

FINANCE COMMITTEE

TWYFORD PARISH COUNCIL

DRAFT MINUTES OF A FINANCE COMMITTEE MEETING

Held on Thursday 7th October 2021 at 9.07pm

At Twyford Parish Hall

Councillors present

Cllr. Sellars (Chairman)
Cllr. Forder-Stent
Cllr. Lawton
Cllr. Cook
Cllr. Pullen
Cllr. Corcoran

Councillors absent/apologies

In attendance

J.P. Matthews – Clerk & RFO

Minute

Business Transacted

Apologies for absence

F11/21 None

Declarations of interest relevant to Agenda Items

F12/21 None received.

Approval of Minutes

F13/21 **It was Resolved** that the minutes of the meeting of the Finance Committee held on the 8th July 2021 be approved.

Public Representation

F14/21 There was no public representation made.

Matters arising from the minutes of the finance committee meeting held on 8th July 2021

F15/21

Banking Review, minuted in **F18/21**. A report on the Council's provider banking services and possible alternatives was received and considered by the committee. Monthly fees were being introduced by many banks, including the Council's current provider HSBC.

Several options for savings accounts, both instant access and notice required were also reviewed. It was noted that a notice account, with improved interest rate over the existing savings account, together with an instant access savings account may provide an effective combination.

It was **Resolved to Recommend** to Full Council that the RFO makes arrangements to:

- open a current account with Unity Trust Bank and a transfer of existing HSBC current account and;
- open a Business Savings Account with Redwood Bank

Q2 Financial reports

F16/21 The RFO presented the Q2 finance reports and highlighted that income on Hunter Park facilities was ahead of the budget due to additional hirings. Income had also been received from Openreach for a one-off wayleave payment.

It was **Resolved to approve the** Q2 Cashbook and **receive** the I&E Budget Comparison report.

It was **Resolved to approve** the Q2 Reconciled Bank Account Statements.

Q2 VAT Return

F17/21 Members received and considered the Q2 VAT Return.

It was resolved to approve the Q2 VAT return for submission to HMRC.

F18/21 Capital Projects Funding

At the previous meeting of the Finance, it was suggested that contingency planning for all projects, but specifically the FMS and Cycleway projects, should grant funding be not forthcoming should be considered.

The RFO advised the committee that the SDNPA was recommending not to approve a CIL application £65k for the Flood Mitigation Project in the 2020/21 round. Because the project also has matched funding from Winchester City Council's CIL allocation, it may result in a £130k shortfall for the project if neither of the bids were successful.

There was a discussion between members on the anticipated timescales for projects and thus forecast expenditure and that a more detailed medium term financial plan was required and that it should also include any expected CIL (community portion) revenue.

The budget setting process will commence in November and should take account of the detailed financial requirements of these projects.

F20/21 Items for consideration on an agenda at a future meeting of the Finance Committee

- None

The meeting closed at 9.54pm

Item F15/21



Twyford Parish Council

Council's Banking Services

The Parish Council's banking services are currently provided by HSBC, for a current and savings accounts and Nationwide Building Society for a savings account only.

At July's meeting of the Finance Committee resolved to look at alternative providers to seek further information from Barclays, Unity Trust Bank and Redwood Bank for options relevant to the Parish Council. In addition options for savings accounts from other providers have also been investigated.

Since that time, HSBC have written to the Council advising that from 1st November they are closing all Community Accounts and will introduce Charitable Bank Accounts instead.

- The Charitable Bank Account has a monthly account fee of £5.00
- Cash paid into and out of your account over the counter will be charged at 0.40% of the value deposited or withdrawn
- Cheques paid into and out of your account over the counter will be charged £0.40 per cheque
- Branch credits – A charge for paying cash & cheques at a branch - £0.40p per credit
- Cash Machine – Cash Out will be charged at 0.40% of the value
- Change supplied over the counter will be charged 1.5% of the full amount
- Auditors Certificates will charged at £25.00 plus VAT

Most electronic (online) payments and debit card payments are still free of charge.

For the Savings account, **Business Money Manager Account**, there is no monthly fee. Cash and cheques transactions will attract fees up of £1.50 per credit/debit and 1.5% of the value of a cash withdrawal. Those charges are unlikely to impact the Parish Council as it mainly carries out internal transfers. However, there is a linked benefit to the existing HSBC Current Account.

Barclays

Community Account (Inc Parish Councils, turnover of less than £100,000. In any case Barclays are not accepting Community Account applications from those looking to switch their banking services.

Unity Trust

Unity Trust Bank plc provides specialist banking services to trade unions, charities and other organisations that operate in the not-for-profit sector in the United Kingdom and its remit has expanded to include profit-with-purpose businesses. The bank operates under a banner "Ethical Banking, Socially Responsible" and is FSCS protected. The bank is used by many other Parish Councils and their Clerks/RFOs have reported a positive experience with responsive customer service.

