**BOTTISHAM PARISH COUNCIL**

*Chairman: Mr Jon Ogborn*

Clerk: Jonathan Giles, 86 High Street, Bottisham, Cambridge, CB25 9BA

Tel: 07789 012761 E-mail: clerk@bottishampc.co.uk

Website: www.bottishampc.co.uk

**A meeting will be held online on Monday 2nd November 2020 at 7.45pm for the purpose of transacting the following business:**

**All residents are welcome to attend via Zoom. The link is:**

<https://us02web.zoom.us/j/81469940199?pwd=cjB6b0wxcHk5dHNJcXdRRlpFSjNWUT09>

Meeting ID: 814 6994 0199

Passcode: 593728

**There will be an open forum at the beginning of the meeting for any resident to ask questions of the Parish Council.**

**MEETING OF BOTTISHAM PARISH COUNCIL – AGENDA**

1. APOLOGIES FOR ABSENCE

2. TO SIGN AND APPROVE MINUTES OF MEETING dated 5 October 2020

- Attachment 1

3. MEMBERS’ DECLARATION OF INTEREST for items on the agenda

4. MATTERS ARISING

a) Parish Councillor vacancy

b) Preventing vehicular incursion on Ancient Meadows green – D/Cllr Cane

c) Response to fault report on pavement in front of Takeaways – Cllr Sunner

d) Quotation for repairs to bus shelter – Clerk

e) Quotation for repair to Village Map – Clerk

f) War Memorial Winter Planting – Cllr O’Dell

5. REPORTS FROM COUNTY AND DISTRICT COUNCILLORS

6. CHAIRMAN’S REPORT

7. PLANNING

a) Applications received

20/01320/FUL

Site S of 2 Parsonage Barns

Change of use of site and buildings to timber processing (retrospective) and proposed area of concrete – comments by 6 November

20/00498/STRCON

Lay-by on A1303 adj to Greengables, Newmarket Rd, Bottisham CB25 9BD

Application to trade as static hot food vendor – comments by 11 November

b) Planning Application update

20/01210/LBC

1 Bottisham Place, CB25 9BB

ECDC advise that LISTED BUILDING CONSENT IS NOT REQUIRED

c)Notification of Appeal Decision

19/01577/OUT

Land NE of 32 Tunbridge Lane

APPEAL DISMISSED

8. ENVIRONMENT:

a) Update from Cllr Sunner and areas of responsibility

b) Tree Officer

c) Tree in Tunbridge Lane – referral from Finance Committee

9. FINANCE

a) To receive minutes of Finance Committee 19 October 2020 – attachment 2

b) To approve the recommendation of the Investment Strategy and Banking Arrangements Report to the Finance Committee – attachment 3

c) To approve payment of outstanding accounts

November £

1. Items already paid

Haven Power – Street Lights 146.04

Laptop for Clerk 634.46

1. Items for approval

Jonathan Giles – Salary, PAYE and NI 728.52

Jonathan Giles – Expenses 36.92

I Swift – Litter picking (4 weeks) 52.50

A Fullwood – Litter picking (4 weeks) 52.50

Wave – Cemetery Water 11.77

Fairhaven Estates Compensation claim re New Cemetery 1,928.62

East Cambs Trading Company – Grasscutting 816.65

Saplings Pre-school – Grant 300.00

Plants for War Memorial garden 21.00

Cambridgeshire County Council – Streetlighting to 25.10.19 14.26

10. NEW CEMETERY WORKING PARTY

11. PLAY AREA WORKING PARTY

12. CORRESPONDENCE RECEIVED

a) Invitation to join the B1102 Local Transport Group – Cllr Fran Platten (Lode)

b) Saplings Pre-school – Application for Grant

c) Update onPlanningPolicy Matters – Richard Kay, ECDC

d) SN Handyman Services – Quotation to repair the High St bus shelter

e) Notification of CIL Meaningful Proportion allocation – ECDC

CORRESPONDENCE WITH RESIDENTS AND ASSOCIATED MATTERS

1. State of the Foot path from High St to Ox Meadow – Ox Meadow resident
2. Response to resident
3. Letter to resident of Spring Lane regarding Cemetery tree

13. DATE OF NEXT MEETING

The next meeting will be Monday 7 December, 7.45pm (online meeting).

