

## **Proposal for Ashwick Parish Council to Move to Online Banking**

Ashwick Parish Council currently bank with TSB Bank, the nearest branch is now in Midsomer Norton due to the branch in Wells shutting in May.

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

Payment of invoices saves time and money; no envelopes or stamps required. The payment is received in the creditor's account within two working days; and the creditor does not have to take a cheque to their bank.

Financial Standing Orders allow for the implementation of internet banking and lays down the guidelines

TSB Bank offer online banking for the account currently being used **but** it is sole user only, they do not offer dual authorisation as stated in the Financial Regulations. The sole user would be the Parish Clerk.

There would be procedures in place where two Councillors would sign and date the invoices presented for payment at meetings and a quarterly Bank Reconciliation would be signed by a nominated Councillor.

There is another option to allow for dual/triple authorisation and that is to move banks.

If the Council wishes to move to dual/triple authorisation there are a couple of banks that allow this – Lloyds Bank and Unity Trust. Lloyds Bank are not currently opening new accounts and Unity Trust is a purely online account with facilities to pay in cheques into a local NatWest account or a Post Office.

Lloyds Bank would be free but Unity Trust charge £6 a month or £72 a year, charges would be taken quarterly.