



RISK MANAGEMENT POLICY

Approved and Adopted by Council December
2002 C 0433 refers

Revised, amended and approved:

August 2004 C 0221 refers
June 2005 F 2021 refers
June 2006 C 0109 refers
June 2007 C 0163 refers
March 2008 F 0706 refers
March 2009 F 0654 refers
May 2010 C0016 (F 0721) refers
May 2011 C 0016 (c) (F0718) refers
May 2012 C0026 (F0711) refers
May 2013 C 0081 refers
April 2014 C 0843 (c) F0828 refers
April 2015 C 0773 (c) refers
April 2016 C 0853 (c) F0828 refers
March 2017 F0794 refers
April 2018 C 0907 (F 0893) refers

1A Areas where there may be scope to use insurance to help manage risk.

Risk Identification	a) The protection of physical assets owned by the Council eg. Buildings, furniture, equipment including regalia, for loss of damage	Most of the Town Council's physical assets, including its regalia, are insured with Aviva under Policy No.24867275 CCI. Items such as old play equipment and street furniture are not insured as the likely cost of any claim would exceed the level of the premium for insurance
	b) The risk of damage to third party property or individuals as a result of the Council providing services or amenities to the public (public liability)	The Town Council has public liability insurance of £10m. It also has personal accident liability cover for employees, members & volunteers under the above policy. The Town Council utilises the services of Ellis Whittam to act as its Health & Safety Consultant benefitting from their advice, support and guidance.
	c) The risk of consequential loss of income or the need to provide essential services following critical damage, loss or non-performance of a third party (consequential loss)	The Town Council has business interruption cover under the above policy
	d) Loss of cash through theft or dishonesty (fidelity guarantee)	The Town Council has loss non-negotiable and other money cover fidelity guarantee cover for both members & employees
	e) Legal Liability as a consequence of asset ownership (public liability)	See (b)

1B Areas where there may be scope to use insurance to help manage risk.

Internal controls	a) An up to date register of assets and investment	The Asset Register is updated annually as a minimum as part of the audit process.
	b) Regular maintenance arrangements for physical assets	The regular maintenance of buildings, sites and equipment is covered by annual inspections as part of the budget process.
	c) Annual review of risk and the adequacy of cover	The Town Council reviews levels of risk and the adequacy of cover every year. Where there is felt to be additional risk or additional cover needed, this is added.

	d) Ensuring the robustness of insurance providers	The Town Council reviews its insurance cover as part of the spirit of best value. It is confident that its present insurer is sufficiently robust in the knowledge that the insurer is regulated under the rules laid down by current statute

1C Areas where there may be scope to use insurance to help manage risk

Internal audit assurance	a) Review of internal controls in place and their documentation	The comprehensive range of internal controls is constantly being reviewed by staff and is reviewed by Council during the course of the annual audit.
	b) Review of management arrangements regarding insurance cover	This forms part of the brief of the Finance and General Purposes committee annually.
	c) Testing of specific internal controls and reporting findings to management	Where there is felt to be a need for additional internal controls within the office, these will be put in place by officers. Where additional internal controls involve members, such proposals will be put to the Finance and General Purposes committee.

2A Areas where there may be scope to work with others to help manage risk.

Risk Identification	a) Security for vulnerable buildings, amenities or equipment	The Town Council has two main public halls: Both halls are managed by the Halls Manager with a team of three part time supervisors. As far as is possible one member of staff is always on duty during a hire of the Festival Hall and that person is also the emergency callout individual for The Avenue Pavilion. A code entry system is being installed at The Avenue Pavilion to facilitate all hirers access to the premises. All hirers are responsible for the security of their respective buildings and the equipment therein. The Council also checks that Leaseholders have adequate insurance. The hirers' responsibility
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		<p>for security is included within the hiring regulations. Love Lane Pavilion is leased out to a Nursery and the Juniors Football Club.</p> <p>The Festival Hall has an intruder alarm system which is linked to the police and the supplier. The Senior Groundsman has responsibility for the Town Council's open spaces and sports grounds and the amenities sited there. He is assisted in this by the efforts of a volunteer group; The Friends of Petersfield Heath.</p> <p>Where its buildings are leased to an organisation, that group has responsibility for the security of that building.</p>
	<p>b) Maintenance for vulnerable buildings, amenities or equipment</p>	<p>The Halls Manager is responsible for the maintenance of all of the Council's public halls (with recourse to officers if necessary); and they are maintained in accordance with budgets prepared by officers and approved/amended by councillors each year in accordance with the normal budget setting process.</p> <p>All Town Council buildings which are leased, are subject to repairing leases, with the exception of the kiosk on the Heath and the Love Lane Pavilion where appropriate, maintenance/checking contracts are in place for equipment eg heating systems, small electrical equipment.</p> <p>Rescue rings are provided in conspicuous places around Heath Pond</p>
	<p>c) The provision of services being carried out under agency/partnership agreements with principal authorities</p>	<p>The Town Council works in partnership with East Hampshire District Council and Hampshire County Council when invited to do so. The only partnership agreement currently in operation is for bus shelter maintenance with Hampshire County Council although an arrangement is being</p>

