

Woodhurst Parish Council Banking Policy

Background

The Legislative Reform (Payments by Parish Councils, Community Councils and Charter Trustees) Order 2014 came into effect on 12th March 2014. This Legislative Reform Order repeals the statutory requirement for 2 elected members to sign cheques and other orders for payment. The removal of this particular legal requirement enables the Parish Council to take an overall approach to how it controls its money as well as taking advantage of modern technology including internet banking.

The Parish Council acknowledges the need to maintain robust controls on payments as an integrated part of its overall financial control system and proposes an Internet Banking Policy as part of its Financial Regulations.

Account Details

The Parish Council approved the opening of an account with Unity Bank at its meeting on the 6th December 2017.

The Parish Council has set up 1 new account with Unity Bank; a Current Account with internet banking facilities for the day to day payment of invoices.

In addition, the council retains 2 accounts with Barclays Bank; A Current Account and a Deposit Account. There is no Internet Banking facility available with the Barclays Accounts.

Payment Policy

Cheques must be signed by two signatories; online payments must be independently authorised by two signatories to the account.

- All orders for payment will be verified for accuracy by the Parish Clerk and listed as agenda items where possible.
- A schedule of all payments shall be prepared by the Parish Clerk and presented to each meeting of the Council together with any supporting invoices or other documentation for approval. The approved schedule will be initialled by the Chair.
- Wherever possible, payments will be made using online banking and should be initiated as per the procedures set out below within two days of being agreed at a council meeting.
- Cheque payments should be signed and initialled as per the procedures below and sent by 1st Class Post within two days of being agreed at a council meeting

Internet Banking Procedures (Unity Trust Only)

Wherever possible, payments will be made using online banking. The following bulleted sentences set out the principles and procedures of operation of the online account with particular attention to the raising of payment requests and their authorisation. The actual process of operating the online account will be the subject to the rules and security authorisation process of the agreed bank:

- The Parish Clerk will initiate payment requests and send the automated email reminder from within the Unity Trust secure website.
- Two authorised Councillors will confirm the payments online (from the list of authorised Councillors held by Unity Trust)
- Councillors are expected to authorise payments requests within two days of the payment being initiated by the clerk.

Cheque Payment Procedures (Unity Trust or Barclays Bank)

Where a payment is to be made by cheque, the cheque will be signed by two authorised Councillors who shall also initial the counterfoil. If possible, this should be carried out at or immediately following a Parish Council meeting.

Payments between meetings

Where payments may be required in between meetings the Parish Clerk will email copies of the invoices requiring payment to the authorised signatories before raising a payment request online or, if necessary, by issuing a cheque and visiting two authorised signatories. The payment must be retrospectively minuted at the next full meeting of the council.

Payments to Councillors

Where a councillor is to be reimbursed for expenditure, they should not be an authoriser (in the case of internet payments), or a signatory (in the case of cheque payments). Payments to councillors must not be made between meetings; they should only be made following agreement at a meeting.

Inter Account Transfers.

Transfers between the Barclays Current and Savings Account can only be carried out by written instruction to the bank and as such should always be agreed and minuted at a Parish Council meeting

Policy Adoption.

This policy was adopted at the Parish Council Meeting held at Woodhurst Village Hall on Monday 16th July 2018 Agenda Item 25