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## Procurement and Credit Card Policy

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Purpose of Agreement	Policy on the use of procurement and credit cards
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**Amendments Summary:**

Please fill the table below:

Amend No	Issued	Page	Subject	Action Date
1	Jul 2021	5-7	Updated policy to reflect new procedures. Cards issued will be uploaded to ESR. Receipts and approvals to be sent by email.	Jul 2021

**Review Log:**

Include details of when the document was last reviewed:

Version Number	Review Date	Lead Name	Ratification Process	Notes
1	September 2018	Vicky O'Leary	Policy Steering Group	New policy
2	July 2021	Nick Bendell	Policy Steering Group, Clinical Executive Group	Updates as per above

## SUMMARY OF POLICY

This policy is concerned with the management of procurement and credit cards. Procurement and credit cards must only be used when the normal Procurement process is not a viable option and deemed the only effective method of payment in the proper performance of duties.

The policy has been developed to ensure:

- Cardholders accurately account for all expenditure on their cards
- Control is maintained over the nature and level of expenditure
- Adherence to the Trusts procurement policy
- Security measures are in place to minimise the potential for fraud/misuse of cards
- Compliance with the Trust's Standing Financial Instruments and Scheme of Delegation

This policy applies to bank, locum, permanent, and fixed term contract employees (including apprentices) who hold a contract of employment or engagement with the Trust who are applying for or holding a procurement or credit card.

Responsibilities of the cardholder:

- Card must always be kept in a secure place
- Report any lost or stolen cards immediately to the card provider and Finance department and log the incidence via the usual incident process (Ulysses)
- Report any stolen cards to the police immediately
- Only the designated card hold can use the card (with the exception of the cards issued to the Procurement Department)
- Provide receipts/invoices to back up all transactions and be made available for sample audits

**Under no circumstances should staff use the procurement and credit card for personal purchases, failure to adhere will initiate the Improving and Managing Conduct Policy.**

Improper use of the card is not acceptable and will be dealt with accordingly. Evidence or suspicions of fraudulent activity will result in a referral being made to the Local Counter Fraud Specialist (LCFS) in line with the Trust's Counter Fraud Policy. Counter Fraud investigations may result in the application of a criminal sanction.

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## PROCUREMENT AND CREDIT CARD POLICY

### 1. INTRODUCTION & PURPOSE

- 1.1. The Trust has identified advantages to be gained by using procurement and credit cards as part of its procurement and purchase process.
- 1.2. The procurement and credit card is in effect a 'charge card'. It can be used when buying goods and services from any supplier who operates a purchasing card facility.
- 1.3. The supplier gets paid by the Bank within 4 working days of the transaction, and the Trust can access monthly statements from the card provider, detailing the transactions for each cardholder. The Trust makes one monthly payment to settle the balance.
- 1.4. The procurement and credit card must only be used in accordance with the following procedures and by designated cardholders (with the exception of the cards issued to the Procurement Department). The determination of 'designated cardholders' and the financial limits that will be applied to transactions will be determined by the Deputy Director of Finance or Head of Financial Accounts. These will be set in line with the Trust's Standing Financial Instructions and Scheme of Delegation.
- 1.5. The card is to be used for Trust business use only. No personal expenditure is permitted under any circumstances with the card. If any personal expenditure items are incurred, then this must be reported to the Finance department immediately. An investigation and detailed explanation must be provided on these occasions to the Deputy Director of Finance and may be referred to the LCFS for investigation which could result in the application of a criminal sanction.
- 1.6. A copy of this policy will be issued to all designated cardholders.

### 2. SCOPE & DEFINITIONS

- 2.1. This policy applies to bank, locum, permanent, and fixed term contract employees (including apprentices) who hold a contract of employment or engagement with the Trust who are applying for or holding a procurement or credit card.
- 2.2. The following definitions are used within the policy:
  - 2.2.1. Card refers to procurement or credit card.
  - 2.2.2. Card Administrator is the Financial Accounts Team in the Finance Department.
  - 2.2.3. Cardholder is the person whose name is on the card and has signed the Procurement and Credit Card Agreement (**Appendix A**).

