



Houghton and Wyton Parish Council

Financial Risk Assessment

April 1

2026

"The greatest risk facing a local authority is not being able to deliver the activity or services expected of it. "

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

In conducting this exercise, the following plan was followed:

Identify the areas to be reviewed.
them High, Medium or Low. (H,M,L)
control of the risk and record all findings.

This document has

Identify what the risk may be and rank

Evaluate the management and

Review, assess and revise if required.

				Risk			
Item	Sub-item	Description	Risk		Mitigation	Notes	
			Frequency (H / M / L)	Impact (H / M / L)			
1	Funds						
	a	Adequacy of Precept	Future government restrictions limiting increases to annual precept	L	L	Financial Regulations, Annual Audit Parish Council Working Group Budgeting Process Reserves Policy Investment Policy Periodic Bank Reconciliations Dual Authorisation on payments	
	b	Grants	Failure to obtain grants, comply with the requirements or grant money committed but not paid.	L	L		
	c	Banking	Bank collapse or bank mistakes (by them or the council)	L	L		
	d	Fraud and Theft	By employees and others	L	M		
	e	Financial procedures	Inadequate records (unable to balance accounts and account for a loss), late billing of goods, over paying for goods, failure to reclaim VAT	L	L		Review bank authorisation procedures
2	Insurance						
	a	Insurance does not cover costs incurred	Various reasons including deductible, items not listed, premium not paid.	L	L	Annual review of policy	Review of Insurance Policy required

							Regular review of Asset Register	
					Risk			
Item	Sub-item	Description	Frequency (H / M / L)	Impact (H / M / L)	Mitigation	Notes		
3	Assets (Pavilion, trees, playground, graveyard, clock tower, notice boards....)							
	a	Inadequate funding to maintain assets	Reduced funding from District and County Council or rental income, plus failure to make adequate provisions.	M	L	Condition Reports Regular Review of Asset Register Regular re-evaluation of assets Reserves Policy Play Area planned maintenance programme Maintenance budget stream Use & hire agreements	Condition Reports Needed	
	b	Uninsured costs to repair, repossess assets	Accidents and trespass.	M	M		Check actual insurance cover	
	c	Costs to repair damage to third party from our assets	Example tree falling on a property or person plus damage from events held on council assets	M	M			
	d	Office / Meeting location	Need to find and fund an alternative location	L	M		Keep in touch with current landlord to ensure no unexpected changes to rent / availability of office Regular review meetings	
4	Legal							

		a	Planning legal case	Action taken against or by the council to protect assets or community	L	M	Ensure planning decisions are well documented / supported		
		b	HR legal issue	Discrimination, harassment, Health & Safety	L	M	HR Policies Play Area planned maintenance programme Maintenance budget stream Use & hire agreements	Need to review HR policies	
		c		Action taken against Council(lors) Maladministration			Standing orders Code of conduct Meeting Minutes Communication policy Insurance policy to cover legal fees		
					Risk				
					Frequency (H / M / L)		Impact (H / M / L)		
Item	Sub-item	Description	Frequency (H / M / L)	Impact (H / M / L)	Mitigation	Notes			
	c	Action concerning an H&S issue with respect to assets	Action taken against council for H&S issue - possibly due to lack of maintenance, e.g. playground, graveyard	L	H	Condition Reports	Condition Reports Needed		
	d	Action taken against council for data protection issue	GDPR increases risk	H	L	GDPR Policy	Review policy		
5	Employees and councillors								
	a	Loss of key employee							

			Leading to recruitment costs and possible loss of data, information, knowledge	M	M	Regular meetings with staff Appraisal cycle Succession planning / training	
		b	Financial aspects				
			Incorrect hours claimed, incorrect salary paid, incorrect deductions, incorrect allowances, incorrect expenses	M	L	Financial Regulations	Review for adherence to authorisation of payment policies and confidentiality procedures
6	Council records						
		a	Loss	L	L	Ensure regular back up, and that the insurance covers items	Back up policy
		b	Freedom of Information	L	M	Seek voluntary support from councillors	Request can be refused on cost grounds
				Risk			
				Frequency (H / M / L)		Impact (H / M / L)	
Item	Sub-item	Description	Mitigation	Notes			
7	Timebank						
		a	Funding	Additional unbudgeted funds required	M	L	Need to continue proactive action with grant applications
8	Operations resulting in unexpected costs						

Document History

Version	Action	By	Date
2.0	Approved	Houghton and Wyton Parish Council	3.4.19
2.1	Amended and Approved	Houghton and Wyton Parish Council	5.3.25
2.2	Amended and Approved	Houghton and Wyton Parish Council	6.5.26