

APC Financial Risk Assessment & Management 2026

FINANCE					
Ref	Topic	Risk	H/M/L	Management/Control of Risk	Review/Assess/Revise
1	Precept	Adequacy of precept	L	To determine the precept amount required, the Parish Council should receive quarterly budget information and meet ahead of the precept demand to assess adequacy to date.	Satisfactory. Quarterly budget information is supplied to the Full Council.
2		Requirements not submitted to WNC	L	WNC requests precept requirement providing a prompt for the Clerk. The precept request form is submitted by the Clerk in writing to the WNC. Clerk keeps record of precept request.	Satisfactory Clerk to minute the precept amount. AGAR 2022-23 identified insufficient precept amount recording.
3		Precept not received	L	Precept receipt is monitored by Clerk who informs Council when the precept is received at the next full council meeting. WNC confirm pay date, RFO to monitor levels of general reserves are adequate but no more than 50% of annual precept.	Satisfactory
4	Budgeting	Budget not prepared for next financial year	L	The Parish Council monitors data on previous budget and year to date expenditure to anticipate requirements by nominal code/category. Budget and precept setting are timetabled for meeting agenda annually in line with the Standing Order Calendar.	Satisfactory Clerk to minute the budget amount. AGAR 2022-23 identified insufficient budget amount recording.
5	Financial Records	Inadequate records	M	The Parish Council's Financial Regulations outline the required format of finance processing and record-keeping. ICC, Internal audit and AGAR to trigger proper scrutiny of the effectiveness of Financial Regulations in practice.	Satisfactory
6		Financial irregularities/Internal controls	L	ICC ensure basic financial management compliance such as bank reconciliations and VAT reclaim. Record keeping of invoices, statements, cheque books and paying in books maintained as a resource for scrutinising errors.	Satisfactory. ICC remodelled for better scrutiny.
7	Bank and Banking	Inadequate checks Bank mistakes Loss Charges	L L L L	The Parish Councils Financial Regulations is the essential framework for banking, cheques and reconciliation of accounts.	Satisfactory. Financial Regulations to be reviewed in line with Standing Order Calendar.

				Banking errors can be discovered by the Clerk/RFO during monthly bank reconciliations and appropriate resolution sought with the bank. Reconciliation reports to run each month to support cashbook balancing. Dual signatory required for authorisation of payments and losses to be brought to the attention of Finance and Policy Committee.	
8	Cash	Loss through theft or dishonesty	M	The Parish Council receives very few payments in cash though the handling and management of this is set out in section 9 of the Financial Regulations. The Parish Council does not have a receipt book.	Payments due are invoiced and payments received in cash or cheque are receipted. Invoices encourage direct transfer payment.
9	Reporting and Auditing	Information communication	M	The Responsible Financial Officer shall supply to each councillor as soon as practicable after 30 June, 30 September and 31 December in each year a statement to summarise: i. the Council's receipts and payments (or income and expenditure) for each quarter; ii. the Council's aggregate receipts and payments (or income and expenditure) for the year to date; iii. the balances held at the end of the quarter being reported and which includes a comparison with the budget for the financial year and highlights any actual or potential overspends.	Review Controls required to ensure prompts in place to receive information. Currently (ii) not completed.
10	All Costs & expenses Debts	Goods not supplied but billed	L	All goods are authorised on the Schedule of Payments. Goods received at Parish Meeting Rooms and not other addresses where the Clerk/RFO or employees can verify receipt of goods. Clerk/RFO to query bills for goods/services not received.	Satisfactory
11		Incorrect invoicing	L	All invoices are checked by the Clerk/RFO. Clerk/RFO to handle all invoices in accordance with 6.2 of Financial Regulations.	Satisfactory
12		BACS/Cheque payable incorrect	L	Clerk/RFO confirms all payments against payment request information, e.g. invoices and payroll. For cheques, dual signatory is required and copy of authorisation of payments detailing	Satisfactory

