

Congleton Town Council

Investment Policy

I. Introduction

Congleton Town Council acknowledges the importance of prudently investing the temporarily surplus funds held on behalf of the community.

In preparing its Investment Policy the Council is required to comply with the guidance notes issued under Section 15 (1) of the Local Government Act 2003. The current statutory Guidance on Local Government Investments Guidance notes came into force in February 2018, this document will be available on our website alongside the policy. (Link: [Guidance on local government investments.pdf \(publishing.service.gov.uk\)](https://www.publishing.service.gov.uk/guidance/2018-02-01-guidance-on-local-government-investments))

Town and Parish Councils with a budget larger than €500,000 are not eligible for compensation under the Financial Services Compensation Scheme (FSCS).

2. Objectives

The general policy objective of the Council is prudent investment of its balances in line with the widely recognised investment policy expressed as SLY, Security, Liquidity and Yield. The Council's priorities are:

1. Security of its reserves.
2. The Liquidity of its investments.
3. The Yield of its investments.

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

3. Policies

1. The procedure for undertaking new investments, considering the need for timely and speedy placing of deals shall be documented by the Responsible Finance Officer and approved by the Finance and Policy Committee and then by Council before any investments are placed.
2. All investments will be made in Sterling
3. No one investment shall be for a period longer than 12 months
4. The Town Council shall only invest with banks/building societies or institutions with high credit quality ratings from credit agencies such as Standard and Poors; Moody's Investors Services Ltd and Fitch Ratings Ltd.

5. Day to day operation of current investments already approved by Finance and Policy and Council will be delegated to the Responsible Financial Officer and Chief Officer, who will provide regular updates to the Finance and Policy committee.
6. Council will be provided with an update on the annual Investment Strategy and investment accounts and balances once approved by Finance and Policy.
7. Any revisions to this policy shall be approved by the Full Council.
8. The Finance Committee shall review this policy annually and recommend any proposed changes to Full Council prior to the commencement of the new investment year. Where no changes are proposed, Full Council shall note the policy.