



CASH HANDLING POLICY

YEOVIL TOWN COUNCIL



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CASH HANDLING POLICY



1. Purpose

- 1.1. This policy sets out the principles, responsibilities and procedures governing the receipt, handling, storage, transportation, reconciliation and banking of cash on behalf of the Council.
- 1.2. The policy aims to:
 - Protect Council funds from loss, theft, fraud and error.
 - Protect employees involved in cash handling activities.
 - Ensure appropriate internal controls and segregation of duties.
 - Support compliance with the Council's Financial Regulations.
 - Promote secure and efficient cash management arrangements.

2. Scope

- 2.1. This policy applies to all employees, contractors, agency staff and other authorised persons who handle cash on behalf of the Council.
- 2.2. The policy applies to:
 - Cash received by the Council.
 - Cheques received by the Council.
 - Cash floats and change funds.
 - Cash held within Council premises or in transit.
 - Banking and reconciliation activities.
- 2.3. The Council's preferred method of payment is electronic payment and officers should encourage the use of online payments, direct debit, debit card and credit card facilities wherever possible

3. Responsibilities

3.1. Council

- 3.1.1. The Council is responsible for ensuring appropriate arrangements are in place for the secure management of cash and financial controls.

3.2. Responsible Finance Officer (RFO)

- 3.2.1. The Responsible Finance Officer and Deputy Responsible Finance Officer are responsible for:
 - Administration of cash handling arrangements.
 - Maintaining records of authorised cash handlers.
 - Monitoring compliance with this policy.

- Reviewing risk assessments
- Undertaking spot checks and investigations where required.

3.3. Directors and Managers

3.3.1. Directors and managers must:

- Ensure staff comply with this policy.
- Undertake risk assessments.
- Ensure appropriate training is provided.
- Report incidents and concerns promptly. [Cash Handl...Policy ac | Word]

3.4. Employees

3.4.1. Employees must:

- Handle cash responsibly and securely.
- Follow this policy and local procedures.
- Report incidents immediately.
- Maintain confidentiality regarding cash movements and security arrangements.

4. Segregation of Duties

4.1. Appropriate segregation of duties must be maintained wherever practicable.

4.2. No individual should be responsible for more than one of the following functions:

- Counting and transporting cash.
- Banking preparation.
- Banking or courier collection.
- Reconciliation of records.

4.3. Dual verification should be used for high-value transactions, cash transfers and cash float counts wherever practicable.

5. Cash Collection and Storage

5.1. All cash received must be recorded immediately and stored securely.

5.2. Cash must be stored in an approved locked safe and access restricted to authorised personnel only.

5.3. Cash holdings must not exceed approved safe limits unless the safe meets the required security standard.

5.4. Safe keys and access arrangements must be safeguarded at all times. Any loss or compromise must be reported immediately.

6. Cash Transportation

- 6.1. Cash must be transported to a secure location or banked at the earliest opportunity.
- 6.2. Cash must be carried in unmarked bags and transported discreetly.
- 6.3. Where cash exceeds £2,500, two authorised officers must accompany the transfer.
- 6.4. Personal safety takes priority in any attempted theft or robbery.

7. Banking Procedures

- 7.1. Cash and cheques must be banked promptly.
- 7.2. Separate paying-in slips and collection bags must be used for cash and cheques.
- 7.3. Banking records, bag references and supporting documentation must be retained for audit purposes.

8. Reconciliation and Verification

- 8.1. All cash received must be reconciled to receipts, till reports, booking systems, banking records and other supporting documentation as appropriate.
- 8.2. Reconciliations should be independently reviewed wherever practicable.
- 8.3. Any variance or discrepancy must be reported immediately to the relevant manager and the RFO or DRFO.
- 8.4. The RFO or DRFO may undertake unannounced spot checks.

9. Cash Floats and Cheques

- 9.1. Cash floats must be formally authorised, recorded and reconciled.
- 9.2. Float values should be kept to the minimum required for operational purposes.
- 9.3. Cheques must be stored securely and banked promptly.

10. Counterfeit Notes

- 10.1. Employees must take reasonable steps to identify suspected counterfeit notes.
- 10.2. Suspected counterfeit currency must be secured, recorded and reported to the line manager and Finance.

11. Incident Reporting

- 11.1. Any loss, theft, suspected fraud, banking discrepancy, missing records or security incident must be reported immediately.
- 11.2. Where criminal activity is suspected, the Police must be contacted as appropriate.

12. Training and Records

- 12.1. Employees involved in cash handling must receive appropriate instruction before undertaking cash handling duties.
- 12.2. All supporting records must be retained in accordance with the Council's retention arrangements
- 12.3. Employees must confirm they have read and understood this policy.

13. Related Documents

- 13.1. 13.1 Please refer to:
 - Financial Regulations.
 - Financial Procedure Rules.
 - Anti-Fraud and Corruption Policy.
 - Risk Management Policy.
 - Records Retention Policy.

14. Review

- 14.1. This policy will be reviewed every three years by the Council, or sooner if required by changes in legislation, insurance requirements, banking arrangements, guidance or operational practice.
- 14.2. Cash handling risk assessments will be reviewed annually by the Responsible Finance Officer or Deputy Responsible Finance Officer.

Yeovil Town Council
September 2026
To be reviewed: September 2031