

CHIGWELL PARISH COUNCIL

OFFICER'S REPORT

Committee: Finance & Governance

Meeting Date: 10 June 2025

Subject: Maturity and Reinvestment of 1-Year Fixed Deposit – Charity Bank

1. Purpose of Report

To seek approval from Finance Minister & Governance to reinvest the matured 1-year fixed deposit of £88,780.99 with Charity Bank into a new fixed term account offering improved interest rates.

2. Background

A 1-year fixed term deposit account with Charity Bank, in the amount of £88,780.99, has reached maturity. Charity Bank originally offered a renewal rate of 3.16%. However, following negotiation, an improved rate of 4.01% has been secured. The Council has previously resolved to prioritise ethical banking options, in line with its values and environmental responsibilities.

3. Proposal

It is proposed that the matured sum of £88,780.99 be reinvested with Charity Bank under the revised 1-year fixed term deal at 4.01% interest. Alternatively, a 3-year fixed term is also available, although the 1-year option is currently considered to provide greater flexibility amid changing market conditions.

4. Supporting Documentation

- Maturity notice from Charity Bank
- Confirmation of revised interest rates offered
- Correspondence with RFO

5. Council Responsibilities and Considerations

a. Finance and Best Value for Money

The improved interest rate of 4.01% represents best value compared to the original renewal offer of 3.16%, and is competitive in the current ethical banking market.

b. Governance

Reinvestment of public funds must be approved by the Council to ensure compliance with financial procedures and investment policy.

c. Community Engagement

Not directly applicable, though continued use of ethical banking aligns with community values.

d. Equal Opportunities

This financial decision does not disadvantage any specific group and aligns with the Council's principles of fairness and inclusivity.

e. Crime and Disorder

Not applicable.

f. Human Rights

There are no human rights implications arising from this report.

g. Health and Safety

Not applicable.

h. Biodiversity

Charity Bank's ethical framework and social impact investment principles align with the Council's environmental and biodiversity objectives.

6. Recommendation

That Finance & Governance::

- Approves the reinvestment of £88,780.99 into a new 1-year fixed term account with Charity Bank at an interest rate of 4.01%.
- Authorises the Responsible Financial Officer to proceed with the reinvestment and to make appropriate records in the Council's financial systems.

The Charity Bank Limited
Fosse House, 182 High Street,
Tonbridge, TN9 1BE
01732 441900
enquiries@charitybank.org
charitybank.org

22 APR 2025

Charity
bank

Private & Confidential

Chigwell Parish Council
Att: Mrs Olga Linkeviciene
Hainault Road
Chigwell
Essex
IG7 6QZ

14 April 2025

Dear Mrs Linkeviciene,

**Matured Ethical 1 Year Fixed Account Number:
'Gone Away' Account (CBSA):**

Following our letter regarding your ethical account, we have not received your instructions and the account has now matured. I am writing to confirm that these funds have been transferred to an alternative account with Charity Bank, as per Charity Banks Terms for Organisations, with a balance of £88,791.96. A copy of which is enclosed for your reference. Your fixed term account has now been closed.

This Account requires you to give us 40 days' notice before withdrawals can be made and currently attracts an interest rate of 3.16% pa, which will be credited to your balance on a quarterly basis.

We will require a new application form to be completed, in the event that you wish to remain as a saver with Charity Bank. Our application forms are available for download from our website www.charitybank.org. If your funds are to be repaid in full or in part, please return the completed maturity instructions sheet, with a copy of the bank statement, to which the funds are to be repaid. The bank statement needs to show your name, address, sort code and account number. We cannot repay funds to third parties. Your assistance in providing instructions is essential.

Please be aware that monies held in 'Gone Away' marked accounts may have FSCS implications and we wish to ensure your funds remain protected.

Kind regards,

Savings Administrator



Maturity of 1-Year Account and New Application

From Olga Linkeviciene <Olga.Linkeviciene@chigwellparishcouncil.gov.uk>

Date Tue 03/06/2025 10:21 AM

To enquiries <enquiries@charitybank.org>

Chigwell Parish Council
Hainault Road
Chigwell
Essex
IG7 6QZ

03 June 2025

To:

The Charity Bank Limited

Att:

Fosse House, 182 High Street,
Tonbridge, TN9 1BE

Dear

Re: Maturity of 1-Year Fixed Account Number

1 New Application

I am writing on behalf of the Chigwell Parish Council regarding the recent maturity and closure of our one-year fixed-term deposit account, and the associated transfer of funds.

We are prepared to proceed with a new application to reinvest these funds. However, we are disappointed to note that the interest rate currently being offered to us as an existing customer is 3.16%, while new customers are being offered a significantly more favourable rate of 4.01%.

As a public body responsible for managing community funds prudently, we believe it is only reasonable to request that we be offered the same competitive rate available to new customers. We value the relationship we have established with your bank and hope this will be taken into account when reviewing our application.

We would be grateful if you could provide a response by Thursday afternoon as this matter will be considered at our upcoming finance meeting. A prompt decision will allow us to move forward in a timely and informed manner.

