

CREDIT CARD RISK ASSESSMENT FOR THE HPC

Background

Electronic credit card machines have been introduced in Reception and the Registration Department as an alternative to receiving Cash or Cheques. Additionally the on-line registration project will also be taking credit card details over the internet in the future.

ALL transactions will be authorised by NatWest Streamline before acceptance, thus eliminating the risk of charges on cards not being met by the registrants' banks. This means that there will be a Floor Limit of £Zero, which means that NO transactions will be accepted unless there are sufficient funds in the cardholder's account. We are effectively given cash as we receive cleared funds into our bank account within 24 hours.

The totals of amounts paid by credit card will be transferred to the HPC Bank Account on a daily basis. The amounts received will be reconciled with the records maintained in the Registration Department.

Risk Assessment

The only real risk to the Council is in the use of fraudulent credit cards originally authorised by NatWest Streamline, although in most cases the bank will suffer any loss incurred if they authorise a transaction :

1. Should a registrant use a fraudulent credit card to restore or renew their registration with the HPC they could possibly be guilty of fraud and the matter would be passed on to the Investigating Committee.
2. Should an applicant use a fraudulent credit card they should ultimately be allowed to register and then the matter be handed over to the Investigating Committee.
3. In either case the certificate remains the property of the HPC and must be returned to the HPC on demand.
4. The financial implications are minimal due to the small amount of the fee and the fact that the bank should cover any losses post authorisation by them.
5. Subsequent rescinding of payment by the cardholder on items where the "cardholder is not present" may in theory take place at any time up to six months after the original transaction. If this was to take place, their registration immediately lapses backdated to the start of their profession's year, which is a disciplinary offence (as 2 above). (The risk is the registration fee or any cost of the disciplinary action.)

Conclusion

The risks to HPC are minimal and it is my recommendation that credit/debit card procedures as outlined above be introduced in due course as appropriate.

GIERCIA MALCOLM
Director of Operations