		<p>sought through the Parish Lengthsman Scheme, once again with Hampshire County Council, to clean road signs and street signage and potentially some further roadside grounds maintenance.</p> <p>The Town Council's grounds are the subject of a grounds maintenance contract within the control of the Town Council. There is no arrangement in place with either EHDC or HCC for roadside grass cutting.</p>
	<p>d) Banking arrangements and Investments</p>	<p>The Town Council's banking arrangements are reviewed by the Finance and General Purposes Committee.</p> <p>The Finance and Investment Policy is reviewed annually by the Finance & General Purposes Committee.</p> <p>There is a comprehensive range of internal controls relating to the issue and receipt of monies on behalf of the Town Council.</p>
	<p>e) Ad hoc provision of amenities/facilities for events to local community groups</p>	<p>The Town Council has given approval for the use of several of its sites and buildings for local community groups, on both rental and free bases. Some examples of this are:-</p> <p>Grounds - Children in Need events, Jubilee Events, open air religious services, exercise groups, fairs and circuses, canoeing by service organisations and use by agencies for young and/or disabled people.</p> <p>Buildings - use of rooms by organisations on which the Town Council has a representative, annual meetings for users of the public halls, allotments and grounds</p> <p>In such cases, the Town Council ensures that the hirer/user has sufficient public liability cover for</p>

		<p>their intended activity.</p> <p>Defibrillators have been installed both inside and outside of the Festival Hall, purchased under a lease arrangement to include insurance for failing to operate properly.</p>
	f) Trading units eg playing fields, community buildings	The Town Council ensures that users of its facilities have sufficient public liability cover.
	g) Professional services eg planning, architects, accountancy etc	The Town Council endeavours to ensure that wherever possible it has the opportunity to select (from several) the provider of any professional service it requires, including EHDC's list of approved contractors. Any professionals whose services it uses are well established and often selected on recommendation.
	h) Fraudulent access to Bank Account	The Town Council remains vigilant to check for fraudulent activity on any bank accounts and works closely with the banks to identify and act upon any such fraudulent activity.

2B Areas where there may be scope to work with others to help manage risk.

Internal Controls	a) Standing Orders, Financial Regulations and Contract Standing Orders dealing with the award of contracts for services or the purchase of capital equipment.	The Town Council has Standing Orders and Contract Standing Orders to govern the award of such contracts. These Standing Orders are reviewed annually. Their content is noted during the course of the internal audit process.
	b) Regular reporting on performance by suppliers/contractors	The Senior Groundsman, reports on grounds maintenance issues, including the contract to every Grounds Committee. The Halls Manager prepares similar reports for the Public Halls Committee. All reports received from the Internal and External Auditors are reported to Finance & General Purposes Committee and Council.
	c) Annual review of contracts	Contracts are reviewed by officers and subsequently by members as

		part of the budget process each year.
	d) Clear statements of management responsibility for each service	The Grounds, Public Halls and Finance and General Purposes Committees all have policies which are reviewed on an annual basis. All committees also have Terms of Reference that are reviewed by Council annually and are referred to in Standing Orders.
	e) Regular scrutiny of performance against targets	See (b) and (c)
	f) Arrangements to detect and deter fraud and/or corruption	All invoices are subjected to scrutiny by both the officer responsible and the Finance Officer; and all cheques or Orders for Payment or electronic payment schedules have to be signed by the Town Clerk (or Finance Officer) and two councillors. The payment of accounts is approved (retrospectively) by council each month. Responsibility for the issue of invoices and the review of invoices received is shared among officers and staff to prevent one person having sole responsibility for any transaction.
	g) Regular bank reconciliations, independently reviewed	Bank statements are received weekly and are seen by the Town Clerk and reconciled by the Finance Officer. The latest bank reconciliation is presented to Finance & General Purposes Committee each month. Councillors verify that the copy bank statement presented to the Finance & General Purposes Committee matches the original statement received.

