



## **CASH AND PAYMENT HANDLING POLICY & PROCEDURES**

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### **Appendix I Reconciliation Sheet**

## **1. Introduction**

Neston Town Council is now a predominately cash-free organisation. However, the management and safekeeping of cash remains a prime importance to Neston Town Council (NTC). It is essential that all NTC staff adhere to the Cash Handling and Banking Procedures in place to reduce the risk of misappropriation of funds to NTC and to protect all staff dealing with cash as part of their duties. Failure to adhere to the Procedures is a serious matter and will be dealt with in line with NTC's Disciplinary Policy.

Cash throughout this procedure document not only relates to GBP notes and coins but also to foreign currency, cheques, credit card transactions, bank drafts and postal orders.

This procedure document applies to **all** locations where cash is.

## **2. Accountability**

It is the responsibility of **all** staff handling cash or coming into contact with cash as part of their duties to understand and adhere to the Cash Handling and Banking Procedures in place. Failure to do so will result in appropriate disciplinary action being taken.

## **3. Payment methods**

Income can be received by the following means:

### **Bank Transfers**

Payments can be made directly by bank transfers. Full payee information and invoice number must be clearly included on all transfer documentation. Please be aware that transfers can take up to a week. It must be recommended that the customer keep a copy of the transfer documentation as their receipt.

Bank details will be made available to facilitate direct transfer payments to made direct to NTC.

### **Internet Payments**

Payments taken through the website will be credited directly to the bank. The payment references will enable clear reconciliation.

### **Payments via Card**

Payments received through the Council's card reader system are paid directly to the service provider in this first instance. Weekly reports are produced by the Market & Town Hall Manager to show the breakdowns and total fees received into the Council's bank account, less charges.

### **Payment by cheque**

All cheques should be made payable to 'Neston Town Council' or the relevant subsidiary account. Please ensure the Payee's full name and payment reference is quoted. All cheques should be drawn on a UK bank account and be paid in Pounds Sterling. Cheques should be marked for the attention of the

Chief Officer and posted to Neston Town Council, Neston Town Hall, High Street, Neston, CH64 9TR.

### **Payments by cash**

Payments by cash are received for a variety of functions. Cash must be receipted to the customer and a copy retained for consolidation of banking. The purpose and details of transaction must be clearly written on the receipt to allow for accurate appropriation of income.

#### *Invoicing.*

This is a function carried out by the Administration Officer of NTC. This is a paper-based function and invoices should be generated in good time and mailed to the customer, clearly showing what the charge relates to and when payment is expected.

Income from customers and users of the Town Hall can be received in a number of ways:

On receipt of payment in cheque, an Officer of the Council shall complete a paying in slip in the paying in bank book and take the payment to the bank at the earliest opportunity, retaining the bank book to show that the payment has been received by the bank. The paying in book counterfoil should clearly show what the payment was received for, name of payee and the invoice number where appropriate.

On receipt of payment by cash, an Officer of the Council should provide a receipt to the customer and complete a paying in slip and bank the cash as with a cheque, at the earliest opportunity. Cash should be kept safely and securely and banked on the day of receipt.

#### *Individual payments of cash for a group activity.*

A register of attendees should be kept, both for our audit purposes and as a fire register, and their cash payment recorded on this register. The cash should then be counted in the office (whilst the office is locked) and the reconciled amount entered into a paying book. This money should then be banked at the earliest convenience.

#### *Market Takings*

At the end of the market collections, the funds should be balanced with its float and any discrepancies registered and brought to the attention of the Market & Town Hall Manager.

The cash should be reconciled and banked on the day of receipt.

### **4. Receipt of income**

Following receipt of cash, the cash must be securely stored prior to banking. The cash should be banked at the earliest opportunity. The process of banking and transporting cash to the bank is detailed above.

Other forms of income should be allocated and appropriated to the correct budgetary codes and relevant invoices by the RFO.

## **5. Cash handling**

### **Accuracy**

When physically counting cash always take your time and if you are unsure count the cash again. If you are handed a large volume of mixed notes it is useful to split them into their denominations before counting to avoid confusion. Don't be distracted or intimidated by customers. If you are struggling or the customer is disputing the value of cash handed over then ask a colleague to double count it for you.

### **Cash**

Any unbanked cash should be kept secure and kept to a minimum.

### **Cheques**

When taking a cheque from a customer check the following before receipting:

Valid Date

Correct Payee

Amount in words and figures match

Signature – checked against guarantee card

Any amendments are to be signed by the issuer

Details of the cheque guarantee card should be written on the reverse of the cheque

### **Cash Handling**

Cash to the value of £250 can be taken to the bank in a non-descript, but secure bag by one person. Should any person be challenged and threatened for the money, the money should be handed over and no risk to the person taken.

Cash to a value over £250 to £1000 should be taken to the bank by 2 members of staff. No risk to the staff should be taken if they were to be challenged and threatened for the money.

Cash to a value over £1000 should be divided to amounts lower than £1000 and taken to the bank in tranches and at irregular intervals.

