

Boughton Monchelsea 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 online banking.

The Parish Council acknowledges the need to maintain robust controls on payments as an integrated part of its overall financial control system.

ACCOUNT DETAILS

The Parish Council holds current and reserve accounts with Nat West bank and agreed to sign up to Nat West's Bankline service in July 2020. Bankline runs alongside the current account, allowing online banking with dual authorisation.

As at April 2023, there are 4 account signatories / authorisers, as follows :

Cllr Date

Cllr Redfearn

Cllr Munford

Cllr Martin

PAYMENT POLICY

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

- All orders for payment will be verified for accuracy by the Parish Clerk
- Wherever possible, payments will be made by online banking and should be initiated as per the procedures set out below
- Cheque payments should be signed and initialled as per the procedures below

INTERNET BANKING PROCEDURES

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 subject to the rules and security authorisation processes of the bank. Free Nat West training webinars are available for authorisers and the clerk to familiarise themselves with the system.

- The Parish Clerk will key in payments via Bankline. This will generally be carried out on a two weekly basis unless there is an urgent need to make a payment. Once the payments are keyed in and ready to authorise the clerk will send an e-mail to the account authorisers with a schedule of payments keyed and a scanned copy of the invoices the keyed payments relate to. A copy of this e-mail will be kept on file

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- Two account authorisers will authorise the payments online. The clerk will make it clear which authorisers need to take action when she e-mails them a schedule of keyed payments
- Authorisers must authorise payment requests within the time period specified by the clerk. When keying in payments, the payment release date will generally be set at least 2 days ahead to give time for signatories to authorise the payments
- The following online banking roles will apply. Dual administrator setting must be switched on so that any changes in clerk, authorisers or assigned roles must be approved by 2 people (generally the clerk and one authoriser) :
 - Parish Clerk – Account operator, Account viewer, Administrator, Key all payments
 - Signatories – Account viewer, Authorise all payments

CHEQUE PAYMENT PROCEDURES

Where payment is to be made by cheque, the cheque will be signed by two signatories who shall also initial the invoice.

PAYMENTS TO COUNCILLORS

Where a Councillor is to be reimbursed for expenditure, they should not be an authoriser (in the case of online payments), or a signatory (in the case of cheque payments)

INTER ACCOUNT TRANSFERS

Transfers between the current and reserve account must only be carried out by written instruction to the bank and should always be agreed and minuted at a Parish Council meeting.