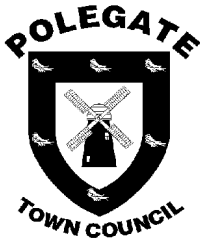


Polegate Town Council



INVESTMENT POLICY

Policy Number 33		
Issue No.	Date completed	Details of amendments
1	07.07.17	Add the definition, Investment of cash and reserves.

1.0 Introduction

- 1.1 The policy refers to cash and reserve investment only.
- 1.2 This Policy sets out the treasury management procedures for the monitoring of the cash flow and banking arrangements of Polegate Town Council
- 1.3 Authority reference is to the Council's Financial Regulations, Section 8 Loans & Investments and Sub section 8.5-8.8 together with Section 17 Risk Management.
- 1.4 The Local Government Act 2003 Section 12 provides the Power to Invest (a) for any purpose relevant to its functions under any enactment or (b) for the purpose of the prudent management of its financial affairs. Section 15(1) of the Act requires a local authority to have regard to guidance issued by the Secretary of State.
- 1.5 The Council acknowledges its duty of care to the community and the prudent investment of funds.

2.0 Objectives

- 2.1 The Council's priorities are, in the following ranking order:
 - (i) The security of Capital to minimise the risk of losses.
 - (ii) The liquidity of investments to meet the cash flow needs of the Council.
 - (iii) Maximising income within the framework of the national economic situation.
- 2.2 The Council will aim to achieve a high rate of return on investments commensurate with adequate safeguards of security and liquidity.

3.0 Investments

- 3.1 All investment and deposits will be with UK registered Banks or Building Societies.
- 3.2 All investments, deposits and interest will be in £sterling.
- 3.3 Investments for current expenditure will be on instant access deposit accounts with a daily feeder to the current account.
- 3.4 Investments not required for current expenditure i.e. the General Reserve may be placed on longer term deposits of up to 2 years.
- 3.5 Investments not required for current expenditure i.e. Earmarked Reserves may be placed on medium term deposits not exceeding 1 year.
- 3.6 In order to spread the financial risk to a minimum, investments will be made with a minimum of 2 financial institutions.
- 3.7 The credit ratings of the institutions will be A and these will be monitored regularly.
- 3.8 The management of this Policy will be by the RFO (Responsible Finance Officer) and reported to each Finance and Policy Committee meeting.

4.0 4. REVIEW

- 4.1 This Policy will be reviewed by the Council or Finance and Policy Committee on an annual basis.