



Long Stratton Town Council

Chairman: Mr Kelly Lunness. Clerk: Mrs B Buck
Tel: 01508 530524 Email: Becky.buck@longstrattontowncouncil.gov.uk
Website: www.longstrattoncouncil.info

INTERNAL CONTROL/ SCRUTINEER POLICY

1. SCOPE OF RESPONSIBILITY

The Accounts and Audit Regulations 2015 state that Long Stratton Town Council (the Council) is responsible for ensuring that its business is conducted in accordance with the law and proper standards and that public money is safeguarded and properly accounted for and used economically, efficiently and effectively.

In discharging this overall responsibility, the Council is also responsible for ensuring that there is a sound system of internal control which facilitates the effective exercise of the Council's functions and which includes arrangements for the management of risk.

2. THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised and to manage them efficiently, effectively and economically.

3. THE INTERNAL CONTROL ENVIRONMENT

The Council has appointed a Chairman, who is responsible for the smooth running of meetings. The chairman ensures the meetings run lawfully and signs all pages of the minutes.

Decisions are made within the Standing Orders and Financial regulations which are approved by the town council and last reviewed and approved at full Council meeting held 13th March 2025, 17th April 2025, 13th May 2025 and will be reviewed at the full council meeting on 9th March 2026

The Council has appointed a Clerk to the Council who acts as the Council's legal advisor and carries out the decisions of the Council as well as the day to day running of Council duties. The Clerk is the Council's Responsible Financial Officer and is responsible for administering the Council's finances. The clerk is responsible for the day-to-day compliance with laws and regulations that the Council is subject to and for managing risks. The Clerk also ensures that the Council's procedures, control systems and policies are adhered to. The full duties of the Clerk and RFO are laid down in a Job description.

The Council reviews its obligations and objectives and approves budgets for the following year at its December meeting. The December or January meeting of the Council approves the level of precept for the following financial year.

The Full Council meets at least 10 times each year and monitors progress against its aims and objectives at each meeting by receiving relevant reports from the Town Clerk.



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The Council carries out regular reviews of its internal controls, systems and procedures.

Payments: all payments are reported to the Council for noting/ approval in guidance with financial regulations. Two bank signatories of the Council must authorise every cheque. Digital payments must be input by a Council Officer and authorised by two signatories. Invoices paid by BACS are authorised in line with financial regulations. Invoices paid by direct debit, standing order, petty cash and credit card will be spot checked by the Council's appointed scrutineer no less than quarterly. The payment list presented to council will be signed by the Chairman presiding at the meeting.

Petty cash must be counted by 2 individuals, either 2 officers or 1 officer and a councillor and supported with a monthly bank reconciliation. The petty cash policy must be adhered to at all times.

All payments over £500 will be listed on the website to comply with The Governments Transparency Code 2015.

Budget control reports will be provided quarterly to full Council and will be placed on the website.

Risk Assessments/Risk Management: The council carries out regular risk assessments in respect of actions and regularly reviews its systems and controls.

Internal Audit: The Council has appointed an Independent Internal Auditor who reports to the Council on the adequacy of its:

- Records,
- Procedures,
- Systems,
- Internal Control,
- Regulations,
- Risk Management and Reviews

The Council carries out an annual review of the effectiveness of its system of internal audit.

External Audit: The Council's External Auditors, (PKF Littlejohn) submit an annual Certificate of Audit, which is presented to the Council for display.

3. REVIEW OF EFFECTIVENESS

The Council has responsibility for conducting an annual review of the effectiveness of the system of internal control. The review of the effectiveness of the system of internal control is informed by the work of:

- The full Council
- The Clerk to the Council/Responsible Financial Officer who has responsibility for the development and maintenance of the internal control environment and managing risks;
- The Independent Internal Auditor who reviews the Council's system of internal control;



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- The Council's External auditors, who make the final check using the Annual Return, a form completed and signed by the Responsible Financial Officer, the Chairman and the Internal Auditor.
- The number of significant issues that are raised during the year.
- The internal scrutineer

4. SIGNIFICANT INTERNAL CONTROL ISSUES

To prevent significant internal control issues the following was put in place

- An accounts package is used to enable the accounts to be managed efficiently
- The bank signatories were increased.
- The Finance Committee will meet a minimum of 4 times per year where scrutiny of all matter financial will be scrutinised.

The Council appoints an internal scrutineer annually at the Annual Town Council meeting and the following applies.

- The internal scrutineer carries out a minimum of quarterly checks and will provide a written report to the finance committee at the following meeting. The internal scrutineer must not be a signatory of the bank accounts and must be a member of the Council.
- The checks should cover all financial activities of the Town Council over the financial year on a sample basis. Payments should be checked by
 - Account total correct and accompanied by appropriate invoice/ authorisation and abides by legislation rules on what a council can spend on 'Power to Spend' unless General Power of Competence has been adopted.
 - BACS and cheque invoices countersigned by 2 signatories
 - Full payment list has been disclosed accurately to CouncilReceipts should be checked by
 - Amount entered is correct
 - Amount has been banked promptly
 - Receipts list has been disclosed accurately to Council
- The Internal scrutineer will
 - Check salaries and contracts of employment
 - Check policies are being reviewed and adopted in a timely fashion.
 - Ensure the Council is complying with the Government Transparency Code 2015
 - Have access to all documentation required to fulfil the role.
 - Write a short report to confirm findings to Council
 - Can make recommendations where appropriate for Full Council consideration.

Reviewed 03.03.2026, adopted 09.03.2026