

Report of	Assistant Director of Corporate and Improvement Services	Author	Paul Cook ☎ 505861
Title	Lloyds Bank – Set Off Agreement		
Wards affected	All		

1. Executive Summary

- 1.1 This report seeks approval from the Cabinet to enter into a Set Off Agreement with Lloyds Bank plc with regard to debit and credit balances on the Council's bank accounts.
- 1.2 The Council has a gross overdraft facility, which allows debit balances on one or more of the accounts to be offset against credit balances on one or more of the other accounts, provided that the combined balances of all the accounts are in credit.

2. Recommended Decision

- 2.1 To agree to set-off or transfer of credit balances in accounts held with the bank (excluding any accounts held on trust) and approve entry into the Set Off Agreement (SOA).
- 2.2 To designate the Section 151 Officer for the purpose of signing the SOA on behalf of the Council.

3. Reason for Recommended Decision

- 3.1 Lloyds Bank has reviewed its contractual arrangements and is asking each Local Authority to formalise this facility by entering into a Set Off Agreement

4. Alternative Options

- 4.1 N/A

5. Background Information

- 5.1 The Council's provider of banking services is Lloyds Bank plc. Under this arrangement, the Council operates seven current accounts. The Council has a gross overdraft facility, which allows debit balances on one or more of the accounts to be offset against credit balances on one or more of the other accounts, provided that the combined balances of all the accounts are in credit.
- 5.2 Lloyds Bank has reviewed its contractual arrangements with its English local authority customers and is asking each local authority to formalise this facility by entering into a Set Off Agreement. This agreement would permit the set-off or transfer of credit balances held with the bank towards the satisfaction of any liabilities (i.e. debit balances).
- 5.3 In order to satisfy their internal legal requirements, Lloyds have asked for entering into the Set Off Agreement as described above to be approved by the Council.
- 5.4 In practice, this will have minimal impact upon the operation of the Council's bank accounts, as it is standard practice to maintain a credit balance on each of four accounts.

6. Equality, Diversity and Human Rights implications

- 6.1 Not applicable

7. Standard References

- 7.1 Not applicable

7. Strategic Plan References

- 7.1 Not applicable.

8. Consultation

- 8.1 Not applicable

9. Publicity Considerations

- 9.1 Not applicable

10. Financial implications

- 10.1 There are no financial implications included in this report. This report has been presented to members to satisfy the Lloyds bank requirement of a formal confirmation of the arrangement

11. Health, Wellbeing and Community Safety Implications

- 11.1 Not applicable

12. Health and Safety Implications

- 12.1 Not applicable

13. Risk Management Implications

13.1 Not applicable

14. Environmental and Sustainability Implications

14.1 Not applicable

Appendices

Appendix A –Set-Off Agreement

Background Papers

None