Unity Current Account - Online Banking is standard, with options for single, dual and triple authorisation. Cash can be deposited at a Post Office. Cheques & cash can be deposited and withdrawn from branches of Natwest and RBS. There is no debit card available with this type of account, although a Unity Corporate MultiPay Card can be applied for.

The Parish Council has a turnover of more than £100k therefore the charges fall into Tier 2 charges for the account which are £6 per month and 15p per transaction. Typically, the Parish Council has 33 transactions per month on its existing current account.

Unity also provides a Business Saver Account. No interest is paid on immediate access, but 30/60/90 notice accounts do provide interest rates, available on application.

Transferring a current account is straightforward process and any payments made to the previous account will automatically be redirected for a period of 3 years.

Savings Accounts

The Parish Council currently has two instant access savings accounts which attract rates of 0.01% and 0.05%

Tridos Bank UK

Although Tridos offers current accounts there appears to be little experience of them in the local council sector, with savings accounts being more common. FSCS protected.

The Tridos Business Deposit Account attracts interest on £1,000+. Easy Access and 33 days' notice, 0.05% and 90 days' notice 0.10% gross AER.

Tridos' Fixed Term deposits, from £10,000 currently attracts 0.2% for a 6 month term and 0.25% for a 12 month term. gross AER

Redwood Bank

Redwood was founded by Jonathan Rowland and Gary Wilkinson and is owned by a company controlled by Jonathan and David Rowland in which Warrington Borough Council have a 35% stake. Redwood was the first cloud based UK Bank and is focused on the UK's small and medium sized businesses. FSCS protected.

35 Day Business Savings Account. Where the balance on the account is £10,000 or more the interest will be 0.80% AER variable gross.

95 Day Business Savings Account. Where the balance on the account is £10,000 or more the interest will be 0.90% AER variable gross.

1 Year Business Savings Bond. Where the balance on the account is £10,000 or more the interest will be 1.00% Gross/AER fixed.

- Pay in from £10,000 up to £1m
- Pay funds through a nominated business current account
- Manage your account in writing, over the phone or online using secure login details
- Access for up to 4 authorised users

Cambridge Building Society

A traditional building society, FSCS protected.

Council Saver - 0.1% EAR

Up to a maximum of two withdrawals a month, without giving notice or paying a fee. Withdrawals can only be made by cheque payable to your Council.

- open in branch or via post
- the minimum amount required to open the account is £1,000
- invest between £1,000 and £2,500,000
- available to Parish and Town Councils
- the account must be opened with a cheque drawn from a UK bank account bearing the name of the Parish Council

Cambridge and Counties Bank

Owned by Trinity Hall, Cambridge and Cambridgeshire Local Government Pension Fund, two well-respected institutions who joined together to create a responsible expert-banking specialist.

95 day business, trust and charity notice account issue 10

Where the balance on the account is £10k or more, the interest rate will be 0.80% gross/AER (monthly 0.797%) variable. Below £10k, the interest rate will be 0.10% gross/AER variable. Interest on the account is calculated daily and can be paid monthly or annually.

Transfers to/from nominate current account.

2 year fixed rate business, trust and charity bond issue 18

Where the balance on the account is £10k or more, the interest rate will be 1.50% gross/AER fixed. Interest is paid annually.

J.P. Matthews

Parish Clerk & RFO

1st October 2021

Item F16/21

Financial Summary - Cashbook

Summary between 01/04/21 and 30/09/21 inclusive.

Balances at the start of the year

Ordinary Accounts

HSBC C/A	£2,845.16
HSBC Savings	£62,485.30
Nationwide	£74,027.20
Total	£139,357.66

RECEIPTS	Net	Vat	Gross
Finance	£115,192.86	£0.00	£115,192.86
Parish Farm	£13.78	£0.00	£13.78
Recreation & Open Spaces	£4,509.72	£260.82	£4,770.54
Projects	£5,000.00	£0.00	£5,000.00
Total Receipts	£124,716.36	£260.82	£124,977.18

PAYMENTS	Net	Vat	Gross
Finance	£26,854.18	£496.78	£27,350.96
Parish Farm	£1,997.00	£152.00	£2,149.00
Recreation & Open Spaces	£20,678.11	£3,411.46	£24,089.57
Projects	£48,308.78	£9,508.16	£57,816.94
Total Payments	£97,838.07	£13,568.40	£111,406.47

Closing Balances

Statement Closing Balances

Ordinary Accounts

HSBC C/A	£6,091.50
HSBC Savings	£62,789.27
Nationwide	£84,047.60
Total	£152,928.37