

TELSCOMBE TOWN COUNCIL



INVESTMENT POLICY

1. INTRODUCTION

Telscombe Town Council acknowledges the importance of prudently investing the temporarily surplus funds held on behalf of the community which are not immediately required to meet expenditure.

This strategy provides a framework for the secure investment of those monies and adopts the relevant principles of statutory guidance issued under Section 15(1)(a) of the Local Government Act 2003. Investment strategies approved after 1st April 2018 must also be in line with the Government's 'Statutory Guidance on Local Government Investments'.

2. OBJECTIVES

The Council invests monies for treasury management purposes and its priorities are:-

Security – to protect the capital sum invested from loss.

Liquidity – ensuring the funds invested are available for expenditure when needed.

Yield – to consider what yield can be obtained.

Investment opportunities are assessed in terms of these objectives and the Council will aim to obtain the best possible return commensurate with proper levels of security and liquidity.

3. INVESTMENTS

The Council will not invest in non-financial assets such as commercial property. The Council will only place funds in specified investments, as defined by the Secretary of State, which offer high security and liquidity. The following should apply to investments made in the Council's name:-

- i. The investment is denominated in Sterling and any payments or repayments are payable only in Sterling
- ii. Have a maturity of no more than one year
- iii. The investment is made with a body or in an investment scheme described as high quality as follows:-
 - HM Government and its agencies
 - Local Authorities
 - UK Banks or Building Societies
 - CCLA Public Sector Deposit Fund

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4. ANNUAL ACTIVITY

The Town Council maintains its investments via the Nat West Treasury Reserve. It will regularly review its 3 objectives to ensure they are being met and may make change during the year with approval of full Council and spread funds across several bodies.

The Town Council will retain not less than one month's average working capital requirement of £25,000 in the current and reserve bank accounts which give immediate access.

The RFO will prepare a report on investment activity at the end of the financial year.

5. REVIEW

This strategy will be reviewed annually by the Policy & Resources Committee and subsequently submitted to full Council for approval.