



Wheatley Parish Council Investment Strategy

Adopted 07.09.2020 ,revised 13.10.2021, 29.11.2022, 02.02.2024

Overview

This document sets out the Investment Strategy for Wheatley Parish Council from 2020 and in line with statutory guidance issued in 2018 from Local Government Act 2003 s15(1)(a).

The council is committed to effective management of its investments to ensure that:

- It maintains the security of its cash balances whilst retaining sufficient liquidity to meet its spending plans.
- Savings and investments are managed effectively.
- Any capital expenditure plans are affordable.
- Any external borrowing or long-terms liabilities are within prudent and sustainable levels

Investment Strategy

The council acknowledges the importance of prudently investing any cash balances that it holds during its normal business on behalf of the community of Wheatley.

In accordance with [section 15\(1\)\(a\) of the Local Government Act 2003](#) the council will have regard to any [guidance and regulations that the Secretary of State may issue](#).

Investments

The council's investment priorities are the security of its cash reserves and the liquidity of its investments. The council will aim to achieve the optimum return on its investments commensurate with appropriate levels of risk management and the security of cash balances.

The council will only make deposits in specific investments with UK banks or building societies, UK government authorities or UK based financial establishments.

The council's deposits are currently held with Barclays Bank (2 separate accounts) and Unity Trust Bank (2 accounts).

It also holds a CCLA deposit fund.

The council's savings and investments will be reviewed regularly.

Liquidity

The council will aim to hold no more that £20,000 in its current account, transfers will be made from the council's premium account, in which the precept is paid, in order for the council to undertake its normal business. Transfers between accounts will be authorised by two councillors who are authorised signatories on the account.

Long term investments (greater than 1 year)

Any decisions regarding long-term investments will be made by full council, which will agree the length and amount of the investment, after consideration of the risks and security against the potential yield of the investment.

Risk Assessment

The council is covered under the Financial Compensation Scheme, but only up to the maximum up to £85,000 per eligible business, per bank, building society or credit union.

The council should aim to spread its investments across multiple opportunities to ensure that its investments are covered under this scheme.

Where the compensation scheme is not available the council will only invest with organisations that have a high credit rating or profile.

Reporting of performance

Investment performance will be reported back to the Council's Finance Committee and an annual summary will be included in the end of year financial reports.

External borrowing

The council acknowledges that that it has an ambitious Strategic Plan and to deliver this it may need to consider seeking borrowing approval from the council.

The council will only agree borrowing for specific capital projects, as defined in Section 6 of the Local Government Act 2003.

Before a council can borrow money, it must obtain approval from the Ministry of Housing, Communities and Local Government (MHCLG). This application would be submitted via Oxfordshire Association of Local Councils (OALC) who will review the application.

Any such application will require approval from full council.

The council does not currently have any external borrowing ~~and is not considering it for the period of 2020/21.~~

Document Review

The document will be reviewed **bi**-annually.

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