

Completed move to internet banking for the Parish.

In September 2019 the Parish Council determined to move its accounts (both current and reserve) to Unity Trust Bank, in order to facilitate full internet banking and BACS payments with dual signatory authorization system (**Min. 19.09.11.2 refers**).

A formal complaint was lodged on 19th May by the Clerk with the bank (reference 0271 598120) over the time it took for them to act on instructions from the Parish Council, which significantly increased the time it took to complete the transfer, and the amount of time which both the clerk, Chair and Vice Chair of the parish council had to spend in expediting the transition. Following an investigation of this complaint, the Bank compensated the Parish in the sum of £300.

In accordance with the council's decision at its May meeting, the Clerk has also written to the Chief Executive's office setting out the nature of the complaint (Appendix A refers).

The clerk has now completed a manual transfer of funds to Unity Trust Bank, and all accounts with the parish's former bank have now been formally closed.

Payments from the new Unity Trust account are easy to process, and the Clerk can access statements and information on outstanding transactions quickly and in a timely manner. In accordance with the parish council's remote decision in March (Min. 20.04. refers, the clerk has transferred the value of the earmarked reserves from the Current account to the Instant Savings Account (£39,198.85 at 31st March 2020).

Until now, the clerk has purchased items required for the parish using her own charge card, and then applied to the council for a refund of the expenditure. On some occasions, these expenses can be quite high, and the refund can fall outside the clerk's interest free repayment window.

Unity Trust Bank has partnered with Lloyds bank to offer a Unity Corporate MultiPay Card – a charge card designed for Unity Trust Bank customers.

Benefits include:

- Improved control of spend and day-to-day purchases
- Tailor cardholder spend on goods and services to suit the requirements of your business or organisation, as well as individual cardholders
- Set single transaction, as well as monthly, spending limits for a greater level of control
- Optional merchant category blocking available, at company and cardholder level
- Greater visibility of spend across all cardholders

There is a single online account management tool, allowing the administrator to

- Amend individual card limits
- Update cardholder addresses and other personal details
- Easily extract transaction data
- View online statements
- Manage on the move, access via URL
- Control access for audit purposes

The parish council's financial regulations sets out its obligations in respect of credit and debit card arrangements, as below:

- 6.18. Any Debit Card issued for use will be specifically restricted to the Clerk and will also be restricted to a single transaction maximum value of £500 unless authorised by council or finance committee in writing before any order is placed.*
- 6.19. A pre-paid debit card may be issued to employees with varying limits. These limits will be set by the council. Transactions and purchases made will be reported to the council and authority for topping-up shall be at the discretion of the council. (not available)*
- 6.20. Any corporate credit card or trade card account opened by the council will be specifically restricted to use by the Clerk and shall be subject to automatic payment in full at each month-end. Personal credit or debit cards of members or staff shall not be used under any circumstances.*

By moving to a Corporate credit card through Unity Trust Bank, the Parish Council can ensure that:

- Clerk expenses should in future be limited to mileage and subsistence claims
- Office items (e.g. stationery, print toner, replacement equipment), subscriptions (e.g. Microsoft, Adobe), and any items identified for purchase by the parish council or its estates committee are charged directly to the parish account, in accordance with the councils financial regulations.

Recommendation:

The parish council apply for a Unity Corporate Multi-pay Card from Unity Trust Bank and set a single transaction maximum value of £500 (unless authorized by the council in writing before any order is placed).

Wickhambrook Parish Council

Chief Executive
National Westminster Bank

16th July 2020

Dear Sirs

Wickhambrook Parish Council Accounts

In September 2019 the Parish Council decided to move its banking from National Westminster Bank. The reason for this was that it was not possible (on the advice of your business banking unit) to move to an internet banking arrangement with dual authorisation, whereby the clerk would set up the BACs Transfers which would then be authorised by two authorised signatories.

Our complaint to National Westminster lies with its handling of a number of instructions sent through to it, set out below:

1. In December 2018 a special instruction letter was sent to the bank to add the clerk an individual to whom the bank would divulge information – we are advised that it was necessary to follow this letter up with a signed application for this function to go live, which the bank claims not to have received.
2. In February 2019 a mandate was sent though (the application referred to above) requesting that one authorised signatory be removed from the account and that the Parish Clerk be added as an administrator in order that you would divulge information to them on request. There was no indication that this had not been actioned and it was only when we tried to move funds from the Business Reserve Accounts to the Current Account in advance of the Switch instruction that our Clerk was advised that the instruction had not been acted upon, and that advisors were unable to speak with her.
3. Two instructions were subsequently sent through in early April 2020, on the advice of an advisor, to the Chatham Customer Services Centre (the Clerk had not been advised that it was closed following the COVID-19 lockdown, and subsequently had to re-send the instructions on 24th April by e-mail), requesting:
 - a. the transfer of funds from the Business Reserve Accounts to the Current Account, and
 - b. a special instruction adding the Clerk as someone advisors could speak to.
4. The transfer of funds between accounts was effected, but then immediately moved back onto the main business reserve account. Interest was then paid onto the business reserve accounts, leaving them with balances which prevented the switch process commencing. The Special instruction was not acted upon. The advice received on this occasion was that the mandate had not been signed, and that an interactive form should be used, which could be forwarded to each person in turn to upload their signatures –

this proved to be impossible and agreement had to be reached that a letter would be accepted.

