

# SOHAM TOWN COUNCIL

## DEBIT CARD POLICY

### 1. Introduction

In view of the increase in internet purchasing due to the potential savings that online purchasing may offer, and the convenience of paying by debit card in local shops and businesses (where cash is less welcome or not taken at all), Soham Town Council may authorise the use of Multipay Debit Cards to employees for business use. This policy refers only to the issue and use of Council debit cards.

### 2. Policy Statement

The issue of a Council debit card to an employee must be authorised by Full Council and be issued to a named employee for their use only. No other individual may use the debit card and the card number must not be disclosed to any third party (except for the purpose of a transaction or to report it lost or stolen).

The spending limit of each issued debit card shall not exceed £1,000 and no one transaction may exceed £500.

Each employee issued with a debit card is solely responsible for its safe keeping and usage, and for ensuring that the card is not used by others (not even other employees of the Council). In particular, the PIN number will only be issued to the card holder and must be kept confidential, as must the card security (CSC/CVN) number.

Lost or stolen cards must be reported to the issuing bank immediately upon discovery that the card is missing. With no exceptions, the Responsible Financial Officer (RFO) must also be informed immediately.

In the event of an employee's termination of employment, the employee must return any issued debit card to the RFO and the card will be destroyed. The issuing bank must be advised to cancel the debit card to prevent any unauthorised use.

### 3. Usage

Cash withdrawals may only be made by the Clerk or Assistant Clerk and only for the purpose of topping up the Petty Cash. Both the Clerk and Assistant Clerk must be aware of any withdrawal before it is made.

A debit card issued to an employee shall be used for business purposes only and in conjunction with the employee's job role. It shall not be used for non-business transactions or any personal purchases.

Only secure websites must be used to make purchases.

If a purchase includes VAT, a proper VAT receipt or invoice, addressed to the Council, must be obtained.

### 4. Reconciliation and Inspection

Each debit card transaction must be recorded on the monthly payments spreadsheet which accompanies the Full Council agenda. Each employee must submit related receipts to the RFO for checking against the debit card statement.

The transaction receipts will be reconciled monthly with the bank statements. In the event of any discrepancy, this will be raised with the cardholder.

The cardholder is responsible for obtaining and submitting receipts for all transactions. Failure to produce a receipt may result in the cardholder being held liable for the sum of the transaction.

## **5. Fraudulent or Misuse of a Debit Card.**

If the cardholder misuses the debit card, or uses the debit card fraudulently, this may result in disciplinary action being taken against the cardholder.

This policy will be brought to the attention of all employees to whom a debit card is issued.

This policy forms an addendum to the Council's Financial Regulations (see Financial Regulations 6:18.)

