

## **Internet Banking Process**

### **Introduction**

1. Castor Parish council has banked with Unity Trust Bank since August 2011. Unity trust bank have been unique in that they allow online payments of invoices conditional upon authorisation by 2 councillors as signatories to the account. Prior to on line banking all payments were made by cheque also requiring 2 councillors as signatories
2. To get cheques signed the clerk visited signatories with the drafted cheques and supporting paperwork and needed to make contact with 2 of the mandated signatories. In signing cheques signatories had access to prime documents and endorsed both these and the cheque counterfoil at the time of signing the cheque.
3. The following processes have been developed by experience gathered using on line banking processes and are **recommended for formal adoption** as the procedures to be followed for all future payments to be made by the Parish Council

### **Future payment methods**

4. Wherever possible payments are to be made by internet banking method. Payment by cheque is still possible where the payee has no bank account or where the payee expresses a clear preference for payment by cheque.
5. In ALL circumstance payments will be made to the PAYEE ONLY and not to a third party

### **Online payments**

6. The clerk is the ONLY signatory that can set up payment(s) for authorisation on the Unity Trust Bank account. In doing so Unity trust bank will permit and issue email request for authorisation to 1 or more of those councillors authorised to approve the payment(s)
7. Immediately after setting up payment(s) the clerk will send an email to at least two councillor signatories requesting authorisation.
  - a. The email will include scanned image(s) of invoices or other supporting documentation.
  - b. In the event that a signatory is not satisfied with the documentation (S)he is to notify the clerk, copy to all other signatories of the requirement for further information.
8. Whilst there are any payments pending authorisation the clerk will monitor the bank account at least daily until all outstanding payments are authorised.
9. Once authorised by 2 signatories' payments will be made from the account and will cease to be shown as "Awaiting authorisation". Unity Trust Bank account will also record the names of the councillors that have authorised the transaction.
10. As soon as practical after the payment has been made from the bank account the clerk will access the transaction record and, if required, print off the record showing authorisation. This record will then be filed with the supporting documents to the payment in lieu of the signature that would have been accompanying Cheque payment.

### **Publication and visibility**

11. All signatories have access to the Parish Council Bank accounts, not previously available.
12. All payments, by whatever method are listed and reported to Parish Council, normally bi-monthly, and subsequently published on the parish council website

Reviewed and revised

John Haste

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