

<b>Committees:</b> Finance Committee	<b>Dates:</b> 22 September 15
<b>Subject:</b> City of London Purchasing Card Policy	<b>Public</b>
<b>Report of:</b> The Chamberlain	<b>For Decision</b>

### **Summary**

The report outlines the new City of London Purchasing Card (Pcard) Policy 2015 which replaces the interim purchasing card guidance for chief officers and departments issued in February 2015.

The new Pcard Policy have been developed in light of the City of London's new Pcard system to be implemented in December 2015 and the provisions of the Local Government Transparency Code 2015 which recommends the publication of all corporate credit card transactions on our website.

### **Recommendation**

Members are asked to approve the City of London Purchasing Card Policy 2015 to be effective from 1<sup>st</sup> October 2015.

### **Main Report**

#### **Background**

1. The current Pcard system (Centresuite) is to be replaced in December 2015 by a new Pcard system which is to be implemented by Lloyds Bank. As part of the communication and training strategy a Pcard Policy has been developed to help implement best practice across the City of London Corporation for card users and managers.
2. There are currently more than 900 cardholders across the Corporation who between them spend approximately £1.5 million per annum with approximately 15,000 individual transactions with an average value of £100.
3. Pcards are often used for online goods or services which cannot be easily bought without a card such as business travel and subsistence, business hospitality, one-off purchases and other expenses.
4. The Local Government Code 2015 recommends the publication of all transactions on all corporate credit cards & charge cards. At present, the publication of this data is not mandatory, however the requirement to publish every transaction on a Government Procurement Card is mandatory. At present the City of London Corporation does not use a Government Procurement Card and is therefore not obliged to publish transactions. The Transparency Code

does not apply to the City's non local government and Police transactions which remain outside the scope of the Transparency Code.

5. Following a review of Pcard transactions, interim purchasing card guidance was developed for chief officers and departments in February 2015 to ensure that Pcard usage was appropriate and wouldn't inadvertently place the City at reputational risk were the expenditure to be published online or in the media.

### **City of London Purchasing Card Policy 2015**

6. The City of London Purchasing Card Policy 2015 has been developed by City Procurement in consultation with the Comptrollers, Audit, Accounts Payable and Human Resources to:
  - Exclude the use of Pcards for inappropriate expenditure
  - Ensure a full description and adequate justification is provided for every transaction recorded on the Pcard system
  - Ensure managers scrutinise and feedback to card holders when approving expenditure
  - Ensure managers and officers apply good practice principles when using Pcards
  - Improve Pcard security
  - Reduce risk with a particular focus on fraudulent behaviour and reputational risk

### **Conclusion**

7. City Procurement recommends approval and adoption of the new City of London Purchasing Card 2015 and for it to be effective for use from 1<sup>st</sup> October 15 to ensure the officers apply best practice principles across the Corporation.

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### **Appendix 1 – City of London Purchasing Card Policy 2015**