### 3. CARD MANAGEMENT

- 3.1 Issuing Cards
  - 3.1.1 A complete list of employees that hold procurement or credit cards is held by the Finance Department. HR will add the procurement/credit card to the property register on ESR of the cardholder.
  - 3.1.2 Authorisation for issuing new cards may only be given by the Deputy Director of Finance or Head of Financial Accounts. The Procurement and Credit Card Request Form (**Appendix B**) must be completed for new cards and will only be issued if supported by a case of need, based on value for

money and operational necessity, after taking into account all alternatives such as purchasing through the Procurement Department and buying via petty cash.

3.1.3 The Trusts Administration process as detailed in section 3.10 of this policy must be followed in all cases.

3.1.4 Each card will be issued by the card administrator. As the card is issued each cardholder will be required to sign a Procurement and Credit Cardholder Agreement.

### 3.2 Amending Cards

3.2.1 If an amendment is required to the name on the card, the card administrator must be notified, along with evidence of name change and approval from the individual's manager.

3.2.2 The obsolete card must be cut in half along the magnetic strip and disposed of securely and an email to confirm this must be sent to the card administrator.

### 3.3 Security

3.3.1 The card must only be used by the designated cardholder. The designated cardholder must not, under any circumstances, disclose their individual card or PIN number to anyone.

3.3.2 It is the cardholder's responsibility to ensure that the card is always retained in a secure location. The card must always be available for audit inspection.

### 3.4 Lost/Stolen Cards

3.4.1 If the card is lost or it is stolen, the holder must advise the card provider instantly.

3.4.2 If the card is stolen it must be instantly reported to the police.

3.4.3 The card administrator must also be notified of a lost or stolen card instantly.

3.4.4 Log the incident via the usual incident process (Ulysses).

### 3.5 Job Change/Leaving Employment

3.5.1 In the event of a job change, the cardholder must advise their manager and the card administrator as soon as possible. A decision will be made on the need of the continued use of the card.

3.5.2 Upon leaving employment of the Trust, it is the responsibility of the cardholder to return the card. The cardholder must cut the card in half and return it to their manager. The manager will inform HR and the card administrator that the card has been returned at [PeopleServicesHub@solent.nhs.uk](mailto:PeopleServicesHub@solent.nhs.uk) and [FinancialAccounting@solent.nhs.uk](mailto:FinancialAccounting@solent.nhs.uk) and dispose of the card securely.

### 3.6 Cardholders Liability / Credit Status

3.6.1 Whilst the card is printed with individuals' names, the account and therefore the liability is in the name of the Trust. Consequently, there is no impact on the cardholder's personal credit status.

### 3.7 Limits

3.7.1 Both monthly and individual transaction limits will be set by the Deputy Director of Finance or Head of Financial Accounts on behalf of the Trust. These will be notified on an individual basis upon issue of the cards. The card must not be used for purchases more than these limits. Attempts to do this will be met with a decline when authorisation is sought for the transaction. This limit is inclusive of any VAT charge.

### 3.8 Improper Use

- 3.8.1 Personal purchases must not be charged to the card, failure to adhere will initiate the Improving and Managing Conduct Policy.
- 3.8.2 Evidence or suspicions of fraudulent activity will result in a referral being made to the LCFS in line with the Trust's Counter Fraud Policy. Counter Fraud investigations may result in the application of a criminal sanction.

### 3.9 Transactions

- 3.9.1 The card can be used at any approved supplier.
- 3.9.2 The card cannot be used to obtain cash.
- 3.9.3 The Trust has the duty to obtain value for money for all purchases, therefore use of the card must be limited to those transactions where it is not possible to go through the traditional procurement route.
- 3.9.4 All goods ordered must be delivered to Trust's premises.

