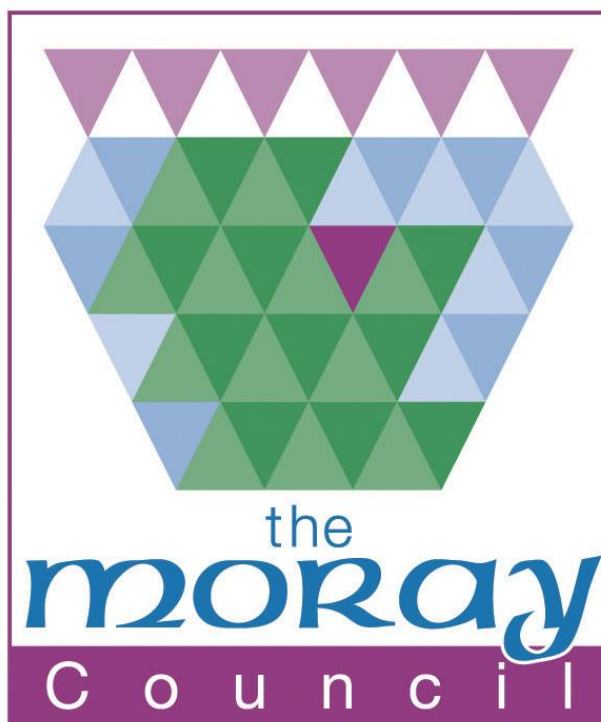


THE MORAY COUNCIL



BANKING AND CASH HANDLING GUIDANCE

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BANKING AND CASH HANDLING GUIDANCE

1 Introduction

- 1.1 The collection and processing of cash is expensive and risky and should be limited to those services where it is the only option.
- 1.2 Effective controls over cash collection, retention and banking systems are necessary to ensure that all income due to or held by the Council is collected, identified, receipted and banked properly and promptly.
- 1.3 The Banking and Cash Handling guidance augment the Financial Regulations on Banking Arrangements and Income.
- 1.4 Heads of Service must ensure that all managers and staff involved in handling cash within their department have read and understand the guidance and that they are complied with at all times. (See P5)
- 1.5 The guidance notes are intended to offer advice to staff for the collection, control and banking of Council income. Income includes cash or cheques. However it is recognised that each location will have separate procedures dependant on location, facilities and value and frequency of cash collection.

2 Control of Cash Collected

- 2.1 Loss of cash is insured up to a limit of £40,000 (subject to an excess of £500) where the cash is held in a locked safe or strong-room.
- 2.2 There is no insurance cover for loss of cash held in a locked receptacle i.e. cupboard, drawer or cash box.
- 2.3 Every effort should be made to avoid holding excessive amounts of cash.
- 2.4 All cash and cheques must be held securely when on Council premises, ideally in a safe or strong-room, alternatively in a lockable cupboard, drawer or cash box **for as short a period as possible**.
- 2.5 Only members of staff authorised by their Departmental Senior Management should have access to money (cash or cheques).

3 Banking

- 3.1 The following basic procedures must be applied to ensure that all income received by the Council is banked properly and promptly.
- 3.2 Once a banking process has been completed i.e. bagged and recorded, it should not be amended. Under no circumstances should alterations be made to takings to be banked.

- 3.3 Bank Giro Pay-In Books are obtained from Payments Section. The pay-in book consists of one large detailed slip with two smaller counterfoils. Each Pay-In Book has its own individual reference number which will relate to a member of staff/section and is used by Payments Section to identify each lodgement with the bank. Request for replacement Pay-In Books are to be ordered through the Council Intranet Site via Financial Services.
- 3.4 Income must be gathered together on a regular basis (as agreed by Departmental Senior Management). The totals must be compared with source information e.g. till receipts or receipt books to ensure that the total being banked balances. The cash/cheque totals should be recorded on the appropriate giro pay-in slip and reconciled to a completed income sheet or Pay.net Cashup.
- 3.5 Care must be taken to ensure that pay-in slips are completed clearly in order that income can be identified and allocated correctly.
- 3.6 When all income has been totalled and a pay-in slip completed, the cash/cheques must be placed into a grey bank bag and sealed. The completed bank giro slip must be placed in the front of the bag. The grey bank bags can be obtained from any Bank of Scotland branch.
- 3.7 Processed income must be banked promptly, ideally not later than the following working day. It is recognised that where small amounts of income are collected it may not be practical or appropriate to bank the following working day. In such circumstances banking may be delayed at the discretion of the Head of Service.

4 Delivery to the Bank

- 4.1 The method of delivery to the Bank will vary considerably across the Council. Agreement should be sought from the relevant Departmental Senior Management and Financial Services on the options available and which is most suited to each location.
- 4.2 Factors which should be considered are:-
 - (1) Average value of typical deposit
 - (2) Distance from nearest Bank of Scotland
 - (3) Proximity to other Council Operations/ Services
 - (4) Safe storage facilities available at source of collection
- 4.3 Security van collection is available from certain locations. Any department who consider this facility must consult with Financial Services.
- 4.4 Where use of security van collection is being considered, proximity to other Council establishments should be considered in order to share costs, e.g. where Departments/ Sections share the same campus.

5. Staff Database

- 5.1 Managers of all Sections are to record the names and Job Titles of all staff who handle cash. All staff are to read all guidelines relating to cash handling including security guidelines and sign as having read and understood. Managers should retain staff lists in a secure area and submit a copy to Payments Manager. Any amendments to this list should be notified in writing to the Payments Manager for updating the Payments Database. As previously mentioned in 1.5 it is understood that sections will have their own guidelines/procedures but those procedures must work in tandem with these guidelines.