Thank you for your attention to this matter. We look forward to your response and hope to continue our relationship on fair and competitive terms.

Yours sincerely,

Olga Linkeviciene
Acting Responsible Finance Officer
Office 02085014275
www.chigwellparishcouncil.gov.uk
email: Olga.Linkeviciene@chigwellparishcouncil.gov.uk
Chigwell Parish Council

The Charity Bank Limited
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charitybank.org



Private & Confidential

Chigwell Parish Council
Att: Mrs Olga Linkeviciene
Hainault Road
Chigwell
Essex
IG7 6QZ

27 March 2025

Dear Mrs Linkeviciene,

Your Maturity Options

Ethical Fixed Term Account:

I write to advise you that the above account, is due to mature on 14 April 2025.

The options available to your organisation are detailed below along with a maturity form to complete and return to us confirming your instruction(s). There are other available options which are explained in this letter.

What happens next?

1. Consider opening a new fixed term account:

You can choose to place all or part of your maturing balance for a further 1-year or 3-year fixed term dependant on availability at time of maturity. To inform your decision-making we have included with this letter copies of our current Additional Terms and Summary Box sheets for relevant fixed term products available to you. As an existing saver you will already be aware of our terms and conditions which are relevant to you, however if you wish to review these again they can be viewed via our website: <https://www.charitybank.org/pages/savings-accounts-documents#terms>. Alternatively, if you require us to send these to you, please contact the Savings team on 01732 441944 or email enquiries@charitybank.org. Should you opt to open a new fixed term account(s), please complete option 1 on the enclosed maturity form.

2. Consider saving for good in an alternative Charity Bank savings account:

Charity Bank exists to lend only to charities and social enterprises. Money saved with us is used to create lasting social change in our communities.

If a further fixed term is not suitable for your needs, you may wish to consider an alternative account for your maturing balance. You can view our full suite of savings accounts via the following link: <https://charitybank.org/ethical-savings>. Should you wish to apply to open an alternative account you can apply online from the selected product webpage. Postal application forms can also be downloaded by electing the 'Apply by Post' option, however if you require us to send these to you, please contact the Savings team as detailed in option 1. Please make a note on any postal application forms, that you wish to transfer the funds from your maturing account number. If applying online, please elect to fund your new account(s) by cheque and note on the Application Summary form (downloaded and printed after submitting your application) that you wish to transfer the funds from your maturing account and provide the account numbers. Please complete option 2 on the enclosed maturity form.

3. Maturing balance repaid to your nominated bank account:

If you wish to withdraw your funds, please complete option 3 on the enclosed maturity form and return it to us by the 14 April 2025. At maturity we shall send electronic payment of the total maturing balance to your verified nominated account as per our terms.

What do you need to do now?

Please complete and return the enclosed maturity form so that we can carry out your instructions when your account matures. If you wish to continue saving with us in a new account and/or for another term and any key individuals/signers have changed and you have not already notified us, then please use our Mandate Variation Form which can be downloaded from our website via our document library: <https://www.charitybank.org/pages/savings-accounts-documents> under Useful forms. Alternatively you can request a copy be sent to you by phone: 01732 441944 or email: maturities@charitybank.org.

If we do not hear from you, we will transfer the maturing balance from your account into an Ethical 40-Day Notice Account, which will require 40 days' notice for withdrawals or closure as part of our 'gone away' account policy. To allow us to receive your instructions quickly you can provide signed scanned copies to maturities@charitybank.org with the original signed paper copy to follow by post.

Thank you on behalf of our borrowers and their beneficiaries:

Finally, please let me thank you for saving for good with Charity Bank and allowing your money to help the organisations we support have a greater impact on the communities they serve.

If you are interested in reading about the organisations and people your savings have helped to support, you can find our latest Impact Report on our website at www.charitybank.org/transparent-banking or let us know if you would like us to send you a copy.

I look forward to receiving your instructions in due course. If you have any questions, please do not hesitate to contact me or another member of the Savings team.

Kind regards,

/

Savings Officer

The Charity Bank Limited
Fosse House, 182 High Street, Tonbridge, TN9 1BE
+44 (0) 1732 441900
enquiries@charitybank.org
charitybank.org



Ethical Fixed Term Account Maturity Form

Account number: 10079912

Current balance: £85,000.00 + interest

Please complete this form and return it along with any new application forms. To allow us to receive your instructions quickly you can provide signed scanned copies to maturities@charitybank.org with original signed paper copies to follow by post using the following details:

Freepost plus RTRJ-RSUL-UGTZ, Savings Team, Charity Bank, Fosse House, 182 High Street, Tonbridge, Kent, TN9 1BE.

We will carry out your instructions when your accounts mature, on 14 April 2025.

If you elect to continue to save for good with us in a new savings account, the interest rate currently applicable to you at the date of maturity can be found on the enclosed Summary Box sheet. Please note that the interest rate may change, and savings accounts may be withdrawn from sale prior to your account's maturity date. Your authority to renew is based on the interest rate available at maturity; however, in the event of a detrimental interest rate change or product withdrawal, we will seek additional instructions prior to proceeding.

