

Old Marston Parish Council – Electronic Payments Policy

Old Marston Parish Council adheres to its' financial regulations and standing orders which are reviewed regularly to consider changes in the legislation.

Policy

Where internet banking arrangements are made with any bank, the responsible financial officer shall be appointed as the administrator. The responsible financial officer will have 'view and submit only' authorisation and will be able to transfer funds between accounts held at the same bank.

The bank mandate approved by the council shall identify a minimum of three councillors as signatories who will be authorised to 'view, submit and approve' transactions on those accounts. A councillor who submits a payment in the absence of the responsible financial officer is not permitted to then approve those payments.

Access to internet banking accounts will be directly to the bank's log-in page.

Using Council Owned Electronic Devices

Where possible, signatories should use council owned computers for the council's internet banking as it has the anti-virus, anti-spyware and firewall software with automatic updates, together with a high level of security. However, if signatories do use a computer not owned by the council then they should ensure the appropriate high level of security is installed and active.

Personalised Username and Passwords

Each councillor and staff member who has access to the account(s) uses an individual personalised username and password. This should NOT be shared.

New beneficiary details and changes to beneficiary details used for internet banking must be supported by hard copy or email notification for checking and authorisation by two signatories.

All transactions require a minimum of two signatories to authorise.

Payment For Utility Supplies (Energy, Telephone and Water) and Non-Domestic Rates

These may be made by variable direct debit provided that the instructions are signed by two signatories and any payments are reported to council. The approval of the use of a variable direct debit shall be renewed by resolution of the council at least every two years.

Payment for items may be made by internet banking transfer provided that evidence is retained showing which members approved the payments.

Invoices or other documentation will be initialled by the chairman at the meeting.

- a. Wherever possible, payments will be made using online banking.
- b. At least two authorised signatories will confirm the payments online.
- c. All requests will be emailed to all signatories. To simplify the authorisation process two named signatories will be the usual authorisers, with the other

copied into the email.

- d. All payments and receipts will be listed on the agenda at the full council meeting.

The council records all its financial transactions on its receipts and payments ledger. The ledger facilitates the process of bank reconciliations and budget monitoring.

Currently The Responsible Financial Officer Carries Out The Following Tasks:

Receipts – Records all receipts in the ledger

Payments – All items for expenditure are submitted for payment to council. When they have been authorised, they are then entered in the ledger

Authorisation – At least two councillors sign cheques and/or authorise online transactions. The responsible financial officer inputting the details of the payments to be made.

Reconciliation – This is undertaken monthly on receipt of bank statements. The monthly report is circulated to all councillors.

All persons involved in the financial transactions are asked to be aware of, and to report irregularities. This should either be to the responsible financial officer or chairman of the council depending on the concern and whether it's a concern potentially linked to an individual.

The controls and approvals, if properly used, are as secure as the existing cheque system. The responsible financial officer may 'view and submit' online but may not authorise a payment. Signatories may 'view and authorise' what the responsible financial officer has entered but may not set up a beneficiary or a payment themselves.

The responsible financial officer continue to make payments by cheque when necessary, following the existing controls and approvals, but will ensure payments are made online wherever possible.

Current position: June 2022

Old Marston Parish Council holds:

- A current account for internet banking for day-to-day payment of invoices and receipt of any income.
- A treasury savings account with the Newbury Building Society
- A savings account with the Skipton Building Society.

Three councillors are authorised signatories, including the chairman and vice-chair.

What Am I Authorising and Why?

To authorise electronic payments, councillors will need to access the council's Unity Trust Bank account, your password which is for you and should not be shared with anyone but yourself. As much as possible the council has tried to keep it simple whilst allowing every transaction to be traced. Two councillors will be asked to

authorise transactions following payments/transfers being signed off at a council meeting of Old Marston Parish Council.

Payments/Receipts Folders

These are in paper format and are kept at the office of the clerk. All councillors can view these and both invoices and receipts slips are filled monthly.

Electronic Payments

Electronic banking will be made from the Unity Trust account. The relevant invoice is put before the councillors, agreed by all in attendance and initialled by two councillors permitted to authorise the relevant payment. A copy of the list of all payments due will be provided to these two councillors. The clerk will enter the payments onto the Unity Bank online system and email the two councillors for authorisation. If cheques still need to be issued, these will be presented to full council for authorisation and two councillors to sign.

Salaries

All staff salaries are paid from the Unity Bank account. As it varies each month, (although usually only by a few pence), this is done via BACS. Due to the personal nature, details of the salary payments are not detailed each month but are available on request. To authorise, a councillor must propose acceptance, a further councillor seconds and the council agree. Copies will be kept and filed in the relevant financial file.

Cheques

Cheques will be issued from the Unity Trust Bank account. There may be circumstances when cheques may still need to be issued. These will be presented to full council for authorisation and the two councillors authorised to sign.

Receipts

All cash and cheque receipts are paid into the Unity Trust Bank account. BACS payments can be paid into the Unity Trust Bank account. These are processed by the responsible financial officer and are open to inspection by councillors at any time.

Always Check:

- Are the correct bank details shown?
- If there is a reference, does it match up properly?
- Is the value correct?

Remember:

If you have any concerns about any transaction, DO NOT authorise it. Contact the office or council chairman immediately.

Date Adopted: 4th July 2022

Minute reference: 22/07/15

Signed: Duncan Hatfield (Chairman)

Review Date: May 2023