



# **Petty Cash and Pre-loaded Cash Card Policy**

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## **1. Introduction**

- 1.1 Thornbury Town Council is committed to reducing the requirement to deal in cash, due to the increased risk this poses. There will still be some requirement for cash, given the nature of some of the services run by the council and the fact that some customers and suppliers may only deal in cash.
- 1.2 The first port of call for all Town Council payments is by invoice and BACS payment authorised in accordance with Town Council Financial Regulations. Where this is not possible, credit card payment, or payment with one of the pre-loaded cash cards is the next preferred option.

## **2. Pre-paid cash cards**

- 2.1 Thornbury Town Council may issue pre-paid cash cards for use by named members of staff or teams.
- 2.2 Spend on these cards must be in line with approved delegations.
- 2.3 The balance on each card will not normally be maintained at more than £300. If additional funds are required on the cards to enable operational expenditure (for example for site maintenance materials) top-ups beyond this amount will be authorised by the Town Clerk, within delegation.
- 2.4 Cards must be kept safely and securely in a lockable cabinet with limited access.
- 2.5 Authority to use the Site Team card will be at the authorisation of the Site Manager.
- 2.6 Receipts for all expenditure on the pre-paid cash cards must be returned to the Finance Assistant.
- 2.7 Bank transfers to top up pre-paid cash cards will be reported to either Full Council or the Finance and General Purpose Committee at the same time as other payments are reported.

## **3. Petty Cash Policy and Procedure**

- 3.1 The petty cash system is designed for low value items where formal orders are not reasonably possible or appropriate, where a credit card or pre-paid cash card cannot be used or when a supplier will only accept cash payments. Petty cash is the payment option of last resort.
- 3.2 The maximum expenditure per year through petty cash is £500. The funds are permitted to be topped up, if required, through cashing Unity Trust cheques at the Post Office, or by withdrawing cash via a pre-paid cash card.

- 3.3 Office Administration Staff administer and manage the petty cash system with a rolling balance not exceeding £100 and a total annual expenditure not exceeding £500.
- 3.4 All expenditure incurred through petty cash is only as permitted under approved delegations.
- 3.5 The petty cash balance will not normally be maintained at more than £100.

#### **4. Other controls**

- 4.1 When members of staff are given access to a pre-paid card or to petty cash, they must sign a copy of this policy to indicate that they have read and accept its contents (Appendix 1).
- 4.2 Petty cash vouchers are issued with any cash advance and must be returned completed with any claim along with the related receipt and any change.
- 4.3 For petty cash reimbursements, only the receipt need be provided and a voucher logging the reimbursement will be signed and attached to the receipt. The voucher must be signed by the person making the claim and countersigned by either the Clerk or Deputy Clerk.
- 4.4 All receipts are to be placed in the petty cash tin with the voucher attached.
- 4.5 VAT receipts are obtained, where relevant and possible, and will be taken into account for any VAT returns.
- 4.6 The petty cash tin is kept locked in the safe overnight and in a lockable cupboard in the office during the day.
- 4.7 Petty cash expenditure will be recorded, using the Council's chosen financial package, no less than once a month, by an administrator.
- 4.8 The RFO or Clerk will make checks on the balance and recorded transactions before reconciliation. Reconciliation will take place as part of the main bank reconciliation process.

