

Clyffe Pypard Parish Council

Internet Banking Policy (July 2021)

Introduction.

Online payment is preferred to a cheque. Its quicker and easier, and saves postage.

The online payments will be submitted to the parish council for approval at the parish council meeting by the clerk. When approved, the details of the payments will be passed to 2 of the authorised signatories for payment. ~~The RFO (in our case the Parish Clerk) may view online but may not submit or authorise any payment with the bank.~~ One signatory may view and submit a payment but this has to be authorised for payment with the bank by the second signatory.

The RFO will continue to provide bank statements and reconciliation at each Council meeting. The RFO will still be able to make payments by cheque where necessary, following current controls and approvals, the cheque being signed by 2 signatories, but the Parish Council will carry out online payments at all times when possible.

The council will have 3 Councillors as authorised signatories at any one time. This policy will be reviewed annually.

The Policy.

1. Banking arrangements and authorisation of payments.

- 1.1 The council's banking arrangements, including the bank mandate, shall be made by the RFO and approved by the Council. Banking arrangements may not be delegated to a committee. They shall be regularly reviewed for safety and efficiency.
- 1.2 For each meeting the RFO shall prepare a schedule of payments requiring authorisation, forming part of the agenda for the meeting and, together with the relevant invoices, present the schedule to council. The council shall review the schedule for compliance and, having satisfied itself shall authorise payment by resolution of the council. The approved schedule shall be ruled off and initialled by the Chairman of the meeting. A detailed list of all payments shall be disclosed within the minutes of the meeting at which the payment was authorised. Personal payments (wages etc) may be summarised to remove public access to personal information.
- 1.3 All invoices for payment shall be examined, verified and certified by the RFO to confirm that the work, goods or services to which each invoice relates has been received, carried out, examined and represents expenditure previously approved by the council.

- 1.4 The RFO shall examine invoices for arithmetical accuracies. The RFO shall take all steps to submit all invoices which are in order for approval at the next available meeting of the council.
- 1.5 The RFO shall have delegated authority to authorise the payment of items only in the following circumstances: a) if a payment is necessary to avoid a payment penalty before the next meeting and where a majority of councillors have agreed to this payment via email. This will then be reported to the next meeting b) a previously agreed expenditure which arises on a regular basis. The RFO will then ask the 2 signatories to submit and authorise the payment.

2. Instructions for the making of payments.

- 2.1 The Council will make safe and efficient arrangements for the making of its payments
- 2.2 Following authorisation under the above regulation the RFO shall give instruction to the 2 signatories that payment should be made.
- 2.3 All payments shall be affected by instruction to the council bankers (or by cheque if internet banking is not available) in accordance with a resolution of the council.
- 2.4 All payments shall be authorised and signed off by two councillors in accordance with a resolution instructing that payment. A councillor who is a bank signatory, having connection by virtue of family or business relationship with the beneficiary of a payment, should not, under normal circumstances be a signatory to the payment in question.
- 2.5 The Council will decide at each meeting how an invoice must be paid usually Internet banking or when that is not possible, by cheque. Evidence of which payment method was used and which signatories signed them off must be retained.
- 2.6 Where internet banking arrangements are made with any bank, the RFO shall be appointed as the service administrator. The bank mandate approved by the council shall identify a number of councillors who will be authorised to submit and approve transactions on those accounts.
- 2.7 Access to any bank accounts will be directly to the access page (which may be saved under favourites) and not through a search engine or email link. Breach of this regulation will be treated as a very serious matter under these regulations.
- 2.9 Changes to account details for suppliers, which are used for internet banking may only be changed on text and email notification by the supplier and supported by electronic authority for change signed by both the RFO

and another councillor. A programme of regular checks of standing data with suppliers will be followed.

- 2.10 At this point the council does not need either a debit or credit card and so shall not have either. If this changes then new regulations will need to be added.

Revised 23rd July 2021