

POLICY AND PROCEDURES FOR PAYMENTS OUT OF A CLIENT BANK ACCOUNT

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Related documents:	<ul style="list-style-type: none">• Policy and Procedures for the Receipt of Client Money• Policy and Procedures for Obtaining Supplier Bank Details including New Suppliers• Policy and Procedures for Setting Up Direct Debits on a Client Account		

1. Introduction

The firm is obliged to have written procedures on the handling of client and firm money in order to comply with RICS regulations and the provisions of its PI policy. The firm also wishes to ensure that there is a culture of best practice in the handling of client and firm money throughout the firm. These procedures deal with payments made out of a client bank account. There are separate procedures for the receipt of client money.

2. What is a payment out of a client bank account?

A payment out of a client bank account is any payment made from a client bank account that is set up by a CKD employee.

Payments include:

- BACS payments
- CHAPS payments
- Same day transfers
- Cheque payments

Direct debit payments are dealt with under a separate procedure.

Cheque payments do not fall under this procedure as they are sent to an individual and not to a bank account (but see New Supplier Procedure).

3. What is dual authorisation?

Dual authorisation is a system that prevents any individual member of staff from both setting up and authorising a bank payment.

Each client bank account is operated via online banking.

Online users are created with the ability to set up payments, or authorise payments but never both.

4. Procedure

In respect of BACS payments, CHAPS payments and same day transfers, the procedure is as follows:-

- Account operator sets up the payment/payments
- The online system generates a list of payments, with payees, amounts and bank details
- The list is presented to the authoriser, along with documentation supporting the payment
- The supporting documentation should, in normal circumstances, be a supplier invoice that shows:-
 - The payee's name
 - The payee's bank details
 - The sum being paid

- The authoriser will cross check the payment details against the backup information and sign and date the list before authorising the payment online
- Only once authorised is the payment released
- If the backup does not include the payee's bank details, these should be checked against the supplier bank details master file (see separate procedure re Supplier Bank Details)

5. Single Authorisation

In some cases, dual authorisation is not possible because of restrictions imposed by the client and/or banking system (for example; the client may only allow CKD to have one banking logon or the banking system does not facilitate dual authorisation). In such circumstances, the same CKD employee can set up and authorise a bank payment. Documentary evidence is required that another member of staff has authorised the payment (for example, via e-mail) and agreed the payee's bank details (as per 4 above).

6. Data Protection

All personal data will be stored in accordance with the firm's obligations under the Data Protection Act.

7. Auditing

This procedure will be subjected to both internal and external auditing on a regular basis and will also form part of any RICS finance audit. Non-compliance by a member of staff may be dealt with as a disciplinary matter.

8. Review

This procedure will be reviewed at appropriate intervals.