

Chart Sutton 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 Unity Trust bank. The clerk currently has online access to the accounts but only has authority to check account balances and statements and to transfer funds between the current and reserve accounts. Unity Trust banking allows online transactions to be made, with dual authorisation required for each payment.

As at May 2025, five Parish Councillors are account signatories.

PAYMENT POLICY

Cheques must be signed by two signatories; online payments must be independently authorised by two authorisers to the account, both of whom must be Parish Councillors.

- 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.

- The Parish Clerk will key in payments online via the Unity Trust website. This will generally be carried out on a monthly basis following approval of the payments at a Parish Council meeting (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
- Two account authorisers will authorise the payments online. The clerk will invite any of the authorisers to approve the keyed payments and will request they reply all when done so everybody concerned knows when the payments have received dual authorisation
- Authorisers must authorise payment requests within the time period specified by the clerk. When keying in payments, the payment release date will be as soon as the second authorisation has taken place

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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 accounts will only be carried out by the clerk and will be recorded in the accounts.