

ST GERMANS PARISH COUNCIL

Investment Strategy and Policy

Introduction and Strategy

From time to time, St Germans Parish Council may have surplus funds in its bank account. It is important that these funds are invested prudently, with full recognition of the Parish Council's responsibility to the Council Tax payer, and with regard to the priority for security and liquidity of those investments.

The Investment Strategy and Policy is a public document as defined by the Freedom of Information Act. This document sets out the Parish Council's policy for managing any investments that it makes.

Policy

Cash not immediately required:

- 1.To retain not less than two months average working capital requirement in current and deposit accounts giving instant access.
- 2.To place any other funds on deposit, depending upon the prevailing interest rates and forecast cash flow requirements.
- 3.Funds are only to be deposited with organisations covered by the Financial Services Compensation Scheme within the U.K. being Banks or Building Societies or UK Local Authority or Government Bonds.
- 4.In accordance with the Financial Regs all investments will be in the name of the Council with Signatories authorised by the Council. Where possible all repayments to only be made back into the main current account.
5. The Finance and General Purposes Committee, following advice from the Responsible Finance Officer, will determine the maximum periods for which funds may prudently be committed so as not to compromise future liquidity.

Risk Assessments

The Parish Council's reserves are covered by the Financial Services Compensation Scheme up to £85,000.00 with any one institution holding its own authority and monies must therefore be carefully managed to mitigate the risk of losses where joint authority would reduce compensation.

Approved date: 3 January 2023

Revision date: January 2025