

POLICY, GOVERNANCE & FINANCE COMMITTEE

Date: Monday 13th July 2020
Title: Banking Arrangements
Contact Officer: Town Clerk – Sharon Groth

Background

The purpose of this report is to formalise the Council's banking arrangements in regard to cheque signatories – and to document it accordingly formally in the minutes to present to the bank and a clear resolution from the Council.

1. Bank Mandate and Signing Arrangements

As previously reported, cheques over the value of £5,000 must be signed off by two Councillors in line with the Council's financial regulations, and the Bank Mandate.

Whilst in the past it has been desirable that all Councillors are able to sign cheques – given the current situation it would be acceptable for at least eight Town Councillors to be designated as signatories on the Council's bank accounts for this purpose – and the Town Clerk would suggest this Committee Membership being those designated.

For information Members already designated signatories are Cllrs Harvey, King, Eaglestone and Enright, due to previously being elected.

The Town Clerk would suggest that the Bank Mandate is the same for both the Council's current accounts with Barclays as well as surplus funds held with the CCLA.

In order to change the mandate this resolution and those appointed as cheque signatories will need to be recorded in the minutes accordingly – as a requirement from both banking establishments.

The Town Clerk would also request that she is also listed (or reinstated) on the mandate for the General Account and the Business Premium with Barclays Bank as being able to set up Direct Debit Mandates to pay regular payments such as utilities, as well as transfers between these bank accounts – because although she was able to do this in the past this instruction seems to have been removed from the Council's accounts, despite being a cheque signatory on the Imprest Account with a cap of £5,000.

Lastly that arrangements are put in place for the Office Manager, Adam Clapton to be able to replenish the Council's petty cash float upto £500 by way of cashing a cheque under the Town Clerk's signature from the local Barclays branch - currently the Town Clerk has to accompany the Office Manager to carry out this transaction.

2. Online Banking

This committee has previously encouraged the change to an ethical banking provider while attempting to encompass this function. Research was carried out into the Unity Trust, Co-operative and High Street banks and although the two former achieved this, there were functions which were not included – the Council would lose several long-term customer charge enhancements (which it gets from its current provider) and attain further new ones.

The need for online banking, already agreed as being vital to any modern organisation, would have been particularly helpful in continued service during the Covid-19 pandemic, where interaction with the current provider has been difficult.

The purpose of this report is to reaffirm this intention and minute the resolution accordingly so that Officers can progress this and also amend the Council's financial regulations to take into account the process and procedures necessary to permit electronic payments.

Recommendations

Members are invited to note the report and approve

1. that the Members of the Policy, Governance and Finance Committee be authorised signatories on Barclays Bank mandates and if necessary two are named to be able to act on behalf of the Council – in the absence of the Town Clerk, should the need arise;
2. that Members of the Policy, Governance and Finance Committee be authorised signatories on the CCLA Accounts and that in particular two are named to act on behalf of the Council – in the absence of the Town Clerk, should the need arise;
3. that the Town Clerk is also listed on the bank mandate for the Barclays Bank General and Business Premium Account as being able to deal with transfers between accounts as well as setting up direct debits;
4. that the Office Manager is set-up to be able to cash cheques upto £500 at the local Barclays Bank branch to replenish the Council's petty cash account;
5. the implementation of online banking with the Council's current banking provider, Barclays Bank PLC, subject to the amendments to the Council's Financial Regulations, which will be presented to the next meeting of this Committee;