

Appendix 2 - The Ivers Parish Council Cash Handling and Banking Procedure and Policy

Adopted December 2020

1.0 INTRODUCTION

Income is a vulnerable and attractive asset. It can easily be misappropriated if not effectively controlled. Effective controls over cash collection, retention and banking are necessary to ensure that all income held by the council is receipted and banked properly and promptly.

This procedure is intended to offer guidance to staff on the minimum required procedures for the collection, control and banking of council income and represents the minimum standard that must be operated. For the purpose of this procedure, income includes that received by cash or cheque that is held on council premises or within a council cashbox.

The objectives of the procedure ensure that all income received by the council is accurately accounted for, held securely and banked promptly.

2.0 CONTROLS, CASHBOXES AND KEYS

- 2.1 All income received by an employee on behalf of the council is to be recorded without delay
- 2.2 All income is to be secured in a council cashbox and the cashbox is to be held securely
- 2.3 All income collected is to be regularly reconciled and banked
- 2.4 Keys to the safe are to be removed from the premises or kept securely

3.0 SEGREGATION OF DUTIES

- 3.1 There shall be a segregation of duties to prevent error and guard against theft and fraud. The business administrator shall predominantly receive and record the cash payments. For the case of cash payments in excess of £100 the receipt shall be dual authorised if possible.
- 3.2 Banking shall be undertaken by the Clerk/Deputy Clerk.
- 3.3 The number of people handling cash prior to banking shall be kept to a minimum.

4.0 INCOME CASH AND CHEQUES

- 4.1 Cash and cheques will, immediately on receipt, be recorded in the receipts book located in reception. The date of receipt, payee, cheque or cash, amount and any further details will be recorded.
- 4.2 In instances where the payee is present a copy of the receipt will be given for payments made by cash
- 4.3 The income will be placed in the cashbox in the safe with the receipt attached until it is processed onto the accounts system and the income is reconciled.
- 4.4 In instances where there is a larger than usual amount of cash received it shall be banked immediately.

5.0 BANKING

- 5.1 As a minimum banking will be undertaken on a fortnightly basis using the facilities provided by the local post offices

5.2 Once banked the amounts shall be entered into the Edge accounts system as banked