

LEDBURY TOWN COUNCIL

FINANCE, POLICY & GENERAL PURPOSES COMMITTEE	23 JANUARY 2020	AGENDA ITEM: 14
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Report prepared by Angie Price – Town Clerk

UNITY TRUST BANK

Purpose of Report

The purpose of this report is to provide Members of the Finance, Policy & General Purposes Committee with information on Unity Bank, with a view to the Council changing its banking provider.

Detailed Information

At a previous meeting of the Committee Members expressed an interest in a possible change to their banking provider and were particularly interested in Unity Trust Bank.

The Town Clerk was asked to submit information in respect of Unity Bank to a future meeting of the Committee.

Unity Bank offer a dual or triple authority with their accounts at no extra cost to their customers. There is a charge of £6.00 month account fee, which is taken from the account quarterly.

They offer current accounts with no interest and saving accounts with 0.40% interest, both with instant access. If you hold both a current and savings account there is no charge to transfer funds, however if you only hold a savings account there is a charge of £28.00 per payment. The charges tariff for current accounts is attached.

Regarding signatories on the account this would need to be signed in accordance with the Council's Financial Regulations.

Cheque book and paying in book are provided with the current account, but they do not offer a debit card with their current accounts, you can pay in, or withdraw cash from a local NatWest (England and Wales), RBS (Scotland) or Ulster Bank (Northern Ireland) branch, or they can set up a Post Office Cash Account card to pay in cash at a specific Post Office.

Unity Bank are partnered with Lloyds Bank and MasterCard® to bring the Unity Corporate MultiPay Card – a charge card designed for Unity Trust Bank customers and provision for this facility is subject to credit approval. For existing customers, they require evidence of 12-months account activity. For new customers, as part of the application process you will need to provide us with the last 2-years of audited/certified financial accounts.

Their free account switcher service makes it easy to switch accounts from another bank or building society; they will arrange a transfer of your Direct Debits, Standing Orders and, if asked to the remaining balance to your new account – they will then contact your old bank to close your account with them. However, in the meantime, you should keep enough money in your old account to cover any regular fees or payments you may have.

Unity Bank is an on-line banking provider and as such they are able to provide a service whereby when officers generate payments the system will be set up to automatically inform signatories that the payments need to be approved and released for payment. Signatories would then be required to go into the system to approve the payments, this process can be set up for multiply approvals. For example, currently Financial Regulations require two Councillor Signatories and the Clerk/Deputy Clerk to sign cheques for payment. Unity Bank can be set up to comply with this so that two Councillor signatories will be asked to approve the payments as well as the Clerk.

It is recommended that the person inputting the payments (i.e. Deputy Clerk) should not then be able to approve and release the payments. This provides additional security for the payment process.

Should the Council wish to transfer from their current banking provider to Unity Bank this would be done on-line.

Recommendation

That Members of the Finance, Policy & General Purposes Committee give consideration to the above and attached information in respect of a possible change to their banking provider.

Service Tariff Bacstel IP and Unity e-Payments



Bacstel IP

Suitable for customers who want to make or collect payments using either their own software or an external service provider to process their Bacs payments.

This can be completed as:

- Direct Submitter - Customers using their own software
- Indirect Submitter - Customers using an external service provider

Direct Submitters

To make payments (eg. Paying salaries, suppliers, expenses etc) you will need:

- SUN (Service User Number)
- Minimum of two Smart Cards
- Smart Card reader and software

To collect Direct Debit payments you will need:

- All of the above, plus
- AUDDIS

Indirect Submitters

To make payments (eg. Paying salaries, suppliers, expenses etc) you will need:

- SUN (Service User Number)

To collect Direct Debit payments you will need:

- The above item, plus
- AUDDIS*

Set Up Costs

Bacstel IP set up costs are set by NatWest

SUN	£200.00
AUDDIS	£200.00
Paperless Direct Debit	£200.00
New Smart Card	£85.00 per card
Smart Card reader and software	£35.00

AUDDIS: the process that enables the electronic set up of Direct Debits once your organisation has received instructions from your customer.

