

## **SOUTH SWINDON PARISH COUNCIL**

### **Review of Investments**

**Finance & Staffing Committee – 20 March 2018**

#### **1. Introduction**

The report of the Internal Audit recommended that a further review should be made of the Parish Council's investments to spread their investment portfolio.

#### **2. Report Details**

##### **2.1** The Parish Council currently has 3 accounts as follows:

Barclay Bank Current Account : Interest – None  
Barclay Bank Business Premium : Interest .20% or .25% (on current balance)  
Nationwide Building Society : Interest .65%

The bulk of the Parish Council's funds are held in the Barclays Bank Business Premium Account.

##### **2.2** The Parish Council has been approached by CCLA who offer 2 products specifically aimed at Local Councils and a number of town and parish councils use their services.

##### **2.3** The first is a Public Sector Deposit Fund, which basically invests in a number of bank, both UK and overseas and there is a small element of risk should your investment be in one of the banks and it ceases to trade. The minimum investment is £25K and the return is .4021%. There would be management charges to be paid on top of this of 0.08%. We were shown a very brief look at the banks that formed the fund and when asked about ethics more information was supplied (attached) but I not convince that Appendix 1 contains all the banks. More information would need to be obtained if the Parish Council were interested in going ahead.

##### **2.4** The second option was a Property Fund, but this involves a much higher risk, with a higher yield. More details are attached, but if the Parish Council were interested in this, then far more information would be needed.

##### **2.5** There is no reason why this work cannot be done 'in-house' by diversifying the investments of the Parish Council without the risk and saving the management fees. Looking at the current recommendations online, the best business savings account being offered is Aldermore Bank at .85% and this may be worth considering.

#### **3. Recommendations**

##### **3.1** The instructions of the Parish Council are sought.