FURTHER MEETING DATES

4th January 2021

1 February 2021

Jonathan Giles

Jonathan Giles

Parish Clerk

Attachment 1

**BOTTISHAM PARISH COUNCIL**

**Minutes of meeting Monday 5th October at 7.45pm, held online due to coronavirus restrictions**

**PRESENT:**

Cllr Jon Ogborn- Chair. Cllrs Buchanan, Chetwynd, Clarke, di Lorenzo, O’Dell, Sunner, Martin, van Someren and Winkcup; D/Cllr Cane and C/Cllr Shuter also attended for part of the meeting.

**115 APOLOGIES FOR ABSENCE:**

Received from Cllr Marsh.

**116 MINUTES OF LAST MEETING:**

Minutes of the meeting held on 7 September were agreed and will be signed when possible.

**117 DECLARATIONS OF INTEREST:**

Cllr Sunner declared an interest in the Planning Applications relating to 12 High Street, Bottisham and withdrew from the meeting while they were discussed

**118 PRESENTATION FROM MRS J RANKINE, HEAD, BOTTISHAM VILLAGE COLLEGE**

Cllr Ogborn welcomed Mrs Rankine and invited her to address the meeting on how the Village College is implementing protective measures during the pandemic.

Mrs Rankine said that during the lockdown about 90 of the 1290 pupils on the roll attended in person. These were children of keyworkers or those identified as vulnerable. There was also a focus on motivating the young people in year 11 through all the uncertainties about exams and making their choices for sixth form study – she reported that the majority had secured their first choice.

At the end of the summer term, the government announced that schools should reopen in September. Staff worked through much of the holiday to prepare for all the students within the national guidelines. In order to ensure the students receive the maximum benefit, the full curriculum is being offered. All activities are assessed to mitigate risk – she praised the timely advice (an email sent each day at 7am summarising the latest government direction) offered by Jonathan Lewis, Director of the Education service for Cambridgeshire and Peterborough, which allowed staff to focus on the practical tasks.

The college is now organised into 5 year group “bubbles”. Young people are asked to follow the guidance to protect their friends rather than under threat of sanction. She estimates that 97% of students are self-regulating and that issues arise with only a small minority. The precautions span the whole day, including the transport, where seating plans are used to reduce mixing beyond the “bubble” children are in during the day.

She outlined the three stages of the reopening plan as i) refamiliarising students with the environment (90% of students returned in the first week which is now up to 97%) ii) building students’ confidence, and iii) catchup strategies to make up for the time lost during lockdown.

Referring to the arrival and departure of students, which is the factor having most impact on the village, she advised that arrangements had been designed to enable the increased number of parents driving their children to and from school to drive into the grounds through a one way system to maintain the flow of traffic. Parking near the entrance is discouraged as this disrupts school buses and other traffic. While most have worked within this system, a few are continuing to arrive early and park in Lode Road, some leaving engines running. When encouraged to move further away, some are parking on the Triangle creating obstructions to other traffic. Senior staff are involved in keeping things running smoothly but are on occasion receiving abuse. Mrs Rankine noted that Bottisham Primary School is operating a staggered day, which means that some parents with children at both schools are having to spend a longer time in the village. During the discussion it was noted that the staggered day also meant that primary school children and parents were walking/cycling down Lode Rd during peak periods for BVC school pick-up - which can be difficult for them.

Looking forwards, the college has prepared plans, as required by government, for 4 scenarios to be implemented at 24 hours notice: i) college fully open with students wearing masks (current); ii) A rotation system to reduce the numbers in school at any one time; iii) college only open to year 11 and children of keyworkers or those who are vulnerable; iv) vulnerable and keyworkers’ children only.

