

Purchase (Credit) Card Policy

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Trustwide	X
Mental Health and LD	
Community Health Services	

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East London NHS Foundation Trust
Purchase (Credit) Card Policy

1.0 Introduction:

- 1.1 The primary purpose of this document is to set out the Trust's policies and procedures for the use of corporate credit cards and ensure sound governance of expenditure incurred on behalf of the Trust.
- 1.2 This policy also aims to provide a clear understanding of the Trust's principles regarding credit card application and usage and to set out the rules and guidance to be followed for the use of the card.
- 1.3 The card can only be used for buying goods and services required ultimately for meeting the needs of service users.
- 1.4 Corporate cards must not be used as a means of avoiding the Trust official Procurement systems or compliance to normal purchasing regulations.
- 1.5 In all circumstances, card holders should be mindful of demonstrating value for money, compliance with the normal purchasing rules and security of the card and pin number.
- 1.6 Using a credit card may seem to be an effective way to purchase however the amount of work required to operate and monitor the credit card system, as well the extra risk of false, duplicate or fraudulent payments, makes it an inefficient process which should be avoided in favour of other routes where possible.

2.0 Eligibility:

- 2.1 Only employees of East London NHS Foundation trust are eligible for a Trust credit card.
- 2.2 Credit cards will only be issued if:
 - 2.2.1 Purchase of goods/services cannot be done via the procurement route;
 - 2.2.2 Where purchases can still be made via the procurement route but is likely to cause severe delays that may adversely affect clinical service delivery;
 - 2.2.3 Purchases cannot be made by any other means e.g. petty cash;
 - 2.2.4 Purchase of goods/services has to be done instantly e.g. purchase of provisions for a service user group;
 - 2.2.5 Goods can only be purchased from an online retailer who is unable to invoice the Trust.
- 2.3 This policy applies to all card holders and users of the credit card.
- 2.4 Where the need for a credit card has been identified
 - 2.4.1 The applicant should read and sign the agreement at Appendix 1
 - 2.4.2 The applicant's line manager should counter sign the agreement, scan it and email it to their Directorate's Borough Director (or by an Executive Director for Corporate cards)
 - 2.4.3 If the Director approves the credit card, they should forward the signed agreement confirming their approval to issue the card to elft.purchasecards@nhs.net.
 - 2.4.4 The applicant will then be sent a Barclaycard application form to complete.
- 2.5 All requests will be assessed based on the needs of the service and whether the desired service outcome can be met through the use of the credit card.
- 2.6 Once a request has been approved, the card holder will be required to complete an application form with the Trust's credit card provider (Barclaycard).

3.0 Administration:

- 3.1 The Trust receives a statement from Barclaycard on the 23rd of each month, detailing the transactions for each card held.
- 3.2 The transactions are uploaded into the Purchase Card Database on the 24th of each month and an email is sent to each card holder asking them to log in and code their transactions.
- 3.3 The Purchase Card Database, guidance for new card holders and detailed guidance for the use of the database can be found on the K drive (K:\Purchase Card). You will have been given access to the database by Finance when you collected your new card.
- 3.4 Transactions must be coded in the database between the 24th and the last day of the month. This is vital to ensure that the expenditure is charged to the budgets promptly.
- 3.5 The transaction report should be printed from the database and signed on the left by the card holder and authorised on the right by the card holder's line manager. The approver must be more senior than the card holder to reduce the risk of collusion.
- 3.6 The signed report and receipts must be scanned and emailed to elft.purchasecards@nhs.net within the next month, with hard copies following through the post.
- 3.7 Note that Order Confirmation emails from Amazon will not be accepted as a proof of purchase. Please attach a copy of the Dispatch Confirmation.
- 3.8 Transaction reports and receipts will be checked by Finance and may be subject to spot checks by the Trust's internal auditors and Local Counter Fraud Specialist. Card holders should therefore ensure that they retain adequate records in case more information is requested.
- 3.9 Any misuse of a credit card will be reported to the Local Counter Fraud Specialist and any wrongdoing or fraud will result in the withdrawal of the card, disciplinary action and / or criminal proceedings.
- 3.10 Cards will be disabled if card holders consistently fail to code their transactions and return receipts in a timely manner.

4.0 Credit Limit:

- 4.1 Monthly limit: each credit card has a monthly credit limit of £1,500. This can be increased in exceptional circumstances (e.g. if the card holder has management responsibility for more than one team). Requests to increase the monthly credit limit should be sent to elft.purchasecards@nhs.net.
- 4.2 Single Transaction limit: the single transaction limit is £250. Purchases must not be split into multiple transactions to avoid the limit.
- 4.3 Permitted Merchant Categories: Purchase cards are only authorised for purchases from [certain merchant categories](#).

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|---|--|
| 1. <i>Building Services</i> | 18. <i>Statutory Bodies</i> |
| 2. <i>Building Materials</i> | 19. <i>Office Stationery, Equipment and Supplies</i> |
| 3. <i>Estate and Garden Services</i> | 20. Computer Equipment and Services |
| 4. Utilities and Non Automotive fuel | 21. <i>Print and Advertising</i> |
| 5. Telecommunication Services (includes TV Licensing) | 22. <i>Books and Periodicals</i> |
| 6. <i>Catering and Catering Supplies</i> | 23. Mail and Courier Services |
| 7. <i>Cleaning Services and Supplies</i> | 24. <i>Miscellaneous/Industrial and Commercial Supplies</i> |
| 8. <i>Training and Educational</i> | 25. Vehicles, Servicing and Spares |
| 9. Medical Supplies and Services | 26. Automotive Fuel |
| 10. Staff – Temporary Recruitment | 27. <i>Travel – Air / Rail/Road</i> |
| 11. <i>Business Clothing and Footwear</i> | 28. <i>Auto Rental</i> |
| 12. <i>Mail Order/Direct Selling</i> | 29. <i>Hotels and Accommodation</i> |
| 13. Personal Services | 30. Restaurants and Bar |
| 14. <i>Freight and Storage</i> | 31. General Retail and Wholesale |
| 15. Professional Services | 32. Leisure Activities |
| 16. Financial Services | 33. <i>Miscellaneous</i> |
| 17. Clubs/Associations/Organisations | |

