



MEETING PAPER

Subject: **Credit Cards**

Meeting: **Finance and Governance Committee**

Date: **14 March 2019**

NOT CONFIDENTIAL

Details

The following recommendation from the Finance and Governance Committee was agreed by Full Council.

225.1a Recommendation that an application is to be made on 1 April 2018 for two credit cards; one with a £5,000 limit and delegated authority to the Clerk, one with a £500 limit and delegated authority to the Deputy Clerk

The application for the credit cards could not be made until 1 April 2018, once Lowestoft Town Council has been in existence for a full financial year. It was noted in the decision that any balance on the credit cards would be cleared every month and the statements would be checked by the Responsible Finance Officer, the Councillor responsible for completing the bank reconciliation and the Finance and Governance Committee.

It is a requirement by law for there to be safeguards against misappropriation and for checks to be completed and records kept for transparency and audit.

A recommendation for pre-paid credit cards was also agreed.

There then followed a period when there was an investigation into the related costs and options for cards.

It was concluded that it was preferable to run a petty cash system with suitable safeguards to paying charges for pre-paid cards given the relatively small amounts that would be loaded onto these cards. This leaves the question of normal business credit card facilities and various options have been explored. Charges are higher than originally anticipated. Nevertheless, the facility presented by the use of credit cards is beneficial to the efficiency of the Council, as recognised in the decision to agree the recommendation originally. In particular, this avoids using staff cards and paying reimbursements.

Unity Bank appear relatively easy to set up given the Town Council's existing banking arrangement with them and their fees are comparable, if not less, than other providers.

Details of their Corporate Multi Pay Card can be found through the links below. There is a £50 set up and a £3 monthly charge. As long as the card is settled every month there are no other charges.

<https://www.unity.co.uk/corporate-multipay-card/>

<https://www.unity.co.uk/content/uploads/Multipay-fees-and-charges.pdf>

Recommendation

That the Committee agree to the progression of credit cards as per the original recommendation and authorise the Clerk to progress payment of the set up charge, the monthly payment of £3 and the settling of the card from the current account on a monthly basis along with the establishment of any associated direct debit.