Cllr Ogborn thanked Mrs Rankine for giving this comprehensive account of the measures being taken by the college and highlighted the need for the whole community to support their work. In the ensuing discussion a number of points were made:

* Concern at increased parking on the triangle, with some people not responding to requests to turn off their engines; maybe pollution monitoring would be appropriate at this location
* The College is encouraging Police Community Support Officers to attend at peak traffic times when they have opportunity and also reinforcing messages about safe and considerate parking
* The question of temporary signage was mentioned and C/Cllr Shuter pointed out that signs have to be approved by Highways. Mrs Rankine said that a pedestrian crossing was being considered and this would entail the installation of zig-zags preventing parking in the approaches
* The traffic flow to and from the College has been manageable up until now
* The College roll is going to increase by 300 pupils over the next few years
* This is an unparalleled situation where parents are trying to reduce risk for their children, school and police are under huge pressure and there is a general right for the public to use the highway
* Finally Mrs Rankine said that the college had been able to give 50 computers to students without such a facility at home and would be grateful for further donations of such equipment

**119 MATTERS ARISING:**

a) Parish Councillor vacancy

Cllr Ogborn said that he is going to speak with a possible candidate and encouraged other Councillors to continue to seek out anyone who may be interested

b) Options for the triangle

C/Cllr Shuter said that he had received a response from Bob Rossiter (Area Highways Officer) which he will circulate. This indicates that placing rocks or planters to prevent parking would be acceptable. Cllr Clarke said that Council will now be able to decide on the most cost-effective option

c) Website

Cllr Ogborn reported that a meeting is taking place on Thursday to consider options in relation to the website and IT generally. Options identified will be presented to the November meeting

**120 DISTRICT COUNCIL REPORT:**

The report circulated by D/Cllr Cane is attached as an appendix to these minutes. She went through the items listed and commented in particular on the accounts for East Cambridgeshire Trading Company: a trading surplus had been forecast, but the final result was a substantial loss even though only a only a short period of the lockdown was included in the period covered by the results.

Looking to the future, the financial outlook for the District Council is challenging with a projected shortfall of £4.4m in 2023-24. She expressed concern about the impact that job losses and evictions might have on local residents.

On planning matters, she noted the refusal of the appeal in respect of the application to develop 4 dwellings to the rear of 187 High Street on the grounds that it falls within the green belt. This is relevant to the application for the Retirement Care Village adjacent to this location. While consideration of the latter application has been postponed, this is only to allow for the applicant to respond to the submission from the County Council – wider matters should not be included.

Regarding the cutting back of the trees on the open land in Ancient Meadows, she said that officers have been asked to propose measures to prevent vehicular incursion on the site.

**121 COUNTY COUNCIL REPORT:**

C/Cllr Shuter said that much of the County Council’s energy is directed towards managing the impact of the pandemic and that the work of Jonathan Lewis had been particularly appreciated as noted by Mrs Rankine.

A planning application is being considered to permit the Milton Recycling facility to remain on its present site. There is a possibility of a raised road to facilitate access to the skips.

C/Cllr Shuter said he is awaiting the survey report on flooding in Lode Road.

In response to a question about the unresolved issue of the tree in Tunbridge Lane requiring surgery to lower its height, he said he would ask officers to take enforcement proceedings if there was a resolution from the Parish Council.

**122 CHAIRMAN**’**S REPORT:**

Cllr Ogborn drew attention to the email from Cllr Buchanan explaining that nominations for awards in respect of service during the pandemic could be made by both individuals or the Council. Cllr Buchanan will resend the email in case anyone did not receive it.

Cllr Sunner withdrew from the meeting during the consideration of the first two planning items.

**123 PLANNING:**

The Parish Council considered the following applications:

20/01108/ADI 12 High Street: Proposed new illuminated Co-op sign

Cllr Buchanan advised that this application complemented the application under reference 20/01246/LBC to remove the old signs and lighting. The Parish Council did not have any comments regarding these applications

20/01247/FUL 12 High Street: Subdivision of existing flat into two flats. The Parish Council had previously considered the application to divide the existing flat into three which was subsequently withdrawn and had no issues to raise in connection with this application

Cllr Sunner rejoined the meeting

20/01209/FUL and 20/01210/LBC 1 Bottisham Place: Conversion and change of use of existing redundant agricultural yard buildings/cattle sheds to Class B1(Business) use.

Cllr Buchanan said that further information was needed in respect of the application before the Parish Council can comment meaningfully, so she has requested additional time for its response. Cllr Clarke pointed out that Class B is a wide category and could include light or general industrial use. Questions arise about how much traffic would be generated and what sort of vehicles might be involved. There is also an issue about whether it would be possible to move to class A1 use without a further planning application. There was general support for the reuse of dilapidated buildings.

