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| **Subject** | **Changes to Financial Regulations** |
| **Committee Date** | **7 October 2025** |
| **Author** | **Clerk** |

**Introduction**

The banking requirements of the ‘standard set’ Financial Regulations(FRs) (ref NALC – which VoAPC adopted) is to have 2 members as signatories – whether cheque or electronic bank transfer. VoAPC has tried to have five signatories (one from each village for fairness), but this has and is proving difficult.

**TSB**

With our TSB business account (with TSB over 25 years – its termed as a charities/club account) it has been necessary to tweak this so that the Clerk is also a signatory, as when bank transfers are set up, the person setting up the payments is classed as a signatory. So, it has been necessary to replicate this for cheque signatories! (cheque and BACS needs to be identical). Therefore, technically we have three bank signatories. As we have this ‘old style’ account, which is no longer available, any changes we do is always problematic.

Whilst cheque signatories is a challenge – this involves completing a paper form and the new signatories have to visit the local TSB – now at Boscombe in Bournemouth, to show/prove ID as TSB in Wimborne has closed. To become an on-line signatory, there’s a ‘clunky’ website application two weeks later by the Clerk, then the member needs to follow up. The problem with this is that there is no error message/email if things don’t go through, so it is not an easy process and often results in a long wait on the phone to get through to the TSB Customer Services Team. It took Ken Lannon over 18 months, Dee Burford-May is over 2 years and unresolved, Simon Beer took also a year, and Claire Davis-Barnett is over a year old and unresolved.

When cheques were used, these were usually signed at a committee meeting, and afterwards posted to the supplier. On-line processing is easier, cheaper, faster payments …….when it works in our favour.

At present, apart from the Clerk, we have Ken Lannon, Tim Read and Simon Beer who have been authorising on-line banking. Simon has forgotten his password, and has to go through the process to renew access onto the system. Recently too, Tim Read has been away on holidays, resulting in payments set up to authorise haven’t been processed in time (time expires after 3-4 days) or insufficient members available to authorise. As a result, payments have been made late despite companies chasing payment – not a good situation to be in as it reflects badly on our parish council. Further, HMRC as been paid late (PAYE into the wrong quarter), and the Clerk’s salary late.

**Amending Financial Regulations**

The Clerk has been in contact a few local Town and Parish Councils, and it seems that they all have ‘modernised’ the standard FRs. What they do:

* Clerk’s salary and regular known payments – paid by standing order, reporting at the following meeting of payments made – standing orders permitted under FRs
* Clerk – single signatory i.e. pays invoices on-line after the council meeting approves payment (e.g. as now) but instead of one member checking invoices and initialling at a meeting, two do it. Bank reconciliations to bank statements are checked quarterly (which we already do). This satisfies the ‘two members signatories approval’.

**TSB(2)**

The question is whether to continue with TSB or switch to another bank/building society. There is a need to see if the TSB account can be changed to a single signatory.

To have another account away from TSB, we would likely incur banking charges but off-set with the credit balance we have. There are positives and negatives, but Unity Bank and Santander seem to be aware of what smaller councils need. It is worth setting up a second bank account with a small (£100) sum, running it as a trail, then making a permanent switch decision.

**Recommendations**

Members:

* Approve seeing if TSB can amend our account to a single signatory.
* Approve exploring banking options, setting up a second account (not switching until members later approval)
* Approve amending FRs
  + Introducing standing orders for regular payees, reporting payments at the following meeting