Paperless Direct Debits: the process that enables your organisation to receive your customers Direct Debit instructions over the telephone or internet ie there is no need for a paper instruction from your customer.

Please note that all customers originating direct debits must use AUDDIS.

Bacstel Transaction Costs – Standard Tariff

Per transaction	14p*
File (per file)	£8.00
Exceeding agreed credit limit	£100.00
Transfer of sponsorship	£100.00
File extractions / Stop / Reinput	£35.00
Recall Bacs payment	£20.00

Unity e-Payments

Suitable for customers who make or collect payments.

	Tariff 1	Tariff 2
Set up **	£300.00	£300.00
Template	£125.00	£125.00
Monthly charge †	£12.00	£28.80
Transaction per item *	48p	25.2p
File submissions (per file)	£2.75	£2.75
Exceeding agreed credit limit	£100.00	£100.00

If you require additional SUN or authorised users the following charges apply:

Additional SUN	£6.00 per month
Additional user	£6.00 per month

* This charge applies to all debit and credit payments and AUDDIS transactions. Please note that Unity e-Payment can be used for direct debit collection, however to do this, you would need to be set up as an AUDDIS originator.

** These charges are set by NatWest or other third party provider.

† All prices include three SUN and six users

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From time to time, you may have requirements for services which fall outside our normal tariff and which may incur an additional management fee. In these circumstances, the fee will be agreed with you before we provide the service.

Unity Trust Bank is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Unity Trust Bank is entered in the Financial Services Register under number 204570. Registered Office: Nine Brindleyplace, Birmingham B1 2HB. Registered in England and Wales no. 1713124. Calls may be recorded or monitored, for security, quality and training purposes.

UTB 671 / September 2018

Service Tariff Current Account Charges



Encashment/Paying-in facility

For paying into your account at Post Office®, Bank Counters or via our Freepost service.

Cash paid, per £100.00	50p*
Cheque collected, per item	30p*

*Applies to all accounts unless your organisation's turnover is below £100k, on our fixed £6 per month tariff and pay in less than £1,500 cash or 15 cheques.

Reconciliation Service

This service gives customers the ability to reconcile receipts and payments by automated means.

	Per account
Re-creation of Internet download	£10
Daily Internet download	Per quarter £62.50
Weekly Internet download	£25
Monthly Internet download*	£12.50
*for existing customers	

Foreign Service Charges

Foreign cheque	Minimum	Maximum
negotiation with recourse	£9.50	£71.00
collection	£20.50	£71.00
inward collection (£10.00 of the charge is deducted from the outward proceeds)	£15.50	£21.00
Foreign cheque unpaid (cheque returned unpaid which you had previously deposited)	£10.00	
Foreign transfer (sterling or currency)	£20.00	£46.00

Important information about Unity Foreign services

- All foreign payments and transactions are undertaken for us by third party agents, and the type of foreign service will determine which agent we use. The fee shown includes their charge for providing the service in addition to our charge for processing your request. This fee will be debited to your account as a separate item.
- Please note that we can only advise foreign exchange rates when we have received your original paperwork (we are unable to accept faxed requests).
- Your account with Unity will be debited with the sterling equivalent of your foreign transfer, together with any associated fees, on the day we process your request.
- From time to time there may be additional charges made by foreign banks, relating to foreign payments, over which we have no control. These may be passed on to you when advised to us. We will notify you of the charges before we debit your account.

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Service Tariff Current Account Charges



Unity Custom Account

Turnover per annum [†]	£2m+
Fee	Negotiated
Charged	Negotiated
Opening deposit	Minimum £500
Interest	No credit interest paid

Unity Current Account

Turnover per annum [†]	£100k - £2m
Fee	£6 per month plus 15p per individual credit and debit *
Charged	Quarterly
Opening deposit	Minimum £500
Interest	No credit interest paid
Turnover per annum [†]	Under £100k
Fee	£6 per month
Charged	Quarterly
Opening deposit	Minimum £500
Interest	No credit interest paid

[†] Turnover is the total value of credits into your account(s), excluding internal transfers, across a defined period of 12 months

* Credit and debit charges include manual Bank Giro Credits, Standing Orders in (Faster Payment in), other automated credits, cheques issued, Standing Orders out (Faster Payment out), internet bill payments (Faster Payment out), Direct Debits and other automated debits.

