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Banking Arrangements and Investment Arrangements

This policy was adopted at a Full Council meeting in April 2022. This policy should be read in conjunction with the Reserves Policy.

Banking arrangements

- 1) In accordance with the Financial Regulations (5.1 The council's banking arrangements, including the bank mandate, shall be made by the RFO and approved by the council; banking arrangements may not be delegated to a committee. They shall be regularly reviewed for safety and efficiency.)

The following information summarises the banking arrangements of Ingatestone and Fryerning Parish Council:

- a) The payment of income into the bank shall be undertaken regularly subject to necessity.
- b) When a new councillor comes into office or a councillor resigns, relevant bank signatories will be updated within 1 month
- c) A balance sufficient to avoid banking penalty charges will be maintained within the current account
- d) Bank mandates and regular payments will be reviewed each May
- e) Payments and receipts are reviewed by the Full Council and Legal and Finance Committee each month

Investment Strategy

- 2) The strategy has been produced and complies with the guidance issued by the Secretary of state under Section 15(1)(a) of the Local Government Act 2003 and being in effect from 1st April 2018.
- 3) Ingatestone and Fryerning Parish Council acknowledges its responsibility to the community and the importance of prudently investing the temporary surplus funds held on behalf of the community.
- 4) Objectives
The general policy objective for this council is the prudent investment of its balances. The Council's investment priorities are, in order:
 - a) The security of its reserves
 - b) The liquidity of its investments
 - c) The yield obtained from any investmentThe Council will aim to achieve the optimum return on its investments commensurate with proper levels of security and liquidity.
- 5) Policy
All the Council's investments will be those offering high security and high liquidity. This means that:
 - a) All investments will be made in sterling and any payments or repayments will also be made in sterling
 - b) All investments will be made in UK banks and building societies
 - c) All banks and building societies will be covered by the FCS compensation scheme

The Department of Communities and Local Government maintain that borrowing of monies purely to invest, or to lend and make a return is unlawful and Ingatestone and Fryerning Parish Council will not engage in such activity.

Current provision

- 6) Ingatestone and Fryerning Parish Council currently have the following savings accounts to accommodate the requirements of their reserves policy. There have been no payments into

Yorkshire Building Society within the financial year of 2022 and therefore any increase will be interest gained.

- 7) On 21 March 2022, it was agreed within the Legal and Finance Committee to close the Nationwide Building Society Account owing to its poor interest rate and to mitigate point 1c of this policy. The monies were transferred back into the Unity Trust Current Account and will be paid into a new savings account in April / May 2022

Bank / Building Society	Account	Interest	Balance as at 31 March 2022
Unity Trust Bank PLC	Instant Access Account	0.3% (March 22)	£85,000
Unity Trust Bank PLC	Current Account	0%	c£13,100
Nationwide Building Society	Business Instant Saver Issue 3	Account closed 21 st March 2022; monies transferred temporarily into the Unity Trust Current Account	
Yorkshire Building Society	Community Saver (withdrawn account)	0.60%	c£86,580