Farthingstone Parish Council Financial Risk Assessment (2026/27)

Financial and Management				
Subject	**Risk(s) Identified**	**Level (H/M/L)**	**Management/Control of Risk**	**Review/Assess/Revise**
Business continuity	Risk of Council not being able to continue its business due to an unexpected or tragic circumstance	**L**	No back up for loss or long-term incapacity of Clerk, loss or theft of records, full or majority replacement of the Council at an election or other such instances.	Consider business continuity plan?
Councillors	Losing Councillor membership or having 3 vacancies at any one time (not able to be quorate)	L	When a vacancy arises, there is a legal process to follow, either election or co-option. Election is run by Daventry District Council. Any co-option managed by Farthingstone Parish Council to prescribed process.	Existing procedure adequate
Precept	Adequacy of Precept. Requirements not submitted to DDC in time Amount not received by FPC	L L L	FPC receive regular budget information, precept agreed at Council meeting with actual and projected budget information to inform decision. Clear information from WNC re submission date in December each year. Requirement submitted by deadline in writing to WNC. Clerk informs FPC when monies received	Existing procedures adequate
Financial Records	Inadequate records and financial irregularities	L	FPC has financial regulations which set out requirements for records Financial regulations in place	Existing procedure adequate Reviewed annually
Bank and Banking	Inadequate checks Bank errors Charges Loss of signatories	L L L L	Financial regulations set out requirements for banking, cheques and reconciliation of bank statements Reconciliation takes place regularly Monitoring statements FPC would choose replacements (currently 4 with bank payment requirement for 2 signatures)	Existing procedure adequate Reviewed annually
Cash/Loss	None	None	No petty cash held	None

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Litigation	Possible risk of legal action being taken against FPC	L	Appropriate insurance cover is in place	Insurance considered to be adequate. Reviewed annually
Reporting and auditing	Lack of information, communication and compliance	L	Regular reporting to FPC of all aspects of finance	Existing procedure adequate
Direct costs Overheads Expenses Debts	Goods not supplied but invoiced Incorrect invoicing Loss of Stock Unpaid invoices	L L L L	Very small number of transactions, few goods ordered, invoice checked carefully No stock carried FPC does not invoice any other organisations	Existing procedure adequate
Grants payable	Power to pay Authorisation of FPC to pay	L	All such expenditure goes through FPC process of approval, minuted and paid if payment made using S137, or other grant where statutory power exists	Existing procedure adequate
Grants receivable	Receipts of grants	L	FPC only received any grants on behalf of another village organisation and passes on in line with any conditions of such a grant	Existing procedure adequate
Charges – rentals payable	Payment of rentals or charges	L	The only charges paid are for the hire of the Village Hall for meetings. All invoices paid in line with Financial Regulations	Existing procedure adequate
Best Value accountability	Work awarded inappropriately, or work overspent	L	Financial Regulations set out procedures for contracting or tendering including securing best value	Existing procedure adequate Reviewed annually
Salaries	Clerk's wages	L	Hours and expenses submitted to Council	Existing procedure adequate
Employees	None	None	No employed staff	None
Councillor allowances	None	None	No councillor allowances paid	None
Election costs	Risk of election cost	L	Election in 2025 – no current vacancies Next election 2029	Ensure maintain adequate reserve to cover election costs for 2029
VAT Recovery	Re-claiming/charging	L	Financial Regulations include procedure for reclaiming recoverable VAT. To date no VAT has been required to be paid	Existing procedure adequate Reviewed annually
Annual Return	Internal audit – completion within time limits	L	Internal auditor appointed by FPC who is supplied with relevant documents to audit and sign off for	Existing procedure adequate

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			external audit in appropriate time scale for full submission	
Annual Return	Completion/submission within time limits	L	Timeline shared with FPC to ensure compliance with requirements can be managed within time frame received from external auditors.	Existing procedure adequate Reviewed annually
Legal Powers	Illegal activity or payments	L	Any use of the powers of FPC would be approved and minuted at Parish Council meeting, including a reference to the power used	Existing procedure adequate
Minutes Agendas Notices Statutory Documents	Accuracy and legality Business Conduct	L	Minutes and agendas produced by Clerk according to Statutory Orders Minutes approved and signed at following meeting Minutes and agendas displayed in accordance with Standing Orders Conduct of business in meetings in accordance with Standing Orders	Existing procedure adequate Reviewed annually
Members Interests	Conflict of Interest Declaration of members interests	L	Register of interests completed by all councillors Declarations of interest (disclosable pecuniary and non-disclosable) taken at start of every meeting	Existing procedure adequate
Insurance	Inadequate to meet needs	L	Adequate insurance is in place (no employees). Reviewed and renewed annually	Existing procedure adequate Reviewed annually
GDPR	Policy Provision	L	Portfolio of policies and procedures in place. NCALC SLA for DPO role	Existing procedure adequate Reviewed annually
Assets/ Maintenance	Loss or damage Lack of maintenance	L	Assets are streetlights (maintained by E-ON), telephone kiosk, Laptop purchased for use of Clerk, Defibrillator and bench. Assets reviewed annually	Existing procedure adequate Reviewed annually
Notice Board	Risk/damage to third party Roadside safety	L	Notice Board in good condition. Regularly inspected by Clerk. Repaired 2026	Existing procedure adequate Reviewed regularly
Street Furniture	Risk/damage to third parties	L	There are 3 boundary signs. No formal programme of inspection is carried out, any report of damage or fault reported to Parish Council for action	Existing procedure adequate
Meeting Location	Adequacy/Health and Safety	L	The Parish Council meets in the Village Hall. Premises and facilities are considered safe and	Existing location adequate

			adequate by Clerk, Councillors and Public who attend.	
Council Records Paper	Loss through theft, fire or other damage	L	Paper records are stored in locked metal filing cabinets in the (locked) village hall. No employed staff so no personal records are held.	Damage, fire or theft are considered unlikely, so current provision is considered adequate
Council Records electronic	Loss through fire, theft, damage, corruption of computer	L	Electronic records (since May 2015) are stored on Clerk's computer. Backups are taken monthly and stored offsite.	Existing procedure adequate. Reviewed annually.
Transparency Code	Lack of compliance	L	Farthingstone Parish Council is compliant with Transparency Code – compliance checked regularly	Existing procedure adequate Reviewed annually

Reviewed at the meeting of Farthingstone Parish Council on 20th July 2026
Signed by the Chair: