

Aymestrey Parish Council Online Banking Policy

Background

Aymestrey Parish council has been banking with Lloyds Bank since February 2019 enabling online payment of invoices conditional upon authorisation by 2 councillors as signatories to the account.

Prior to online banking, all payments were made by cheque also requiring 2 councillors as signatories. When signing cheques signatories had access to documents and endorsed both these and the cheque counterfoil at the time of signing the cheque.

Payment methods

Wherever possible payments are to be made by internet banking method. Payment by cheque is still possible if the payee expresses a clear preference for payment by cheque or payment by internet banking is not possible within a reasonable period.

In all circumstances payments will be made to the payee only and not to a third party.

Internet banking arrangements

1. The clerk/RFO is the administrator of the account. They may set up payments for authorisation, but *not* authorise payments.
2. Signatories may authorise payments, but *not* set up payments.

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Payments to regular payees. Payee bank details to be checked against the bank by Finance Group at least annually. This is to check the clerk/RFO has entered correct details.

Payments to new payees. Evidence of payee bank details to be checked against the bank prior to authorisation by signatories. This is to check the clerk/RFO has entered correct details.

Payments after Parish Council meetings. After resolution to make payments listed on the Agenda, the clerk/RFO will set up payments, and email at least 2 signatories requesting authorisation.

Payments made between meetings. After resolution to make payments *between meetings*, and upon receipt of relevant invoice, the clerk/RFO will set up payment, email at least 2 signatories requesting authorisation, and attach a copy of the invoice. Signatories will check payment details on the invoice against the bank.

In the event that a signatory is not satisfied with the documentation they are to notify the clerk/RFO, copy to all other signatories of the requirement for further information.

After authorisation. Once authorised by 2 signatories, payments will be made and the names of members who authorised the transaction recorded by Lloyds Bank.

The clerk/RFO will print off the authorisation record either as hard copy, or a .pdf version. This will be filed with the invoice, providing evidence of which members approved the payment. This in lieu of the signature that would have been accompanying cheque payment.