Spring Hall Farm: Cllr advised that issues previously raised had been resolved between the owners and ECDC. No further action is required

Little Tunbridge, Lode Road: The owner of this property has temporarily ceased work on erecting a fence on the boundary with College Close until he has received clarification from ECDC about precisely where the boundary should be located

Planning White Paper: Cllr Buchanan has requested sight of ECDC’s response to the consultation. She will then prepare some bullet points to guide the Parish Council in considering its own response

**124 FINANCE:**

It was proposed by Cllr Clarke, seconded by Cllr Ogborn and unanimously agreed that the following payments be made:

£

Mrs C Fullwood – Salary & PAYE 1713.76

Jonathan Giles – Salary & PAYE 448.33

I Swift – Litter picking (4 weeks) 52.50

A Fullwood – Litter picking (4 weeks) 52.50

J Ogborn – Zoom subscription (Annual) 106.95

Wave – Cemetery Water 11.97

Leaving gift 36.06

**125 ENVIRONMENT:**

Pavement in Pound Close: This was omitted from the resurfacing of pavements in the village and has been logged on the Cambridgeshire County Council Highways Fault reporting system by both Cllr Ogborn and D/Cllr Cane

Christmas Tree on the triangle: Cllr Sunner had spoken with Tony Jolley, who had gone through the issues that arose when this was being considered a few years ago. Cllr Sunner sees this as a long term project, which will depend on the cost of getting power to the triangle to enable lights to be connected. He will investigate further. Cllr Ogborn stressed that any lights would need to be professionally installed

ACTION: Cllr Bill Sunner to review and bring forward a recommendation for progress on the matter.

Bare patches on the pavement in front of the takeaway shops: The recent resurfacing work had highlighted these bare patches - although they do not present an immediate trip hazard. Cllr Winkcup said that, as any non-urgent faults would be deferred on budget grounds, it is important to get them logged for inclusion within the Highways programme for 2021-22. Cllr Sunner undertook to make the report

ACTION: Cllr Sunner to report the fault.

Rowan Close: A mossy area has been identified on the footpath but as it has arisen because no-one walks there, no action is required

Bus Shelter: Members agreed that the tiles on the roof need to be cleaned and the gutter repaired.

ACTION: The Clerk to obtain a quotation from SN Handyman Services.

Garden area around the War Memorial: The bed needs renewing with winter plants.

ACTION: Cllr O’Dell to speak with Reg Webb about winter plantings

Information Board next to War Memorial: Cllr Ogborn had reported that the board needed some repair.

ACTION: The Clerk to seek a quotation from Tony Martin who has previously done similar work for the Council.

Trees: Cllr Ogborn commented that there is a legacy “gentleman’s agreement” that Parish Council maintain trees previously donated to the village and planted on Highways land. Normally trees on Highways land are the responsibility of Highways. However the Clerk is having difficulty identifying which trees are our responsibility. Cllr Ogborn, Cllr Buchanan and the Clerk will seek to clarify the matter , seeking information from Claire Fullwood as necessary. The Parish Council has been asked if it has a Tree Officer by Kevin Drane, who is the lead for trees within ECDC Planning Department. The Clerk will ask him for a role description so that the Parish Council can determine whether it wishes to appoint one.

ACTION: Cllrs Ogborn, Buchanan and the clerk to clarify trees that are PC responsibility.

**126 NEW CEMETERY WORKING PARTY:**

Cllr Ogborn reported that it is hoped that progress can be made during this month, as the persons able to review our draft plans for the National Trust should be returning from furlough in October.

**127 PRE-SCHOOL PLAY AREA WORKING PARTY:**

The revised agreement with Anglia Learning for use of the play equipment in the primary school has now been received, signed by Cllr Ogborn and Clarke and will be returned to BVC for their signature.

