# Terms and Conditions

This document defines the responsibilities and Code of Conduct for all WBC Corporate Card holders and is revised in line with C21 Council ways of working.

The following conditions are to outline the control procedures within the WBC for the use of Corporate Credit Cards and to ensure that all expenditure incurred on these cards is within Council guidelines and also meet the current HMRC regulations to allow the Council to recover and claim back VAT wherever possible.

These conditions must be adhered to by all cardholders in line with the ‘conditions of card’ issue to the user and as detailed within this document. Failure to comply could result in the card being withdraw and if necessary, disciplinary action may be taken against individuals.

In order to facilitate effective management of expenses, a Corporate Credit card can be made available to WBC officers in defined circumstances and at the discretion of the Lead Specialist (Finance). The general circumstances when a card may be made available are when:

* There is an operational requirement for the flexibility which the card would offer.
* There is an ongoing need that cannot be met effectively by other arrangements, i.e. unable to procure the goods service through the regular procurement procedures (BWO) supplier and purchase order.
* The case for a card has been approved in writing by the service director/assistant director, Lead Specialist (Finance) and, if necessary the Deputy Chief Executive/Chief Finance Officer.

# Application

* 1. All requests for a WBC Corporate Credit Card should be made to Business Services.
  2. All such requests should be made through Business Case Application with a clear statement of the intended usage set out. It must also state why the recommend purchasing procedures (ie: Purchase Order) is not suitable.
  3. All such requests for the applications are to be approved and confirmed by appropriate line managers, clearly outlining the cost centres the new commercial credit card would be operational under, with set credit limit and single transaction limit. The cost centre stated will be the ‘default cost centre’ for the card (if issued).
  4. All Business Case Applications to be approved by Lead Specialist (Finance).
  5. All cardholders must comply with the Council’s transactional bank’s (NatWest) instructions. This includes (but not limited to) the receipt verification procedures through the self-service portal with the Bank.

# 2.0 Usage

2.1 The card must only be used for the official business of the Council and in line with the approved conditions of the original business case application.

* 1. Under no circumstances is it permissible for cardholders to use their card for items of personal expenditure.
  2. The card must only be used by the official cardholder and is not transferrable.
  3. The notified limits (individual transaction and monthly expenditure) for the card must not be exceeded. Credit limits will be reviewed at regular intervals and if necessary revised where there is written justification. Credit limits will also be reviewed by Finance on a regular basis and may also be revised down if usage dictates.
  4. Credit limits can be uplifted on a temporary basis to allow one-off purchases; authorisation for this must be sought from the Lead Specialist (Finance).
  5. Where the use of cards for meals and drinks is pre-authorised with line manager’s agreement, the location, type and cost of the food and drink must be reasonable, commensurate with the normal business activities of the cardholder and needs of the council.
  6. Where the cardholder is uncertain whether particular expenditure made on the commercial card would be permissible, then advice should be sought in advance from the relevant personnel – Budget Manager and/or Assistant Director; where necessary advice should be taken from the relevant senior specialist within the Finance Team.

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| Important: | **The use of Corporate Credit Cards will be monitored by Business Services, the finance specialist team and Internal Audit. If inappropriate and/or unauthorised expenditure is suspected, then this will be investigated and if appropriate any loss to WBC may be recovered through deductions from the cardholder’s salary. In addition the use of the card may be withdrawn and disciplinary action may be taken against those involved.** |

# Supporting Documentation

* 1. The cardholder is responsible for ensuring all card transactions are recorded whenever they use their card. All transactions require supporting documentation.
  2. The relevant budget manager should also review monthly expenditure through monitoring transactions on budget books.
  3. Budget holders are required to monitor all expenditure on all cards issued for their teams and must ensure that this expenditure is in accordance with the intended purpose for which the card was issued.  The expenditure must be in line and cross-checked against the monthly reports available on the online portal, run from 29th of the month to the 28th of the following month.
  4. It is the cardholder’s responsibility to check and monitor their transactions through the Council’s NatWest Bank Portal; they should check all items on their card’s account, including retaining/reconciling receipts and completing the Expenditure Log.
  5. All items of expenditure listed on the monthly statements should be entered on the monthly return, providing sufficient details of the activity, the purpose of the expenditure and the accounting code and cost centre.
  6. Any items of expenditure relating to the payment of members expenses must be coded accordingly.
  7. Details of the cost centre for expenditure to be charged to must be entered. If this is not entered, expenditure will be charged to the ‘default cost centre’ previously notified to Business Services.
  8. All receipts must be supplied to support any expenditure on the card and all receipts and coding information are to be uploaded electronically by cardholder directly onto the banking portal; these are required to support all transactions on to the NatWest Bank’s portal as detailed in the ‘Quick Start Guide for One Cards’. Ideally this should

be done when the transaction takes place (or as soon after as possible). In all circumstances all supporting receipts should be uploaded no more than five (5) working days after the month end run, which takes place on the 28th of each month.