### 3.10 Administration

- 3.10.1 Each cardholder must record, collect, and retain receipts and/or VAT invoices for a period of six years to comply with HMRC legislation.
- 3.10.2 Each month, the cardholder will receive a statement detailing all transactions carried out using the card. It is important that this statement is, immediately on receipt, completely reconciled to the cardholder's monthly record for the same period. The statement will be issued no later than working day 5 of each month. Any discrepancies must be referred to the card administrator in writing with copies of relevant paperwork enclosed.
- 3.10.3 Once the cardholder's monthly record and statement have been agreed, the monthly record and the statement must be signed by the cardholder as evidence that the reconciliation has been carried out and is correct.
- 3.10.4 A copy of the signed monthly record must then be emailed promptly with a copy of the receipts or VAT invoices (within 5 working days of receipt) to the Finance Department and the budget manager. The expenditure must then be authorised by the cardholder's budget manager by replying to the email from the cardholder. If the cardholder's budget manager is on leave, they should delegate the authorisation appropriately.
- 3.10.5 Failure to return the authorised monthly transaction information as per the deadline in the statement email, will result in the withdrawal of the card facility.

### 3.11 Contact Information

- 3.11.1 HR - [PeopleServicesHub@solent.nhs.uk](mailto:PeopleServicesHub@solent.nhs.uk)  
Financial Accounting Team – [FinancialAccounts@solent.nhs.uk](mailto:FinancialAccounts@solent.nhs.uk)

## 4. **AUDIT**

- 4.1. Sample audits will be conducted on a six-monthly basis for both procurement and credit card activity and retention of receipts and invoices. It is therefore important that documentation is visibly checked and filed promptly.

## Appendix: A Procurement and Credit Cardholder Agreement

As a cardholder, I can confirm that I have received and agree to comply with the Trust's Procurement and Credit Card policy. I understand that I am entrusted with the procurement/credit card and will be making financial commitments on behalf of the organisation.

I agree to use this card for appropriate Trust business purchases only and agree not to use the card to make personal purchases. I understand that the Finance Department will audit the use of the card and report any discrepancies found.

I will follow the established procedures for use of the card. Failure to do so may result in either revocation of my user privileges or any other disciplinary actions, including termination of employment and a referral being made to the LCFS for criminal investigation, which may result in the application of a criminal sanction.

I agree to return the card immediately upon request or upon termination of employment.

If the card is lost or stolen, I agree to notify the card provider and the Finance Department card administrator immediately by telephone. If the card is stolen, I agree to instantly notify the police.

Print Name \_\_\_\_\_

Employee's Signature \_\_\_\_\_

Employee number \_\_\_\_\_

Location \_\_\_\_\_

Date \_\_\_\_\_

Budget Manager's Signature \_\_\_\_\_

Print Name \_\_\_\_\_

Date \_\_\_\_\_

I, as an employee of Solent NHS Trust, acknowledge receipt of procurement/credit card number:


\_\_\_\_\_ Signed: \_\_\_\_\_ Date:

Approved by Head of Financial Accounts	
Signed	
Date	

Cc Card Administrator



## Appendix: B

<b>Procurement and Credit Card Request Form</b>													
<b>Approving Budget Holder must return to financialaccounting@solent.nhs.uk</b>													
<b>Requestor:</b>	_____												
<b>Job Title:</b>	_____												
<b>Department:</b>	_____												
<b>Contact Number:</b>	_____	<b>Email:</b> _____											
<b>Procurement Credit Card Information</b>													
<b>Estimated average monthly spend:</b>	_____	<b>Address for Card to be send to:</b>											
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #0056b3; color: white;"> <th style="width: 25%;">Cost Centre</th> <th style="width: 25%;">Subjective</th> <th style="width: 25%;">Analysis 1</th> <th style="width: 25%;">Analysis 2</th> </tr> </thead> <tbody> <tr> <td style="height: 20px;"> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Cost Centre	Subjective	Analysis 1	Analysis 2					<table border="1" style="width: 100%; border-collapse: collapse;"> <tbody> <tr><td style="height: 20px;"> </td></tr> <tr><td style="height: 20px;"> </td></tr> <tr><td style="height: 20px;"> </td></tr> </tbody> </table>				
Cost Centre	Subjective	Analysis 1	Analysis 2										
Note: it is the responsibility of the Budget Holder to ensure that the Accounting Code is entered above. Failure to complete will result in delays to issuing card.													
<b>Please describe in full reason for credit or procurement card request and why Procurement cannot be used to make these purchases:</b>													
<div style="border: 1px solid black; min-height: 45px;"></div>													
<b>I confirm that these purchases cannot be made via Procurement</b>													
<b>Requestor:</b>	_____												
<b>Dept/Title:</b>	_____												
<b>Signature:</b>	_____												
<b>Date:</b>	_____												
<b>Budget Holders can only approve credit or procurement card requests</b>													
<b>Budget Holder:</b>	_____												
<b>Dept/Title:</b>	_____												
<b>Signature:</b>	_____												
<b>Date:</b>	_____												
<b>SOLENT NHS TRUST - FINANCE USE ONLY:</b>													
<b>Approved By:</b>	_____												
<b>Dept/Title:</b>	_____												
<b>Signature:</b>	_____												
<b>Date:</b>	_____	<b>Value:</b> _____											

