

LITTLE SMEATON PARISH COUNCIL BANK MANDATE

08.07.26

The safeguarding and security of the Parish bank accounts and public funds is of utmost importance.

CURRENT POSITION

The Council currently operates its banking in two ways -

Capital Funds - the Parish Council currently operates 6 savings accounts - 4 of these are: Nationwide Building Society, Redwood Bank (x2) and Unity Trust and all fixed rate/fixed term accounts and 2 are variable rate accounts with Unity Trust and Lloyds. All are in accordance with the Parish Council's Investment Strategy. Signatories are currently Clerk Roz Brown and Councillors Gillian Ivey, Colin Atkinson and Anthony Croall

Revenue Funds - the Parish Council has a current account with Lloyds Bank for its everyday activities, and 2 variable savings accounts - one is with Lloyds (an overspill/feeder to the current account) and the other is with Hinkley and Rugby Building Society housing revenue reserves.

This mandate covers the latter i.e. the Revenue Funds.

1. LLOYDS CURRENT ACCOUNT

This account has incoming receipts.

Internet access is in operation with the Clerk, Roz Brown, having the ability to 'create' payments for approval. Councillor Anthony Croall also has the ability to 'create' payments for approval, but this should only happen if/when the Clerk is unable to 'create' a payment.

The Parish Council shall maintain a list of at least three councillors who have 'approval' rights. Approval of a 'created' payment shall be made by two councillors from this list. Currently these are the Chair (Gillian Ivey), the Vice Chair (Colin Atkinson), Councillor Angela Hancock and Councillor Victoria Warren-Holmes. (NB Lloyds banking system does not allow an 'approval' only category. This means that Councillors Ivey, Atkinson, Hancock and Warren-Holmes also have the ability to 'create'. However, this should be in exceptional circumstances when BOTH the Clerk and Councillor Croall are **unable to.**)

Should this happen a 'work around' is to be followed : (The transaction should be created/approved by one Councillor. Another 'approver' must authorise the transaction online. Then the remaining 'approver' must manually check that the transaction has been performed correctly by checking the authorisation history/view online. This is to be evidenced by annotating and signing the invoice. This should then be minuted on the next minutes).

The account has a cheque book which requires two signatories from either the Clerk (Roz Brown), Chair (Gillian Ivey), the Vice Chair (Colin Atkinson) Councillors Angela Hancock, Anthony Croall and Victoria Warren-Holmes.

There are three debit cards which the Parish Council have self-imposed a £100 cash withdrawal limit on and these are under the sole control and possession of the Chair (Gillian Ivey), Vice Chair (Colin Atkinson) and the Clerk (Roz Brown). Debit cards can be used to make purchases direct from the internet.

Internal transfers to the Parish Council's other Lloyds accounts are permitted by one signatory. Please note that although transfers are permitted no one can gain access to funds without the correct payment controls (i.e. creators and authorisers) being followed.

BANKING SIGNATORIES

The Council is to ensure there are always at least 3 Councillors with internet approval rights and cheque signing authorities.

Individual Councillors must not have access to set up a beneficiary or payment themselves.

Individual Councillors must not be involved in any transactions which they have an 'interest' e.g. refunds to Councillor(s) for items bought, payments to family/close friends etc.

OTHER INFORMATION

The business address and correspondence address for the account is that of the Clerk (Roz Brown).

FULL PROCEDURES FOR PAYMENT AND RECEIPTS ARE CONTAINED IN THE PARISH COUNCIL'S FINANCIAL REGULATIONS DOCUMENT

In summary:

- All payments must have had prior approval in line with Financial Regulation procedures at a Council Meeting.

