

FINANCIAL RISK ASSESSMENT

	Activity	Risk Identified	Risk To	Risk Level	Controls to Mitigate Risk	Residual Risk
1	Annual Return	<ul style="list-style-type: none"> • Inability to meet year end close dates. • Omissions/inaccuracies in AGAR return Late Submission – Charges Applied 	Parish Council	M	<ul style="list-style-type: none"> • Structured deadline procedures. • RFO to comply with year-end procedures to ensure compliance with Annual Return requirements. • Ensure accuracy of AGAR return prior to submission with review by Internal Auditor • Ensure dates of completion allow for review by Policy & Finance Committee 	L
2	Assets	<ul style="list-style-type: none"> • Inaccurate record of assets • Asset register not maintained • Damage/destruction of assets • Damage/injury to third party 	Parish Council	M	<ul style="list-style-type: none"> • Record of Assets to be maintained including additions and disposal of items. • Insurance Provider aware of all assets and valuations as they are updated. • Minimum of annual physical inspection of assets. • Maintenance programme to be implemented • Record of Assets signed off by Full Council annually 	L

3	Audits-Internal and External	<ul style="list-style-type: none"> Lack of awareness and of training Nonconformity with statues and regulations 	Parish Council and Officers	M	<ul style="list-style-type: none"> Internal Audit to be conducted twice a year Internal Audit contract to be reviewed every three years or sooner if required Appointment of Auditor to be by resolution to comply with External Audit requirements Internal Audit report to be reviewed and approved by the Parish Council and actioned against a set plan Cooperation with External Audit requirements and requests 	L
4	Bank and Banking	<ul style="list-style-type: none"> Insufficient/inadequate reconciliations Bank Error/Failure/Loss Charges Inappropriate Transfers Appropriate Bank Mandate 	Parish Council, Officers and Public	M	<ul style="list-style-type: none"> Financial Regulations and procedures to be implemented Comprehensive monthly financial reports to be reviewed by Full Council for approval following monthly reconciliation Any discrepancies are immediately reported to the Bank No single person to have access to bank accounts and cash. 	L
5	Best Value Accountability	<ul style="list-style-type: none"> Best Value not achieved due to inadequate management of process Works awarded inappropriately Overspend on Services 	Parish Council, Officers and Public	L	<ul style="list-style-type: none"> Financial Regulations and procedures to be implemented and regularly reviewed Compliance with Practitioners Guide 2024 or later for statutory requirement of public tenders 	L

					<ul style="list-style-type: none"> • Respective Committee to review quotes and approve or recommend reason for awarding tender to individual/company • Works undertaken to be inspected by Officers or expert to ensure of satisfactory standard • Any issues with works to be investigated by Officers and reported to Committee/Parish Council 	
6	Budget and Precept	<ul style="list-style-type: none"> • Adequacy of precept and budget setting • Non or late submission to District Authority • Amount not received by District Authority • Lack of Budgetary Overview/Overspend against Budget 	Residents	L	<ul style="list-style-type: none"> • All committees to prepare and submit plans to Full Council prior to budget setting • Budget preparation to be considered by Functions Working Group and Full Council considering actual and projected position • Parish Council to review information presented and approve the amounts set for specific budget headings for the following financial year • Explanation of notable variances to be recorded • Virements to be minuted • Approval of the final budget and precept request to be made by 	L

					Parish Council, for submission in January each year <ul style="list-style-type: none"> • Full Council is presented with Income & Expenditure against budget monthly 	
7	Business Continuity	<ul style="list-style-type: none"> • Failure of Council continuing business due to unforeseen circumstances • Long-Term Sickness • Unforeseen financial or another crisis • Staff retention issues • Loss of long service employees • Loss of key staff trained in financial systems, process or rules 	Residents, Councillors and Officers	L	<ul style="list-style-type: none"> • Accounts with multiple users for multiple inputting, with Councillor access for reporting • No of signatories on account to be in line with Financial Regulations • All members and Officers can work/access Council information from home via cloud • IT systems automatically backed up, support available regarding IT system and Finance System 	L
8	Conflicts/Gifts	<ul style="list-style-type: none"> • Inadequate and identification and controls regarding conflicts of interest 	Parish Council	M	<ul style="list-style-type: none"> • Conflicts declarations (Code of Conduct and Acceptance form) reviewed and revised at the Annual Parish Council meeting and published on website 	L
9	Cash, Cheques & Cheque Books	<ul style="list-style-type: none"> • Theft/Dishonesty/Loss • Loss of Cheque Book/Fraudulent use of Cheque Book 	Officers and Parish Council	M	<ul style="list-style-type: none"> • Implementation of Financial Regulations • No Petty Cash account at the moment but if in place, ensure checked regularly by more than 1 person 	L

