

HAUGHLEY PARISH COUNCIL

Banking Policy

Adopted 21st March 2023

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 This Legislative Reform Order repealed the statutory requirement for two elected members to sign cheques and other orders for payment.

The removal of this particular legal requirement enabled 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 operates an Internet Banking Policy as part of its Financial Regulations.

The Parish Council reviews the procedures for undertaking payments using internet banking to ensure its effectiveness on a regular, ongoing basis.

Account Details

The Parish Council has three accounts with Barclays:

- A Community Account with cheque and internet banking facilities for the day-to-day payment of invoices and receipt of any income.
- A Business Active Saver Account, which pays variable interest rates quarterly for the council's reserves.
- A Business Premium Account for Haughley Playing Field with cheque and internet banking facilities for the day-to-day payment of invoices and receipts of any income.

The Parish Council has one account with Nationwide Building Society:

- A Business Savings Account, which pays a variable interest rate annually for the Councils reserves.

The current authorised signatories to the accounts are:

- Cllr Gerald Brown (Chairman)
- Cllr Jayne Day (Councillor)
- Cllr Thirza Shaw (Councillor & Chairman, Playing Field Committee)
- Mrs Kathleen Peacock (Parish Clerk)

Cheques must be signed by two authorised signatories.

Online payments must be raised by an authorised signatory and authorised by a second authorised signatory to the account.

Procedures

- i. All invoices for payment will be verified for accuracy by the Parish Clerk.
- ii. 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.
- iii. Wherever possible, payments will be made using online banking. The following paragraphs 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 process of the agreed bank.
 - The Parish Clerk will raise requests
 - An authorised Councillor will authorise the payments online
- iv. Where a payment is to be made by cheque, the cheque will be signed by two authorised Councillors who shall also initial the counterfoil.
- v. Where payments may be required between meetings, the Parish Clerk will email copies of the invoices requiring payment to the authorised signatories before raising a payment request online.
- vi. The Chairman of the Council will check the monthly bank reconciliation statements.