

Darrington Parish Council

Internet Banking Policy

Adopted February 2023, reviewed February 2024

1. 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 two elected members to sign cheques and other orders for payment. The removal of this particular legal requirement will enable 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 Council acknowledges the need to maintain robust controls on payments as an integrated part of its overall financial control system.

2. Account details

The Council has an account with Virgin Money. This account is organised with the bank to require internet payments to be authorised by two signatories. This is in accordance with the guidance on page 14 of the document "The Good Councillor's Guide to Finance and Transparency" where it states – *"Where electronic banking is used, arrangements should ensure that at least two people are involved in any transaction, one of whom must be a councillor"*.

3. Account signatories

The following are signatories on the account:

- Linda Thompson
- Fiona Gray
- John Cox

4. Internet banking procedure

Payments will be made by internet banking where possible. The below sets out the principles and procedures of operation of the online account with particular attention to the raising of payment requests and their authorisation. The actual process of operating the online account will be subject to the rules and security authorisation process of the bank:

- a. The Council's Financial Regulations 6.7 to 6.15 will be adhered to for internet banking.
- b. All orders for payment will be verified for accuracy by the RFO.
- c. A schedule of all payments shall be prepared by the RFO and presented to each meeting of the Council for approval.
- d. Once the payments have been authorised, the RFO will set up the payments and inform one of the Councillor signatories with internet access by email.
- e. On receipt of the email the Councillor will authorise the payment, cross referencing with the schedule which was agreed at the meeting (Point (a) above) to ensure there are no discrepancies.
- f. Where payments may be required in between meetings the RFO will email copies of the invoices requiring payment to one of the Councillor signatories with internet access before raising a payment request online. The Councillor will then authorise the payment as in (e) above.
- g. All payments authorised between meetings will be done so in accordance with the Council's Financial Regulations. If such a payment requires authorisation by the Chair (Financial Regulation 4.1), the email from the Chair containing the authorisation will be forwarded to the Councillor authorising the online payment with the associated papers (point (f) above).