

Version Control

**Corporate Credit Card Policy and
Procedures**

Version: 3

Date of Last Update: 11/08/14

PURPOSE/BACKGROUND

To set out the policy and procedures that all Authorised Cardholders, Personal Assistants and Nominated Administrators must follow and sign up to when obtaining and using a corporate credit card provided by the Council.

VERSION CONTROL

Version Control	Nature of Amendment	Date of Change	Author
1.0	Creation of Instructions for Users of the Council's Corporate Business Visa Card	20/03/06	Alan Bowman
2.0	Update and Revision of Guidance	04/07/14	Lynn Mirley
3.0	Update following issue to incorporate publication and minor clarification on PAs	11/08/14	Lynn Mirley

CORPORATE CREDIT CARDS

POLICY

It is the Council's policy to facilitate certain of its employees in the conduct of their business on behalf of the Council through the issue of a corporate credit card ("the Card").

To ensure good financial management and sound corporate governance, the Cards will only be issued to **Authorised Cardholders**. Only the Chief Executive or officers reporting directly to the Chief Executive may be Authorised Cardholders.

In the absence of alternative purchase card options to support online transactions for Council business requirements, processes have been developed to enable the use of these Cards for these types of purchases within the Authorised Cardholder's area(s) of responsibilities.

Cards will be subject to strict terms and conditions of use as well as controls which are set out in the Procedures below.

Authorised Cardholders, Personal Assistants and Nominated Administrators will be required to sign a declaration to confirm that they will adhere to this Corporate Credit Card Policy and Procedures.

PROCEDURES		
1	Authorised Cardholders	
	a)	The current list of Authorised Cardholders for the Council is as follows: <ul style="list-style-type: none"> • Chief Executive • Depute Chief Executive – People • Depute Chief Executive – Place • Corporate Transformation and Services Director • Service Director – Strategy and Policy • Chief Officer – Human Resources • Chief Financial Officer
	b)	These people are the Authorised Cardholders for the purposes of this policy and procedures and they are responsible for ensuring the security and safekeeping of the Card issued to them together with the related PIN number and other security details.
	c)	The Authorised Cardholder may only use the Card after they have signed the Declaration of Acceptance and Undertaking (Appendix 1) agreeing to abide by the Terms and Conditions of Use as detailed in this Policy and Procedures.
	d)	If a Card is lost or a PIN number forgotten or compromised the Authorised Cardholder must inform the card provider (currently Bank of Scotland) and the Council's Programme Administrator immediately. The card provider will require a password to process this notification. This password was provided by the Authorised Cardholder in the application form for the Card. The contact number for reporting lost or stolen cards is 0870 513 4588 (and (+44) 1908 544059 if abroad).
	e)	It is the Authorised Cardholder's responsibility to ensure appropriate use of their Card (see 3 below).
	f)	Any Authorised Cardholder who leaves the employment of the Council or otherwise ceases to be authorised as a cardholder for whatever reason shall return their Card to the Programme Administrator at the earliest possible opportunity. The Programme Administrator will then contact the card provider to cancel the Card.
2	Nominated Administrators & Personal Assistants	
	a)	The Card may be used by the Authorised Cardholder in person, by a Nominated Administrator or by a Personal Assistant .
	b)	The Authorised Cardholder must ensure that all the Nominated Administrators and Personal Assistants are made aware of and follow this Council Credit Card Policy and Procedures and that they have signed the Declaration of Understanding in Appendix 2.

