

Winslow Town Council



Investment Policy

1.0 Introduction

1.1 This policy has been produced with regard to Guidance issued by the Secretary of State for the Department for Communities and Local Government under Section 15(1) (a) of the Local Government Act 2003.

1.2 Where a council builds up balances these must be safeguarded by investing in an appropriate account. Investing balances by local councils must be done prudently and in accordance with the above Guidance.

1.3 The Guidance states 'Where the parish council or charter trustee expects its investments at any time during a financial year to exceed £10,000 but not £500,000, it should decide on the extent, if any, to which it would be reasonable to have regard to the guidance in relation to that year' (Para 3.3 (b), DCLG, 2010). Winslow Town Council's level of investment falls within this range.

2.0 Objectives

2.1 The general policy objective is that Winslow Town Council will invest prudently the reserves it holds on behalf of the community. Priority is given to security and liquidity, followed by ethical considerations.

2.2 The Town Council will seek the optimum rate of return, consistent with the proper levels of security and liquidity. As investments are reviewed, the Town Council will also have regard to ethical considerations.

3.0 Specified Investments

3.1 Specified investments are those offering high security and high liquidity. All such investments shall be in sterling and for no longer than one year.

3.2 For the prudent management of its balances, maintaining sufficient levels of security and liquidity, Winslow Town Council will permit funds which are available for up to six months to be invested in short term deposits with one or more of the UK major clearing banks and/or building societies.

4.0 Non-Specified Investments

4.1 These have greater potential risk, such as investment in stocks and shares and the Town Council will not participate in such investments, which are considered not to offer the level of security and liquidity required.

5.0 Liquidity of Investments

5.1 The Finance and Resources Committee or Council will determine the maximum period for which funds may be prudently invested, subject to para. 3.1 above, so as not to compromise liquidity.

5.2 The placement of investments shall be determined by the Finance and Resources Committee or Council in accordance with the Town Council's Financial Regulations.

6.0 Reports

6.1 Investment forecasts for the coming financial year are considered when the budget is prepared.

6.2 During each financial year, the Finance and Resources Committee or Council and Clerk shall report to the full Council any investments made in line with this Strategy.

6.3 The Town Council uses the TSB Bank for its day to day banking.

7.0 Review of this Strategy

7.1 The Investment Strategy shall be reviewed annually by the Town Council for each new financial year.

7.2 The full Council shall be able to amend or make variations to the Policy at any time.

V24.1

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