**128 DATE OF NEXT MEETING:**

Monday 2 November 2020

APPENDIX

October Report to Parish Councils

# from Charlotte Cane and John Trapp

At the last meeting, which lasted all of six hours and both of us were present, of the Finance & Assets Committee:

1. The Custom and Self-Build Housing Supplementary Planning Document was adopted
2. The Natural Environment Supplementary Planning Document was adopted.
3. A Climate Change Supplementary Planning Document (SPD) has been composed, and will be sent out for consultation to residents and organisations (including Parish Councils) in the District; because SPDs cannot create new policy which is not in the Local Plan, these policies are guidance rather than mandatory. Please consider a response to this consultation.
4. The Equality, Diversity and Inclusion Policy 2020 – 2023 proposal was presented, and will be sent round for consultation in the District. Please also consider a response to this consultation.
5. The East Cambs Trading Company accounts were noted despite some misgivings.
6. The East Cambs Trading Company Business Plan was accepted, again with some misgivings.
7. The Medium Term Financial Strategy report showed a need for substantial savings to be made in two years’ time – rising to a shortfall of £4.4m in 2023/24, and the shortfall won’t be covered by a rise in Council Tax. Services may be affected, and we pressed for consultation with residents and organisations in the District.

At the last meeting of the Operational Services Committee:

1. Resolved to ask local MPs for more information on the Local Electricity Bill before deciding whether or not to support it.
2. Received an update from the Housing & Community Team on the impact of Covid-19
3. Received an update on the Climate Change Strategy and Action plan.
4. Noted a small forecast underspend on the Operational Services revenue budget and a small forecast overspend on the capital budget.

Attachment 2

**BOTTISHAM PARISH COUNCIL**

**MINUTES OF FINANCE COMMITTEE**

**Held on Wednesday 19 October 2020 by online meeting**

**PRESENT**

Cllr Clarke – Chair. Cllrs Buchanan, Ogborn and Winkcup.

**1. APOLOGIES:**

None received

**2. MINUTES OF LAST MEETING (11August 2020):**

Approved unanimously

**3. MATTERS ARISING:**

None

**4. REVIEW BANK SIGNATORIES AND PROCEDURES:**

Cllr Clarke advised that the authorisation procedure is for payments due to be presented to the Parish Council meeting, or within delegated limits, to the Finance Committee. The Clerk then makes the payments and sends a copy of the statement showing those payments to the Chair of the Finance Committee. The Committee did not wish to require additional signatories at this stage as this might cause administrative delays.

**Action:** The Clerk will obtain the necessary forms to add Cllr Winkcup as a signatory and remove Claire Fullwood.

**5. REVIEW OF PARISH COUNCIL BANKING ARRANGEMENTS:**

Cllr Clarke said that he had asked the Clerk to investigate whether better returns could be obtained on the Council’s cash investments from a different financial institution. He said that the improvements that might be achieved were so marginal that the administrative costs of securing them would exceed any additional income obtained. What had emerged from the investigation is that the overall investment in Lloyds exceeds the level of £85,000 which the government would guarantee in the event of the bank failing. Accordingly, the Committee accepted the recommendation that this amount should be transferred to an account with Cambridge Building Society specifically offered to local councils.

**Action:** The Clerk to put on the November agenda of the Parish Council with the Committee’s endorsement of the recommendation

**6. CIL MONEY**

Cllr Buchanan confirmed that there were no current developments on which the Parish Council is awaiting a CIL payment. Cllr Clarke alerted the Committee to the advice from Emma Grima from ECDC, in respect of CIL payments that might be due from the development of a retirement village. This depends on the use to be specified in a full application: if it is C4, which is usual for such an application, CIL would not be payable. If it is C3, which means that anyone can occupy, CIL would be payable.

The Clerk advised that a payment of the “meaningful proportion” of CIL had been received from ECDC amounting to £297.95.

Cllr Buchanan alerted the Committee to possibility of changes to the CIL process arising from the government’s planning white paper. She is awaiting further advice from ECDC Planning as it prepares a response to the document.

**7. S106 FUNDS HELD BY ECDC**

Cllr Clarke advised that ECDC are holding a sum of £45,000 from the developer of Lysander Close to support the development of infrastructure facilities. In order that the developer is not able to argue that the sum is not being used as intended, the Parish Council must demonstrate its progress in implementing plans for its use.