c)		<p>The Nominated Administrators for the purposes of this Policy and Procedures will be as follows:</p> <p>Resources Administration Team (Outlook address - Resources Admin Team) covering:</p> <ul style="list-style-type: none"> • Chief Executive • Corporate Transformation and Services Director • Service Director – Strategy and Policy • Chief Officer – Human Resources • Chief Financial Officer • Depute Chief Executive – People <p>E&I Support and Administration Team (Outlook address – E&I Support & Admin) covering:</p> <ul style="list-style-type: none"> • Depute Chief Executive – Place
d)		<p>Each Authorised Cardholder has access to PAs, Secretaries and/or Clerical Assistants and those individuals are the designated Personal Assistants for the purpose of this Policy and Procedures.</p>
e)		<p>A list of the individual Nominated Administrators and Personal Assistants for each Card will be maintained within Corporate Finance.</p>
f)		<p>The Programme Administrator must be advised by the Authorised Cardholder by e-mail of changes to the Nominated Administrators and Personal Assistants for each Card.</p>
g)		<p>The Authorised Cardholder will delegate the internet booking and purchasing activity in relation to permitted expenditure for business related transactions within their areas of responsibility to the Nominated Administrators subject to the Nominated Administrators following the process set out below in section 4.</p>
h)		<p>Personal Assistants will be able to undertake online booking and purchasing activity in relation to permitted expenditure for Authorised Cardholders subject to following the process set out below in section 4.</p>
i)		<p>Any item appearing on the monthly statement which is not recognised by the Authorised Cardholder, the Personal Assistant or the Nominated Administrator should be investigated immediately with the card provider by the appropriate Authorised Cardholder.</p>
i)		<p>The Authorised Cardholder will delegate the financial administration responsibilities associated with the Council Credit Card to their Nominated Administrator(s).</p>

3	Programme Administrator	
	a)	The Programme Administrators for the Council Credit Cards is the Corporate Finance Manager and any other individual that the Corporate Finance Manager nominates for this purpose. Each Programme Administrator will have to sign the Declaration of Understanding in Appendix 3.
	b)	The Programme Administrator will ensure the safe storage of all confidential information associated with the Council Credit Cards, including application forms and Declarations.
4	Permitted Expenditure	
	a)	The Card is intended to be used to meet business expenses incurred in relation to Council business.
	b)	In certain circumstances the Authorised Cardholder may incur incidental expenses relating to being on Council business which are not eligible expenses under the Council's Travel and Expenses policy. In the event that separating these costs out at point of payment is difficult the Authorised Cardholder is permitted to pay for these expenses on the Card subject to the prompt reimbursement of the costs. The Authorised Cardholder through the signing of the Declaration of Acceptance and Undertaking (Appendix 1) undertake to repay to the Council the amount charged to the Council for this purpose and consents to the Council making deductions from their salary or any other payments due to recover this amount.
	c)	The Card must not be used to procure goods/services where the normal ordering/payment systems can be utilised, nor should it be used to circumvent the Council's Financial Regulations, or Procurement and Purchasing Guidelines.
	d)	The default set up on all Council Credit Cards does not enable cash advances as Authorised Cardholders are expected to make arrangements to obtain cash in advance of business trips through the normal Council channels due to the costs associated with cash advances.
	e)	Any non-business use of the Card or failure to comply with these Instructions and Accounting Instructions may result in action being taken under the Council's Disciplinary Procedure and/or the withdrawal of the Card.
5	Using the Council Credit Card	
	a)	The Card may only be used to meet permitted expenditure.
	b)	In the absence of alternative purchase card provision for online/telephone purchases and bookings, a member of the Authorised Cardholder's department/service is permitted to make use of the Card but only through their Nominated Administrator (see 2 c above) subject to following the process set out below (see 4 e).
	c)	Using the Credit Card - Authorised Cardholders
	(i)	The Authorised Cardholder has permission to execute permitted expenditure in person using the PIN number for authorisation, and via online transactions.

