

Withyham Parish Council
Protocol for payments made via bank transfer or other electronic means

Responsibility: Finance & Administration/Full Council

Review Cycle: 3 yearly/if process changes made

Date of Adoption/Renewal	Date for review
February 2022	February 2025

Where bank account details are provided for payment of an invoice for goods or services provided to the Council, payment by bank transfer or BACS may be made.

Such payment is to be authorised by the Clerk/RFO using the password protected login details provided by the Council's bank. These login details are not to be shared with any other person. Written details of this login information are to be written and placed in a sealed envelope, sealed with the signature of the Clerk or Council's Chair and placed in a secure location within the Parish Office. Such details are only to be accessed in cases where the RFO is incapacitated or leaves his/her position, and to be accessed in these circumstances by the Chair and Assistant Clerk or another Councillor.

Payments are agreed at Council meetings prior to being paid, Where a payment has to be made outside of the meeting cycle as it would otherwise exceed its payment terms or in an emergency, the payment will be reported to the next available meeting and invoice signed as described here.

An invoice must be initialled as approved for payment by two authorised signatories prior to the transfer being made, and the invoice retained to evidence of such approval. Where physical signatures are not possible (eg COVID restrictions), there must be evidence of email approval.

The Assistant Clerk will set up the payment on the banking system and it will be authorised by the Clerk. A copy of the bank transfer from the bank's online transfer payments page is to be printed and filed with the invoice, such copy to include details of the amount, date, payee and payee's account details in order that the payment can be verified as having been correctly made.

This information will be available to the Chair of the Finance and Admin Committee as part of the monthly bank reconciliation checking procedure, when a sample of 10% of payments will be checked.

Payments made by bank transfer or BACS are to be included in the report to Council as well as cheques, Standing Orders and Direct Debits.

Process for Making Payments

Prior to a Council meeting:

- An invoice is received by the RFO and placed in the red folder
- The RFO stamps (see below) the invoice and enters the invoice number, account code to be used and initials beside 'checked by'

- If payment is by cheque the Clerk writes the cheque, inserts the cheque number on the listing for Council and on the stamp.
- Payments are entered on the RBS software and a report is generated for Council showing all payments requiring approval
- The report is circulated to all Councillors on the Thursday or Friday before the Council meeting
- Following agreement to make the payments at the Council meeting, 2 signatories (not including the RFO) initial the payment listing, sign the cheques and on the invoices they initial and date the stamp – this gives the permission to the RFO to release the BACS payments

Following the Council meeting:

- The Assistant Clerk accesses the Internet Banking system and sets up BACS payments for the identified suppliers
- The RFO/Clerk accesses the Internet Banking system and authorises the payments, printing off a copy of each bank transfer from the online transfer page, and attaches it to the invoice
- The RFO copies the cheques and posts them.
- A copy of each cheque is attached to the relevant invoice
- The Clerk signs and dates every invoice to show payment has been made and recorded on Alpha, along with either the cheque number written again to confirm it, or 'BACS.'
- Paperwork is filed