



Title of Report:	Credit Card Policy
Committee Report Submitted To:	Corporate, Policy & Resources Committee
Date of Meeting:	25 May 2021
For Decision or For Information	For decision

Linkage to Council Strategy (2019-23)	
Strategic Theme	Leader and Champion
Outcome	Our Elected Members will provide civic leadership to our citizens, working to promote the Borough as an attractive place to live, work, invest and visit.
Lead Officer	Chief Finance Officer

Budgetary Considerations	
Cost of Proposal	
Included in Current Year Estimates	YES/NO
Capital/Revenue	
Code	
Staffing Costs	

Screening Requirements	Required for new or revised Policies, Plans, Strategies or Service Delivery Proposals.		
Section 75 Screening	Screening Completed:	Yes/No	Date:
	EQIA Required and Completed:	Yes/No	Date:
Rural Needs Assessment (RNA)	Screening Completed	Yes/No	Date:
	RNA Required and Completed:	Yes/No	Date:
Data Protection Impact Assessment (DPIA)	Screening Completed:	Yes/No	Date:
	DPIA Required and Completed:	Yes/No	Date:

1.1 Background

Causeway Coast and Glens Borough Council has to establish a framework of governance under which its services and functions can operate.

1.2 Requirement for Credit Card Policy

Causeway Coast and Glens Borough Council following approval of the issue and use of Corporate Credit Cards requires a policy to be put in place to provide governance regarding the issue, use and security of these facilities. The current policy was approved on 5th March 2015 and following internal audit reviews a number of amendments have been made in line with audit recommendations.

1.3 Credit Card Policy

The Credit Card Policy has been attached as an appendix. This policy sets out the procedures and guidelines governing the issue, use and security of these cards. The amendments made to the policy are summarized as follows:

- Section 6.1 at point k has been expanded to give more specific and detailed guidance to card holders for their use
- Section 14.1 has been added with a proforma to be completed by card holders to confirm receipt of card and policy document and agreement with the terms of the policy.
- Section 14.2 has been added with proforma credit card expenditure authorisation to be used for all purchases

1.4 Recommendation

It is recommended that the Causeway Coast and Glens Borough Council adopt the new Credit Card Policy as tabled.



**Causeway
Coast & Glens
Borough Council**

Corporate Credit Card Policy

Version number: 4
Dated: 11th May 2021

Author: Chief Finance Officer

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1.1 Introduction

The procedures below outline the control arrangements for the issue and use of the corporate credit card and arrangements for the monthly return and reconciliation to the Finance Department. The procedures follow the guidelines provided by the DAO (DFP) 24/02, "Issue and Use of Payment Cards (inc. Credit Cards)".

2.1 Objectives

This policy applies to all employees of Causeway Coast and Glens Borough Council who are assigned a corporate credit card. The policy outlines:

- The responsibility of those individuals, who have authority to use Councils corporate credit cards, for the approved expenditure incurred while conducting the affairs of the Council
- Rules and limitations for the use of Causeway Coast and Glens Borough Council's corporate credit cards.

3.1 Eligibility

Cardholders are recommended by the Chief Finance Officer and approved by Council prior to issue. Any applications for new credit card holders should be made through the Chief Finance Officer who will need to know what type of items are intended to be bought and the likely volume and value of transactions.

To be eligible for a corporate credit card, an employee must purchase significant volumes of minor goods and services for the use by the Council and must be unable to purchase such items efficiently through the normal procurement system.

4.1 Limits

The transaction limits for card holders will be set by the Council based upon the cardholders requirements and will be applied by the card provider to issued cards. These limits can be reviewed at the request of the cardholder's Line Manager. Expenditure incurred should also be limited to the specific types identified when applying for the card.

5.1 Issue of Corporate Credit Card

- a) The Corporate Director or authorised officer can make a request for a corporate credit card to the Chief Finance Officer/Chief Executive.
- b) The Bank of Ireland VISA Corporate Card 'Cardholder Application Form' must be completed with the following information:
- c) Cardholders Details (to be completed by the cardholder)
 - Full Name
 - Home Address
 - Credit Limit (all Council cardholder applications are for Bank Of Ireland VISA – limit determined by bank.
 - Date of Birth
 - Signature
 - Cardholders Position
- d) Business details (to be completed by the Chief Finance Officer)

- Name of business
 - Business address
 - Business bank account number
- e) The Cardholder Application Form is required to be authorised at a senior level by either the Chief Executive or the Chief Finance Officer. Where an application is made by the Chief Executive, the Chief Finance Officer and a Corporate Director should authorise the application form.
- f) A copy of the Cardholder Application Form should be kept in the Finance Department as a record of those members of staff who apply for a corporate credit card.
- g) The Chief Finance Officer should maintain a list of all corporate credit cards in issue. The following details should be recorded:
- Card user name, title and department
 - Card number
 - Card issue and expiry dates
 - Card credit limit
- h) The Chief Finance Officer will receive the corporate credit card from the Bank of Ireland and forward it to the applicant who is required to sign the back as authorisation.
- i) Each applicant should also confirm in writing that they have taken receipt of the card and that they have read and understood this policy.

