

## INTERNAL AUDIT AND CONTROL PROCEDURES

1. The Council will appoint an independent internal auditor in accordance with the audit requirements of the Audit Commission. The internal auditor will carry out the required checks and complete the Internal Audit element of the Council's Annual Return to its external auditors for consideration normally at the May Council meeting.
2. Council will approve annually in November its detailed budget for the forthcoming financial year. This budget will form the basis of its precept request to be submitted by the Finance Officer to Lewes District Council following the meeting.
3. Every month **all Council Members** will receive a report detailing actual and budgeted expenditure and income for all budget headings. In addition, every quarter the Office and Finance Committee will receive copies of the VAT return.
4. Every month Office and Finance Committee will receive a report detailing the cash and bank balances together with a bank reconciliation of the current account.
5. Every month Council will receive a report detailing all payments made since the date of the last report, except for staffing payments (as these are separately approved in advance).
6. All staff appointments and subsequent changes to staff salaries and pay rates are to be approved by the Council.
7. Payments are to be drawn up by the Finance Officer in accordance with orders and estimates received (where applicable). All cheques and counterfoils are to be signed by two councillors prior to signing review the invoices. The Finance Officer records all payments and receipts on the Rialtas accounting system.
8. Blank cheques are never signed and personal cheques are not cashed.
9. VAT is identified and coded appropriately based on valid VAT invoices. VAT returns are completed quarterly, and the committee will receive copies of the VAT return.
10. The Finance Officer is responsible for ensuring that Income Tax and National Insurance is deducted appropriately from salaries and wages and paid over monthly to the Inland Revenue. The Finance Officer is responsible for the completion of the end of year returns to the Inland Revenue.
11. If any member of staff is a member of the Local Government Superannuation Scheme then the Finance Officer is responsible for making the required deductions from salary and payments to East Sussex County Council.
12. Receipts are banked at least weekly.
13. Council approves its final accounts annually normally at the May Council meeting.

14. The Council (through its Committees where appropriate) undertakes regular risk assessment of its activities and assets and arranges adequate insurance cover including public liability cover and fidelity guarantee.
15. The Internal Control team shall consist of at least two members of the Council who are neither bank account signatories nor Office & Finance Committee members. They shall undertake the following checks at least quarterly:
- a) check a random 2 payments from each month's payment list to ensure proper authorisation and payment procedures have been followed
  - b) check a random staff payment to ensure the calculations are correct and Income Tax and NI deductions have been made and passed to the Inland Revenue.
  - c) check a random bank reconciliation report to Office and Finance Committee against the relevant bank statement
16. Investments are reviewed on a regular basis.

<b>To be reviewed:</b>	<b>February 2027</b>
<b>Reviewed at Full Council meeting:</b>	<b>10<sup>th</sup> February 2026</b>
<b>Reviewed at Full Council meeting:</b>	<b>11<sup>th</sup> February 2025</b>
<b>Reviewed at Full Council meeting:</b>	<b>13<sup>th</sup> February 2024</b>
<b>Adopted at Full Council meeting:</b>	<b>9<sup>th</sup> August 2022</b>