4.4 Declined Payments: If a payment is declined, it may be because the item(s) you are trying to purchase falls within one of the unauthorised merchant categories or that your order exceeds the single transaction limit. Please forward the email from the supplier notifying you of the declined payment to the Trainee Accountant (see section 6 below for contact details). The email should detail a description and total value of the goods that you are trying to purchase. Provided the purchase doesn't fall within the prohibited items list and can't be purchased via the Trust's procurement system (by raising a requisition), the Trainee Accountant will ring Barclaycard (at either 11am or 3pm daily) to open the relevant merchant category temporarily so that you can make the purchase.

5.0 Management of Cards:

5.1 All cards issued need to be collected and signed for at Alie Street, London (or Charter House, Luton by prior arrangement) and should be signed on the reverse side of the card upon receipt. Old cards must be destroyed by cutting the card and returning it to the Senior Financial Accountant in Finance Department.

5.2 Credit Cards cannot be used for any purpose other than that outlined in this document.

5.3 When an incorrect amount has been charged, the card holder must approach the supplier to resolve the problem within 48 hours of receiving the statement.

5.4 Credit cards can only be used to purchase items that cannot be purchased through the normal procurement route, or where doing so would have a detrimental impact on service delivery.

5.5 Under no circumstances are credit cards to be:

5.5.1 Used to withdraw cash

5.5.2 Used to pay supplier invoices. These should be sent to SBS in Wakefield to be paid via Oracle, which has systems in place to prevent duplicate and fraudulent payments.

5.5.3 Linked to a PayPal account

5.5.4 Used to pay for travel or accommodation. The Trust has a contracted Travel Agent which provides overall value for money and all travel (rail/air) and hotels should be booked through the travel agent.

5.5.5 Used to purchase IT or telecoms equipment. These should be purchased via IT Department.

5.5.6 Used to purchase other electrical equipment. The trust has a legal duty to ensure that all equipment meets UK safety standards and cheap alternatives purchased via sites like Amazon and eBay often don't meet the required standards.

5.5.7 Used to purchase or renew TV Licenses.

5.5.8 Used to purchase streaming services such as Amazon Prime (unless the service can demonstrate that it provides a financial benefit to the service) or Netflix.

5.5.9 Used to purchase discount subscription services such as CompleteSave.

5.5.10 Used to purchase items listed as prohibited in the petty cash policy such as tobacco, alcohol, parking costs, petrol

5.5.11 Used to pay for parking fines or other penalties incurred by employees whilst driving Trust pool cars.

5.6 Credit cards should be kept securely by the credit card holder.

5.7 The card holder should never disclose the credit card number, security code or PIN to anyone.

6.0 **Contact details:**

6.1 General queries, new applications, declined payments:

Trainee Accountant 0207 655 4226 elft.purchasecards@nhs.net

6.2 Transaction reports and receipts: elft.purchasecards@nhs.net

6.3 Senior Financial Accountant: 0207 655 4230 sandie.davenport@nhs.net

6.4 Financial Controller: 0207 655 4206 dion.campbell@nhs.net

7.0 **Fraud:**

If you suspect any fraudulent activity on your card, please contact Finance or your Local Counter Fraud Specialist immediately.

8.0 Monitoring:

Name	Element to be monitored	Lead	Tool	Frequency	Reporting Arrangements	Actions on recommendations and leads	Change in practice and lessons to be shared
Purchase (Credit) Card Policy	Spend on cards	Sandie Davenport	Purchase Card Database	monthly	Card holder completes log sheet		

Appendix A

**Application for a Corporate
Credit Card**

Employee Agreement

I, hereby request a Trust credit card. As a cardholder, I agree to comply with the following terms and conditions regarding my use of the card.

1. I have received and understand that I am being entrusted with a credit card and will be making financial commitments on behalf of the Trust.
2. I understand that the Trust is liable to the card provider for all charges made on the card.
3. I agree to use this card for appropriate Trust business purchases only and agree not to charge personal purchases. I understand that the Trust will audit the use of this card and may investigate any discrepancies that may lead to disciplinary or criminal action.
4. I will not use the card for personal use and will follow the established procedures for the use of the card. Failure to do so may result in revocation of the card or other disciplinary actions, including termination of employment.
5. I have been given a copy of and read the Purchase Card Policy and I understand the requirements of card use.
6. I will not use the card for any of the prohibited uses listed in section 5.5.
7. I agree to return the card immediately upon request or upon termination of employment, or for any other reasons (including retirement) to the Senior Financial Accountant in Finance Department.
8. On termination of employment, the card holder should tick 'Trust credit card' box on the Staff Leaver Form. A notification will then be sent to Finance who will contact the card holder to arrange cancellation of the card.
9. Should there be any organisational change, or if I change jobs, I will discuss with my new line manager whether the card is still required and if not, I will contact Finance to arrange cancellation of the card.
8. If the card is lost or stolen, I agree to notify the Bank immediately on their 24 hour, 7 days a week number, and also Finance.

Employee's Signature and Date	Directorate & Department
Manager's Signature and Date	Card Administrator's Signature and Date