5.2 Issue of Corporate Debit Card

Council also hold one debit card in the name of the Chief Finance Officer. This card is only to be used for transactions where a credit card is not accepted eg: booking vehicle tests online. Any staff requiring to use the debit card should seek permission from the Chief Finance Officer prior to use and all back up information (ie invoice/booking confirmations) should be forwarded to the finance department for filing. Use of the Corporate Debit Card is subject to the same conditions of use, etc. as set out in sections 6 to 13 of this policy as Corporate Credit cards.

6.1 Conditions of Use

- a) The 'Terms and Conditions of Use' for the corporate credit card should be clearly documented. A copy of this document should be issued to all card users who should acknowledge receipt and document the fact that they have read and understood the conditions of use. A card should not be issued to an officer who has not signed a set of terms and conditions of use.
- b) The corporate credit/debit card can only be used with the express permission and authorisation of the Chief Executive or member of Senior Management Team (SMT).
- c) The corporate credit/debit card should only be used for the purchase of goods and services on behalf of the Council and used in specific circumstances i.e. where use of the normal purchase order / creditors payment arrangements is not possible.
- d) All expenditure must represent proper and legitimate expenditure incurred on behalf of Causeway Coast and Glens Council.

Corporate Credit Card Policy

- e) **No personal use** should be made of the corporate credit/debit card. Card users must be informed that misuse of a card in this way will be a disciplinary offence.
- f) Corporate credit/debit cards should **not** be used for cash withdrawals.
- g) Corporate credit/debit cards should not be tied to any type of reward system that provides cardholders with any personal benefit or reward.
- h) Corporate credit/debit cards should be kept in a safe place at all times.
- i) If lost, stolen and/or damaged shall be reported immediately to the Chief Finance Officer.
- j) The Councils Procurement Policy will apply to all purchases made with the corporate credit/debit card. In accordance with the Employee Code of Conduct, employees must ensure that they use the Council's funds entrusted to them in a responsible manner and for the purposes of the business.
- k) The corporate credit/debit card is only to be used in circumstances where normal ordering procedures are:
 - Not available
 - Not suitable; or
 - Improved value for money is evident.

Though not exhaustive or mutually exclusive, use of the credit card is generally acceptable in relation to the following types of purchases:

Goods/services needed urgently, such as;

- Travel and accommodation
- Emergency repairs equipment, tools and sundries
- Emergency planning requirements

Goods/services that cannot be acquired through the normal ordering process, such as;

- Suppliers who only accept payment via credit card e.g. online job, adverts
- Online subscriptions
- Telephone orders

Goods/services that can be purchased more cost effectively, such as;

- Payment of court fees
- ICT equipment
- Repairs equipment, tools and sundries

Goods/services that are required out of hours or offsite, such as;

- Emergency changes to travel or accommodation requirements

- l) Details and full supporting documentation of any orders, booking forms, payments etc should be forwarded to the Chief Finance Officer who will file the documentation in date order.
- m) All claims for purchases made by a corporate credit/debit card should be supported by vouchers and receipts e.g. corporate credit/debit card receipts, delivery notes, invoices etc. These should also be forwarded to the Chief Finance Officer and attached to the

authorised documentation already held on file, and the corporate credit/debit card statement when received.

- n) When the corporate credit/debit card is used to pay for something by telephone or over the internet all details should be documented or printed off and forwarded to the Chief Finance Officer. There should be a record of the reason for the use, order number, reference, approval and date. Furthermore card details **should not** be stored on any vendor website/account for future purchases.
- o) When accommodation is paid for by the corporate credit/debit card, the traveller should submit on return a detailed invoice/statement from the hotel showing clearly what is charged to the card along with the signed credit/debit card voucher.
- p) It is important that staff are provided with appropriate training in the use of the card. This applies to card users, finance staff, verifying officers and any other person associated with the use of such a card.
- q) Failure to observe the detailed conditions of use may result in future use of the corporate credit/debit card being declined.
- r) There should be adequate separation of duties particularly between ordering and payment functions, and in checking, validation and payment of each corporate credit/debit card statement. The certification of the Chief Executives expenditure should be only be authorised by the Chief Finance Officer and a Corporate Director.
- s) The Chief Finance Officer should ensure that a clear audit trail exists for all payments made with the corporate credit/debit card from order to statement payment.

