

**NEWTON POPPLEFORD AND HARPFORD PARISH COUNCIL**

**CASH HANDLING AND BANKING POLICY**

**Introduction**

Newton Poppleford and Harpford Parish Council (NPHPC) has adopted a Cash Handling and Banking Policy to conform with good accounting and auditing practices and to fulfil its own obligations under Council’s Internal Financial Reporting review.

Throughout this document, the Council’s RFO (Responsible Financial Officer) is the Clerk to Council.

The management and safekeeping of cash is of prime importance to NPHPC. It is essential that all NPHPC staff and members adhere to these Cash Handling and Banking Procedures to reduce the risk of misappropriation of funds and to protect all persons dealing with cash.

Throughout this policy document, Cash includes GBP notes and coins, foreign currency, cheques, bank drafts and postal orders.

This policy document applies to all locations where cash is located.

**Accountability**

It is the responsibility of all staff and members of Council handling cash or coming into contact with cash as part of their duties and activities to understand and adhere to these Cash Handling and Banking Procedures. Failure to do so may result in appropriate disciplinary action being taken or sanctions applied as per the Council’s adopted Code of Conduct including reference to the Monitoring Officer if applicable.

**Payment methods**

Payments can be made by:

**Bank Transfer/BACS/Faster Payment**

This is Council’s preferred method of payment. Bank details will be made available upon request to facilitate such payments.

**Payment by cheque**

All cheques should be made payable to ‘Newton Poppleford and Harpford Parish Council’. Please ensure the customer’s full name and payment reference is quoted on the reverse. All cheques should be drawn on a UK bank account and be paid in Pounds Sterling.

**Payments in cash**

Payments in 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.

**Receipt of Income (Cash and Cheques)**

On receipt of a payment by cheque, the RFO shall complete the next sequential paying-in slip in the paying-in-book and take the payment to the bank at the earliest opportunity. The paying-in slip number should be recorded both in the Cash Book and on the Bank Receipts monthly summary for audit purposes.

On receipt of a cash payment, the RFO should provide a receipt to the customer and complete the next sequential paying-in slip and bank the cash at the earliest opportunity. Cash should be kept safely and securely and banked on the day of receipt if possible or within 5 working days of receipt. Cash receipts should be banked separately from cheque receipts.

**Cash handling**

Cash should be taken to the Bank in a non-descript, but secure bag.

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

*Reconciliation*

After an event, the cash must be reconciled against floats or expected income. Details of monies received for each stall / concession must be kept which record note and coin denominations, using form in Appendix A, which are then compiled using the summary form in Appendix B.

*Discrepancies*

Any discrepancy should be reported to the Internal Auditor

**Cash Floats for Community Events**

The Parish Council does NOT operate a Petty Cash policy. No cash is ordinarily held by the RFO nor any Member of Council in conjunction with their day-to-day council activities.

Any Cash Floats withdrawn for community events should be stored in a secure and discrete location prior to use. Maximum Cash Float is £100 per designated officer or person / stall / concession.

All cash floats are to be signed out to nominated persons and these signed receipts recorded in consequential / chronological order until such time as the float is returned and the receipt corroborated against this schedule. The RFO or designated person must sign to acknowledge receipt of ALL cash floats issued. The sum total of all Cash Floats issued must be recorded and reconciled and this sum returned to the bank on a separate BGC to offset the relevant Cash Float withdrawal remittance transaction subject to the timescales detailed above.

Appendix A:Reconciliation Sheet – single event record
Appendix B:Reconciliation Summary

Adopted by resolution of Policy and Personnel Committee, minute entry PPC19/30, 21st November 2019.

Revised by the Policy and Personnel Committee December 2022