

1 Introduction

- 1.1 Penkrige Parish Council acknowledges the importance of prudently investing all funds held on behalf of the Community by the Council.
- 1.2 This strategy complies [as appropriate] with the revised requirements set out in the Guidance on Local Government Investments issued by the Department of Communities and Local Government in April 2018.

2 Investment Objectives and Practice

- 2.1 In accordance with Section 15(1) of the Local Government Act 2003 Act, the council will have regard
 - 2.1.1 (a) to such guidance as the Secretary of State may issue, and
 - 2.1.2 to such other guidance as the Secretary of State may by regulations specify.
- 2.2 The Council's investment priorities are first the security of reserves, second the liquidity of its investments and thirdly return, in that order.
- 2.3 The Council will aim to achieve the optimum return on its investments commensurate with proper levels of security and liquidity.
- 2.4 All investments will be made in sterling.
- 2.5 The Council will not engage in borrowing monies purely to invest or to lend and make a return.

3 Investment in Institutions Other than Banks

- 3.1 The Council does not place investments with institutions other than banks.
- 3.2 This investment position will be reviewed annually by the Full Council.

4 Liquidity

- 4.1 The Parish Administrator / Responsible Finance Officer will determine the maximum periods for which funds may prudently be committed so as not to compromise liquidity.

5 Long Term Investments

- 5.1 Long term investments are defined in Governance and Accountability for Local Councils as those with a maturity date greater 12 months.
- 5.2 The Council does not currently hold any long term investments and no long term investments are currently envisaged.

6 End of Year Investment Report

- 6.1 Investment forecasts for the coming financial year are accounted for when the budget is prepared.
- 6.2 At the end of the financial year, the Parish Administrator / Responsible Finance Officer will report on investment activity to the Full Council.

7 Review and Amendment of Strategy

- 7.1 The strategy will be reviewed annually and at other times as necessary.

8 Publication

- 8.1 The investment strategy will be published and available in hard copy on request and on the Parish Council's website.

9 Financial Year 2018/2019 Investment Plan

- 9.1 Barclays is the Parish Council's banker. Funds not required for immediate use are currently invested in an interest bearing account at Nationwide..
- 9.2 Amounts are invested for up to one year. It is envisaged that these arrangements will continue during financial year 2018/2019.
- 9.3 The Parish Council and the Parish Administrator / Responsible Finance Officer will review the position on a regular basis as set out above and take action as appropriate to deal with any change in circumstances.
- 9.4 The Council does not anticipate borrowing monies in advance of spending needs during the year.
- 9.5 Given the low absolute level of funds to be invested and the low level of interest rates it is not anticipated that the use of private sector treasury management advisors would benefit the Council.