5. Two further instructions were sent through, on 7th May, namely
 - a. a special instruction adding the Clerk as someone advisors could speak to, and
 - b. an instruction to
 - i. move all funds from the business reserve accounts to the current account,
 - ii. close the business reserve accounts and
 - iii. pay any outstanding interest onto the current account.
6. On 4th May the Chair of the Parish Council chased action on the instructions in 5 above, by e-mail and was advised that there was nothing the business team could do to expedite the instructions. It was suggested that he telephone, but contact by phone at this time was almost impossible, with often waits of over 30 minutes before being cut off.
7. On 13th May, the Clerk rang to check the instructions had been actioned, as she had not received an e-mail confirmation (which had been promised by an earlier advisor). The advisor would not divulge any information as they could not find the instructions. Further copies were sent, and the advisor promised to e-mail if there were any issues with the instructions. A complaint was lodged with the complaints team (Ref, 0271 598120). The Clerk was advised that the complaint was waiting to be allocated and a complaints handler would be in touch. A number was given to call on – which subsequently turned out to be a fax number.
8. On 21st May, no contact having been received, and no confirmation that the instructions had been actioned, the clerk chased again. On this occasion, the advisor said that they had not received the instructions, although they did have an instruction on the account for the Clerk, dated December 2018, but that it had been incorrectly applied, with only the surname, and that this was why it had not been possible to discuss anything with the clerk in the past.
9. On 22nd May, no contact having been received from the complaints department, the clerk chased again, to
 - a. Ask that the mandate requesting transfer of funds to the current account be actioned; and
 - b. establish a definitive list of authorised signatories, in order to ensure that the switch to Unity Trust Bank would not be rejected on the basis of authorised signatories not tallying.

No response was received.

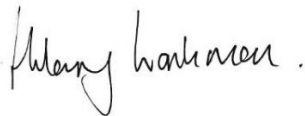
10. On 28th May, no contact having been received, and following a telephone call when the Clerk was advised to use the web-chat (25 minute wait to contact an advisor), the Clerk was again advised that no information could be divulged as there was no special instruction. When this matter was eventually resolved, it was established that a further instruction requesting the addition of one signatory and deletion of another, sent in April 2019, had only partially been executed. The advisor also stated that the interactive form only works for one signatory, and can not be forwarded between the signatories (in contradiction to earlier advice). The funds had been moved from the reserve accounts, but the accounts had not been closed as requested. A list of transactions on the current account was requested, but the advisor would not send them, as it was claimed that this was not within the mandate of the special instruction (information only, not orders). The transactions were eventually summarised to the clerk within the web chat by the clerk. The entire web-chat took 2 hours and 3 minutes).

11. The Parish Council took the decision to move the funds to the new bank account by cheque, as advice received in the web chat above did not give any degree of confidence that the switch would not either be rejected or substantially delayed.
12. Statements for the two closed business reserve accounts were received in the post, but no statement for the current account (normally all received on the same day). The clerk contacted Nat West through web-chat (20 mins to get through to an advisor) in order to establish the process for cancelling direct debits on the account. The advisor would initially not divulge on the basis that the clerk was not an authorised signatory (correct, but there was a special instruction in place). Advised that the account had been returned to the branch (this had not been requested by the parish). Advised statements would need to be collected from the branch. A mandate requesting the marker returning the account to branch would need to be signed by two authorised signatories. (Web chat 1 hour 16 minutes).
13. Clerk subsequently received current account statement in post.

The Parish Clerk has now completed a manual transfer of funds to the new bank account by cheque. It is acknowledged that an initial compensation of £300 was credited to the parish account, however, the Clerk made it clear at the time that the compensation was offered, that the parish does not consider that this adequately reflects the inconvenience, additional time spent in dealing with your bank (clerk, 30 hours @ £11.00 per hour, Councillors, 10 hours at £25 per hour), time lost on other work and stress caused by National Westminster's poor handling of the accounts and instructions sent through to it.

Further compensation is sought by the parish council to address the time lost to the Clerk and Councillors in trying to deal with the issues raised in the points above, and your earliest response will be appreciated in order that the report may report back to the next meeting of the Parish Council.

Yours faithfully



Hilary Workman
Clerk & RFO to Wickhambrook Parish Council