



Banking Policy

Adopted by Marden Parish Council on: 9th May 2023
Reviewed/Amended on: 12th March 2024
Review date: March 2025

Office Opening Times:
Mondays, Tuesdays & Fridays 10am - 12 noon
www.mardenkent-pc.gov.uk
Email: clerk@mardenkent-pc.gov.uk
Parish Council Finance – Banking Policy
(Previously named Electronic Payments Policy)

FINANCE

BANKING POLICY

BACKGROUND

Marden Parish Council (MPC) records all its financial transactions on Rialtas Software (RBS). This provides reports for reconciliation and budget monitoring.

MPC employs Auditing Solutions Ltd, as its Internal Auditor.

Mazars (from 2023) are the External Auditors for MPC.

REVENUE ACCOUNTS

MPC has two Revenue accounts one with Nat West (mainly used for standing orders and cheque payments) and Unity Trust Bank (used for BACS payments). Interest from revenue accounts is used for general revenue payments.

CAPITAL ACCOUNT

MPC has one account with Santander where capital funds are kept. Interest from this account is put towards for ringfenced capital projects.

UNITY TRUST BANK

Electronic banking will be made from the Unity Trust account.

BACS Payments

All invoices for payment are submitted to a Full Council or Committee meeting. The relevant invoice is put before Cllrs, agreed by all in attendance and initialled by the two Cllrs permitted to authorise the relevant payments. A copy of the list of all payments due will be provided to these two Cllrs. The Clerk, or in her absence the Deputy Clerk, will enter the payments onto the Unity Bank online system and email the two Cllrs for authorisation.

Any urgent payments to be authorised via email and the Clerk will detail this on the invoice along with the initials of those Cllrs giving agreement. The Clerk to report these payments to the next available meeting.

Salaries

All staff salaries are paid from the Unity Bank account via bank transfer.

Details of the salary payments are provided each month to Cllrs at the most appropriate meeting. All Cllrs to agree, and two Cllrs proposed, to authorise the payments. Copies will be kept and filed in the relevant employee's personal file. If salaries require authorisation between meetings this is done via email as urgent payments (see above).

What Am I Authorising and Why?

To authorise electronic payments Cllrs will need to access the Council's Unity Trust Bank account, the password is for an individual and should not be shared with anyone else. 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 or Committee meeting of Marden Parish Council.

All involved are asked to be aware of, and report, irregularities. This should either be to the Clerk, Chairman of the Council or Chairman of the Finance Committee depending on the concern and whether it's a concern potentially linked to an individual.

Logging Onto Unity Trust Bank

Each Councillor and staff member who has access to the account uses an individual, personalized, username and password. This should NOT be shared. There are 5 types of authorisation:

V: View only – allows the user to view the account(s) only

VS: View and Submit – as well as having the same rights as a V user, this level allows the user to submit payments but they cannot authorise payments

VA: View and Authorise – as well as having the same rights as a V user, this level allows the user to authorise payments but they cannot submit payments

VSA: View, Submit and Authorise – as well as having the same rights as a V user, this level allows the user to submit and authorise payments

A: Authorise only – allows the user to authorise payments only, they do not have access to view the accounts.

All submissions and authorisations are logged independently by the bank.

Always check:

Are the correct bank details shown?

If there is a reference, does it match up properly?

Is the value correct?

Are the usernames shown people you expect?

Remember:

If you have concerns about any transaction, **DO NOT** authorise it. Contact the office, Council Chairman or Finance Chairman immediately.

Authorisations must be done by the Thursday following the meeting. If this is not possible the nominated Cllr should contact the Clerk for another Cllr to log on to authorise.

Receipts

All payments (cash, cheque or BACS) are paid into Unity

These are processed in the Parish Office and are open to inspection by Councillors at any time.

Cheques are posted to Unity and cash is banked by the Clerk at the nearest Nat West bank as soon as possible after receipt.

MPC has purchased a “Square” card reader allowing card payments to be made for income from events such as Marden at Christmas and Play Scheme and also for cemetery income. All money received in this format is paid directly into the Unity account. Bank charges are incurred with this form of receipt payment.

NAT WEST

Standing Orders and Direct Debits

All standing orders and direct debits are paid from the Nat West account and authorised by Cllrs at a Full Council meeting.

At the May Annual Parish Council meeting the Clerk will submit a list of all standing orders and direct debit payments due in the coming year and these will be agreed by Cllrs and minuted.

Cheques

The majority of cheque payments will be made from the Nat West account.

There may be circumstances when cheques will still need to be issued. These will be presented to Full Council, or a Committee meeting, together with the invoice for payment. Cllrs will authorise and three Councillors are required to sign.

SANTANDER

Any capital expenditure during the year is made from the Revenue accounts and at the year end the total amount is transferred from Santander account to Unity.

MPC is currently reviewing this account along with other options.

RECONCILIATION

Undertaken by the Clerk monthly on receipt of bank statements. Monthly report circulated to all Cllrs.

OTHER

Following updating the financial software each month a print out of the bank reconciliation and trial balance is presented to the quarterly Finance Committee along with the corresponding bank statements. These are viewed by Cllrs and initialled to confirm agreement.

RETAINING INVOICES/RECEIPTS

These are in paper format and are kept in the Parish Office. These can be viewed on request to the RFO and both invoices and receipt slips are filed monthly.

These are disposed of in accordance with MPC's Document Retention Policy.

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