**Action:** Clerk to diarise to liaise with Cllr Clarke to send update to Emma Grima at end of November.

**8. GRANTS**

The Committee considered the application for grant funding from Saplings Preschool. Members recognised the important contribution of the preschool and the difficulties encountered by small not for profit groups during the pandemic. The Committee resolved that a grant of £300 should be awarded as a one-off recognising the current exceptional circumstances. The Clerk was asked to seek information from the group about how the money is spent.

**Action:** The Clerk to write to Saplings

**9. INTERNAL AUDITOR**

The Clerk asked for permission to contact the Internal Auditor to ensure the Council’s system meets standards required by the Council. This was agreed.

**Action:** The Clerk to contact the Internal Auditor by end of December

**10. COSTS ASSOCIATED WITH NEW CEMETERY**

Cllr Ogborn reported that there had been no progress since the last meeting, as the relevant staff of the National Trust who need to agree the proposal have been furloughed, but should be returning at the end of October. He is continuing to seek contact with them as well as securing commitment from Emma Grima, on behalf of ECDC, to support the compulsory purchase of the new cemetery site by the Parish Council.

**Action:** Cllr Ogborn

**11. CURRENT INCOME AND EXPENDITURE**

The Clerk confirmed that the second instalment of precept had been received. It was noted that expenditure is substantially below budget ,on account of normal maintenance activity being affected by the lockdown as well as preventing progress on the Play Area project. The Clerk reported that Amie Fullwood is stepping down from her litter-picking role at the end of the month. An advert will be drafted seeking applications clarifying that the role is only available to people above compulsory school age.

**Action:** The Clerk

**12. ANY OTHER BUSINESS**

a. Cllr Winkcup suggested that it could be possible to run a spur from the floodlight on the SW corner of the Church to power lights on domestic scale Christmas Tree at a small cost.

**Action:** The Clerk to raise informally with the Vicar

b. Overgrown trees on Tunbridge Lane: Cllr Ogborn and the Clerk had discussed this issue raised by Cllr Winkcup at the October Parish Council meeting. Cllr Winkcup had previously raised the matter as a fault with Highways in 2019. However we are unsure that any substantive works has been carried out, beyond a limited trimming of branches around an obscured street light. Regrowth was now obscuring the light again and lateral growth is starting to intrude onto the pavement. This impacts on the safety of pedestrians and cyclists. Whether the tree is the direct responsibility of Highways or belongs to a private householder, as previously suggested by Highways, it is the responsibility of Highways to find a sustainable long term solution to ensure the safety of residents. The Committee proposed that we would recommend to full Council that the matter be reported again as a fault with Highways, following a letter to the adjacent householder alerting them that we would be doing so.

**Action:** Chair to communicate with full council that the Clerk drafts a letter from Cllr Ogborn to the property owner ,explaining that the Council will be raising the matter as a fault with Highways. Then Cllr Winkcup to report as a Highways Fault.

c. The laptop used by the previous Clerk was old and functioned very poorly. It urgently needed replacing, as the Clerk was having to use his own computer for Council business. The Committee noted that Cllr Winkcup, after consulting with the Committee separately, had purchased a new laptop for the Clerk at a cost of £634.46 and was kindly assisting with the install.

The Clerk left the meeting.

**13. RESERVED MATTER: CLERK**’**S PENSION**

The Council is bound to auto-enrol the Clerk in a pension scheme. However, the Clerk has written to indicate that he wishes to opt out of a Council provided scheme, with any monies due invested in his personal SIPP. This will save the Council the considerable cost of setting up a scheme - not currently having one in place at present. After discussion, the Committee agreed to contribute to the Clerk’s pension at a rate of 3% on ALL earnings. The Clerk is required to make a personal contribution of 5% on earnings. The sum will be made as a single payment at the end of the financial year.

Attachment 3

**BOTTISHAM PARISH COUNCIL**

**FINANCE COMMITTEE: 19 OCTOBER 2020**

**PARISH COUNCIL INVESTMENT STRATEGY and BANKING ARRANGEMENTS**

**Purpose of Report**

This report outlines the key considerations involved in determining how funds held by the Council should be invested and makes recommendations for action.

**Statutory context**

Decisions by Parish Councils on investments are required to conform to the Statutory Guidance on Local Government Investments operative from 1 April 2018. This requires, amongst other things, that any investment strategy is approved by the full Council.

