

# Unity Trust Teams Meeting – 4 September

## 1. Purpose of the Call

The Teams meeting with Unity Trust Bank was arranged following queries raised at the Finance & Policy Committee (18 Aug) regarding the suitability of Unity as MPC's future banking provider. The focus was on operational processes, administrative flexibility, and the availability of a business debit card.

## 2. Attendees

- Cllr Jan Evans
- Cllr Emily Elliott
- Sam Parkin, Clerk
- Sarah Johnson, Unity Trust

## 3. Business Debit / Purchase Card

Unity does not currently offer a business debit card.

- A Unity-issued debit card is in development, expected sometime in 2027
- In the interim, Unity uses Lloyds as a third-party provider for a Corporate Purchase Card:
  - £3 per month
  - £50 setup fee
  - Council sets a monthly spending limit
  - Balance is cleared monthly by Direct Debit
  - 6–8 week setup time
  - No exit fees
- Sarah recommended keeping the existing bank account running alongside Unity until the card is active and functioning.

## 4. Account Type, Charges & Cash Handling

MPC currently falls under Tier 1 (under £100k), meaning:

- £7 per month account fee
- Includes a set number of free cheque and cash deposits
- No additional standard charges

However, based on Unity Trust Bank's criteria, MPC will fall under Tier 2 if the draft 2027/28 budget is agreed, as the Council's predicted annual turnover will exceed £100,000. Under Tier 2, the account structure is:

- £7 per month account fee
- 15p per individual transaction, including both incoming and outgoing payments

Cash deposits can be made at:

- Post Office
- NatWest branches (Unity's clearing provider)

Unity offers:

- A current account tailored for councils
- Access to governance-friendly internet banking designed for multi-signatory organisations .

## 5. Online Banking & Support

- Online banking is via a web-based app.
- Unity provides tutorial videos and step-by-step guides for common tasks .
- Support available by phone or Teams.
- Unity has a small dedicated Local Councils Team, ensuring continuity and avoiding repeated explanations—an issue currently experienced with Lloyds.

## 6. Mandate Management & Administrative Changes

Jan raised concerns about administrative changes, processing speed, and who can make them.

Unity confirmed:

- The Clerk will be the Key Contact and can speak to Unity directly about all matters (unlike Lloyds, who only speak to members).
- Clerk must be set up as an Administrator.
- Administrator can:
  - Remove members online
  - Initiate mandate changes using Unity's mandate form

- Adding or editing signatories online is in development; currently this is done via paper forms (Unity is actively improving mandate flexibility ).
- Standard processing time: within 2 working weeks
- Urgent changes can be expedited.
- It should also be noted that Lloyds has recently issued two authorisation bank cards to former councillors who were removed from the mandate in 2020 and 2022; this has now occurred three times this year, highlighting ongoing concerns about Lloyds' administrative reliability.

## 7. Ethical, Social & Sector-Specific Banking

Unity's background and ethos:

- Established 1985 by trade unions; socially focused and financially sustainable
- Works exclusively with councils and charities.
- Lending aligned with UN Sustainable Development Goals (SDGs) .
- Publishes an annual impact report demonstrating community benefit.
- Hosts quarterly Clerk Forums and invites feedback from councils.
- Provides sector-specific onboarding and avoids the inappropriate business-style processes used by high-street banks (e.g., shareholder questions, excessive ID checks) .

## 8. Key Takeaways for MPC

- Unity is well-aligned with parish council needs, offering sector-specific processes and strong support.
- The main operational gap is the absence of a debit card until 2027.
- The Lloyds Corporate Purchase Card is a workable interim solution but requires 6–8 weeks to set up.
- Unity's administrative processes appear more flexible and clerk-friendly than Lloyds.
- Ethical and community-focused banking aligns well with MPC's values and public expectations.
- Keeping the current account open during transition is strongly advised.

## 9. Recommendations

1. Note the report and that the clerk has submitted a formal complaint regarding repeated Lloyds administrative errors.
2. Agree in principle to switch to Unity Trust Bank, retaining the Lloyds account during transition.
3. Approve setting up a Lloyds Corporate Purchase Card as an interim measure.
4. Delegate the Clerk to progress the transition and necessary applications.