

APPENDIX I

INSTRUCTIONS FOR THE MAKING OF PAYMENTS

- 1.1. The council will make safe and efficient arrangements for the making of its payments.
- 1.2. Following authorisation under Financial Regulation 5 above, the council, duly delegated members or, if so delegated, the Clerk/RFO shall give instruction that a payment shall be made.
- 1.3. All payments shall be effected by **BACS where possible** or cheque or other instructions to the council's bankers, or otherwise, in accordance with a resolution of council.
- 1.4. **BACS payments**, cheques or orders for payment drawn on the bank account in accordance with the schedule as presented to council or committee shall be **authorised** by two members of council in accordance with a resolution instructing that payment. On line banking payments shall be entered into the Bank Account by the RFO/Clerk and then authorised by **two authorised signatories**. Cheques or orders for payment drawn on the bank account in accordance with the schedule as presented to council or committee shall be signed by two members of council in accordance with a resolution instructing that payment. If a member who is also a bank signatory has declared a disclosable pecuniary interest, or has any other interest, in the matter in respect of which the payment is being made, that councillor shall be required to consider Standing Orders, and thereby determine whether it is appropriate and / or permissible to be a signatory to the transaction in question.
- 1.5. To indicate agreement of the details shown on the cheque or order for payment with the counterfoil and the invoice or similar documentation, the signatories shall each also initial the cheque counterfoil **where appropriate together with the relevant invoice**.
- 1.6. **BACs payments**, cheques or orders for payment shall be presented for signature at appropriate times Any payments shall be reported to the council at the next appropriate meeting.
- 1.7. If thought appropriate by the council, payment for utility supplies (energy, telephone and water) and any National Non-Domestic Rates may be made by variable direct debit provided that the instructions are signed by two members and any payments are reported to council as made. The approval of the use of a variable direct debit shall be renewed by resolution of the council at least every two years.
- 1.8. If thought appropriate by the council, payment for certain items (principally salaries) may be made by **BACs in accordance with Point 6.4**.

- 1.9. Removed this point as it refers to paying by BACs in appropriate, this is referring to the old system when cheques were main method of payment.
- 1.10. Where a computer requires use of a personal identification number (PIN) or other password(s), for access to the council's records on that computer, a note shall be made of the PIN and Passwords and shall be handed to and retained by the Chairman of Council in a sealed dated envelope. This envelope may not be opened other than in the presence of two other councillors. After the envelope has been opened, in any circumstances, the PIN and / or passwords shall be changed as soon as practicable. The fact that the sealed envelope has been opened, in whatever circumstances, shall be reported to all members immediately and formally to the next available meeting of the council. This will not be required for a member's personal computer used only for remote authorisation of bank payments.
- 1.11. No employee or councillor shall disclose any PIN or password, relevant to the working of the council or its bank accounts, to any person not authorised in writing by the council or a duly delegated committee.
- 1.12. Regular back-up copies of the records on any computer shall be made and shall be stored securely away from the computer in question, and preferably off site.
- 1.13. The council, and any members using computers for the council's financial business, shall ensure that anti-virus, anti-spyware and firewall, software with automatic updates, together with a high level of security, is used.
- 1.14. Where internet banking arrangements are made with any bank, the Clerk shall be appointed as the Service Administrator. The bank mandate approved by the council shall identify a number of councillors who will be authorised to approve transactions on those accounts. The bank mandate will state clearly the amounts of payments that can be instructed by the use of the Service Administrator alone, or by the Service Administrator with a stated number of approvals.
- 1.15. Access to any internet banking accounts will be directly to the access page (which may be saved under "favourites"), and not through a search engine or e-mail link. Remembered or saved passwords facilities must not be used on any computer used for council banking work. Breach of this Regulation will be treated as a very serious matter under these regulations.
- 1.16. Changes to account details for suppliers, which are used for internet banking may only be changed on written hard copy notification by the supplier and supported by hard copy authority for change signed by two members of the Finance Committee. A programme of regular checks of standing data with suppliers will be followed.
- 1.17. Any Debit Card issued for use will be specifically restricted to the Clerk and will also be restricted to a single transfer between accounts to a maximum value of

£2000 unless authorised by council or finance committee in writing before any order is placed.

- 1.18. The council will not maintain any form of cash float. Any payments made in cash by the Clerk (for example for postage or minor stationery items) shall be refunded on a regular basis, at least monthly.