					<ul style="list-style-type: none"> • Cash/Cheques to be received to be banked ASAP • Officers to take practical safety precautions when collecting cash and dual accounted on payments • Cash payments discouraged and electronic payments encouraged, implementation of Stripe online payments • Council Insurance Policy includes Fidelity guarantee • Cheque books securely held • No blank cheques signed • Cheques to be signed by 2 signatories • Procedures for collecting cash from car park • Procedures for hiring and paying for facilities 	
10	Council Records	<ul style="list-style-type: none"> • Loss of electronic data • Loss through fire/theft/damage/corruption 	Parish Council	L	<ul style="list-style-type: none"> • IT Audit advice implemented • System backup is automated onsite and offsite • On implementation of office: (Building Fire regulations implemented and revised annually) (Fire alarm subject to weekly tests and 6 monthly service) (Office security procedures implemented.) 	L

					<ul style="list-style-type: none"> Confidential personal information retained in locked cabinet by Parish Clerk Documents retention procedures to be adhered to 	
11	Data Protection	<ul style="list-style-type: none"> Loss of Confidential Information Reputational Risk Lack of awareness or training 	Parish Council, Councillors, Officers and Public	M	<ul style="list-style-type: none"> Parish Council is registered with the Information Commissioner Office (ICO) GDPR Training available to Officers and Councillors Council Information shared only via business emails GDPR related policies created, implemented and available to public via website ICO Certificate renewed annually 	L
12	Election Costs	<ul style="list-style-type: none"> Inability to meet costs 	Parish Council	L	<ul style="list-style-type: none"> Risk elevated in an election year Annual budget provision in earmarked reserves. 	L
13	Financial Records	<ul style="list-style-type: none"> Inadequate records leading to financial irregularities Loss through damage/theft/fire/corruption 	Parish Council and RFO	M	<ul style="list-style-type: none"> Parish Clerk to ensure implementation of Financial Regulations and best practice within office controls Financial internal controls reviewed regularly Quarterly assurance inspections to be undertaken Full risk review to be undertaken annually Internal and External Audits to be undertaken at least annually 	L

					<ul style="list-style-type: none"> Regular manual and automated back-ups of systems which is tested annually 	
14	Freedom of Information Act	<ul style="list-style-type: none"> The Council has a model publication scheme for Local Councils in place 	Parish Council and Officers	M	<ul style="list-style-type: none"> The Council is able to request a fee for any information requested to cover the cost of consumables and the Clerk's time 	L
15	Grants	<ul style="list-style-type: none"> Power/Authorisation to Pay Receipts of Grants 	Member of the Public	L	<ul style="list-style-type: none"> All Grant applications to be considered and approved by Policy & Finance Committee of Council Grant budget reviewed annually All Grants received to be entered into finance system under separate budget headings All Grant payments to be recorded in Grant register with appropriate Power used to make award Received Grant expenditure to be recorded under separate budget headings Terms and Conditions of received Grants must be adhered to Grant awarding Policy reviewed annually 	L
16	Income Stream	<ul style="list-style-type: none"> Sales ledger invoices not paid 	Parish Council	M	<ul style="list-style-type: none"> Invoices to be issued in timely manner Receipt of payments to be monitored 	L