## Appendix: C

### Equality Analysis & Equality Impact Assessment

**Equality Analysis** is a way of considering the potential impact on different groups protected from discrimination by the Equality Act 2010. It is a legal requirement that places a duty on public sector organisations (The Public Sector Equality Duty) to integrate consideration of Equality, Diversity, and Inclusion into their day-to-day business. The Equality Duty has 3 aims, it requires public bodies to have due regard to the need to:

- **eliminate unlawful discrimination**, harassment, victimisation, and other conduct prohibited by the Equality Act of 2010.
- **advance equality of opportunity** between people who share a protected characteristic and people who do not.
- **foster good relations** between people who share a protected characteristic and people who do not.

**Equality Impact Assessment (EIA)** is a tool for examining the main functions and policies of an organisation to see whether they have the potential to affect people differently. Their purpose is to identify and address existing or potential inequalities, resulting from policy and practice development. Ideally, EIAs should cover all the strands of diversity and Inclusion. It will help us better understand its functions and the way decisions are made by:

- **considering the current situation**
- **deciding the aims and intended outcomes of a function or policy**
- **considering what evidence there is to support the decision and identifying any gaps**
- **ensuring it is an informed decision**

### Equality Impact Assessment (EIA)

#### Step 1: Scoping and Identifying the Aims

Service Line / Department	Corporate/Finance	
Title of Change:	Updated policy for Procurement/Credit Cards	
What are you completing this EIA for? (Please select):	Policy	<i>(If other please specify here)</i>
What are the main aims / objectives of the changes	To ensure the existing policy is fit for purpose	

#### Step 2: Assessing the Impact

Please use the drop-down feature to detail any positive or negative impacts of this document /policy on patients in the drop-down box below. If there is no impact, please select "not applicable":

Protected Characteristic	Positive Impact(s)	Negative Impact(s)	Not applicable	Action to address negative impact: <i>(e.g. adjustment to the policy)</i>
Sex			X	
Gender reassignment			X	
Disability			X	
Age			X	
Sexual Orientation			X	

Pregnancy and maternity			X	
Marriage and civil partnership			X	
Religion or belief			X	
Race			X	

*If you answer yes to any of the following, you MUST complete the evidence column explaining what information you have considered which has led you to reach this decision.*

Assessment Questions	Yes / No	Please document evidence / any mitigations
In consideration of your document development, did you consult with others, for example, external organisations, service users, carers, or other voluntary sector groups?)	Yes	Consulted publicly available HMRC guidance – see 1 reference and LCFS – see 6 references
Have you taken into consideration any regulations, professional standards?	Yes	

### Step 3: Review, Risk and Action Plans

How would you rate the overall level of impact / risk to the organisation if no action taken?	Low	Medium	High
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
What action needs to be taken to reduce or eliminate the negative impact?	Regular reviews to identify any areas of weakness in the process/policy		
Who will be responsible for monitoring and regular review of the document / policy?	Financial Accountant		

### Step 4: Authorisation and sign off

*I am satisfied that all available evidence has been accurately assessed for any potential impact on patients and groups with protected characteristics in the scope of this project / change / policy / procedure / practice / activity. Mitigation, where appropriate has been identified and dealt with accordingly.*

