's website. 	<ul style="list-style-type: none"> Review annually. 	
Document control	Proper systems	L	<ul style="list-style-type: none"> To provide monthly backups of documents on hard drive and one drive 	<ul style="list-style-type: none"> Review process to ensure risk of FOI breach is minimalised – ensure responsibility is held by the Clerk/RFO. 	
Register of Members' Interests and Gifts and Hospitality	In place, complete, accurate and up to date	L	<ul style="list-style-type: none"> Register of interest forms published on website. 	<ul style="list-style-type: none"> Review annually IA and district council review. 	