



## REPORT TO FINANCE AND GOVERNANCE COMMITTEE - 17<sup>th</sup> April 2023

### Introduction

In 2018 the Town Council invested £67,000 with United Trust Bank, that at the time was the total amount of the PWLB loan 'sinking fund' held by HTC. It was invested on a 2 year deposit. In 2020 at the height of the pandemic the F&G committee agreed to re-invest the sinking fund money (now £69,388.50 including interest) with United Trust Bank for another year and review in 2021.

At the end of 2020 the £5,500 budgeted in 2020-21 to be added to the sinking fund was also invested with United Trust Bank on a 6 month deposit and in 2021 the balance was reinvested on a 2 year term which matures on 4<sup>th</sup> May 2023.

With the balance of the investment and amounts budgeted towards the sinking fund taken into account there is now £103,601.05 to invest.

United Trust Bank has offered to combine the accounts into a single deposit at the following rates:

Business 1 Year Bond – 3.85%

Business 2 Year Bond – 4%

I have compared these rates with those being offered by other companies who provide accounts for Town Councils and have not found any with significantly better rates.

The committee should not underestimate the amount of officer time it takes to open a new account on behalf of the Council and so the preference is to stay with the current provider unless a far better option is found.

**RECOMMENDED:** That the £103,601.05 is reinvested with United Trust Bank for a 2 year period at 4%.