

East London NHS Foundation Trust
Petty Cash Policy

1.0 Overview:

- 1.1 The following policy covers the reimbursement of Trust employees who have spent their own money in purchasing goods or services on behalf of the Trust and those requesting advance payment. The policy supplements the Standing Financial Instructions (SFIs) and any officers who deal with petty cash must be aware of this advice
- 1.2 Under normal circumstances petty cash payments should only arise in the exceptional circumstances for low cost goods or services e.g. purchase of postage stamps or for minor urgent payments where purchasing via a Requisition/Purchase Order would compromise service delivery.
- 1.3 The SFIs are very clear and official orders are required for the purchase of goods and services.
- 1.4 Petty Cash claims have an upper limit of £100 per single transaction.
- 1.5 Receipts must not be split into separate claims in an effort to circumvent the £100 limit.
- 1.6 Prior to an employee spending their own money for Trust goods and services, approval must be obtained from an authorised signatory. The authorised signatory must be a different person to the petty cash claimant.
- 1.7 Staff are advised to claim their money as soon as possible. There is a three month limit on petty cash reimbursement.
- 1.8 Staff travel expenses cannot be reimbursed from petty cash. A payroll Expenses Claim must be completed and sent to Payroll Dept in Barking.

2.0 Examples of items that cannot be reimbursed through petty cash:

- Alcohol and Tobacco
- Expenditure on staff parties and staff presents
- Staff flowers (the PA to the Chief Executive will arrange any flowers needed for presentations, funerals, births etc on behalf of the Trust)
- Staff meals/accommodation whilst on courses – to be claimed when booking study leave
- Staff travel/parking/petrol: staff travel claim
- Petrol for lease cars: staff travel claim
- Reimbursement of company invoices

- 3.0 On-line purchases should be made using a Trust Purchase Card and not reimbursed via petty cash, unless there is no access to a Purchase Card, in which case the rules detailed at 6.2 apply.

4.0 Other valid reasons for refusal of petty cash claims:

- Out of date receipts: there is a three month limit on petty cash payments
- Incomplete Petty Cash Voucher: all sections need to be completed accurately

5.0 How is a Petty Cash Payment approved?

5.1 The employee completes a Petty Cash Voucher (PCV) when the goods/services purchased are brought into their department. The following details must be included on the PCV:

- Date of Transaction
- Details of the goods/services paid for
- Amount of the claim
- Total of the claim
- Full budget code (RWK-Exxxx-xxxx-xxxxx).
- Name of department
- Signed by an authorised signatory (authorising payment of petty cash to claimant) – Must be on the Authorised Signatories Database as a signatory for petty cash.
- Claimant's signature
- Claimant's name

5.2 Authorised signatories may only approve petty cash claims that they're familiar with and relating to teams/budgets that they're responsible for. Claims must not be approved for employees in other teams.

6.0 How is the Petty Cash Payment made?

6.1 The claimant presents the completed PCV with the **original receipt** to the Cashier who reimburses it from the petty cash box. Should the original be required for the guarantee, please bring the cashier the original and a copy of the original. The cashier will mark the original as paid from petty cash and date and initial it. The cashier will then certify the copy and mark it that the original was seen and marked.

6.2 Where goods need to be purchased on-line by use of a credit card, the receipt showing the actual items purchased must be attached rather than the part of the receipt with just the total charged to the card. A dispatch/delivery note must be provided for the on line purchase before reimbursement will be made.

6.3 Prior to making the reimbursement the Cashier will check the claim for arithmetical accuracy, proper authorisation, completeness of supporting documentation

6.4 The cashier can defer payment on any claim that is thought to be inappropriate Trust expenditure until the matter has been referred to the Deputy Director of Finance or Director of Finance for a final decision.

7.0 Advances

7.1 Any advances above £100 must be approved by the locality Finance Manager. The money should only be spent on what has been requested, collected only prior to being spent and receipts **MUST** be returned within **5 workings days** of issue.

7.2 Further advances are prohibited until receipts have been returned for any previous advances.

8.0 Duties of Petty Cash Holder

- 8.1 The petty cash holder will check that the expenditure is incurred on relevant Trust business and that there is adequate original documentation to explain the transaction. If in doubt, the petty cash holder should consult the person who normally authorises their petty cash claim form, the Deputy CFO, or the CFO.
- 8.2 At any time, the cash in hand plus total of receipts must always equal the petty cash total imprest. Any discrepancies should be notified to the relevant Service Manager and formal notification of the discrepancy sent to the Finance Department
- 8.3 When not in use the petty cash must always be kept in a lockable cash box which should be held in a safe or secure place.

9.0 Engagement with Counter Fraud

- 9.1 Any claims suspected of involving, fraud, theft, neglect of duty or gross misconduct must be notified to the CFO and the Local Counter Fraud Specialist (LCFS) at once.

10.0 Limits on the Size of Petty Cash Floats

- 10.1 Manager must not hold excessive petty cash balances. Floats with a balance over £250 must be approved by the Chief Finance Officer of Nominated Deputy, as per the SFIs.
- 10.2 If a Petty Cash float is no longer required, or needs to be reduced, petty cash holders will contact the Financial Controller and ensure return of the relevant funds for prompt banking.

11.0 Cashiers Hours:

City & Hackney Centre for Mental Health	13.00-16.00 Mon to Fri
East Ham Care Centre	14:00-16:00 Mon to Fri
John Howard Centre	09.00-13:00 & 14:00–16:00 Mon to Fri
Luton	10.00-14.00 Wed/Thu
Mile End Hospital	08:30-11:30 Mon to Fri
Newham Centre for Mental Health	09.00-12.00 Mon to Fri
Wolfson House	09.00-13:00 & 14:00–16:00 Mon to Fri