

Part 1: PROPOSAL TO DONATE THE FLOATING ISLAND TO VILLAGE HALL TRUST

In September 2022 Finance Report Councillors were advised about the purchase by BPC of an established floating island which was immediately installed in the Valley lake to help mitigate the effects of the very hot weather which had caused the stream which feeds the lake to dry up. That purchase was in line with the 2022 Buckden Parish Council Biodiversity Strategy and supports BPC Climate Mitigation initiatives. BPC's payment of the full price of this item @£2,724 meant that it became a BPC asset and the £454 VAT recoverable¹.

Buckden Village Hall Trust (BVHT) has subsequently raised money to support this floating island's maintenance, with ongoing benefits for fish, insects and birds at the valley lake. It is therefore suggested that arrangements are now made to pass ownership of the floating island to BVHT as it owns and manages the Valley and the lake, as well as the playing fields.

Proposal: That Buckden Parish Council donates the floating island to the Buckden Village Hall Trust, transferring the net value of £2,025 for this asset.

Part 2: PROPOSAL TO TRANSFER SOME OF BPC RESERVES (SAVINGS)

Under the Investment Strategy BPC's Reserve funds are distributed between a number of accounts in order to benefit from the protection of the Financial Services Compensation Scheme (FSCS). This is balanced against the Return on Investment available, currently:

Interest rate 03 December 2022

Unity Trust, savings	1.4% pa
Cambridge Building Society Council saver	0.75% pa
NatWest bank, business reserve	0.8% pa
Nationwide 35-day notice business savings	1.5% pa

Proposal for discussion: That BPC Council authorises the NatWest bank signatories (Cllrs Underwood and Ashwell) to move £100,000 from the business reserve account to either Unity Trust instant access savings account OR Nationwide 35-day business savings account. The benefit to BPC by means of this transfer would be either £600 or £700 extra income over a full year, at current interest rates. Council is invited to discuss and agree an option for transfer. A balance of about £2,000 would remain with NatWest.

The £100,000 is a substantial proportion (excluding CIL funding) of BPC's total Reserve funds. JPAG guidance March 2022 states that:

"Short-term investments, which mainly include deposit and savings accounts typically provided by banks, are those that display the following characteristics:

- a) are denominated in pounds Sterling; b) have a maturity of 12 months or less;*
- c) the whole of the original sum invested can, from the time that the investment is made, be accessed for use by the authority without any reduction; and*
- d) the authority has assessed the counterparty and is satisfied that the original sum invested is not subject to unreasonable risk."*

BPC only holds short-term investments as these funds need to be available in full if there were a shortfall in income from our Principal Authority or substantial unexpected costs.

¹ Parish Councils are Section 33 organisations and are therefore able to recover input VAT on the items BPC purchases, without being VAT-registered (VAT Act 1994 and VAT Notice 749)