Agenda Item: **10** **APPENDIX H**

Report to: **Finance and Audit Committee**

Date: **15th July 2026**

Subject: **Investment Bank Accounts**

Summary: The committee is asked to consider allocating a portion of the general reserves to an Investment Bank Account.

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1. Background and objective

1.1 The current level of short-term investment is £550,000 in CCLA, the council has an Unity Trust Instant Saver Account which yields a current interest rate of 1.96%. The Committee is asked to consider opening additional higher interest accounts to reduce the financial risk.

1.2 The FCS covers funds up to £120,000, as the council has larger funds it needs to look at the financial risks.

2. Purpose of the report

2.1 The purpose of this report is to look at the various options of bank accounts or investments to monitor financial risks.

2.2 The RFO has researched a variety of accounts including 95 days, three months, and six months rate accounts. It is understood that other Parish/Town Councils use these organisations, and they are well known.

2.3 A check has been made by the RFO to ensure that BoSTC funds can be placed in these investments or accounts:

2.4 The interest figure in the table is based on an investment of £150,000.

2.5 All the figures in the table below are as of 3rd July 2026 and are subject to change.

Bank	Account	Interest Rate	Interest on maturity of investment	Min & Max Amount can be Invested	Credit Rating
Unity Trust	90 Day fixed term	2.35%	£869.17	£85,000 to £20m	BBB-
Unity Trust	6-Month Fixed Term	3.85%	£5,775	£85,000 to £20m	BBB-

Redwood Bank	95 days Business Saving Account	3.85%	£1,503.08	£10,000 to £1m	N/A
Cambridge & Counties	6-month Fixed Term	4.15%	£3,112.50	£10,000 to £5m	N/A
Cambridge & Counties	95 Days Saving account	4%	£1,561.64	£10,000+	N/A
Lloyds Bank	6-Month Fixed Term	2.20%	£1,654	£10,000+	AA
Lloyds Bank	3 Months Fixed Term	1.30%	£487.50	£10,000+	AA
Nationwide	95 Days Saving Accounts	3.25%	£1,268.83	£5,000+	A
Hampshire Trust Bank	95 Days Notice Saver	3.25%	£1,268.83	£5,000-£750,000	N/A

2.6 There are a variety of fixed terms on offer. The rate is fixed for the whole term. The interest would be paid on maturity date of the deposit.

3. Recommendation

a) The Finance Committee to decide on amount of funds to be reinvested.

b) The Committee to decide on the Fixed term or saving account to invest the funds.