	(ii)	Following the transaction the Authorised Cardholder must provide the back up for the transaction to their Personal Assistant who will complete the Payment Authorisation Form (see Appendix 4).
	(iii)	The Authorised Cardholder will then sign off the form which must be submitted promptly to the Nominated Administrator.
	(iv)	Only the Authorised Cardholder may use the card away from the office and when the card is used it should not be let it out of their sight.
d)	Using the Credit Card – Personal Assistants	
	(i)	Personal Assistants have permission to execute permitted expenditure on behalf of Authorised Cardholders via online transactions.
	(ii)	Following the transaction the Payment Authorisation Form (see Appendix 4) must be completed with the back up for the transaction attached.
	(iii)	The Authorised Cardholder will then sign off the form which must be submitted promptly to the Nominated Administrator.
e)	Using the Credit Card – Nominated Administrators	
	(i)	A Nominated Administrator has the permission to execute internet transactions for permitted expenditure on behalf of a member of staff within the Authorised Cardholder's department/service providing the Payment Authorisation Form (see Appendix 4) is completed and authorised by an appropriate budget holder/authorised signatory.
	(ii)	No transaction may be executed by the Nominated Administrator without the authorised Payment Authorisation Form in Appendix 4.
	(iii)	Some hotels and airlines require presentation of the card used when making a booking to be shown at the time the booking is taken up. In the situation where the booking is not for the Authorised Cardholder, the Nominated Administrator making the arrangements must confirm in advance of the booking if such requirements apply. In the event of this requirement the Nominated Administrator can arrange for a letter to be signed by the Authorised Cardholder (see Appendix 5) and this letter can be presented at the time the booking is taken up.
	(iv)	For internet based train bookings the option to receive the tickets by first class post should be selected, as there is no option to take a card to the station for pick up unless the individual is the Authorised Cardholder. This will incur an additional charge that the requesting budget holder will have to bear.
f)	All transactions using a Card must be supported by the provision of a completed Payment Authorisation Form (see Appendix 4). This form is also available from the Nominated Administrators in Excel format. The Payment Authorisation Form is required to ensure that all expenditure is appropriately authorised by the budget holder or authorised signatory on the budget, and that the relevant information on the expenditure is captured for recording in the Control Sheet and in the Financial	

		Information System (FIS). Back up documentation e.g. receipts/invoices/webpage confirmations of expenditure should be attached to the form as this is required for accounting, VAT recovery and audit purposes.
	h)	All users of the Council Credit Cards must obtain valid VAT receipts when taking delivery of services that are liable to VAT – for example, car hire and the purchase of goods. This is essential for the Council's recovery of VAT costs. Once received these must be forwarded to the Nominated Administrator who received the original Payment Authorisation Form.
6	Card Security	
	a)	The Authorised Cardholder is responsible for the safekeeping of their physical Council Credit Card. The Authorised Cardholder, Personal Assistants and Nominated Administrators are all responsible for custody of the card details and security information and to guard against possible fraud.
	b)	In the event of any suspected fraudulent use of the Council Credit Card the Authorised Cardholder must advise the Chief Financial Officer or the Corporate Finance Manager as soon as they are aware of any possible fraudulent use. If this happens out with normal working hours the Authorised Cardholder must immediately advise the Card provider. Contact details will be issued to every Authorised Cardholder when they receive the Council Credit Card.
	c)	When transacting online it is important to be aware of internet security precautions that can be taken and make sure that the website being used can be trusted. Aspects that indicated website should be able to be trusted:
	(i)	As a very minimum communications with secure websites use digital certificates and the web address should always begin with <u>https://</u> the "s" indicates secure. <u>DO NOT</u> enter Card information into a website where the address starts http://.
	(ii)	Closed Padlock or Unbroken Key icon in address bar or browser window indicates that the site is enabled and encrypted for online safety.
	(iii)	Even more secure sites use extended validation certificates which in more modern web browsers turn the address line green .

