

## **Proposal to change the Parish Council bank accounts from Barclays Bank to Unity Trust Bank**

It's proposed that the Parish Council moves its banking from Barclays to Unity Trust Bank.

### **Background**

Since starting at Freshford Parish Council in March 2020 I have found Barclays Bank to be difficult to deal with.

Barclays Bank struggles to understand the parish council sector; enquiries are dealt with by the business section of Barclays and staff do not always understand how parish councils operate.

Any enquiries or issues needing attention have to be dealt with via phone lines and not in branch. It consistently takes between 30-40 minutes to get through on a phone line. Customer service on these lines is generally poor.

### **Recent issues**

Recently, Barclays asked the parish council to confirm the details the bank holds about the parish council. The process has been frustrating and has resulted in signs on the account warning that the account will be frozen unless 'issues' are resolved. The first time I phoned they couldn't explain the warning and suggested I phone back if the warning continued. The warning continued and I rang again. It took over an hour, with very difficult to hear conversations, to be told that the parish council needs to change from a community account to a local authority account. I was told that someone will ring me back in 2-3 weeks. I haven't been contacted but the warning sign has since been removed. I've seen various posts on clerks forums about difficulties with Barclays, including accounts being frozen with no warning.

### **Unity Trust Bank** <https://www.unity.co.uk>

Unity Trust Bank is a community focused and ethical bank, dealing with businesses as well as a range of organisations such as charities and local authorities.

They consistently receive recommendations and praise from clerks. Banking would be online (as it now). Clerks report that phone enquiries are dealt with quickly and efficiently. No other bank is recommended by clerks with such consistency.

The proposal is to set up a [Business Current Account](#) and a [Business Savings Account](#).

The Current Account has a fee of £6/month. Given that any issues should take less of the clerk's time to resolve this appears a worthwhile cost. As the Parish Council has a turnover of under £100,000 there would be no other costs for the regular banking processes undertaken by the Parish Council.

The Savings Account does not have a fee. Current interest is paid at 2.77% AER. Money can be transferred with instant access and at no cost to the Current Account.

Once the accounts are set up with Unity Trust, they will transfer direct debits, standing orders etc. Again, reports from clerks about setting up accounts with Unity Trust are positive.

Additional signatories can have access to the online accounts, so the account would operate in the same way as it does now. I'm told that details of all account signatories would be transferred and confirmation of details (passport, driving licence or utility bill) would be requested if needed.

### **Scottish Widows Account**

The PC holds around £5,500 in a Scottish Widows account. I propose that this money is transferred to be held in the savings account with Unity Trust Bank.