

SALISBURY  
CITY COUNCIL



# Cash Handling Guidelines

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FP007	2	RFO	72440	72479	July 2019	July 2022	Finance
FP007	1	RFO	58626	58882	December 2016	December 2019	Finance

**Distribution**

Internal: All SCC Staff

External: N/A

## 1. Objective and Purpose

The objective and purpose of these guidelines is to:

- Provide a framework and processes for cash handling and cash security that is responsible, safe and minimises the risk of loss or theft.
- Ensure that all cash and cash equivalents received by the Council are fully accounted for and deposited in the Council's bank account.
- Provide a framework for cash handling and the security of cash.
- Establish and maintain accountability for the flow of cash through the Council.

## 2. Background

The Council receives cash and cash equivalents from a variety of sources, including over the counter at the Information Centre and at Shopmobility, from market traders and during events. These guidelines apply to all Council employees\*\* involved in the handling of cash and cash equivalents. All employees who receive funds on behalf of the Council have a shared responsibility to ensure these funds are received, held, processed and deposited at the bank in a secure manner.

## 3. Definitions

- *Banking* - Cash preparation and reconciliation by Finance prior to delivery and depositing with the bank.
- *Cash and cash equivalents* - Cheque and currency including notes and coins.
- *Cash handling* - Manual and electronic means of cashiering (cash, cheque and credit card), floats (special events, collection of monies), banking preparation and reconciliation.

## 4. Related Regulations

These guidelines should be read in conjunction with the Council's Financial Regulations and Internal Financial Controls, notably Sections 2g and 2h of the Internal Controls.

## 5. Key Principles

The Council will provide a safe and secure working environment that protects employees and safeguards cash in transit or held at designated Council sites. Only authorised and appropriately trained employees will undertake cash handling, banking and related duties. Management will advise employees of their duties in respect of the receipt, handling, reconciliation and banking of cash.

\*\* The term employees within these guidelines should be read so as to also include agency officers employed in roles which include cash handling.

## **6. Processes & Record Keeping**

Segregation of duties must be maintained so that no individual employee has responsibility for more than one of the following:

- Receipting cash and the issue of receipts.
- Undertaking banking functions.
- Verifying bank totals and undertaking account reconciliations.

Suitable records must be maintained in support of cash transactions, balances, handovers and transfers. Cash transfers between employees must be documented and all monies placed in a secure bag or float prior to transfer. For the handover of cash handling duties between shifts, cash transfers, and end of day and start of day cash balances must be confirmed by an authorised officer.

## **7. Discrepancies**

All cash discrepancies must be reported to the Responsible Finance Officer; repeat or large discrepancies will be subject to review.

## **8. Storage of Cash**

Cash in hand or in-transit must be physically secured and access limited to authorised employees. On site cash must be kept secure in an approved locked drawer, container or safe. When cash is in use (e.g. in cash registers), floats will be restricted to amounts necessary to effect customer transactions. Overnight Cash held overnight at Council premises will be restricted to sums as specified in insurance policies. No private or other monies may be stored in Council safes.

## **9. Cash Floats**

Budget holders can request cash floats from the Responsible Finance Officer where such a float is required for administering the Council's objectives. The borrowing or taking of cash from any float for personal benefit is prohibited.

## **10 Petty Cash**

Petty cash is a discretionary fund held to meet any authorised expenditure incurred, where costs are below £25, and the raising of an order inefficient or uneconomic. Petty cash reimbursements will only be made on presentation of a receipt.

## **11 Management Responsibilities**

Managers responsible for cash handling activities must ensure that these guidelines are available, understood and implemented by all relevant employees, alongside appropriate documentation specific to the service detailing procedures for transporting cash and the daily recording of cash received, the purpose of Z readings, undertaking reconciliations of manual receipts to cash in hand, and the documentation of cash discrepancies.

## 12 Key Requirements and Best Practice

The following help to ensure that the Council maintains with adequate internal control procedures and an audit trail to protect employees in their cash handling duties and the Council in its income generation activities.

- All transfers of cash or cash floats between employees should be recorded through signature, and the time and date noted, by both the transferring and the receiving officer to confirm the transfer of responsibility for that float and its subsequent cash receipts.
- Where there is shared use and responsibility for a float and any takings, employees should ensure that at the end of the day, they agree the sums held in the till to the Z reading, and sign as such. The Customer Services Manager, and in their absence the designated Supervisor, will be responsible for resolving any discrepancies.
- All cash collected should be held securely, preferably in a locked cash box, whilst collection duties are in progress.
- Any cash income which cannot be returned to Finance for banking must be held in a safe or other secure receptacle.
- Cash must never be left unattended for any period of time.
- Cash floats or takings held for an approved purpose must not be used to reimburse staff for other purposes, whether approved or otherwise.
- Keys to any cash box or safe are the responsibility of a designated employee who must keep the keys secure whilst in their custody. When any safe or cash box keys are not held by a designated employee, they must be held securely in a key cabinet; such a cabinet must not be in the same office as the cash box or safe.
- Cash held should be counted by employees upon receipt, at appropriately regular intervals whilst in use, and at the end of the event or period for which the float and takings are held. This should be done out of sight of the public by two designated employees.
- A record should be kept of all cash received to ensure that an audit trail is maintained and a final sum noted against which the final cash up can be reconciled.

### 12 Allocation of Cash and Till Floats

<b>Service</b>	<b>Responsible Officer</b>	<b>Float Purpose</b>	<b>Value</b>
Information Centre	Customer Services Manager	Information Centre	£320
Finance	Responsible Finance Officer	Corporate Use	£200
Shopmobility	Customer Services Manager	Shopmobility	£200
Active Communities	Active Communities Manager	Bemerton Heath Centre	£150
Environmental	IdVerde Operatives	Public Conveniences	£65
Markets and Events	Markets Officer	Charter / Other Markets	£50
Guildhall	Operations Manager	Guildhall	£20
			<b>£1005</b>

### 13 Charter Market Cash Handling

Markets Officer collects the Markets and Events float from the Markets and Events safe and passes to Cash Collector. Cash Collector collects payments from Market Traders and records all receipts against the Market Toll Docket of sums due. The Cash Collector and Markets Officer verify the sums, undertake relevant cross checking and address any queries; the Cash Collector and Markets Officer sign the Toll Docket to confirm the sums received. The Cash Collector records the income in the bank paying in book and banks the income received at HSBC in a designated cash bag. The cash bag receipt is then stapled to the retained copy of the bank paying in slip. The Markets Officer returns the float to the Markets and Events safe. The Cash Collector takes the bank paying in book (with all cash bag receipts) together with the Market Toll Docket of sums received to Finance no later than Tuesday of each week.

#### Example - Cash Transfers Between Officers, and Subsequent Income Receipts

Date	Time	Description of Transfer	Income £	Balance £	Handover Officer Sig	Receiving Officer Sig
01.10.19	10.00	Cash Float Verified for Use by Responsible Officer and Handed to Delegated Officer		50.00	AB	CD
		<i>Cash Collection 1 Made and Recorded</i>	30.00	80.00		
		<i>Cash Collection 2 Made and Recorded</i>	50.00	130.00		
		<i>Etc</i>				
	13:00	Handover of Cash Float and Collected Monies from Cash Collector to Responsible Officer		80.00 C FWD 50.00	CD	AB
02.10.19	9.30	Cash Float Verified for Use by Responsible Officer and Handed to Delegated Officer		50.00	AB	CD
		<i>Etc</i>				