

Boughton Monchelsea 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 a number of current and savings accounts with Unity Trust bank.

The Parish Council also has an Insignis cash management platform account which offers an array of easy access and fixed period cash accounts with various FSCS protected banks and building societies. The Insignis platform allows funds to be placed without the need for lengthy account opening processes with each individual bank and building society. Funds can easily be moved to suit whichever accounts are paying the highest interest. No individual account holds more than £120,000.

As at Sept 2026, there are 6 account signatories, as follows :

Cllrs Allen, Date, Green, Martin, Redfearn and Smith

PAYMENT POLICY

Online payments must be independently approved via e-mail by two signatories to the account.

- All orders for payment will be verified for accuracy by the Parish Clerk
- Payments will be made by online banking and should be initiated as per the procedures set out below

INTERNET BANKING PROCEDURES

Payments will be made using online banking. The following bulleted sentences set out the principles and procedures of operation of the Unity Trust online accounts with particular attention to the raising of payment requests and their authorisation. The actual process of operating the online accounts will be subject to the rules and security authorisation processes of the bank.

- The Parish Clerk will key in payments via the Unity Trust bank website. This will generally be carried out on a two weekly basis 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 signatories with a schedule of payments keyed and a scanned copy of the invoices the keyed payments relate to.
- Two account signatories will confirm their approval of the keyed payments via e-mail to the clerk and copied to the other signatories. Once the clerk has received e-mails from two signatories confirming their approval of the keyed payments she will then log in to the Unity Trust bank website and authorise the keyed payments.

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- The following online banking roles will apply. The bank mandate will be one to sign but the clerk will only be authorised to authorise payments online once confirmation e-mails have been received by two separate signatories.
 - Parish Clerk – View accounts and set up and authorise payments
 - Signatories – View accounts and authorise payments

PAYMENTS TO COUNCILLORS

Where a Councillor is to be reimbursed for expenditure, they should not be an authoriser.

INTER ACCOUNT TRANSFERS

Internal transfers between Unity Trust current and savings accounts may be approved and authorised by the clerk alone. This allows funds to be earning interest in the savings accounts and transferred to current accounts to suit bills to be paid.

Where funds have been authorised to be transferred to the Insignis cash management platform, the highest interest paying, easy access accounts will be selected by the clerk for funds to be paid in to, bearing in mind no single account must hold more than £120,000. The clerk will set up these transfers.

Any decision regarding funds being placed in fixed period accounts (eg 3 months or 6 months) will need to be made by full Council. The clerk will only be authorised to select easy access accounts so that funds can be withdrawn immediately, if required.

Any funds withdrawn from the Insignis cash management platform will be returned only to the designated Parish Council Unity Trust account. There is no mechanism within Insignis for funds to be withdrawn to any other account.

The clerk will ensure sufficient funds are always available in the Unity Trust current accounts to meet bills needing to be paid.