					<ul style="list-style-type: none"> Debtors to be proactively monitored Quarterly review of all accounts including debtors to be shared at Parish Council Debtors to be actively communicated with, to minimise the value of debt and try to recover costs 	
17	Insurance Cover	<ul style="list-style-type: none"> Insufficient cover to meet nature of claim Cost Compliance Fidelity Public Liability Employers Liability Theft Fraud Personal accident Legal disputes Business Interruption Officials Indemnity 	Members of the Public, Officers, Councillors, Tenants	M	<ul style="list-style-type: none"> Insurance cover reviewed annually and premium updated to meet demands and to cover all aspects of the business Additional types of insurance cover taken out to meet diverse situations Periodic and specific risk assessments undertaken to ensure compliance 	L
		<ul style="list-style-type: none"> Staff Contracts 	Staff	L	<ul style="list-style-type: none"> Insurance cover Up to date staff contracts External HR provider to ensure we follow Employment and H&S laws. 	L
18	Litigation & Legal Matters	<ul style="list-style-type: none"> Legal action taken against Parish Council Potential legal proceedings up to corporate manslaughter 	Parish Council, Officers and Public	M	<ul style="list-style-type: none"> Insurance cover is comprehensive and includes Public Liability, Fidelity and Legal fees 	L

					<ul style="list-style-type: none"> Judicial Review legal action is unlikely to be covered by insurance, therefore good practice of transparent papers, decisions and implementations mitigate risks to the Council in these cases. 	
19	Legal Powers & Legislative Change	<ul style="list-style-type: none"> Adoption of Standing Orders and Financial Regulations Non-Compliance with legislation Ultra vires actions Appointment of RFO 	Parish Council, Officers and Public	M	<ul style="list-style-type: none"> Standing Orders and Financial Regulations to be reviewed and adopted annually or as legislation dictates Parish Clerk appointed and duties as per employment written statement of particulars Parish Clerk to ensure compliance with Legislation, Standing Orders and Financial Regulations and other NATC procedure(s) Appropriate training received by both Councillors and Officers Access to external specialist for advice 	L
20	Meeting Location and Office and Mess Room	<ul style="list-style-type: none"> Adequacy Health and Safety 	Parish Council, Officers and Public	L	<ul style="list-style-type: none"> Meetings are normally held in regular venues The premises and the facilities are considered to be adequate for the Clerk, Councillors and Public who attend from Health & Safety, Disability, Discrimination and Comfort aspects 	L

					<ul style="list-style-type: none"> The premises and the facilities are considered to be adequate for staff working. 	
21	Payments & Expenditure	<ul style="list-style-type: none"> Goods not supplied but invoiced/invoices incorrect/invoices unpaid Inadequate controls/checks Fraud/Theft Inappropriate expenditure 	Parish Council	L	<ul style="list-style-type: none"> Invoices recorded upon receipt/invoices checked for accuracy/goods received checked on delivery Payment list noted by Committee Payments only to be made to confirmed accounts Signatories required for bank accounts will be in line with Financial Regulations Sufficient signatories maintained on the accounts Ensure Income & Expenditure correctly coded on Rialtas Omega system which can be traced from origin 	L
22	Reporting	<ul style="list-style-type: none"> Failure to communicate to Parish Council and external bodies 	Parish Council, Officers and Public	L	<ul style="list-style-type: none"> Income & Expenditure reports, cashbook reconciliation and bank statements to be presented to Full Council in accordance with Financial Regulations. Reports and bank statements made available for signing in accordance with Financial Regulations. 	L

23	Reserves	<ul style="list-style-type: none"> Inadequacy of existing funds held Unforeseen events 	Parish Council, Officers and Public	M	<ul style="list-style-type: none"> Parish Council should maintain Reserves one of which is General Reserves equating to approximately 3 to 6 months net expenditure to a maximum of 12 months. Unbudgeted commitments are approved after an assessment of the impact on existing reserves Specific reserves are documented demonstrating justification and rationale 	L
24	Risk Assessments	<ul style="list-style-type: none"> Insufficient risk review undertaken for assets and activities Inadequate Risk Assessments 	Parish Council and Public	M	<ul style="list-style-type: none"> Engage with expert if required Risk assessments to be created for all activities. Cross check with insurance provider Supporting rolling programme of inspections and testing to be implemented Review contractors risk assessment and public liability insurance prior to carrying out works 	L
25	Officers and Councillor Training	<ul style="list-style-type: none"> Lack of Awareness/training Potential Legal and Financial Liabilities due to incorrect actions/advice taken 	Parish Council and Officers	L	<ul style="list-style-type: none"> All Officers to be fully trained in role within 2 years of commencement All Councillors to undertake relevant training – 2 training sessions per year 	L

