

Little Waltham Parish Council Investment Policy

Introduction

1.1 This policy is created under guidance issued by the Secretary of State for Communities and Local Government in accordance with the Local Government Act 2003. The extant guidance was issued by DCLG in 2010.

1.2 Little Waltham Parish Council (The Council) acknowledges its responsibility to the community and the importance of prudently investing any reserves held by the council.

Objectives

2.1 The general policy objective of the Council is prudent investment of its balances. The Council's investment priorities are:

- (i) Security of reserves
and then
- (ii) Liquidity of investments

2.2 The Council will aim to achieve the optimum return on its investments commensurate with proper levels of security and liquidity.

Investment Policy

3.1 The Council shall diversify its reserves between multiple relatively highly rated UK banks and building societies. The Council shall only use specified investments as defined by DCLG guidance.

3.2 A significant percentage of the Council's bulked reserves shall be placed on interest bearing term/notice deposits.

3.3 To retain liquidity these shall be placed with phased end dates i.e. there will always be some maturing sooner than others.

3.4 No one investment shall be for a period longer than 12 months.

3.5 The Council shall only invest with banks/building societies which it defines as "High Credit Quality". This being those with a credit rating of A with Moody's Investors Service or BBB with Standard and Poor's or Fitch Ratings Ltd.

3.6 Investments shall be decided upon by the Parish Council as a whole and placed by the Responsible Financial Officer. The actual movement of money shall be by the usual authorised signatories.

3.7 The procedure for undertaking investments, considering the need for timely and speedy placing of deals shall be documented by the Responsible Financial Officer and approved by the Parish before any investments are placed.

This Policy was approved at the meeting held on 6 April 2021

Date of review May 2023