- Once approved the Clerk (or if unable to do so - Councillor Anthony Croall) will initiate online payment within 5 days of the meeting ensuring that full banking details of any 'payee' has been provided in line with the Finance Regulations.
- The preferred method of payment is via internet banking. Once the Clerk has 'created' the payment, two approvers must be notified by the Clerk that the payment is indeed ready for approval.
- The approvers must ensure that payment has been agreed (either at a meeting or under 'emergency' procedures per finance regulations) and then check the invoice for correct amount and bank details. Approval must be given within 5 days of the payment being 'created'.
- For suppliers unable to accept online bank payments, cheque payment is permitted. Cheques will require two signatures. Cheque stubs and invoices should be initialled by these signatories.
- For purchases made directly from the internet - a full printed invoice (together with an 'Affordability and authority to spend' slip if applicable) must be presented to the next council meeting.
- An independent Councillor is to cross check all payments to the bank statement annotating who created and approved each payment and check for accuracy/compliance. The statement should be evidenced with this check.
- CHAPS/BCA payments are permitted but must be used as an exception as there is a charge levied by the bank.
- All movements of funds internally with Lloyds (in or out of the account) must be approved at a Council Meeting.
- Any withdrawals made in cash should be made using the debit card e.g. to supplement the Parish Council's petty cash. Any withdrawals must have approval from two additional signatories and be evidenced on the bank statement and banking log.

LOST/STOLEN/BREACHES

- Any 'spoilt' cheques must be retained with the cheque book and counterfoil.
- Any lost/stolen items in the possession of the Clerk or Councillors must be reported to the Chair and Bank immediately.
- Any breaches in security (e.g. compromised pin or password or an error with online banking) must also be reported immediately to the Chair and Bank. Pins and passwords must be changed immediately a breach occurs.
- These should all be recorded in the banking log by the Clerk.

RECEIPT OF CARDS/PINS/CARD READERS/CHEQUE BOOKS/PAYING IN BOOKS

- These should all be signed for by the individual addressee on receipt and a record kept in the banking log by the Clerk.

CHANGES TO THE ACCOUNT

- Any changes to the account must have Council approval, be made in writing to the bank, signed by two signatories, a copy retained on file (also signed by the two signatories) and a note made in the banking log. These changes include all changes to signatories (incoming and outgoing), changes to names or addresses, changes to correspondence details, changes to authorities etc.

2. HINKLEY AND RUGBY BUILDING SOCIETY (reserves)

This account is used to house the Parish Council revenue reserve funds. It is an online account and has no passbooks, cards or cheque book. Access is purely online and 90 days' notice is required for withdrawals. It is an interest-bearing account, and the interest is variable and paid annually.

Approval to gain access to funds must be at a Council meeting and be minuted.

The business address and correspondence address for the account is that of the Clerk (Roz Brown).

The account signatories are currently Clerk Roz Brown and Councillors Gillian Ivey, Colin Atkinson and Anthony Croall.

CHANGES TO THE ACCOUNT

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3. LLOYDS VARIABLE SAVINGS ACCOUNT (overspill/feeder)

This account is used to house excess funds from the cheque account to maximise interest. It is an online account and has no passbooks, cards or cheque book. Access is purely online. It is an interest-bearing account, and the interest is currently calculated daily, paid monthly on the 10th and capitalised.

The business address and correspondence address for the account is that of the Clerk (Roz Brown).

The account has exactly the same signatories as the current account and the same 'payment controls' exist (i.e. creators and authorisers). Direct payments can be made from this account online however the Council's preferred method is to internally transfer funds to the current account in order that payments can be directly made from it.

Internal transfers to the Parish Council's other Lloyds accounts are permitted by one signatory. Please note that although transfers are permitted no one can gain access to funds without the correct payment controls (i.e., creators and authorisers) being followed.

- All movements of funds internally with Lloyds must be approved at a Council meeting.
- Any direct payments must also be approved at a Council Meeting.
- An independent Councillor is to cross check all movement of funds to the bank statement annotating who created and approved each payment and check for accuracy/compliance. The statement should be evidenced with this check.
- Any breaches in security (e.g. an error with online banking) must also be reported immediately to the Chair and Bank. This should also be recorded in the banking log by the Clerk.

CHANGES TO THE ACCOUNT

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Approved at Meeting 08.07.26

.....Clerk

.....Chair

TO BE REVIEWED SEPTEMBER 2026