

Woodham Walter Parish Council

Banking Policy

	Reviewed	Adopted	Minute Reference
Original Version	November 2020	9/11/2020	2394.3
Reviewed	20/05/2021	08/06/2021	2530.7
Reviewed	10/01/2022	14/02/2022	2672.6
Reviewed	15/05/2023	15/05/2023	2942.3f
Reviewed	05/01/2024	08/01/2024	3113.4
Next Review	May 2024		

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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.

The Parish Council will review the procedures for undertaking payments using internet banking after an initial period to ensure its effectiveness but also on a regular ongoing basis.

Account Details

The Parish Council has 2 accounts with Unity Trust Bank:

- A Current Account with cheque and internet banking facilities for the day to day payment of invoices and receipt of any income.
- An Instant Access Savings Account, which pays 2.75% (December 2023) interest rate for the council's reserves. The Interest Rate is variable.

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The following are set up as users on on-line banking to the Unity Trust accounts :

- Cllr James Rushton (Level of Access: View and Authorise¹)
- Cllr Jennifer Hughes (Level of Access: View and Authorise)
- Cllr John Tompkins (Level of Access: View and Authorise)
- The Parish Clerk/RFO (Level of Access: View and Submit²)

On-line payments must be raised by an authorised person with submitting rights (The Parish Clerk/RFO) and each payment must be authorised by two authorised persons with authorisation rights (2 of 3 Councillors).

Cheques must be raised by signed by an authorised person with submitting rights (The Parish Clerk/RFO) and each cheque must be authorised by two authorised persons with authorisation rights (2 of 3 Councillors).

The Parish Clerk/RFO is appointed as the Bank Account Administrator

- i. All orders for payment will be verified for accuracy by the Parish Clerk/RFO.
- ii. A schedule of all payments shall be prepared by the Parish Clerk/RFO 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.
- iii. Wherever possible, payments will be made using online banking. The following paragraphs 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 subject to the rules and security authorisation process of the agreed bank.
 - The Parish Clerk/RFO will raise requests
 - Two authorised Councillors will authorise the payments online.
- iv. Where a payment is to be made by cheque, the cheque will be signed by two authorised Councillors who shall also initial the counterfoil.
- v. Where payments may be required in between meetings the Parish Clerk/RFO will email copies of the invoices requiring payment to the authorised signatories before raising a payment request online.
- vi. A Councillor will check the monthly bank reconciliation and statements
- vii. The Chairman of the council will make regular checks of the accounts book.

¹ View and Authorise – Allows on-line access to view the account(s), this level allows the user to authorise payments but they cannot submit payments.

² View and Submit – Allows on-line access to view the account(s), this level allows the user to submit payments but they cannot authorise payments. This user can transfer between accounts. This user is the main administrator of the account.

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Credit Card Details

The Parish Council has 1 Business Barclaycard issued to the Parish Clerk/RFO:

- The Barclaycard offers security for purchases and a spending limit of £1000
- The card is a Flex Account which is Free of Charge and up to 56 days interest free.
- A Direct Debit to pay the full balance each month from the main bank account is a requirement under our financial regulations. Credit Card balances are not acceptable reconciling items for bank reconciliation purposes.
- The card will be used by the Parish Clerk/RFO for purchases that would otherwise have resulted in personal expenditure and expenses claims.
- The card can be used to set up regular payments which are not possible to do by direct debit such as:
 - Microsoft 365
 - FastHosts
 - Zoom
 - Ring Central
- The card can be used for general expenditure such as for postage and stationery.
- The Barclaycard Statement will be verified for accuracy by the Parish Clerk/RFO and authorised by a signatory.
- In the event of accidental or emergency personal use the amount of expenditure will be credited to the account promptly and the Chairman/Vice Chairman informed. Failure to inform the Council and repay the expenditure will result in a disciplinary attention.

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