* 1. Failure to upload receipts and coding information by the specified deadline may result in the card being suspended in order to protect the Council from unauthorised expenditure. Repeated failure to provide supporting documentation and coding will result in the card being withdrawn permanently and the service director being informed as to why cards are withheld.
  2. In order to allow the Council to recover its VAT fully, VAT receipts should be uploaded where available. Card holders who are unsure as to what constitutes a VAT receipt should seek finance advice. Requirements are already set up for all VAT receipts to be collated and uploaded into the Portal to ensure maximum VAT recovery.

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| **Why is a VAT receipt important?**  Generally, the Council is permitted by HMRC to recover any VAT it has paid for goods and services required to carry out its role as a local authority. Therefore, to allow the Council to do this, it needs documentary evidence to support any claim for recovery. This is normally in the form of a VAT receipt/invoice – if you are unsure what should be on a receipt please check with a finance specialist.  Currently standard VAT is charged at 20% - if the Council is unable to recover this due to not having correct supporting documentation, then the full amount including any tax will be charged to the service cost centre. This means that an item that would normally cost £100 will result in a charge of £120 against a service budget. |

**4.0** Security

4.1 It is the cardholder’s responsibility to exercise a duty of care to avoid theft and/or any misuse of the card, unintentional or otherwise when the card is in use or not.

* 1. Lost or stolen cards must be reported immediately to NatWest Bank and WBC Business Services. Failure to report any lost card as soon as possible may result in transactions being processed on the card which the Council may be liable for.
  2. If an issued card is no longer required by the card holder or is seen to be inactive, the card must be returned back to Business Services immediately after reconciling the last transactions.

# Administration

5.1 The Lead Specialist (Finance) may temporarily suspend or cancel a card in the event that the cardholder fails to comply with the conditions of use of the card. Any cancelled or suspended card should be returned to Business Services on request.

* 1. It is the responsibility of the card holder to retain all statements and monthly reports in accordance with Financial Regulations relating to the retention of documents.
  2. When the Cardholder ceases their employment with WBC, including their period of notice and any ‘Notice in Lieu’ if made redundant, the cardholder MUST inform Business Services immediately to ensure final reports and reconciliations are made on time and the card cancelled on the final day of the holder’s employment.
  3. If a cardholder is placed on suspension of duties, their line manager should take their card from them and pass it to Business Services, who will hold the card pending the outcome of the suspension.
  4. The card should not be used under the following circumstances:

1. On long-term sickness absence,
2. On maternity/paternity leave
3. Suspected of misusing the card,
4. On special leave.

Financial Regulations as at 17th Nov 2016

# Procurement Cards

In some circumstances, the Director of Finance and Resources (Chief Finance Officer) will issue a procurement card to Service Managers or other authorised staff. The procurement card operates in a similar way to a credit card, to allow purchases to be made quickly over the phone, in person or via the internet.

Request for new procurement cards or any changes to existing cards, must be supported by a business case agreed with the relevant Director before being forwarded to Director of Finance and Resources (Chief Finance Officer).

The Director shall ensure that:

1. Nominated cardholders sign confirmation of receipt of the procurement card and acceptance of their conditions of usage;

b) The card is kept securely and only nominated cardholders use it;

c) Any loss or misuse of the card is reported immediately to the Council’s bank account provider and to the Group Finance Team at Shute End;

d) Card limits are not exceeded;

e) There is an appropriate limit for individual transactions incurred on the card and that the limit is applied consistently;

f) The card must not be used to obtain cash (with the exception of emergency duty officers) or any items personal to the Holder or other staff or for making loans to employees;

g) The card must not be used to circumvent Wokingham Borough Council’s Procurement policies/processes. Rule 12.1.20 and Chapter 13;

h) No loyalty rewards (e.g. Air Miles etc) or other personal benefits are collected by the cardholder;

1. All purchase vouchers and till receipts or invoices must be retained for attachment to the card statement as proof of purchase for VAT purposes and for reporting under the Council’s Transparency Reporting procedures. Rule 12.1.4.14;

j) Monthly charge reports are reviewed monthly by the cardholder. The cardholder will check this report for accuracy of expenditure incurred and coding of expenditure to WISER (or any replacement systems) and advise the Group Finance Team if any coding changes are required. Any queries on the statement should be addressed immediately to the bank and a note attached to the statement stating the action being taken to redress any errors forwarded to Group Finance Team at Shute End;

k) The cardholder shall return any card which is no longer required, or on cessation of entitlement, to the Group Finance Team at Shute End who will destroy the card;

l) The cardholder is mindful of their duty in public office and under the Council’s Code of Conduct and does not incur any expenditure on the card that could embarrass the Council or lead to any accusation of abuse;

m) Breaches of the Conditions of Use and the Finance and Procurement Regulations will result in the card being withdrawn and disciplinary action being taken against officers;

**Failure to comply with these guidelines may lead to disciplinary action in accordance with the Council’s Disciplinary Procedures.**

In order to apply for a Natwest credit card you need to complete a **Business Case Form** and a **Natwest Application Form** and send both to: [**procurementcards@wokingham.gov.uk**](mailto:procurementcards@wokingham.gov.uk). By signing this form both the cardholder and line manager confirm they have read and understood the terms and conditions of use as above.

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| **APPLICANT SIGNATURE:** | |
| **Name:** | **Date:**  Click or tap to enter a date. |
| **Signature:** |