All cash should be counted in a secure location such as the office, behind locked doors and access to the counting area restricted whilst the money is on the table.

Money should be banked on the day of receipt.

Whenever practicably possible, two members of staff should be present to count the money. All errors should be reported to the Town Centre Manager and any explanations or reasons known for a discrepancy noted clearly with the cash and paperwork.

## **Markets**

Card or Cash payments are to be collected immediately after set up is completed, in an ordered fashion.

Applying the pricing policy, all traders are to pay their due rental charges.

Any cash is to be collected in tranches of values no greater than £250. When £250 worth of rent has been collected, then the cash handler must return to the office, bag the cash up with details of receipt number sequence and store the cash in the safe until all cash has been collected.

Cash should then be counted by two members of staff and the details of takings recorded in the paying in book.

## *Reconciliation*

After an event or market, the cash must be reconciled against floats or expected income.

Make clear and detailed notes of monies received and ensure details of note and coin denominations recorded.

## *Discrepancies*

If there is a discrepancy between the amount in hand and the amount expected, then the monies must be checked by another team member. If the discrepancy remains follow the following protocols:

- Under £3 value of discrepancy:- the Administration Co-ordination Officer to make clear notes of the reasons for the discrepancy and any findings. Check that the cash has not been misplaced (e.g. under the till drawer, on the floor).
- £3 - £10:- Market Manager to investigate the cause and make clear notes to accompany the reconciliation sheet, signed and dated.
- Over £10:- Market Manager must inform the Town Clerk with their findings and a full file note on actions, findings and reasoning to be attached to the reconciliation sheet.

The cash should be taken to the bank at the earliest opportunity in a non-descript bag. Cash to a value up to £250 can be taken to the bank by 1 person. Cash to a value between £250 and £1000 should be taken to the bank by two members of staff. Cash to a value over £1000 should be divided into values below £1000 and taken to the bank by two members of staff at random intervals.

*Note:*

Taking cash to the bank should be done at varied times and to no fixed pattern.

Should a member(s) of staff be challenged and threatened for the cash, no resistance should be made or risk taken to endanger the member(s) of staff. As much detail as possible regarding the assailant should be remembered in terms of appearance, height, age, accent, dialect, clothes, vehicles, direction of travel etc.

All cash payments must be receipted, with the exception of Town Hall attendee/participant on the door payments, when a register of attendees should be taken, where each attendee writes their details and value of cash payment given.

It is planned that direct to bank payments will be taken in the near future for market stall rents of regular traders. This will reduce the cash handling of the market operation, but will require close monitoring by market staff to ensure claims by traders of payments made electronically are accurate.

The total value of cash insured to be retained in the safes is £5000 in total (not in each safe).

## **6. Banking preparation**

Following the reconciliation of income, income should be prepared for banking ready to be taken to the bank. Staff responsible for cash handling at each site are responsible for the banking preparation at their respective sites.

Cash and cheques must be banked with separate Bank Giro Credit (BGC) slips being completed. BGC books can be obtained from the Town Clerk/RFO. The books allocated to each site will have unique pay in numbers, used to identify pay-ins as they are credited to the bank accounts.

### **Cash banking (GBP coins and notes are banked on the same BGC slip)**

Separate cash from the till into coin denominations and note denominations.

#### **Coins:**

Coins are bagged into clear bank coin bags adhering to the denomination limits on the front of each bag.

Remaining coins not equalling a denomination limit should be treated as oddments and placed in one clear bank coin bag.

The breakdown of denominations should be filled in on the right-hand side of the BGC slip and the total for the banking entered in the '£ boxes' on the two left hand side counterfoils.

#### **Notes:**

All notes should be face up with the largest value at the bottom (£50 on bottom, £5 on top).

Notes must be flat, not rolled or folded.

Notes must be bundled together using an elastic band.

The breakdown of denominations should be filled in on the right hand side of the BGC slip and the total for the banking entered in the '£ boxes' on the two left hand side counterfoils.

*Completing the banking:*

On the *Paid in by* line clearly write your name.

The completed BGC should be taken (in the book) to the bank, where it is receipted and the counterfoil date stamped by the bank.

Take the Banking Advice Form and record the BGC number, monetary value and return the Banking Advice Form to the RFO.

### **Cheque banking**

Carry out validation checks to verify that cheques are able to be banked:

- a. Valid Date (i.e. not post-dated),
- b. Payable to NTC (or subsidiary account as appropriate),
- c. Amount in words matches the amount in figures,
- d. Signature and
- e. Any amendment to the cheque has been signed by the customer.

All cheques should be written on the BGC slip. On the *Paid in by* line clearly write your name.

The cheques should be paid in at the earliest opportunity and the counterfoil clearly marked with the source of income such as invoice number or specific activity and date.

## **7. Safes & Insurances**

The only safes in current use are the two in the Town Hall Building Complex Office, which have a combined maximum insurance value of £5,000. This value should not be exceeded and no other safes can be used for the storage of cash.

### **Staff Acknowledgment:**

I have received, read and understand the Cash Handling guidance as it applies to myself and my position with Neston Town Council.

Signed: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_