



Investment Strategy – Adopted Sept 2009

Resolution– Full council adopt the following Annual Investment Strategy but will seek the advice of an Independent Financial Advisor if investments are expected to exceed the £500 000 threshold. The strategy can be varied at any time during the year with the approval of full council.

1. Specified Investments

To be made with body/scheme with credit ratings of A or above as defined by the one of the following three companies – Standard and Poor's, Moody's Investors Service Ltd or Fitch Ratings Ltd.

To be reviewed annually in September and investments moved if credit rating has deteriorated significantly.

- a. Precept – receive into high interest account, filter into current account by standing order to cover monthly anticipated expenditure with ad-hoc transfers between current account and high interest accounts to ensure timely payment of expenditure while gaining interest on remaining balance where possible.
- b. Un- allocated reserves – to be invested in high interest account along with precept and utilized as in a.

2. Non- Specified Investments

F&GP to consider which categories of non –specified investments may prudently be used in order to make recommendations to full council. No more than 50% of precept amount in any year to be held in such investments. If non – specified investments are to exceed £100 000 then professional advice is to be sought.

Majority of available funds in fixed term deposit (term dependant on interest rate available). Sum each year allocated to purchase of Gilts for up to 10 years as a longer term investment.

3. Liquidity of investments

10 years to be the maximum term for any investments.

4. Loans

Interest rates to be monitored and should it be deemed prudent and sufficient surplus funds are available, consideration should be given to repaying any outstanding balances.



Annual Reviews

2009

Specified - Remain with bank of Ireland and Co op.

Non specified - £50k in 1 year fixed term Bank of Ireland (0.95%). £1000 Gilts.

2010

Specified - Dec full council resolved to investigate an additional current account to replace Bank of Ireland accounts due to uncertainty over investments.

2011

Non specified - Resolved to invest £50k in 2 year fixed deposit with Cambridge Building Society instead of Bank of Ireland.

2012

Non specified - Resolved to invest £50k in 1 year fixed term deposit with best interest rate offered on day. To review in May when Cambridge Building Society 2 year bond expires. Resolved not to pursue purchase of Gilts at this time.

2013

Non specified – Resolved to invest further £50k in 1 year fixed term deposit with best interest rate offered on day. Resolved to monitor performance of Co Op bank and move funds between accounts if credit ratings fall below approved levels. Noted Financial Compensation Scheme does not apply to parish councils.

2014 (January)

Non specified – Resolved to reinvest £50k into 1 year fixed rate bond with Santander in February. Review situation again when Cambridge Bond matures in September 2014.

Resolved to use Unity Trust (internet banking) or Santander (Cheque payments only) for project work and continue to keep funds distributed over different banking



institutions to protect capital (PC is not covered under financial compensation scheme). Frequent Transfers between accounts may be required to cover costs. Salaries/loans/direct debits - continue to pay these out of Co-op account. Review as necessary.

2015 (Sept)

Noted changes to FSCS covering £75k of assets for Parish Councils with budgets up to £355,695. No changes to AIS.

2016

Resolved to close Santander account (Nov 15 – closed in Feb 16) – was used for project funds, but no internet banking and funds now largely used – transferred to Co-op.

July - Resolved to close Unity Trust account due to introduction of charges. Transferred balance to Co-op.

2017

Noted current account pays interest on balance, but interest rates are not high. Balance includes @ £76K of reserves. Most project funds now spent. No large input of S106 money anticipated therefore no present requirement for separate higher interest accounts. New expenses account (Co-op) with debit cards for clerks is being opened (agreed Sept 2016).