



BOGNOR REGIS TOWN COUNCIL TREASURY MANAGEMENT POLICY

Reviewed at the Policy and Resources Committee Meeting held 3rd June 2019

BOGNOR REGIS TOWN COUNCIL

TREASURY MANAGEMENT POLICY (UPDATED MAY 2019)

INTRODUCTION

The Town Council currently (i.e. as at 27th May 2019) has substantially all of its surplus funds on deposit with CCLA in the Public Sector Deposit Fund. This has had a significant positive impact on the council's interest income (over £6,000 in the year to 31st March 2019 compared with just over £4,400 in the previous year) notwithstanding the significant sums expended on the Screen 4 Project during 2018/19.

SUGGESTED STRATEGY

The current Strategy is serving the Council well and, unless or until meaningful interest returns are achievable on the previously preferred investment vehicle of Fixed Term Treasury Deposits, there is no need to consider alternative arrangements. The rate currently achievable (as at 24th May) is 0.7724% on Total Balances (this is net of Management Charges). The Investment qualifies as a Revenue Investment for Annual Return purposes and deposits/withdrawals do not fall for classification as Expenditure/Income in the Annual Return. Equally, the end of year balance is included within Bank and Cash balances (as a Short-Term Investment) in the Annual Return. The rates would appear to be competitive in today's low-interest environment. Whilst marginally better returns **might** be achievable elsewhere, the simplicity of dealing with, and the immediacy of accessibility of PSDF funds almost certainly outweighs any marginal improvements in returns.

APPROVAL AND MECHANISM

Although the transactions do not represent expenditure/payment by Council for accounting purposes, instructions to Co-op Bank to make investments will still require signature by two Councillors, unless (or until) the current Bank Mandate is amended to allow transfers to (specifically) CCLA to be made on the e-mail instruction of the Town Clerk. Transfer of funds back to the Co-op Bank are by means of e-mail over the Clerk's signature. The amount of these is agreed by discussion with the accountants at their bi-monthly visits.

27th May 2019