Tariff of Charges

Audit Letter	£35.00
Bank originated bill payment	£15.00
Bankers draft/cheque	£15.00
Bankers reference/status enquiry	£15.00
Certificate of balance	£15.00
CHAPS	£28.00
Copy cheque/deposit slip (per item)	£6.00
Copy statement (per statement)	£8.00
Stop cheque by phone by internet banking	£15.00 £8.00
Trace missing funds	£25.00
Unauthorised overdraft letter (Where a payment has taken your account balance overdrawn, and we have honoured that payment, we will write to advise that the unauthorised overdraft rate has been applied to the overdrawn amount)	£10.00
Unauthorised overdraft rate	25% ABR (above base rate) per annum
Unpaid cheque in (Where drawer's bank has returned a cheque unpaid, which you had previously deposited)	£6.00
Unpaid items out (per item)	£15.00, up to a maximum of £45.00 in any one day

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Proving your identity

As a bank we have a legal obligation to fight financial crime and protect our customers from fraud. This is why we verify the identity of anyone who wants to open an account or obtain a financial service from us. Identity checks are an important part in the fight against terrorism, money laundering and other criminal activities.

We will also check that you have not been refused permission to remain in the UK. If you do not have this permission, or if we are unable to verify your identity **you will not be able to open a new current account or add your name to an existing account.**

Proof of your ID

When you open an account, are added onto an account or major changes are being made to the account, we will verify your identity. To help us speed up this process we use an electronic identification process which can confirm your identity.

If we are unable to prove your identity using this system we will require you to provide us with two documents as follows:

TWO documents from List one

or

ONE document from List one and ONE document from List two

All documents must be the most recent ones (we will not accept expired documents), and must show your full name and current address or date of birth. We will not accept bills or statements printed from an online account.

List one

A valid government issued document with your full name and photograph:

- A passport
- A photo card driving licence, (provisional or full)
- A national identity card (EU states only)
- A firearms certificate or shotgun licence

A valid government document with your full name, but no photograph:

- A (old style) FULL UK driving licence (old style provisional licences are not permitted)
- Recent evidence to entitlement to a state or local authority funded benefit

- Recent evidence to entitlement to tax credit
- Recent evidence to entitlement to a state pension
- Recent evidence to entitlement to an educational or other grant
- Recent HM Revenue and Customs tax notification such as tax assessment, statement of account notice of coding (please note that P45 and P60 are not official HM Revenue and Customs documents and are therefore not acceptable)

List two

A document issued by government, a Judicial authority, a public sector body or authority, a regulated utility company, or another FCA regulated firm, which has your full name and address on it:

- Recent Instrument of a Court appointment (e.g. grant of Probate)
- Current Council tax demand/letter

- Recent water, gas or electricity bill (original document, not printed from an online account) - maximum of 3 months old
- Bank statement, credit or debit card statement (original document, not printed from an online account) from a FCA authorised firm – maximum of 3 months old

Sending us the documents

Please do not send us original passports, driving licences, or identity cards; however we do require originals for all other documents, these will be returned to you via first class post.

Change of name, title or gender re-assignment

To change the name on an account, we will require the original document/certified document confirming the change of name, e.g. marriage certificate or deed poll.

For any other changes, please contact us.

What is Money Laundering?

'Money laundering' means the methods criminals use to hide and disguise the money they make from their crimes. The term 'laundering' is used because criminals need to turn their 'dirty' criminal money into 'clean' funds that they can use without causing suspicion. Getting it into the financial system means that it becomes harder to trace and confiscate. Drug traffickers, armed robbers, terrorists, burglars, tax evaders and people who defraud members of the public all need to launder the money they make from their crimes.

Contact us on:

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