

**MAIDSTONE BOROUGH COUNCIL**

**THE QUEEN'S OWN ROYAL WEST KENT REGIMENT MUSEUM TRUST  
COMMITTEE**

**9<sup>TH</sup> NOVEMBER 2011**

**REPORT OF THE HEAD OF FINANCE & CUSTOMER SERVICES**

<b>Report prepared by: Paul Holland (Senior Accountant)</b>
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**1 BANKING ARRANGEMENTS**

1.1 Issue for Decision

1.1.1 To consider the proposed changes in the Council's banking arrangements and the impact upon the Trust.

1.2 Recommendation of the Head of Finance & Customer Services

1.2.1 That the Committee agrees to follow the position of the Borough Council and transfer its banking arrangements to the successful tenderer.

1.3 Reasons for Recommendation

1.3.1 Nat West Bank (part of the Royal Bank of Scotland group) are being forced to sell part of its asset base to Santander UK plc as part of an EU directive for accepting a Government bail out to deal with its funding problems. This sale will facilitate the repayment of the debt to the Government.

1.3.2 Maidstone Borough Council's accounts are included within this asset sale, and this includes the accounts of associated charities including the Trust. The Council has decided it does not wish its business to go to Santander, and has elected to go out to tender for its banking arrangements.

1.3.3 At the time of writing this report tenders have been returned and are in the process of being evaluated. A verbal update on the latest position will be given to the meeting. The Trust has used the council's banking arrangements for x years. This arrangement has been at no cost to the Trust. It is therefore recommended that the Trust transfer its banking arrangements in line with the council's decision regarding the to the successful tenderer.

1.4 Alternative Actions and Why Not Recommended

1.4.1 The Committee could choose to make its own banking arrangements separate to those of the Council, but this would involve additional administration and potentially additional costs being incurred.

1.5 Impact on the Charity's Objectives

1.5.1 None.

1.6 Risk Management

1.6.1 Robust and secure banking arrangements are an important element of good financial management.

1.7 Other Implications

Financial	<input checked="" type="checkbox"/>
Staffing	<input type="checkbox"/>
Legal	<input type="checkbox"/>
Social Inclusion	<input type="checkbox"/>
Environmental/Sustainable Development	<input type="checkbox"/>
Community Safety	<input type="checkbox"/>
Human Rights Act	<input type="checkbox"/>
Procurement	<input type="checkbox"/>
Asset Management	<input type="checkbox"/>

1.8 Financial Implications

There are no direct financial implications arising from the.

<b><u>NO REPORT WILL BE ACCEPTED WITHOUT THIS BOX BEING COMPLETED</u></b>	
Is this a Key Decision?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If yes, when did it appear in the Forward Plan? _____	
Is this an Urgent Key Decision?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<u>Reason for Urgency</u>	
Not applicable	