7	Credit Card Limits	
	a)	There is an overall credit limit of £35,000 attaching to the Council's Corporate Credit Card Account.
	b)	Each Authorised Cardholder will have individual card limits and these are as follows: <ul style="list-style-type: none"> • Chief Executive £5,000 • Depute Chief Executive – People £5,000 • Depute Chief Executive – Place £5,000 • Corporate Transformation and Services Director £5,000 • Service Director – Strategy and Policy £3,000 • Chief Officer – Human Resources £3,000 • Chief Financial Officer £4,000
	c)	Should these limits be close to being breached the Nominated Administrator will advise Authorised Cardholders, Personal Assistants and the Programme Administrators of whatever action is appropriate, including the temporary cessation of use of the Council Credit Card.
	d)	If an Authorised Cardholder becomes aware of a need to request a temporary increase in their credit limit for a specific purpose then they should contact the Programme Administrator by email as soon as possible to allow time to manage the Council's overall credit limits appropriately. The request must be accompanied by a brief explanation as to why the increase is required.
8	Record Keeping for Transactions	
	a)	Authorised Cardholders are responsible for ensuring that appropriate record keeping is maintained for their Council Credit Card. This is normally delegated to the Nominated Administrator.
	b)	The use of the Payment Authorisation Form (Appendix 4) ensures that the Nominated Administrator has information on all transactions on the individual Council Credit Cards. It is essential that evidence for each transaction is collected and stored safely to meet accounting, VAT recovery and internal control requirements.
	c)	The Payment Authorisation Form must be scanned and retained with the appropriate back up documentation, including the VAT receipt (where required) once available.
	d)	It is the responsibility of the Nominated Administrator for the individual cards to ensure that all receipts and confirmations in support of the card transactions are collected and filed securely pending the completion of the monthly accounting and reconciliation process.
	e)	On a monthly basis and for each of the individual cards the Nominated Administrator must carry out a reconciliation of the Payment Authorisation Forms and back up documentation, ensuring that appropriate VAT receipts are available where required, with the Authorised Cardholder's statement. This statement will be provided by the Programme Administrator once it is received.

	f)	The reconciliation must be completed using the Statement Reconciliation Template (Appendix 6). It is also important that the standardised presentation is used to describe the permitted expenditure. This will ensure that it is easier to collate information for responding to data requests including those under Freedom of Information (FOI) legislation.
	g)	Following the authorisation of the Statement Reconciliation Template the Nominated Administrator must undertake a journal in FIS to ensure the movement of the statement balance from the Control Account to the appropriate Cost Centres.
	h)	The Payment Authorisation Forms and Statement Reconciliation Templates must be securely stored by the Nominated Administrator(s) to meet financial and regulatory retention requirements.
	i)	The VAT receipts along with the Journal number relating to the entry in g) above should be forwarded to the Finance Officer – Compliance and Control for inclusion in the VAT return.
	j)	Following the monthly sign off of the Statement Reconciliation Template by the Authorised Cardholder, the Resources Administration Team will co-ordinate the collation of the summarisation of the credit card expenditure across all Cards. This data will then be published by the Resources Administration Team on the Council's internet as part of the desire to be transparent with the Council's expenditure on the Cards.
9	Request for Additional Cards	
	a)	Any request for a new Authorised Cardholder must be submitted to the Programme Administrator who will, subject to confirmation that the requirement is within the Policy, forward an application form to the new Authorised Cardholder.
	b)	The Programme Administrator will arrange for the establishment of a new Control Account in FIS.
	c)	The Programme Administrator will ensure the new Authorised Cardholder signs the Declaration Of Acceptance and Undertaking.

CORPORATE CREDIT CARD

AUTHORISED CARDHOLDER

Declaration of Acceptance and Understanding

Name: _____
Post Title: _____

I confirm that I have read and understood the Scottish Borders Council's Corporate Credit Card Policy and Procedures and confirm that I will adhere to these in my use of the corporate credit card provided.

I confirm that I will, as soon as is practicable, report lost or stolen corporate credit cards to the Card Provider.

I understand that the card is for business expenses incurred during the course of Council business and that should I fail to comply with any of the terms and conditions of the Corporate Credit Card Policy and Procedures then the corporate credit card may be withdrawn and that I may be subject to action in terms of the Council's Disciplinary Procedure.

