

## Changes to banking arrangements

V1 16/2/21

### 1 Current arrangements

RPC has a current and a savings account with Lloyds. The current account contains about £18K and the savings about £100K. The current pays no interest and the savings 0.01% - about 70p a month.

Despite record low interest rates, better ones are available on notice accounts. For one of my other businesses I use [Redwood Bank](#) for similar amounts, which over recent years has consistently given some of the best rates. I have had an account for about 2 years without any issues.

Comparisons are below. Note that my research is limited to banks based in the UK operable via the internet.

- Lloyds instant access 0.01%
- Lloyds 32-day notice 0.03%
- Aldermore Easy Access (best instant access rate on moneyfacts.co.uk) 0.50%
- [Redwood 35-day notice](#) (best up to 100-day notice account on moneyfacts) **0.70%**

For further details of Redwood see <https://businessfinancing.co.uk/redwood-bank-business-banking/>

Therefore I propose we open an account with Redwood and deposit anything we can do without for 35 days up to the FSCS limit (£85K).

Our forecast reserves at the beginning of next year are £108K and at the end £69K. Therefore we could reasonably put in anything from £69 to £85K, as we will have plenty of warning of major expenditure when we place the orders.

Therefore I propose we deposit £85K with Redwood.

Funds can only be withdrawn through a nominated business account. Therefore I propose transfers can be made by a single signatory, either the Clerk, Chairman or Vice Chairman. This would remove the need to redo signatories each time a councillor joins or leaves.

**Martin Whittaker**

Clerk and RFO