Instructions for the maturing balance from the above account number are as follows;

1. We would like our funds placed as elected below:

- ☐ 1-year term - Capital & Interest OR ☐ 1-year term - Capital only, repay interest*
☐ 3-year term - Capital & Interest OR ☐ 3-year term - Capital only, repay interest

2. I am applying for a new savings account with Charity Bank;

- ☐ My application form(s) is attached.
☐ I have applied online, my reference(s) is _____

Please print and sign the online application and return along with this form.

- I wish to open this account with; ☐ the total maturing balance
☐ part of the maturing balance* £ _____

**Remaining balance will be repaid to your nominated account.*

3. ☐ Please repay my savings to the Nominated Account** detailed below:

Payee name:		Sort Code:	
Bank name:		Account number:	
Preferred reference:			

**As per our Terms for Organisations, funds can only be repaid to your Nominated Account details held on file to mitigate the risk of fraudulent payments. If your Nominated Bank details have changed, please scan a copy UK bank or building society statement issued in the last 6 months in the name of the organisation to maturities@charitybank.org or send using our Freepost details (shown above) as evidence to allow us to repay your funds.

Please sign in accordance with your mandate. If additional signatures are required, please add by hand.

Signed:	Print Name:	Date:
Signed:	Print Name:	Date:

 SAVINGS FOR GOOD

Ethical 1-Year Business Fixed Rate

Account

Charitybank

Boost your company's social impact with ethical business savings.



Fixed Period

1 year

£10,000 to £500,000*

4.01%

Gross/AER**

*If you are seeking to place deposits greater than £500,000, please contact our savings team on 01732 441944.



****Gross** is the interest rate without tax deducted. AER stands for Annual Equivalent Rate and illustrates what the interest rate would be if interest was paid and compounded once each year.

View our [Historic Interest Rates for our Business Savings accounts](#).

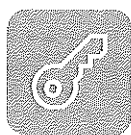
Apply Online



Protected

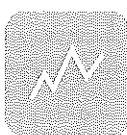
Your eligible deposits with The Charity Bank Limited are protected up to a total of £85,000 by the Financial Services Compensation Scheme, the UK's deposit guarantee scheme. Any deposits you hold above the limit are unlikely to be covered. [View and download the Charity Bank Deposit Guarantee Scheme: Information Sheet here](#). For further information visit www.fscs.org.uk.

Key benefits



Access

Open an account with
£10,000.



Fixed rate of 1 year

Lock your savings away
to make an impact.



Social Impact

Your money will be
used to support
charities and social
enterprises.



Summary Box

Payment of interest:

Interest is paid Gross i.e. without tax deducted.

For individual partnerships if the total amount of interest you receive in any tax year exceeds any Personal Savings Allowance to which you're entitled, you may have tax to pay at the applicable rate. This would need to be paid directly to HMRC. For more information, please visit gov.uk and search for 'Personal Savings Allowance'.

Fixed Term:

1 year.

Minimum initial deposit:

£10,000.

Maximum deposit:

£500,000.

Withdrawals:

No withdrawals, transfers out or closures are permitted before the maturity date.

Paying money in:

Initial deposit(s) can be made by cheque or electronic transfer from your nominated account



only. From the day we confirm your account is open you have 14-calendar days to fund it with one or multiple deposits up to a maximum account balance of £500,000 or in excess of this limit if pre-approved by us. If your account is not funded to the minimum account balance of £10,000 within this period, it will be closed, and any funds returned to you. No further payments permitted once the funding period has ended.

**Number of
account holders:**

Unlimited

**How we calculate
interest:**

Interest is calculated daily and added to your account on each anniversary of the investment and at maturity. There is no bonus interest payable.

**What would the
estimated
balance be after
12 months based
on deposit of
£10,000**

Based on an interest rate of 4.01% gross, the balance on a £10,000 deposit after 12 months would be £10,401.00. The illustrative example assume no withdrawals, no changes to the fixed interest rate over the period and interest is paid and compounded annually. (The illustrative example does not take into account the individual circumstances of a customer)

**Can Charity Bank
change the
interest rate?**

The interest rate is fixed and cannot be altered in accordance with Section 9 Changes to interest rates of our Terms for organisations.



Managing your account:

All accounts are operated by post. We can answer any questions directly by email or over the phone. Currently we do not offer online services once your account is open.

What happens at maturity of the fixed-term?

We will write to you before maturity to remind you of the date that your fixed-term ends. At maturity, you can either withdraw your funds to your Nominated Account, reinvest them in a new fixed-rate account or transfer them into an alternative Charity Bank account of your choice (subject to any specific account Terms). If you do not let us know what you wish to do by the maturity date, your account will automatically revert to an Ethical 40-Day Notice account and the managed interest rate will be confirmed to you in writing. The Ethical 40-Day Notice account is subject to the following condition: A signed letter giving 40 days' notice is required for withdrawals and closures.

[Apply Online](#)

[Apply By Post](#)

