

INCOME MANAGEMENT POLICY

Report by Executive Director Finance & Regulatory

EXECUTIVE COMMITTEE

17 AUGUST 2021

1 PURPOSE AND SUMMARY

- 1.1 **The purpose of this report is to present the updated Income Management Policy to the Executive Committee for approval.**
- 1.2 The Income Management Policy supplements the Financial Regulations on Banking Arrangements, Income, Petty Cash, Cash Floats and Security, and therefore has the same standing as the Financial Regulations.
- 1.3 **Appendix 1** contains the Council's Income Management Policy, which has been amended to reflect changes to Council structure, roles and responsibilities, and working practices.

2 RECOMMENDATIONS

- 3.1 **It is recommended that the Executive Committee approve the amendments to the Income Management Policy (Appendix 1).**

3 BACKGROUND

- 3.1 The Executive Director, Finance & Regulatory has responsibility, under Section 95 of The Local Government (Scotland Act) 1973, for the proper administration of the financial affairs of the Council, which includes the effective management of income by Officers of the Council.
- 3.2 The Income Management Policy is intended to offer guidance to managers and staff on the minimum required procedures for the collection, control and banking of Council income. For the purpose of this Policy income includes that received direct by cash, cheques, credit cards and debit cards and cash floats held on Council premises.
- 3.3 The Income Management Policy was previously approved in March 2012; this is an update in line with changes in Council structure, roles and responsibilities and working practices.

4 THE INCOME MANAGEMENT POLICY

- 4.1 The Income Management Policy, as shown in **Appendix 1**, sets out the minimum standard that must operate throughout the Council. Managers may incorporate additional procedures only if they enhance the requirements of this Policy; daily processes may vary from service to service but this Policy is a corporate document that applies to all and must be adhered to at all times.
- 4.2 The Policy will apply to all areas of the Council accepting, processing and raising any types of income, accepting cash or taking card payments. The Policy objectives are to ensure all income received and held by the Council is completely and accurately accounted for and banked promptly; all income is held safely; and customers' card data is not compromised.
- 4.3 It is essential that income is collected effectively by the Council, and that debt owed is kept to a minimum. This is because the Council has both a legal duty and a responsibility to its citizens to ensure that income due is maximised and paid promptly. All staff with responsibility for income generation and collection need to be aware of and comply with the Income Management Policy that the Council operates.
- 4.4 From a Payment Card Industry (PCI) perspective there are strict standards that have to be maintained corporately and by individual staff when accepting card payments. The Income Management Policy incorporates these requirements, and the relevant training that staff must complete.

5 IMPLICATIONS

5.1 Financial

There are no further financial implications relating to this report. The implications, including financial, from the Council's approach to income collection activity are explained in detail within **Appendix 1**.

5.2 Risk and Mitigations

The risks to the Council of not implementing a consistent approach to managing debt and maximising income are high. The current economic conditions and Council savings targets cannot be addressed unless an efficient and effective approach to income collection and recovery is embedded across the organisation. Failure to implement the key controls contained within the Policy may result in the loss of income, services and an increased and unsustainable debt position.

5.3 Integrated Impact Assessment

There is no impact or relevance to Equality Duty or the Fairer Scotland Duty for this report. This is a routine amendment to an existing policy which forms part of the financial governance of the Council. Nevertheless, a light touch assessment has been conducted and this will be published on SBC's Equality and Diversity Pages of the website as in doing so, signifies that equality, diversity and socio-economic factors have duly been considered when preparing this report.

5.4 Sustainable Development Goals

There are no direct economic, social or environmental issues with this report which would affect the Council's sustainability policy.

5.5 Climate Change

There are no direct carbon emissions impacts as a result of this report.

5.6 Rural Proofing

It is anticipated there will be no adverse impact on the rural area from the proposals contained in this report.

5.7 Data Protection Impact Statement

It is anticipated that the proposals in this report will have a minimal impact on data subjects and the Data Protection Officer has confirmed that a Data Protection Impact Assessment is not required.

5.8 Changes to Scheme of Administration or Scheme of Delegation

No changes to the Scheme of Administration or Scheme of Delegation are required as a result of this report.

6 CONSULTATION

- 6.1 The Executive Director (Finance & Regulatory), the Monitoring Officer/Chief Legal Officer, the Chief Officer Audit and Risk, the Service Director HR & Communications, the Clerk to the Council and Corporate Communications have been consulted and any comments received have been incorporated into the final report.

Approved by

David Robertson
Executive Director Finance & Regulatory

Signature.....

Author(s)

Name	Designation and Contact Number
Kirsty Robb	Pension & Investment Manager – 01835 825249
Sara Halliday	Treasury Business Partner – 01835 824000, Ext 5854

Background Papers:

Previous Minute Reference: not applicable

Note – You can get this document on tape, in Braille, large print and various computer formats by contacting the address below. The Pension & Investment Team can also give information on other language translations as well as providing additional copies.

Contact us at Pension & Investment Team, Finance, Scottish Borders Council, Council Headquarters, Newtown St Boswells, Melrose, TD6 0SA Tel: 01835 825249 Fax 01835 825166. email: <mailto:treasuryteam@scotborders.gov.uk>