



BANKING & CASH HANDLING POLICY

Recommended: Finance & General Purposes Committee
15th March 2022

Approved: Full Council 2022

1. Introduction

- 1.1 The management and safekeeping of cash is of prime importance to Billingham Town Council. It is essential that all staff adhere to the Banking and Cash Handling Policy and procedures in place to reduce the risk of misappropriation of funds to the Town Council and, to protect all staff dealing with cash as part of their duties. Failure to adhere to this policy and procedures is a serious matter and will be dealt with in line with the Town Council's Disciplinary Policy.
- 1.2 This policy and the procedures in place augment the financial regulations on banking arrangements, income, cash floats and security and therefore, has the same standing as the Town Council's Financial Regulations.

2. Objectives

- 2.1 The objectives of this policy are to ensure that:
 - All income received and held by the Town Council is completely and accurately accounted for and banked promptly. No more than £250 can be kept either in the office, or café safe at any one time, as verified by the Town Council's insurers. Approved staff should endeavour to bank on a daily basis or as soon as practicable as per insurance cover;
 - All income is held securely.

3. Accountability

- 3.1 It is the responsibility of all staff members handling cash or coming into contact with cash as part of their duties to understand and adhere to this policy and the procedures in place.

4. Payment Methods

- 4.1 Income can be received by the following methods:
 - Cheques – all cheques should be made payable to Billingham Town Council. The payee's full name and payment reference should be quoted. Cheques should be drawn on a UK bank account and paid in pounds sterling and marked for the attention of the Town Clerk/RFO;
 - BACS/Bank Transfers – payments can be made directly by bank transfer. The Town Council office will confirm the relevant bank account details;
 - Cash – payments by cash are received from the Café in John Whitehead Park. Payments can also be made in cash for

photocopying services in accordance with the Town Council's Model Publication Scheme. Payments for the hire of the Annexe can also be made in cash. Cash received must be receipted to the customer and a copy retained for consolidation of banking. The purpose and details of the transaction must be clearly written on the receipt to allow for accurate appropriation of income;

- Card – Debit/credit card payments are accepted in the Café and for the hire of the Annexe. This is done through Square card reader. A daily report must be produced detailing card payments for bank reconciliation. Receipts for payments can be given via email, text or by written receipt.

5. Cash Handling Procedures (Café, John Whitehead Park)

- 5.1 All monies received to be handled by a Town Council Officer who are the approved members of staff who will safely bank the cash on a daily basis.
- 5.2 At the start of each day, the float in the Café till should be checked (£100 maximum float). This should also be checked again at the end of the shift after the daily cash sales sheet is completed.
- 5.3 All cash transactions are to be processed through the Square card reader.
- 5.4 Any cash purchases made during a shift should be recorded and a valid receipt obtained.
- 5.5 A record of cash sales must be completed at the end of each day. If the till does not balance, a report to explain this must be submitted with the daily cash sales sheet. All errors must be reported to the Town Clerk/RFO and any explanations or reasons known for discrepancy noted clearly with the cash and paperwork.
- 5.6 All cash must be counted by two members of staff and bagged in a secure money bag signed by the staff. The value of the float should be removed from the total and the float secured in the café safe at the end of the day.
- 5.7 When physically counting cash, time should be taken and if unsure, should be recounted. Whenever practically possible, two members of staff should be present to count the money.
- 5.8 A cash report from the Square reader must be produced at the end of each day. This should be checked against the cash received and any discrepancies dealt with immediately.

6. Banking – Café income

- 6.1 Cash should be banked on a daily basis wherever possible, and no cash should be stored in the private residence of any employee.
- 6.2 A Town Council Officer shall undertake the banking preparation by completing a paying-in slip in the bank paying-in book.
- 6.3 Two members of staff are required to undertake the banking process, retaining the bank book/slip to show that the payment has been received by the bank. The paying-in counterfoil should clearly show what the payment was and when it was received. A separate paying-in slip should be used for each transaction.
- 6.4 Taking cash to the bank should be done at varied times and to no fixed pattern. Routes to the bank should be changed on a regular basis and employees to carry personal panic alarms whilst in transit, should staff be challenged or threatened.

7. Invoice – Town Council services

- 7.1 This function is carried out by the Deputy Town Clerk and/or the Administration Officer through the Rialtas accounting system.
- 7.2 Invoices generated must show what the charge relates to and when payment is expected and, they should be approved by the Town Clerk/RFO before they are mailed to the customer.

8. Receipt of Income

- 8.1 Income from customers can be received in a number of ways, i.e. cash, cheque, card, bank transfer.
- 8.2 Upon receipt of payment in cheque, validation checks must be carried out, these include:
 - Valid date (not post-dated);
 - Correct payee;
 - Amount in words and figures match;
 - Signature;
 - Amendments signed by the issuer.
- 8.3 A paying-in slip in the paying-in bank book should be completed and this should be taken to the bank at the earliest convenience.
- 8.4 Upon receipt of cash, a receipt should be provided to the customer and a paying-in slip completed as with a cheque. Any unbanked cash should be kept securely in the Town Council's safe and kept to a minimum.

9. Requests for Cash Purchases - Cafe

- 9.1 A cash request form must be completed and authorised and signed by the Town Clerk/RFO. This will be a maximum of £100 at any one time.
- 9.2 A receipt of cash must be signed and dated by the member of staff collecting the money.
- 9.3 All receipts relating to the cash must be kept and returned back to the office for checking. Any left over cash will be returned back to the bank.

10. Petty Cash

- 10.1 The Town Council office holds £150 in petty cash. This is kept in the office safe at all times.
- 10.2 Any expenditure from Petty Cash must be authorised by the Town Clerk.
- 10.3 All receipts should be returned back to the Town Council office at the earliest convenience.
- 10.4 Petty cash is reconciled monthly through the Rialtas accounting system and a monthly report and spreadsheet is produced detailing the spend.