



# Winterbourne

## PARISH COUNCIL

### **INVESTMENT STRATEGY POLICY**

#### **Introduction**

1. The investment of surplus funds by local authorities is governed by the Local Government Act 2003 Section 15 (1)(a).
2. In accordance with such advice council investments should be based on:
  - Security – protecting the capital sum invested from loss.
  - Liquidity – ensuring the funds are available for expenditure when needed.
  - Yield – income return on investment.
3. A ‘Specified Investment’ is one which is made in sterling and for not longer than a year. Such short-term investments made with the UK Government or a Local Authority (as defined) or a Town/Parish Council will automatically be Specified Investments.
4. The Council for prudent management may use deposits with banks, building societies, local authorities, other public authorities approved public sector investment funds.
5. The choice of institution and length of deposit will be at the approval of the Council.
6. Any other type of investment is considered ‘Non-Specified Investment’ to which there can be greater risk.

#### **Strategy**

1. Winterbourne Parish Council acknowledges the importance of prudently investing its temporary surplus funds held on behalf of the community.
2. Winterbourne Parish Council’s priorities are and will be centred on security, liquidity, and yield.
3. Winterbourne Parish Council will adopt the Secretary of State’s guidance in relation to their investments. (Department for Communities and Local Government – ‘guidance on local government investments’).
4. Winterbourne Parish Council will only invest in ‘Specified Investments’ and/or in ‘Non Specified Investments’ including long term investments , that is investments of 12 months or more but which still offer the greatest security such as the Financial Services Compensation Scheme (FSCS) guarantee of £85,000.
5. Winterbourne Parish Council will strive to invest, where possible, in ethical companies that do not support fossil fuels.
6. All investments will be reviewed annually.

## **Parish Council Investments 2023 - 2024**

Winterbourne Parish Council currently hold the following investments:

- Nat West Current Account
- Nat West Reserve Account
- Nationwide one-year Fixed Business Account
- Bath Building Society Instant Business Saver
- Redwood Bank – 95 Day Notice Account
- Cambridge Building Society – 90 Day notice Account

The Nat West Current Account is automatically kept with a balance of £5,000, by way of automatic transfers between it and the Reserve Account.

The Cambridge Building Society is classed as a 'Non Specified Investment'. Please see item 4 under Strategy.

### **Publication**

A copy of this policy will be made available on the Council's website

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