

# **Theydon Bois Parish Council Investment Strategy**

## Overview

This document sets out the Investment Strategy for Theydon Bois Parish Council from October 2023 in line with the Department for Communities and Local Government, Guidance on Local Government Investments (Second edition – 11 March 2010). 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
- Any capital expenditure plans are affordable
- Any external borrowing or long-term 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 residents of Theydon Bois Parish. 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 (1 account) and Investec Bank (1 account).

## Liquidity

The council will aim to ensure that it has sufficient funds to undertake its normal business

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 person, per bank, building society or credit union. The council should aim to spread its investments across multiple opportunities to maximise coverage of its investments under this scheme.

January 2024

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.

Present Balances held:

<b>Name of Account</b>	<b>Balance</b>	<b>Interest Rate</b>
Barclays Premium Savings Account	£4467.27	1.50%
Unity Trust Instant Access Savings Account	£105416.09	2.75%
Investec Bank 32-day Notice Account	£105,042.74	1.74%

Document Review

The document will be reviewed annually.