

POLICY AND PROCEDURES FOR PAYMENTS OUT OF A CLIENT BANK **ACCOUNT**

<b>Document title:</b>	<b>Policy and Procedures for Payments out of a Client Bank Account</b>	<b>Document No:</b>	<b>1b</b>
<b>Date issued:</b>	<b>Last revised:</b>	<b>Revision No:</b>	
<b>15 Sept 2015</b>	<b>23 October 2020</b>	<b>1</b>	
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<b>Related documents:</b>	<ul style="list-style-type: none"><li>• <b>Policy and Procedures for Payments out of a Client Bank Account – Supplier Bank Details</b></li><li>• <b>Policy and Procedures for Direct Debits out of Client Bank Accounts</b></li><li>• <b>Policy and Procedures for Client Bank Account Reconciliations</b></li></ul>		

## 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.

### 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 Galbraith 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).

### 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.

Every 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.

It is the firm's policy that all client payments are processed under a system of dual authorisation, unless the banking system prevents it (see Single Authorisation below).

## Procedure

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

- Account operator sets up the payment/payments, after checking that the client has sufficient funds to make the payment
- 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
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Please refer to Policy and Procedures for Payments out of a Client Bank Account – Supplier Bank Details in circumstances where there are no bank details on the invoice; the supplier is new; the bank details have changed

### **Single Authorisation**

In a minority of cases, dual authorisation is not possible because of restrictions imposed by the client and/or banking system (for example; the client may only allow Galbraith to have one banking logon or the banking system does not facilitate dual authorisation). In such circumstances, the same Galbraith 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).

### **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.

### **Review**

This procedure will be reviewed at appropriate intervals.