

Agenda item 8: Open another bank account

If you hold funds with a UK-authorized credit union, bank or building society that fails, the Financial Services Compensation Scheme automatically compensates up to £85,000.

Currently the council holds money across three banks – Co-op (current and savings), Unity, and Natwest. This offers protection of up to £255,000 for funds.

The council currently has just under £300,000 in funds:

Funds at 31 November 2022:

200 Coop Everyday Account	£43,244	
<u>220 Coop Reserve</u>	<u>£10,048</u>	
	£53,292	- All FSCS Protected
205 Unity Trust Bank	£119,491	- £34,491 FSCS unprotected
210 NatWest 00837989	£126,464	- £41,464 FSCS unprotected

Currently some funds would not be protected if a financial institution failed. In order to reduce the risk, it is proposed the council opens an additional savings account at a separate unlinked financial institution – a proposal discussed with, and supported by, the internal auditor.

Proposal: The clerk opens a new council savings account at an additional financial institution.