

Policy & Resources Committee

Date:	10 December 2013
Title:	Banking
Purpose of the Report:	To review the current banking arrangements
Contact Officer:	Morag Robinson, Office Administration Manager

Background

The Town Council has banked with the Co-Operative Bank for many years and has been satisfied with the service provided to date. However, the bank is currently going through a period of uncertainty and the Council may wish to consider moving its bank account to an alternative banking provider.

The Council holds two accounts with the Co-Operative Bank - the Community Direct Plus and the Public Sector Reserve. These accounts permit funds to be transferred between both accounts with instant access in addition to a daily sweep facility which is used to top up the Community Direct Account from the Public Sector Reserve. Accrued interest is paid twice a year on 5 April and 5 October.

In addition the Council has a Community Account with Barclays Bank which was opened in October 2011 to replace the Nationwide Account and its main purpose is to pay in the weekly cash generated from the Information Centre. At the end of each month the petty cash account is topped up and the balance is transferred to the Co-Operative's Community Direct Plus Account leaving £500 in the account rolling forward. There is also a Community Account held at HSBC Bank which is the Mayor's Charity Account.

The purpose of this report is to consider whether the Council is happy to continue with its current banking arrangements with the Co-Operative Bank or whether it would like Officers to investigate what other bank providers could offer the Council i.e. a more secure financial arrangement with better terms and conditions allowing all banking to be undertaken locally.

Risk Assessment

Risks	Controls
Council bank accounts are unregulated and not held within a controlled environment which would leave the Council open to financial risk.	Banking arrangements are reviewed on a regular basis and agreed by the P&R Committee.

Resource Appraisal

Officer's time involved in undertaking a banking review.

Legal Powers: Local Government Act 1972 s 111

Recommendation:

- i) That the Committee decides as to whether or not:
"the banking arrangements are reconsidered in the light of the recent uncertainties with the Co-op".*