

# Saxilby with Ingleby Parish Council

# Non-confidential

# Recommend to Full Council opening a Unity Trust Savings Account

Report to: Finance and Risk Committee 24-10

Report by: Clerk

Power/duty which decision falls under: Local Government Act 2003, s12. Power to invest.

## Which council objective(s) it falls under:

**Public Sector Equality Duty** (Consider how policies/decisions affect those protected under the Equality Act)

### **Consideration on carbon reduction:**

### Consideration of risk management in relation to the proposal

It is impossible to list every risk faced by a local council. Risk, in the general sense, means the likelihood of an event happening, and the severity of the negative consequences. The insurance industry regards risk as representing loss or damage. Risk always involves uncertainty. When protecting a local council effectively, it is important to consider if risk is present in the following areas (SLCC AN241)[Tick]

- O Decision making
- ✓ Finances
- O Property
- O Staff
- O Events
- O Legal
- O Inspections
- O Written/verbal communication

Does the report consider any new activity? If 'Yes', has a risk assessment including risk management proposals for consideration been included for consideration and adoption by the council? (*Financial Regulation 17b*)

### No. Opening additional savings account.

<sup>&</sup>lt;sup>1</sup>Risk areas to consider - strategic/operational, likelihood/impact, add to risk register? Any contingency planning needed?

# REPORT

The council currently holds general reserves and identified reserved for some planned projects. In order to prudently manage the councils financial affairs, it is proposed to open further savings accounts to allow reserves to attract interest.

The committee has agreed for the clerk to draft an investment strategy. Whilst this occurs, it is proposed to move the money held in the Unity Trust (Current) Account, which is not the council's day-to-day current account and does not attract interest, to a 12-month deposit account and an instant access savings account. This will then provide interest on the council's finances held in this institution.

The amount currently held in the Unity Trust current account is £109,827.

There is no charge for savings accounts.

The interest on an instant access account is 2.6%. This would provide income of up to £2,927 if the full balance is held in this account for the year.

This will enable the money in Unity Trust to attract income, whilst the investment strategy is being developed in 2024.

It is proposed to move  $\pounds 100,000$  into a three-month fixed term account and the remaining amount into the instant access savings account.



### Options

### **Instant Access**



Useful Links

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Apply for instant Access

Interest Rates

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# Grow your savings whilst growing your business with our competitive business savings rates.

@ 2.60% Interest Rate (as of 06/09/2024)

Ø Variable access with no notice of withdrawal required

Vour money is PSCS protected, up to £85,000

#### Apply now

Our initiant access business savings account applications are subject to our eligibility citeria. Please refer to our Key Features. Document for more information.



"Interest take is the food or variable take of interest event per year expressed as a percentage and which is adapted to terms and conditions, may be varied or withdown by the Bank at any time and without notice.

"Gross Rate is the contractual rate of entwest psychle before the deduction of income tax at the rate specified by law

\*\*\*\*AER stands for Annual Equivalent Rate and Elustrates what the interest rate would be if interest was paid and compounded each year.

## Fixed Term Access

12-Month Fixed Term Deposit Account		18-Month Fixed Term Deposit Account		
Grow your savings whilst growing your business with our competitive business savings rates.	Useful Links	Grow your savings whilst growing your business with our competitive business savings rates.	Useful Links	
4.50% Interest Rate (as of 11 September 2024)	Terms & Conditions	Ø 4.55% Interest Rate (as of 11 September 2024)	Terms & Conditions	
S 12 month fixed term (no access)	Apply for a Term Deposit >	S 18 month fixed term (no access)		
✓ Your money is PSCS protected, up to £85,000		Ø Vour money is FSCS protected, up to £85,000	Apply for a Term Deposit	
Receive online statements every 6 months	Apply for Instant Access >	Securive online statements every 6 months	Apply for Instant Access	
	Contact Us >		Contact Us	
Apply now	Complaints >	Apply now	Complaints	
All Food Term Deposits require a Servicing Account. If you do not already hold wither a Unity Current Account an Indent Access Searing: Account, <u>apply for one online</u> Applications are subject to our eligibility criteria. Hence refer to our Keyl reduces Document for more information.		All Food Term Depends require a Servicing Account. If you do not dready hold either a Unrity Current Account or Instant Access Searcing, Account, <u>apply for one online.</u> Applications are subject to mar eligibility ordering. Hence refer to mar Nay Features Document for more information.	8	

Features					Key Features				
Minimum deposit	Maximum deposit	Gross rate**/AER***	Early closure rate	Fee	Minimum deposit	Maximum deposit	Gross rate**/AER***	Early closure rate	Fee
£85k	£20m	4.50%	2.60%	Free	£50k	£20m	4.55%	2.60%	Free



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- Your money is FSCS protected, up to £85,000
- Ø Receive online statements every 12 months

#### Apply now

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Vour money is FSCS protected, up to £85,000
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Applications are subject to our eligibility otherss. Hence refer to our Key Feetures Document for more information.

/ Features				
Minimum deposit	Maximum deposit	Gross rate**/AER***	Early closure rate	Fee
£50k	£20m	4.60%	2.60%	Free

Features			
Minimum deposit	Maximum deposit	Gross rate**/AER***	Fee
£85k	None	2.96%	Free

Applications are subsect to our elicibility orderia. Please refer to our Key Leafures Document for more information

\*\* Gross Nate is the contractual rate of interest payable before the deduction of income tax at the ratespecified by law.

\*\*\* ASR stands for Annual Equivalent Rate and illustrates the interest rate if interest was paid and compounded each year

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<sup>19</sup> Gross Rate is the contractual rate of interest payable before the deduction of income tax at the natespecified by law.

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#### Grow your savings whilst growing your business with our competitive business savings rates.

- 3.06% Interest Rate\* (£85k to £10 million), 3.16% Interest Rate\* (£10m and above) (as of December 2023)
- 90 day fixed term (no access)
- Your money is PSCS protected, up to £85,000

#### Apply now

All Fored Term Deposits require a Sensiong Account. If you do not already hold either a Unity Current Account or Instant Access Savings Account, yogy for one online Applications are subject to our eligibility criteria. Please teler to our Key Features Document for more information

# 6-Month Fixed Term Deposit Account



Grow your savings whilst growing your business with our competitive business savings rates.

- G 4.00% Interest Rate (as of 11 September 2024)
- 6 month fixed term (no access)
- What money is PSCS protected, up to £85,000

#### Apply now

All I used Term Deposits require a Servicing Account. If you do not already hold either a Unity Current Account or Instant Access Seeings Account, apply for one online

Applications are subject to our eligibility criteria. Please telev to our Key Leatures Document for more information.

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#### **Key Features** Gross rate\*\*/AER\*\*\* Minimum deposit Maximum deposit Fee £85k to £10 million: £85k to £10 million £85k to £10 million: £85k £10m 3.06% Free £10 million and above: £10 million and above: £10 million and above: £10m 3.16% None

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""Grow Rate is the contractual rate of interest payable before the deduction of income tax at the rate specified by law

\*\*\*AEX stands for Annual Equivalent Rale and illustrates what the interest tabe vould be if interest was paid and compounded each year



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\*\* Gross Rate is the contractual rate of interest payable before the deduction of income tax at the ratespecified by lew.

\*\*\* All stands for Annual Equivalent Rate and Businates the interest rate if interest was paid and compounded each year



# **RECOMMENDATION(S):**

- 1. That committee notes the report and recommends to Full Council opening a Unity Trust Instant Access Savings Account and a 3-month fixed term deposit account.
- 2. That £100,000 is moved into the fixed term account and the remaining amount moved into the instant access savings account.