

Killamarsh Parish Council

KPC 70 Internet Banking Policy

DETAILS OF POLICY	
Policy No	KPC 70
Policy Title	Internet Banking Policy
Committee/Working Party Responsible	Finance
Last Reviewed	November 2023
Next Review Date	November 2027

The Policy

Background

The legislation reform (Payments by Parish Councils, Community Councils and Charter Trustees) Order 2014 came into effect on the 12th of March 2014. The legislative Reform Order repeals the statutory requirement for 2 elected members to sign cheques and other orders for payment. The removal of this legal requirement enables Parish Councils to take an overall approach to how it controls its money as well as taking advantage of modern technology including internet banking.

The Parish Council acknowledges the need to maintain robust controls on payments as an integrated part of its overall financial control system and proposes an Internet Banking policy as part of its Financial Regulations.

Account Details

The Parish Council has a bank account with Unity Trust Bank which allows online payments. The Council also has a cheque book.

Cheques must be signed by two signatories and online payments must be authorised by two signatories on the account.

Councillors who are signatories are elected by the Finance Committee and reviewed regularly.

Procedure

- All orders for payments will be verified for accuracy by the Clerk / RFO.
- The RFO will operate the online account, set up payees, initiate online payment requests, set up or amend standing orders and make transfers between the Parish Councils accounts where applicable.

- A schedule of payments shall be prepared by the RFO, the schedule will include the details of each invoice.
- The invoices on the schedule will be input onto the banking system.
- The schedule payment will be sent to authorised signatories who will authorise the payments online. Councillors can request to see an invoice at any point.
- A monthly schedule of all payments will be prepared and shared with the Finance Committee for checking and approval.
- Where a payment is to be made by cheque, the cheque will continue to be signed by two authorised signatories, who will also initial the counterfoil.

Audit

- Finance Committee meetings are scheduled to take place on a bimonthly basis.
- At each meeting the Committee will check that the monthly bank reconciliation report balances to the bank statement for that period.
- The receipts and payments on the bank reconciliation will also be checked against the list of receipts and payments for that payment.
- The list of receipts and payments for each month will be checked and approved by the committee and invoices made available for checking should they be required.
- A list of direct debits and standing orders will be presented annually to the Finance committee for checking.

Insurance

The Parish Council will protect itself against fraud or similar under the Council's Fidelity Guarantee insurance policy.