

Ardington & Lockinge Parish Council – Financial Risk Assessment

This document has been produced to enable the Parish Council to assess the risks that it faces and satisfy itself that it has taken adequate steps to minimise them.

Subject	Risk(s) Identified	High, Medium or Low	Management/Control of Risk	Review/Assess/Revise
Precept	Inadequate Precept	Low	To determine the precept required, the Clerk/RFO examines the current financial year's accounts together with the projected yearend accounts, and considers all expenditure and income required for the next financial year, then presents this to Council to enable Council to make an informed decision and subsequent approval of such. The public are then notified of this via a meeting Agenda and invited to attend the next full Council meeting, at which Council agrees the Precept amount. The Clerk then submits the Precept form to Vale of White Horse District Council for processing and payment.	The procedures in place are adequate and are reviewed annually.
	Precept not paid by Local Authority	Low	The Clerk/RFO checks the bank account in April and again in September, to ensure the half yearly precept payments have been made by VOWHDC. If a payment has not been made, the Clerk contacts VOWHDC and requests them to make the payment.	
Financial Regulations	Not adhering to policy and procedures as set out in the Financial Regulations	Low	The Clerk/RFO and Council follow the Financial Regulations as set out by NALC, which have been revised and adopted by the Parish Council. These are reviewed annually by the Clerk/RFO and Council and adopted at the Annual Parish Council Meeting.	Current Financial Regulations are adequate and adopted by Council To be reviewed at May meeting due to new NALC model Financial Regulations issued March 2025
Standing Orders	Not adhering to policy and procedures as set	Low	The Clerk/RFO and Council follow the Standing Orders as set out by NALC, which have been revised and adopted by the Parish Council. These are reviewed	Current Standing Orders are adequate and adopted by Council.

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	out in the Standing Orders		annually by the Clerk/RFO and Council and adopted at the Annual Parish Council Meeting.	
Bank Records & Banking	Banking/Financial Errors		All items of income and expenditure are cross-referenced against the bank statements and a reconciliation report created for authorisation by the Internal Controller prior to each bi-monthly council meeting. All expenditure and income are advertised via bi-monthly meeting agendas before being approved by Council at meetings and minuted.	To be reviewed after implementation of Scribe for 2025-26
	Loss through theft and dishonesty	Low	All cheques are to be signed by 2 Councillors with stubs initialled also. Blank cheques are never authorised and if a mistake is made on a cheque, it is automatically cancelled, and a line put through it. The Council is also covered by a Fidelity Guarantee of £250k within the annual insurance policy.	Current procedure and insurance adequate.
Electronic Payments (BACS)	Payments made without Council approval	Low	All BACS payments are approved by Council prior to the payment being made. If a payment needs to be made outside of the meeting, then approval is to be sought from Chairman/Councillors, with the decision and payment ratified at the next available council meeting.	Adequate procedures are in place.
	Incorrect electronic payment or amount made / No monitor on actual electronic entry	Medium	Ardington & Lockinge Parish Council uses the Unity Trust authorisation facility, which automatically requires that payments made from the account must be authorised by two authorisers before being released to	To be reviewed annually

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			the payee. The inputter and the approvers check the electronic entry to ensure that it matches the invoice payment details.	
Financial/Account Records	Inadequate records	Low	The Clerk/RFO maintains a P&R cashbook listing all income and expenditure. The Clerk/RFO compiles all paperwork relating to monthly income and expenditure in hard copy. Electronic files are saved to the laptop and are automatically backed up to the cloud or a local hard drive. A selection of records is assessed by the Internal Auditor annually.	To be reviewed following implementation of Scribe for 2025-26. Internal Controller to have access to Scribe
Grants Awarded to Council	Not receiving grant funding when successfully applied for	Low	The Clerk/RFO is to ensure that all grant payments are made to the Council according to the terms of the grant and at the correct time, following up with the individual local authority and/or organisation if they are not.	Adequate procedures are in place.
Cash	Loss through theft and dishonesty	Low	No petty cash is held by the Clerk/RFO or Council members. Any sundry items are to be purchased using the Council's Unity Trust Charge Card as per procedure outlined in the Financial Regulations, or by the Clerk/RFO personally and claimed back via expenses against receipts held.	To be reviewed once Unity Trust charge card in use
Best Value	Charges made on the Parish Council are too high	Low	The Clerk/RFO should obtain at least 2 estimates/quotations for any work undertaken by contractors on behalf of the Parish Council and for any major expenditure, as set out in the Financial Regulations. All estimates/quotations are then agreed and approved by full Council and minuted accordingly.	To be reviewed annually