2C Areas where there may be scope to work with others to help manage risk

Internal audit assurance	a) Review of internal controls in place and their documentation	Internal controls are constantly under review and are usually shown to have been followed by the
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		affixing of the verifier's initials eg. on cheque counterfoils
	b) Review of minutes to ensure legal powers are available and the basis of the powers recorded and correctly applied	The Town Clerk ensures that the Council does not act ultra vires when a decision is being made; and if that is not the case, then such decision has been recorded as being against the advice of the officer/s concerned. The appropriate legal powers will be quoted in the minutes against decisions of Council, whenever practical or necessary. The Council has adopted the General Power of Competence. The minutes of meetings are also reviewed during the audit process.
	c) Review and testing of arrangements to prevent and detect fraud and corruption	The use of Standing Orders, internal controls and consideration by Council are all methods used to prevent and deter fraud and corruption.
	d) Review adequacy of insurance cover provided by suppliers	The adequacy of insurance is reviewed as part of the internal audit process. A valuation of all the town council's buildings is also carried out once during the life of each council and this is reflected in subsequent insurance cover.
	e) Testing of specific internal controls and report findings to management	This is carried out as part of the audit process.

3A Areas where there may be a need to self-manage risk

Risk Identification	a) Keeping proper financial records in accordance with statutory requirements	Financial records are kept in accordance with statutory requirements, being the responsibility of the Finance and General Purposes Committee. It is reviewed as part of audit process. Copies of the minutes of all Council meetings are sent to the press and are published on the Town Council website.
	b) Ensuring all business activities are within legal powers applicable	Where necessary and desirable the powers used by Council in undertaking any activity are

		specified within the minutes.
	c) Complying with restrictions on borrowing arrangements	The Town Council has no current borrowing arrangements.
	d) Ensuring that all requirements are met under employment law and Inland Revenue regulations	Appropriate payroll software is used and operated by the Town Clerk and reviewed by the Finance Officer and a councillor. The process and content is reviewed annually by the Internal Auditor. Salary, pension and NI forecasts are also considered by members as part of the budget process. Human Resource consultants are employed on an annual payment to ensure that employment law obligations are met.
	e) Ensuring all requirements are met under Customs and Excise regulations (especially VAT)	All such requirements are met by the Finance Officer, are within the area of responsibility of the Finance and General Purposes Committee and are part of the audit process.
	f) Ensuring the adequacy of the annual precept within sound budgeting arrangements	Officers' and committee budgets are considered by both officers and all members, following which they are considered by the Finance and General Purposes Committee, who recommend a precept figure to Council.
	g) Monitoring of performance against agreed standards under partnership agreements	See table 2 internal controls b) and d)
	h) Ensuring the proper use of funds granted to local community bodies under specific powers or S137	Community grant applications are considered twice per annum in July and February. Any grant applications which do not meet the Town Council's criteria are returned to the sender eg for individuals. All other applications are considered in detail by the grants panel and approved by Council. Successful applicants are required to give details of how such funding has been spent eg copies of their annual report and accounts. All other funding is subject to

		recommendation by the Finance and General Purposes Committee to Council: or forms part of the annual budget
	i) Proper, timely and accurate reporting of council business in the minutes	Minutes are prepared by the Office and Committee Manager (or another officer) and their accuracy verified by the Town Clerk. They are distributed to all members, received at Council meetings and are presented to the appropriate Committee at their next meeting, for approval.
	j) Responding to electors wishing to exercise their rights of inspection	The rights of inspection by electors is adhered to in accordance with current legislation including the Freedom of Information Act.
	k) Meeting the laid down timetables when responding to consultation invitations	Every effort is made to meet specified timetables when responding to consultation invitations.
	l) Proper document control	<p>Copies of minutes of meetings are bound on an annual basis. All relevant paperwork is retained in accordance with national guidelines (or for longer) and is available for members' perusal at all times. Requests from members of the public to view records are met, wherever possible.</p> <p>Documents are not to be removed from the Council offices without permission.</p>
	m) Register of Members' interests and gifts and hospitality in place, complete, accurate and up to date	Such records are in place, complete and up to date (as far as is known to officers). If officers receive a gift valued in excess of £25 it is advised to the Town Mayor and/or the Chairman of the Staffing Panel.
	n) Business Continuity in the event of a major incident	The Council utilises a remote server that is backed up daily as a minimum. The Citrix access system to the Council's computer records and documents, which are stored on the remote server, can be accessed from any computer (with password

		control) enabling staff to operate from different areas of the office and home when necessary, and immediately from new hardware that is introduced.
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3B Areas where there may be a need to self manage risk

