

# Sawley Parish Council

## Internet Banking Policy

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**Version** 1.0

**Version Date** 26 July 2016

**Implementation Date** 26 July 2016

**Review Date** 26 July 2017

**Review Body** Sawley Parish Council

Version	Author	Date	Reason for review

## **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 will enable 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 approved the opening of an account with Unity Bank at its meeting on the 26<sup>th</sup> April, 2016. Once opened, Council has approved the transfer of funds to this account and the closure of all other banks accounts.

The intention is to use this account as the main 'current' account for Sawley Parish Council.

## **Account Details**

The Parish Council has set up 2 accounts with Unity Bank:

- A Current Account with cheque and internet banking facilities for the day to day payment of invoices and receipt of any income.
- A Deposit Account which for any reserve funds that the Council might hold.

## **Internet Banking Policy**

Cheques must be signed by two signatories, online payments must be authorised by two signatories to the account.

## **Procedures**

- a. All orders for payment will be verified for accuracy by the Parish Clerk
- b. A schedule of all payments shall be prepared by the Parish Clerk 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.
- c. 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 the subject to the rules and security authorisation process of the agreed bank:
  - The Parish Clerk will raise requests
  - Two authorised Councillors will confirm the payments online (from a list of authorised Cllrs)
  - Where a payment is to be made by cheque, the cheque will be signed by two authorised Councillors who shall also initial the counterfoil.

- Where payments may be required in between meetings the Parish Clerk will email copies of the invoices requiring payment to the authorised signatories before raising a payment request online or, if necessary, by cheque if easier.