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Financial Reporting	Insufficient information	Low	The Parish Council appoints an Internal Controller annually to review and authorise all financial records. All income and expenditure are presented at Parish Council meetings on the meeting Agenda, along with the balances of all Parish Council bank accounts. At each bi-monthly meeting, the Clerk/RFO circulates a Financial Report to Council, outlining income and expenditure and highlighting main points in a commentary. All income and expenditure are also entered into the P&R cashbook against the correct cost code. The Clerk/RFO ensures that all VAT returns are made in a timely manner and recorded in the P&R cashbook. All accounts are available for public inspection.	New Internal Controller required for 2025-26. To review reporting after implementation of Scribe for 2025-26.
Audits	Annual Audit is not completed within the set deadline	Low	The Clerk/RFO prepares the year end accounts statement and Annual Governance and Accountability Return for the Internal Auditor to review in April. Once the accounts have been returned and any recommendations reported on and observed, Council then approves them at the annual meeting in May, along with all audit papers and the Annual Governance and Accountability Return. The Clerk ensures the annual audit and conclusion of audit notices are displayed on the Council notice board and website for the public to view, for the prescribed period of time.	To be reviewed annually, and after first external audit required for 2024-25
Invoices	Goods not supplied but billed	Low	Invoices are only paid after the service or goods have been received to the Council's satisfaction.	Adequate procedures are in place

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	Incorrect invoicing	Low	All requests /orders for goods and services are confirmed in writing by the Clerk/RFO, to agree all costs involved. The Clerk/RFO checks all invoices received for accuracy and ensures all information is entered into the P&R Cashbook.	
Salaries	Salary and expenses paid incorrectly	Low	Ardington & Lockinge Parish Council only employs one person, the Clerk. The Clerk presents their salary and expenses, monthly, via the meeting Agendas. Full Council approves all presented figures at the bi-monthly meetings, which is recorded in the minutes.	Adequate procedures are in place
Data Protection	Non-compliance with Data Protection Legislation	Low	Ardington & Lockinge Parish Council is registered with ICO the UK Data Protection Agency and is governed by their rules.	To be reviewed annually for changes in ICO policies
Insurance	Inadequate Cover	Low	An annual review is undertaken prior to the renewal of the insurance policy. Third party risk is included within the cover, with current liability set at £10m.	To be reviewed prior to renewal and reported at May meeting
	Fidelity Guarantee	Low	The amount is reviewed annually to ensure insurance cover is sufficient for the Parish Council's needs.	
	Public Liability	Low	The Parish Council maintains insurance cover in all areas. The play equipment at the playground is regularly inspected by a designated councillor and annually by an External ROSPA Inspector.	
	Personal Accident	Low	All Council members, employees and/or volunteers of the Parish Council are covered under the personal accident plan of the insurance policy	

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	Cost	Low	At least 2 quotations are obtained when it is time to renew insurance cover and are presented to Council for it to decide which to accept.	
Physical Assets	Loss or damage Risk/damage to third party property	Medium	An annual review is conducted for insurance, storage and maintenance purposes. An annual review is also conducted for the level of public liability insurance required.	To be reviewed in May prior to insurance renewal
Financial Assets	Adequacy of Reserves	Medium	The general reserves are reviewed at each bi-monthly meeting to ensure the reserves meet the minimum recommended level of 25% of the annual precept.	To be reviewed at May meeting