

**Minutes of Treasury Management Sub-Committee Meeting
Of the Lower Severn (2005) Internal Drainage Board
Held Wednesday 18th July 2018 at 10.00 am
At Drainage Board Offices, Waterside Buildings**

Present: Ald C Williams Chairman
 Mr G Littleton
 Mr J Nichols
 Cllr M Riddle
 Martin Dear Accounts Officer AO
 Sue Williams Minutes

2700.	Apologies No apologies	
2701.	Declaration of Member's Interest No interests were declared.	
2702.	Minutes of the Previous Meeting It was resolved that: <ul style="list-style-type: none"> • The minutes of the 14th March 2018 meeting be approved as a true and accurate record. 	
2703.	Cash Deposits The AO had prepared a monthly cash flow to the 31 st March 2019. The Sub-Committee noted the fluctuation in balance over this period demonstrated that maximum flexibility was a priority consideration when placing deposits. The Sub-Committee identified that £500k could be invested in deposit accounts. The AO had circulated 21 examples of instant and 12-month term accounts, offered by institutions authorised by the Financial Services Compensation Scheme. The Sub-Committee observed that the difference in interest rates between instant and 12 months term accounts was minor at the time of the meeting. It was resolved: <ul style="list-style-type: none"> • The AO close the Nat West; Hempsted Pond, Area Wide Charge accounts and the Lloyds; Commuted Sum 32-day notice deposit account. It was resolved that: <ul style="list-style-type: none"> • £500,000 be approved by the Sub-Committee as being available for investment in deposit accounts for a better return. It was resolved that: <ul style="list-style-type: none"> • The AO be given discretion to place deposits: <ol style="list-style-type: none"> a. Up to a maximum of £85,000 with institutions that were participants of the FSCS. b. The maximum fixed term to be up to six months. c. Fixed term notice accounts were acceptable. d. Ensure that funds were available when needed. 	Action 1 AO to notify Members of deposit placements.

	<p>It was resolved that:</p> <ul style="list-style-type: none"> • The AO notify the Sub-Committee Members by email once the investments had been placed. • This strategy to be reviewed annually. • A list of the investments to be included on the agenda of future Treasury Sub-Committee meetings. 	
2704.	<p>Reserve Policy</p> <p>The Sub-Committee considered that the Board should develop a 'Reserves Policy' that recognised the Board's objectives in raising levies and rates for building up reserves for specific purposes.</p> <p>The Sub-Committee asked the AO to broadly draft a policy for them to consider at the next Treasury Sub-Committee meeting prior to recommendation to the F&GP and Board for approval.</p>	<p><u>Action 2</u> AO to draft a broad outline for a Reserves Policy</p>
	The meeting closed at 10.45 am	