

Annual Investment Strategy

INTRODUCTION

Woodham Walter Parish Council acknowledges the importance of prudently investing the temporarily surplus funds held on behalf of the community.

INVESTMENT OBJECTIVES

In accordance with Section 15(1) of the 2003 Act, the Council will have regard (a) to such guidance as the Secretary of State may issue, and (b) to such other guidance as the Secretary of State may by regulations specify.

The Council's investment priorities are the security of reserves and liquidity of its investments.

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

All investments will be made in sterling.

The Department for Communities and Local Government maintains that borrowing of monies purely to invest, or to lend and made a return, is unlawful and this Council will not engage in such activity.

SPECIFIED INVESTMENTS

Specified Investments are those offering high security and high liquidity, made in sterling and maturing within a year. Such short term investments made with the UK Government or a local authority or town parish council will automatically be Specified Investments.

For the prudent management of its treasury balances, maintaining sufficient levels of security and liquidity, the Council will use:

Deposits with banks, building societies, local authorities or other public authorities.

Woodham Walter Parish Council maintains with Barclays Bank a Community Account for day to day expenditure and a Business Saver Account for all other monies.

NON-SPECIFIED INVESTMENTS

These investments have greater potential risk – examples include investment in the money market, stocks and shares.

Given the unpredictability and uncertainties surrounding such investments, the Council will not use this type of investment.

LIQUIDITY OF INVESTMENTS

The Responsible Finance Officer in consultation with the Council will determine the maximum periods for which funds may prudently be committed so as not to compromise liquidity.

Investments will be regarded as commencing on the date the commitment to invest is entered into, rather than the date on which the funds are paid over to the counterparty.

LONG TERM INVESTMENTS

Long term investments are defined in the Guidance as greater than 36 months.

The Council does not currently hold any long term investments.

No long term investments are envisaged during the financial year.

END OF YEAR INVESTMENT REPORT

At the end of the financial year, the Responsible Financial Officer will report on investment activity to the Council.

REVIEW AND AMENDMENT OF REGULATIONS

The strategy will be reviewed annually. The Annual Strategy for the coming financial year will be prepared by the Responsible Finance Officer and presented for approval at the Full Council Meeting.

The Council reserves the right to make variations to the Strategy at any time, subject to the approval of the full Council. Any variations will be made available to the public.

Dated: 5th May 2017