

To receive and note a report on investments

Investment Description	Amount	Limit of Investment	Required Period to Withdraw	Maturity Date	Percentage Rate
CCLA Public Sector Deposit Fund	£500,000	£500,000	Next Day	N/A	5.04% - August 2024
Barclays Active Saver	£250,829	£500,000	Instant	N/A	1.50% - December 2023
Nationwide 95 day Notice Account – Issue 11	£500,650	£1,000,000	95 days' notice	N/A	4.30% - January 2024
Cornwall Council Deposit Fund	£989,608	£1,000,000	Before 9:30am, same day. After 9:30am, next day	N/A	5.30% - August 2024
Lloyds Fixed Term Deposit Account (12 months)	£340,000	£500,000	12 months investment	3 rd November 2024	3.60% Fixed 12 months

1. Recent transfers below:

- **£375,000** from **June - August** from **Cornwall Council Deposit Fund** to **Barclays E-Payments (Business Current account)** for June - August expenditure and salaries.

2. Precept income of £694,108.50 invested below:

- **£74,108.50** retained in **Barclays E-Payments (Business Current account)** for expenditure and salaries for September.
- **£370,000** from **Barclays E-Payments (Business Current account)** to **Cornwall Council Deposit Fund** to replenish previous withdrawals. Note: current balance is now £10,392 from maximum investment limit.
- **£250,000** from **Barclays E-Payments (Business Current account)** to **Barclays Active Saver** to be withdrawn during September to November for future expenditure and salaries.

3. Nationwide 95 day Notice Deposit account:

Recommend to members to provide delegated authority to the Finance Officer to withdraw £500,000 from Nationwide Account during the period of December 2024 to March 2025 to cover future Town Council liabilities

- £125,000 December 2024
- £125,000 January 2025
- £125,000 February 2025
- £125,000 March 2025

4. Lloyds Fixed Term Deposit

The fixed term deposit of £340,00 is due to end on 3rd November 2024 with an interest payment of £12,240.

The current options to re-invest £340,000 is limited due to eligibility terms e.g. “must have a current account”. Opening a new account is not a straight forward process for a Town Council which excludes many of the banks.

5. Options to invest £340,000 with existing accounts:

Lloyds, see below table:

Account	Term length	Indicative interest rate <u>Gross p.a.</u>
Fixed Term Deposit	3 months	1.90%
Fixed Term Deposit	6 months	3.01%
Fixed Term Deposit	9 months	2.75%
Fixed Term Deposit	12 months	2.75%

Note: these rates are available from 20/09/2024 to 07/11/2024 and may be subject to change.

Investing £340,000 for 12 months will return interest of £9,350 at 2.75%

Barclays:

Rates are not published on the website and only available by contacting Treasury Team. Rate quoted on 18th September 2024 for 12 month Fixed Term Deposit over £100,000 is 2.68% Gross.

Investing £340,000 for 12 months will return interest of £9,112 at 2.68%

Nationwide:

New Fixed Term Account

Business 1 Year Fixed Rate Saver Issue 27 Effective 25 January 2024 – Ongoing.
Interest Rate 4.25% Gross

Investing £340,000 for 12 months at interest rate 4.25% will return interest of £14,450

Note: Nationwide are a reputable banking institution and investing The Town Council funds with them ensures we are committing to professional Treasury Management as per the Annual Treasury Management Strategy.

The following table are long-term credit ratings of UK banks according to the big three international rating agencies.

No	Bank	Moody's	Standard & Poors	Fitch
1	HSBC UK Bank plc	A1	A+	AA-
2	Lloyds Bank plc	A1	A+	A+
3	Bank of Scotland plc	A1	A+	A+
4	Nationwide Building Society	A1	A+	A+
5	Standard Chartered Bank	A1	A+	A+
6	Goldman Sachs International Bank	A1	A+	A+
7	Citigroup Global Markets Ltd	A1	A+	A+
8	Santander UK plc	A1	A	A+
9	Lloyds Bank Corporate Markets plc	A1	A	A+
10	Barclays Bank UK plc	A1	A	A+

Recommend to the members to provide delegated authority to the Finance Officer to invest £340,000 in a new Nationwide Fixed Term account if this option remains the most competitive in November 2024.

End of Report
Finance Officer