

LITTLE SMEATON PARISH COUNCIL

BANK MANDATE

01.05.2022

The safeguarding and security of the Parish bank account and public funds is of utmost importance.

CURRENT POSITION

The Council currently has one bank account with Lloyds Bank Plc.

This Lloyds bank account has incoming receipts.

Internet access is in operation with the Clerk, Roz Brown, having the ability to 'create' payments for approval. Councillor Angela Hancock also has the ability to 'create' payments for approval but this should only happen if/when the Clerk is unable to 'create' a payment. The Parish Council shall maintain a list of at least three councillors who have 'approval' rights. Approval of a 'created' payment shall be made by two councillors from this list. Currently these are the Chairman (Gillian Ivey), the Vice Chairman (Colin Atkinson) and Councillor Joanne Howdle. (NB Lloyds banking system does not allow an 'approval' only category. This means that Councillors Ivey, Atkinson and Howdle also have the ability to 'create'. However this should be in exceptional circumstances when BOTH the Clerk and Cllr Hancock are unable to.) Should this happen a 'work around' is to be followed : (The transaction should be created/approved by one Councillor. Another 'approver' must authorise the transaction on line. Then the remaining 'approver' must manually check that the transaction has been performed correctly by checking the authorisation history/view online. This is to be evidenced by annotating and signing the invoice. This should then be minuted on the next minutes).

The account has a cheque book which requires two signatories from either the Chairman (Gillian Ivey), the Vice Chairman (Colin Atkinson) Councillor Angela Hancock and Councillor Joanne Howdle.

There are two debit cards which the Parish Council have self imposed a £100 cash withdrawal limit on and these are under the sole control and possession of the Chairman (Gillian Ivey) and the Clerk (Roz Brown). Both debit cards can be used to make purchases direct from the internet.

BANKING SIGNATORIES

The Council is to ensure there are always at least 3 Councillors with internet approval rights and cheque signing authorities.

Individual Councillors must not have access to set up a beneficiary or payment themselves.

Individual Councillors must not be involved in any transactions which they have an 'interest' eg refunds to Councillor(s) for items bought, payments to family/close friends etc.

OTHER INFORMATION

There is a direct debit for HP printer ink.

The correspondence address for the account is that of the Clerk (Roz Brown).

FULL PROCEDURES FOR PAYMENT AND RECEIPTS ARE CONTAINED IN THE PARISH COUNCIL'S STANDING FINANCIAL REGULATIONS DOCUMENT

In summary:

- All payments must have had prior approval in line with Financial Regulation procedures at a Council Meeting.
- Once approved the Clerk (or if unable to do so - Cllr Angela Hancock) will initiate online payment within 5 days of the meeting ensuring that full banking details of any 'payee' has been provided inline with the Finance Regulations.
- The preferred method of payment is via internet banking. Once the Clerk has 'created' the payment, two approvers must be notified by the Clerk that the payment is indeed ready for approval.
- The approvers must ensure that payment has been agreed (either at a meeting or an 'authority to pay' form has been completed) and then check the invoice for correct amount and bank details. Approval must be given within 5 days of the payment being 'created'.
- For suppliers unable to accept online bank payments, cheque payment is permitted. Cheques will require two signatures. Cheque stubs and invoices should be initialled by these signatories.
- For purchases made directly from the internet - a full printed invoice (together with an 'Affordability and authority to spend' slip if applicable) must be presented to the next council meeting.
- An independent councillor is to cross check all payments to the bank statement annotating who created and approved each payment and check for accuracy/compliance. The statement should be evidenced with this check.
- CHAPS/BCA payments are permitted but must be used as an exception as there is a charge levied by the bank.
- Any withdrawals made in cash should be made using the debit card eg to supplement the Parish Council's petty cash. Any withdrawals must have approval from two additional signatories and be evidenced on the bank statement and banking log.

LOST/STOLEN/BREACHES

- Any 'spoilt' cheques must be retained with the cheque book and counterfoil.
- Any lost/stolen items in the possession of the Clerk or Councillors must be reported to the Chairman and bank immediately.
- Any breaches in security (eg compromised pin or password or an error with online banking) must also be reported immediately to the Chairman and bank. Pins and passwords must be changed immediately a breach occurs.
- These should all be recorded in the banking log by the Clerk.

RECEIPT OF CARDS/PINS/CARD READERS/CHEQUE BOOKS/PAYING IN BOOKS

- These should all be signed for by the individual addressee on receipt and a record kept in the banking log by the Clerk.

CHANGES TO THE ACCOUNT

- Any changes to the account must have Council approval, be made in writing to the bank, signed by two signatories, a copy retained on file(also signed by the two signatories) and a note made in the banking log. These changes include all changes to signatories (incoming and outgoing), changes to names or addresses, changes to correspondence details, changes to authorities etc.

Approved at Meeting 18.5.2022:

..... Clerk

..... Chair

To be reviewed May 2023