Should I use the card for any purpose other than business expenses incurred during the course of Council business I undertake to repay to the Council the amount charged to the Council for this purpose. I further consent to the Council making deductions from my salary or any other payments due to me to recover this amount.

Signed: _____

Date: _____

Please forward this form to the Corporate Finance Manager once completed

CORPORATE CREDIT CARD

PERSONAL ASSISTANT & NOMINATED ADMINISTRATOR

Declaration of Understanding

Name: _____
Post Title: _____

I confirm that I have read and understood the Scottish Borders Council's Corporate Credit Card Policy and Procedures and confirm that I will adhere to these in my use of the corporate credit cards.

I confirm that I will not disclose the card information other than for process permitted expenditure, or related booking and purchasing following receipt of the relevant authorisation.

I will ensure that the card information is kept securely at all times.

I understand that should I fail to comply with any of the terms and conditions of the Corporate Credit Card Policy and Procedures I may be subject to action in terms of the Council's Disciplinary Procedure.

Signed: _____

Date: _____

Please forward this form to the Corporate Finance Manager once completed

CORPORATE CREDIT CARD

PROGRAMME ADMINISTRATOR

Declaration of Understanding

Name: _____
Post Title: _____

I confirm that I have read and understood the Scottish Borders Council's Corporate Credit Card Policy and Procedures and confirm that I will adhere to these in my use of the corporate credit cards.

I confirm that I will not disclose the card information other than for the purposes of managing and administering the Council's Corporate Credit Card Programme.

I will ensure that the Authorised Cardholder and Card information is kept securely at all times.

I understand that should I fail to comply with any of the terms and conditions of the Corporate Credit Card Policy and Procedures I may be subject to action in terms of the Council's Disciplinary Procedure.

Signed: _____

Date: _____

Please forward this form to the Corporate Finance Manager once completed

COUNCIL CREDIT CARD – CONFIRMATION OF BOOKING

TO BE ON COUNCIL HEADED NOTEPAPER

NAME & ADDRESS OF SUPPLIER

Please ask for:

Our Ref:

Your Ref:

Date:

Dear Sirs

Booking Reference Number: XXXXXXX

I refer to the above reservation number which was made on-line using the Council's Credit Card.

To ensure that this payment is taken from this card as opposed to the guest(s) on arrival, I confirm the following details:

Full Credit Card Number: XXXX XXXX XXXX XXXX
Exact Amount to be Debited: £xxx.xxx
Guest Arrival Date: dd/mm/yy

I trust this information is sufficient, however if you require further information please contact me on 01835 XXXXXX.

Yours faithfully

Name of Authorised Cardholder
Title of Authorised Cardholder

COUNCIL CREDIT CARD – STATEMENT RECONCILIATION TEMPLATE

**Scottish Borders Council
Credit Card Statement Reconciliation**

Card Holder: Authorised Cardholder Name

Department: Department

Statement Date: dd/mm/yy

Statement Outstanding Balance: £540.00

Card Limit: £4,000.00

Date	Payee	Description	Expense Code	Net Amount	VAT	Total Amount	Cumulative Spend	Balance Available	"Overlimit"
								4,000.00	0
dd/mm/yy	A Hotel	Accommodation for 1 - Pension Meeting	XXXXXX-SSSS	150.00	30.00	180.00	180.00	3,820.00	0
dd/mm/yy	A Train Company	Train Tickets for 2 - Railway Meeting	XXXXXX-SSSS	200.00	40.00	240.00	420.00	3,580.00	0
dd/mm/yy	A Restaurant	Lunch for 4 - SFT Meeting	XXXXXX-SSSS	100.00	20.00	120.00	540.00	3,460.00	0
					-	-	540.00	3,460.00	0
					-	-	540.00	3,460.00	0
					-	-	540.00	3,460.00	0
				450.00	90.00	540.00	540.00	3,460.00	

Credit Card Statement Balance: 540.00 *Reconciled to Statement*

Authorised Cardholder Signature: _____

Date: _____