The following are the approved methods of processing transactions subject to the cardholder, on each occasion, maintaining a documented record of such transactions:

- Across the counter (the cardholder inputs their PIN number or signs a purchase slip at the time of purchase)
- By telephone (the transaction is completed by quoting Corporate credit/debit card details to the supplier)
- By mail, quoting card details on orders to suppliers
- By internet (the transaction is completed by quoting Corporate credit/debit card details to the supplier)
- Signed letter of authorisation by relevant member of SMT for non-cardholder to use.

7.1 Reconciliation and Return to Finance

- a) On receipt of the Bank of Ireland VISA card statement the Chief Finance Officer should forward a copy of the statement detailing expenditure incurred by the department corporate credit/debit card to a nominated officer in the department.
- b) A nominated officer in the department should be responsible for the reconciliation of receipts held in their Section with each transaction on the VISA card bank statement. A monthly credit/debit card approval voucher must be completed for each transaction or series of transactions.

- c) Any discrepancies will be clarified with the signatory and if there is still a discrepancy, contact should be made with the Chief Finance Officer, who will in turn contact the Bank of Ireland.
- d) All disputed items must be raised within the month of the receipt of the monthly statement and resolved as soon as possible thereafter.
- e) The Finance Department will prepare a journal/return, allocating the transactions to Cost Centres and Account Codes. The journal is checked, and certified by the Chief Finance Officer. The information attached should include a copy of the credit card statement. All relevant back-up is retained on a separate credit/debit card statement file maintained by Finance Staff.
- f) A copy of the journal and statement should be retained in the Finance Department.
- g) The expenditure as shown on the VISA card bank account statement must be accounted for in the same month as the charge is processed in the bank. i.e. the journal must be posted before month end in which the payment is made. The payment is made to the bank of Ireland VISA card account by Direct Debit from the Council's Bank Account within (time to be specified by Bank of Ireland) days of the month end in which the expenditure is incurred. The Finance Department is responsible for posting the corporate credit/debit card journal.
- h) The Finance Department should also prepare a cumulative schedule each month of the monthly corporate credit/debit card expenditure to date. A copy should be sent to the Chief Finance Officer for monitoring purposes.

8.1 Audit

As well as checks undertaken by the Finance department on monthly returns, internal audit will also carry out checks from time to time as part of the internal control framework. These may entail scrutiny of specific transactions and cardholders should be prepared to justify expenditure as appropriate.

9.1 Disputed Transaction

Disputed items on monthly statements must be resolved with the supplier by the cardholder. Should the credit/debit card provider need to be contacted, the Finance Department should be informed.

10.1 Lost or Stolen Credit Cards

The credit/debit cardholder must alert the Chief Finance Officer to the loss/stolen credit/debit card as quickly as practically possible to enable the card provider to be notified.

11.1 Termination of Employment

Credit/debit cards must be returned to the Chief Finance Officer immediately on termination of employment of the cardholder for cancellation. The cardholder remains responsible for providing details of any expenditure included on a credit/debit card statement up to and including their final day of employment.

12.1 Cardholder Register

The Chief Finance Officer shall ensure that a register of all Council Corporate Credit/Debit cards is maintained.

13.1 Improper Use of Credit Cards

All holders of Corporate Credit/Debit cards are in a position of trust in regard to the use of public funds and improper use of that trust may render the cardholder liable to disciplinary/legal action/criminal prosecution. Improper use includes misuse and/or fraudulent use.

14.1 TO BE COMPLETED AND SIGNED BY THE CARDHOLDER

I, _____, hereby acknowledge receipt of the Bank of Ireland VISA Card

XXXX-XXXX-XXXX- _____
(credit/debit card number – last 4 digits only)

I understand that improper use of this card may result in disciplinary action as well as personal liability for any improper purchases. As a cardholder, I agree to comply with the terms and conditions of this agreement and the Credit Card Policy for Causeway Coast and Glens Borough Council. I acknowledge receipt of the Credit Card Policy and confirm that I understand the terms and conditions.

As a holder of this credit card, I agree to accept the responsibility and accountability for the protection and proper use of the card. I will return the card to the Chief Finance Officer upon demand during the period of my employment. I understand that the card is not to be used for personal purchases and that I must provide a receipt for every purchase except for authorized monthly charges. If the card is used for personal purchases or for purchases for any other entity or if I fail to provide a receipt substantiating a legitimate business expense by the end of the current month, Causeway Coast and Glens Borough Council will be entitled to reimbursement from me of such purchases.

Signature _____ Date _____
(Cardholder)

Signature _____ Date _____
(Chief Executive/Chief Finance Officer)

14.2 To be completed by officer requesting purchase and authorised by card holder

CAUSEWAY COAST AND GLENS BOROUGH COUNCIL

CREDIT CARD APPROVAL VOUCHER

TO:

DATE	DETAILS	AMOUNT																																																																																																																																																																																																																																																											
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FOR FINANCE OFFICE USE ONLY

Checked By

Transfer Period

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Finance Officer

Date