The Guidance can accessed through the link below:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/678866/Guidance\_on\_local\_government\_investments.pdf

**Key considerations**

The Guidance sets out three key factors to be considered in determining a Council’s investment strategy, security, liquidity and yield:

“26.A prudent investment policy will have two underlying objectives:

• Security – protecting the capital sum invested from loss; and

• Liquidity – ensuring the funds invested are available for expenditure when needed.

27.The generation of yield is distinct from these prudential objectives. However, this does not mean that local authorities are recommended to ignore potential revenues. Once proper levels of security and liquidity are determined, it will then be reasonable to consider what yield can be obtained consistent with these priorities.

28.When entering into treasury management investments, local authorities should consider security, liquidity and yield in that order of importance.”

Concerning security, the key factor is the limit of £85,000 for compensation in the event of failure by an organisation authorised by the Prudential Regulation Authority. Only amounts up to £85,000 are guaranteed to be compensated by government.

From Bottisham Parish Council’s perspective it needs to ensure that:

* It retains immediate access to funds necessary for its day to day operations
* Funds held in reserve for the new cemetery are clearly indentified and held in such a way that their capital value is not put at risk and are available to be drawn down

In that context, there is an opportunity to consider whether a higher yield might be achieved for the funds held in excess of six months projected operating costs by placing them in either term or notice deposit accounts or a mixture of both.

**Current position**

As at 15 October 2020, the Parish Council holds a total of £150,084.61 in three accounts with Lloyds. Just under £1000 is held in the Treasurer’s account. This is a current account which pays no interest. I have scrutinised statements back to the beginning of the financial year and, as far as I can tell, no charges are applied to this account.

The rest of the funds are split between two Business Bank Instant Accounts. In line with the recent falls in interest paid by the Bank of England, these deposits attract interest at the rate of 0.01% or 1p per £100 per annum.

**Options**

1 Jon Ogborn has advised that enquiries in respect of possible investments were made to CCLA in 2019 and in response they proposed two of their funds.

* Public Sector Deposit Fund: this has an annual % rate calculated daily. The latest rate is 0.0858% (this has reduced from 0.1054% as recently as last week). This facility is suitable for authorities with larger sums but does not qualify for the Financial Services Compensation Scheme.
* Local Authorities’ Property Fund: at the time it was recommended it was offering a yield of 4.35% and the “offer” price for units was 324.35p. On the last dealing day (30 September 2020) the offer price had fallen to 302.56. Various factors make this fund unsuitable for the Parish Council’s purposes. Capital value fluctuates making it likely that it might need to be sold for price considerably lower than the price paid. The price at which shares could be sold back to CCLA on 30 September (the “bid” price) was 279.04p indicating a “spread” of 8.78% below the “offer” price, which represents an additional loss. If, as has happened with other property funds, investors wish to sell their holdings, property held in the fund may need to be sold at a time when market prices are depressed leading to further losses. There may be delays in receiving sale proceeds while property is sold. Such a fund is only suitable for long term holding and not where it is needed for a capital project in the near future.

2 Cambridge Building Society: only one account is available to parish councils. It provides instant access and pays 0.1% per annum. A deposit of £85,000 would earn interest of £85 per annum. The funds would be protected by the Financial Services Compensation Scheme.

3 Apart from the large banks whose offer is similar to that from Lloyds, the smaller banks and building societies do not make their fixed term and notice accounts available to Parish Councils (possibly because of the high level of security required with public money).

**Conclusions**

Based on the overall expenditure budget for the Council of £95,500 for the year 2020/21 it would be prudent to ensure the immediate availability of £48,000 to cover around six months expenditure. This leaves around £100,000 which might be placed in term or notice accounts. Bearing in mind the compensation limit of £85,000 per banking licence, the amount placed with Lloyds should be reduced below that figure.

The current position is that banks are no in need of deposits to support their lending and are offering derisory rates.

**Recommendations**

The Finance Committee is recommended to seek the approval of the full Parish Council to:

* Open a Cambridge Building Society Council Saver account and transfer £85,000 from the accounts held with Lloyds Bank

Jonathan Giles

Clerk

15 October 2020