Equality Assessor: \_\_\_\_\_

Date: \_\_\_\_\_

## Additional guidance

Protected characteristic		Who to Consider	Example issues to consider	Further guidance
1.	<b>Disability</b>	A person has a disability if they have a physical or mental impairment which has a substantial and long-term effect on that person's ability to carry out normal day today activities. Includes mobility, sight, speech and language, mental health, HIV, multiple sclerosis, cancer	<ul style="list-style-type: none"> <li>• Accessibility</li> <li>• Communication formats (visual &amp; auditory)</li> <li>• Reasonable adjustments.</li> <li>• Vulnerable to harassment and hate crime.</li> </ul>	Further guidance can be sought from: Solent Disability Resource Group
2.	<b>Sex</b>	A man or woman	<ul style="list-style-type: none"> <li>• Caring responsibilities</li> <li>• Domestic Violence</li> <li>• Equal pay</li> <li>• Under (over) representation</li> </ul>	Further guidance can be sought from: Solent HR Team
3	<b>Race</b>	Refers to an individual or group of people defined by their race, colour, and nationality (including citizenship) ethnic or national origins.	<ul style="list-style-type: none"> <li>• Communication</li> <li>• Language</li> <li>• Cultural traditions</li> <li>• Customs</li> <li>• Harassment and hate crime</li> <li>• "Romany Gypsies and Irish Travellers", are protected from discrimination under the 'Race' protected characteristic</li> </ul>	Further guidance can be sought from: BAME Resource Group
4	<b>Age</b>	Refers to a person belonging to a particular age range of ages (e.g., 18-30-year olds) Equality Act legislation defines age as 18 years and above	<ul style="list-style-type: none"> <li>• Assumptions based on the age range</li> <li>• Capabilities &amp; experience</li> <li>• Access to services technology skills/knowledge</li> </ul>	Further guidance can be sought from: Solent HR Team
5	<b>Gender Reassignment</b>	"The expression of gender characteristics that are not stereotypically associated with one's sex at birth" World Professional Association Transgender Health 2011	<ul style="list-style-type: none"> <li>• Tran's people should be accommodated according to their presentation, the way they dress, the name or pronouns that they currently use.</li> </ul>	Further guidance can be sought from: Solent LGBT+ Resource Group
6	<b>Sexual Orientation</b>	Whether a person's attraction is towards their own sex, the opposite sex or both sexes.	<ul style="list-style-type: none"> <li>• Lifestyle</li> <li>• Family</li> <li>• Partners</li> <li>• Vulnerable to harassment and hate crime</li> </ul>	Further guidance can be sought from: Solent LGBT+ Resource Group
7	<b>Religion and/or belief</b>	Religion has the meaning usually given to it, but belief includes religious and philosophical beliefs, including lack of belief (e.g. Atheism). Generally, a belief should affect your life choices or the way you live for it to be included in the definition. (Excludes political beliefs)	<ul style="list-style-type: none"> <li>• Disrespect and lack of awareness</li> <li>• Religious significance dates/events</li> <li>• Space for worship or reflection</li> </ul>	Further guidance can be sought from: Solent Multi-Faith Resource Group Solent Chaplain
8	<b>Marriage</b>	Marriage has the same effect in relation to same sex couples as it has in relation to opposite sex couples under English law.	<ul style="list-style-type: none"> <li>• Pensions</li> <li>• Childcare</li> <li>• Flexible working</li> <li>• Adoption leave</li> </ul>	Further guidance can be sought from: Solent HR Team
9	<b>Pregnancy and Maternity</b>	Pregnancy is the condition of being pregnant or expecting a baby. Maternity refers to the period after the birth and is linked to maternity leave in the employment context. In non-work context, protection against maternity discrimination is for 26 weeks after giving birth.	<ul style="list-style-type: none"> <li>• Employment rights during pregnancy and post pregnancy</li> <li>• Treating a woman unfavourably because she is breastfeeding</li> <li>• Childcare responsibilities</li> <li>• Flexibility</li> </ul>	Further guidance can be sought from: Solent HR team