

Wardington 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 Trust at its meeting on the 28th July 2020.

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

In addition, the council retains:

- 1 account with Barclays Bank,; Current Account for Williamscot.
- 2 accounts with HSBC: Current and Deposit Account for the Wardington Playground.

Payment Policy

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

1. All orders for payment will be verified for accuracy by the Parish Clerk / Responsible Financial Officer (RFO) and listed as agenda items, where possible.
2. 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.
3. 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.
 1. Where internet banking arrangements are made with any bank, the RFO shall be appointed as the Administrator. The RFO will have 'view and submit permissions only.
 2. Three councillors will be appointed to authorize payments.
4. Cheque payments should be signed and initialled as per the procedures below.

Internet Banking Procedures (Unity Trust Only)

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

1. The RFO will initiate payment requests and send the automated email reminder from within the Unity Trust secure website.
2. Two authorized Councillors will confirm the payments online (from the list of authorized Councillors held by Unity Trust)
3. Councillors are expected to authorize payments requests within two days of the payment being initiated by the clerk.

Internet Banking Security

1. Those signatories using computers for Council Internet banking shall ensure that internet security software with automatic updates against virus and malware with a high level of security is actively installed.
2. Password saving facility must not be used on any computer used for council banking.
3. No Employee or Councillor shall disclose any PIN or password relevant to working of the Council or its bank account to any person not authorized by the Council.

Cheque Payment Procedures (Unity Trust or Barclays Bank)

Where a payment is to be made by cheque, the cheque will be signed by two authorized 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 RFO will email copies of the invoices requiring payment to the authorized signatories before raising a payment request online or, if necessary, by issuing a cheque and visiting two authorized 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 authorizer (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 Accounts must always be agreed by Councillors and minuted at a Parish Council meeting.

Policy Adoption.

This policy was adopted at the Parish Council Meeting on Tuesday 25th May 2021.