				amounts provided. For BACS, a councillor authorises payments created by the Clerk/RFO.	
13		Loss of stock	L	The Parish Council may hold consolidated stock	Review Current Financial Regulations do not account for the management or loss of stock.
14		Unpaid invoices	L	Unpaid invoices for Council goods or services are pursued and where possible, payment is obtained in advance. Terms and methods for payments included on Council invoices.	Satisfactory.
15	Grants and support - payable	Power to pay Authorisation of Council to pay	L	All payments made follow process of authorisation of payment and dual signatory / approval of online payment. Grant Funding Policy to be followed.	Satisfactory
16	Grants - receivable	Receipts of Grant	L	The Finance and Policy Committee to oversee any terms and conditions of grants received by the Parish Council are satisfied. Currently no regular grants received.	Review of Financial Regulations to consider management of grants received.
17	Charges – _rentals receivable	Receipt of rental	L	Allotment and Parish Meeting Room hire should be invoiced and payment pursued as per the invoice payment terms. Rent rates agreed annually by Parish Council.	Satisfactory
18		Insurance implication	M	The Parish Council insures fixtures and fittings at the Parish Meeting Room. New allotment agreements to be implemented to outline tenant liability for allotment damages.	Satisfactory.
19	Accountability	Work awarded incorrectly	M	The Parish Council to refer to its Financial Regulations and adhere to the requirements for the award of contracts. Advice to be sought from Contract Finder / Crown Commercial Services or other appropriate external source if needed,	Satisfactory
20		Overspend on services/depletion of reserves	M	RFO to provide recommendations / report on budget availability in line with Financial Regulations Section 3.	Satisfactory
21	Salaries and associated costs	Salary paid incorrectly Wrong rate paid Wrong deductions of NI or Tax Unpaid Tax &	L L L L	Salary agreed and banking standing order authorised where appropriate for employees. Payroll completed by 3rd party and provides Yellow Book Returns / P32 report for verification of NIC and Tax calculations. Clerk/RFO confirms quarterly HMRC payments with payroll provider.	Satisfactory

		NI contributions to the Inland Revenue			
22	Workplace pension	Lack of adequate provision	L	Payroll provider undertakes auto-enrolment process on Parish Council instruction. NEST pension provided for employees.	The council provides the minimum pension contribution required.
23	Employees	Loss of key personnel/difficulty in retaining Staff Not enough hours for role	M	Vacancy would be advertised widely. Cover would be organised by other employees. Hours reviewed on at least an annual basis. Review of staff responsibility in cases of high staff turnover.	Review Annual appraisals with ad hoc meetings to provide direct response to issues and retain staff.
24		Fraud by staff	L	Limited cash handled and adequate procedures in place. 2 councillors sign cheques/authorise invoices. Bank balances reported quarterly, statements available for inspection, checked and signed by two councillors. Expenses evidenced by invoice/receipt.	Satisfactory
25	Councillor allowances	Councillors over-paid	L	No allowances are allocated to Parish Councillors.	No procedure required
26	Election costs	Risk of an election cost	L	Known elections budgeted for through reserves. By-Elections to be provided from contingency budget	Officers and Councillors to monitor budget and reserves throughout the year to ensure adequate funding available if required.
27	VAT	Re-claiming/charging	L	The RFO shall promptly complete any VAT Return that is required. Any repayment claim due in accordance with VAT Act	VAT reclaimed quarterly.
1994 section 33 shall be made at least annually coinciding with the financial year end.					
28	Annual Return	Submit within time limits	L	Annual Return is completed and signed by the Parish Council, submitted to an internal auditor for completion and signing then checked and sent on to the External Auditor, any issues with providing the return within the deadline to be managed directly with the SAAA-appointed external auditor.	Satisfactory The Clerk is notified by the Internal Auditor to begin booking AIAR which triggers YE process booking with RBS.
29	Legal Powers	Illegal activity or payments	L	All activity and payments within the powers of the Parish Council to be resolved and minuted at Full Council Meetings.	Satisfactory
30	Minutes / Agendas /	Accuracy and legality	L	Minutes and agenda are produced in accordance with Standing Orders by the Clerk and adhere to the legal requirements.	Satisfactory

	Notices / Statutory Documents			Minutes are approved and signed at the next Council meeting. Minutes and agenda are displayed and retained according to the legal requirements	
31		Business conduct	L	Business conducted at Council meetings is managed by the Chairperson. Training available for new councillors with NCALC to outline expectations regarding conduct of business.	Satisfactory
32	Members interests	Conflict of interest	L	The Declaration of Interests by members at a meeting reminds Councillors of their duty and should remain on the agenda.	Satisfactory
33		Register of Members interests	M	Members have a duty to update their individual Register of Interests, criminal penalties enforceable to deter non-completion.	All registers of interest present and updated with Democratic Services as needed.
34	Insurance	Adequacy	L	An annual review is undertaken (before the time of the policy renewal in April) of all insurance arrangements in place. Risk assessments completed as required. Managed in accordance with Section 14 of Financial Regulations.	Review Comparable quotes not obtainable as the Council does not hold sufficiently up-to-date valuation information.
35		Cost	L	Employers and Employee liability insurance is a necessity and must be paid for. Financial Regulations Section 14.	Review Parish Council may consider obtaining comparative quotes at time of renewal.
36	Data protection	Loss or theft of personal data GDPR Freedom of Information	M	The Parish Council is registered with the Information Commissioner, registration reference ICO:00016487566 expiring 04/05/2025. Policies for data protection, document retention, freedom of information and a privacy notice have been adopted and published.	General Data Controller information and log introduced 2023. FOI and SAR information pages and forms updated on website. Registration with ICO auto-renews.