



KIPPAX PARISH COUNCIL
INVESTMENT STRATEGY

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Review date: May 25

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Signed by Chairman, Councillor Martin Eyre

Introduction

This strategy has been prepared in accordance with the Statutory Guidance on Local Government Investments (3rd Edition), issued under section 15(1)(a) of the Local Government Act 2003 and guidance within Governance and Accountability for Local Councils Practitioner's Guide.

The Guidance requires a Parish Council with total investments exceeding or expected to exceed £100,000 at any time during the financial year to produce an Annual Investment Strategy, which sets out its policy for managing the investments and giving priority to the liquidity and security.

Objectives

The general policy objective is to invest the council's funds prudently, based on the following priorities:

1. Security

To maintain the capital sum invested and protect public funds.

2. Liquidity

The Council will seek to ensure sufficient funds are readily available to meet its expenditure commitments.

3. Yield

The Council will seek to obtain the best yield from accounts that meet the council's objectives of security and liquidity

Strategy

1. The Council shall invest its funds in deposit accounts at UK banks and spread the risk across different institutions which are covered by the FSCS, with no more than £85,000 held in each.

2. The Council shall hold its surplus funds in short-term interest-bearing accounts with a maximum notice period of 60 days.
3. To retain liquidity at least one interest-bearing account will be instant access, with transfers being able to be made by online banking.

Process

1. Proposals to open new accounts in line with this strategy, will be considered by the Finance and Corporate Governance Committee who will make recommendations to full council for approval.
2. Transfers between the accounts held are to be made in line with the council's Financial Regulations

Review

This policy is to be reviewed annually by the Finance and Corporate Governance Committee who will recommend any changes to full council for approval.