

Introduction

Purchasing cards are purchasing, payment and data delivery tools that have been adopted by businesses and Organisations both in the private and public sector. They are mainly used for low value high volume purchases that constitute the majority of purchases across an organisation.

Middlesbrough Council's onecard programme through NatWest MasterCard does exactly the same as consumer debit cards within the Business-to-Business environment. However there are enhanced controls, these include:

- blocking merchant categories;
- applying single and monthly transaction limits;
- providing detailed management information.

VAT Levels

There are three different levels of data capture and reporting for transactions using purchasing cards, this level of data relates to the VAT captured at the point of sale.

- Level 1 - Standard transaction data similar to the information provided with a traditional credit card;
- Level 2 – Summary VAT which includes additional tax information;
- Level 3 - Line Item Detail which incorporates item-by-item descriptions of each individual item for the purchase.

LA Card

The cards currently within use across the Authority are only being used with Level 3 suppliers so that the VAT information is recorded at the point of sale. As a result the number of suppliers that the cards can be used with is currently limited, therefore the roll out of the cards has been slower than we would have liked, this is being developed regionally through the Bank and the Regional Centre of Excellence, to increase the uptake by suppliers and increase the choice.

Application Forms

For the cards to be rolled out within a school an administration support officer or named employee needs to be nominated to be issued with the card; it is good practice to have 2 employees issued with a card to allow for cover. **The only requirement is that the nominated employee(s) is a Council or Mouchel employee.**

An employee agreement form needs to be completed for the nominated employee(s), which need to be read and signed by the employee, Head Teacher, Head of the Governing Body, and will be signed by the Purchasing card coordinated on distribution of the card. The agreement outlines how the employee will be covered and how the usage of the card will be monitored.

The 'details for an application' form also needs to be completed by the employee. This form asks for basic personal information that is required for the card application forms; the information provided **will not** be shared. This information will be used to fill in the application form and then a meeting will take place so that individual employee(s) sign the agreement.

These will then be authorised by the Director of Strategic Resources and the Deputy Director of Strategic Resources and sent to NatWest for card distribution. The cards will be received centrally and distributed once training has been given, along with the completed employee agreements and delegated authority letters signed, personal implications / liabilities will also be discussed.

Merchant Categories – Schools approved List

No	Merchant Category
8	Training and Educational
12	Mail order / direct selling
18	Statutory Bodies
22	Books and Periodicals
27	Travel
29	Hotels and Accommodation

Contacts

Schools should contact Helen Butcher or Janet Horner to arrange purchasing cards.