Internal Controls	a) Regular scrutiny of financial records and proper arrangements for the approval of expenditure	Comprehensive measures are in place for the internal and external approval of expenditure.
	b) Recording in the minutes the precise powers under which expenditure is being approved	The appropriate legal powers will be quoted in the minutes against decisions of Council, whenever necessary. The Council has adopted the General Power of Competence.
	c) Regular returns to the Inland Revenue; contracts of employment for all staff, annually reviewed by the council, systems of updating records for any changes in relevant legislation	These areas lie within the responsibility of the Town Clerk, with reference to the Staff Panel, the Finance and General Purposes Committee and Council. Salaries are prepared by the Town Clerk and checked by the Finance Officer and a councillor. They are also checked during the course of the annual audit.
	d) Regular returns of VAT; training the responsible officer in matters of VAT and other taxation issues as necessary	The Finance Officer is responsible for all VAT returns, which are reviewed as part of the annual audit process. The Finance and General Purposes Committee checks that the Responsible Finance Officer and the Finance Officer receive adequate training in all financial matters that relate to council business.
	e) Developing systems of performance measurement	An appraisal system for staff performance has been introduced. Performance measurement for the major contracts is in place and is monitored by the Senior Groundsman or Halls Manager initially and council committees and working parties.

	f) Procedures for dealing with and monitoring grants or loans made or received	<p>There are no outstanding loans made or received at this time.</p> <p>Perennial grant clients provide an annual report detailing how their grant has been used to demonstrate value for money.</p> <p>Capital grants are not paid out until either evidence of expenditure has been provided or a firm contract to incur the expenditure is available.</p>
	g) Minutes properly numbered and paginated with a master copy kept in safekeeping	All minutes are properly numbered and paginated. A master copy is made of each council year's minutes and is bound and stored in the Town Clerk's office.
	h) Documented procedures to deal with enquiries from the public	Telephone messages from the public are passed to the individual for whom they are intended. Letters and emails are dealt with as quickly as possible and if there is likely to be a delay eg the letter being presented to a future committee meeting then an acknowledgement card is sent to advise the writer of this.
	i) Documented procedures to deal with responses to consultation requested	If a response to a consultation request can be dealt with by a committee or council it will do so. If not, a sub-committee or working party will be formed to prepare recommendations for the appropriate committee or council.
	j) Documented procedures for document receipt, circulation, response, handling and filing	All documents received are date-stamped and the Town Clerk decides on the appropriate method of handling each item of correspondence. Information received that does not require consideration by a committee or council may be distributed to councillors in the form of the councillors' information list. Items that can be dealt with within the office are. Once documents have been dealt with they are passed to the Administration Assistant for

		filing.
	k) Procedures in place for recording and monitoring members' interests and gifts and hospitality received.	A file is held containing the Register of Members Interests. If any gifts or hospitality is received the nature of the item is recorded within this file.
	l) Adoption of codes of conduct for members and employees	The Town Council adopted the same Code of Conduct as that adopted by East Hampshire District Council in 2012.
	m) Invoice checking procedure by councillors	A random sample of invoices and/or other documentation to be checked by Councillors each month as an additional measure for checking internal procedures. Finance & General Purposes Committee draws up a schedule annually specifying what will be done and by whom.

3C Areas where there may be a need to self manage risk

Internal audit assurance	a) Review of internal controls in place and their documentation	Internal controls are constantly review by officers during the course of the internal audit.
	b) Review of minutes to ensure legal powers in place, recorded and correctly applied	This is reviewed and checked as part of the Internal Audit process.
	c) Testing of income and expenditure from minutes to cashbook, from bank statements to cashbook, from minutes to statements, etc. including petty cash transactions	The testing of these procedures forms part of the internal controls currently in place and is overseen by members of the Finance & General Purposes Committee. The system is also tested during the audit process.
	d) Review and testing of arrangements to prevent and detect fraud and corruption	This is undertaken as part of the Internal Audit process and in the light of practical experience.
	e) Testing of specific internal controls and reporting findings to management	Where appropriate, the results of such testing as part of the internal controls process will be reported to the appropriate committee or council. Similar reporting to the council will be made as part of the internal audit.