					<ul style="list-style-type: none"> Parish Clerk to ensure best practice is implemented within office procedures as soon as practicable Parish Council to ensure budget available for Officers training, access to professional bodies and reference materials 	
26	Officers Salaries and Councillor Expenses	<ul style="list-style-type: none"> Incorrect salary payments- Failure to pay HMRC and/or Pension contributions Non-compliance with year-end obligations Incorrect/fraudulent expense claims 	Parish Council and Officers	L	<ul style="list-style-type: none"> Payroll service undertaken by recognised external payroll administrator to calculate monthly Officers payments including mileage and expenses All expenses submitted to Parish Clerk for authorisation and receipts reviewed. BACs payments to HMRC & Pension No overtime payments unless exceptional circumstances and approved by Parish Clerk within Salary Budget or Parish Council if out of budget 	L
27	General Power of Competence	<ul style="list-style-type: none"> Power of First resort Ensure correct criteria 	Parish Council	M	<ul style="list-style-type: none"> Review electoral mandate and qualifications for GPOC each year. 	L
28	VAT/Tax	<ul style="list-style-type: none"> Errors in calculation Incorrect treatment of VAT/Tax resulting in loss Payments not made to HMRC 	Parish Council	M	<ul style="list-style-type: none"> Return to be submitted in timely fashion using Rialtas Accounts and Making Tax Digital Access to VAT/Tax specialist if required 	L

					<ul style="list-style-type: none"> VAT claims submitted and reconciled 	
29	Inherent Liabilities	<ul style="list-style-type: none"> Off Balance sheet cost Pension Leases 	Parish Council	M	<ul style="list-style-type: none"> Annual review of budget and liabilities undertaken Leases are to be periodically reviewed Pension liabilities monitored 	L
30	COVID-19/Pandemic	<ul style="list-style-type: none"> Decrease in income Decrease in expenditure Unforeseen expenses Unknown impact 	Parish Council	M	<ul style="list-style-type: none"> Notable fluctuations to budget monitored regularly (at least quarterly) and reported to Parish Council Budget adjusted as necessary and approved Impact of COVID-19/Pandemic anticipated in budget and precept setting process 	L
31	Cemetery	<ul style="list-style-type: none"> Inadequate space to meet demand Loss of income 	Parish Council	M	<ul style="list-style-type: none"> Identify additional land for allocation if needed and flag up with EBC Local Plan 	L
32	Hire Charges	<ul style="list-style-type: none"> Council set the charges subject to periodic review The office must abide by these rates and any requests for preferential rates must be made by the hirer to Council for their approval All bookings must be paid for in advance to avoid bad debts, other block bookers are invoiced or given the 	Parish Council	M	<ul style="list-style-type: none"> All football games and bookings are paid up front, with a minimum of 5 games. This is before the season starts. 	L

		option of paying the sites on a weekly basis				
33	Hire charges received within the office	<ul style="list-style-type: none"> • Payments received are itemised and processed by the Finance Officer • All cash received from hirers that visit the office is processed 	Parish Council	M	<ul style="list-style-type: none"> • All hire charges are paid for by electronic payment after receiving an invoice 	L

Hazard Severity

Low Risk	Trivial/Negligible	Unlikely to Occur
Medium Risk	Minor-Severe Injury	Occasional Occurrence
High Risk	Death-Severe Injury	Likely to Occur

Risk Matrix

		Severity		
		High	Medium	Low
Probability	High			
	Medium			
	Low			
		Low	Medium	High

Reviewed and adopted by Full Council on 12th January 2026

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