St Ives Town Council
Investment Policy

Adopted at full Council July 2021
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Introduction

1.1

St Ives Town Council acknowledges the importance of prudently investing the monies under its control held on behalf of the community.

1.2

This Strategy complies with the revised requirements set out in the Office of the Department for Communities and Local Government's Guidance on Local Government Investments and Chartered Institute of Public Finance and Accountancy's Treasury Management in Public Services: Code of Practice and Cross Sectoral Guidance Notes and takes account of the Section 15(1)(a) of the Local Government Act 2003.

Strategy

2.1

This strategy establishes formal objectives, policies and practices and reporting arrangements for the effective management and control of the Council's treasury management activities and the associated risks and should be read in conjunction with the Council's Financial Regulations.

Investment Objectives

3.1

In accordance with Section 15(1) of the 2003 Act, the Council will have regard (a) to such guidance as the Secretary of State may issue, and (b) to such other guidance as the Secretary of State may by regulations specify.

2.2

The Council's investment priorities are the security of reserves, the liquidity of its investments and the return on investment. The Council will aim to achieve the optimum return on its investments commensurate with proper levels of security and liquidity.

2.3

All investments will be made in sterling and be ethical investments.

2.4

The Department for Communities and Local Government maintains that borrowing of monies purely to invest, or to lend and make a return, is unlawful and this Council will not engage in such activity.

Specified Investments

3.1

Specified Investments are those offering high security and high liquidity, made in sterling and with a maturity of no more than a year. Such short-term investments made with the UK Government or a local authority or town or parish council will automatically be Specified Investments.

3.2

For the prudent management of its treasury balances, maintaining sufficient levels of security and liquidity, St Ives Town Council will use:

- Deposits with UK clearing banks, building societies, local authorities or other public authorities.
- Other approved public sector investment funds.
- Cornwall Council variable deposit scheme.

Non-Specified Investments

5.1

These investments have greater potential risk – examples include investment in the money market, stocks and shares.

5.2

Given the unpredictability and uncertainties surrounding such investments, St Ives Town Council will not use this type of investment.

Liquidity of Investments

6.1

The Responsible Financial Officer will determine the maximum periods for which funds may prudently be committed so as not to compromise liquidity.

6.2

Investments will be regarded as commencing on the date the commitment to invest is entered into, rather that the date on which the funds are paid over to the counterparty.

Long Term Investments

7.1

Long term investments are defined in the Guidance as greater than 36 months.

7.2

The Council does not currently hold any long-term investments.

7.3

No long-term investments are envisaged during the financial year 2021-22.

End of Year Investment Report

8.1

At the end of the financial year, the Responsible Financial Officer will report on investment activity to the Finance & General Purposes Committee.

Review and Amendment of Regulations

9.1

The Investment Policy Strategy will be reviewed annually and revised if considered necessary. The Annual Strategy for the coming financial year will be prepared by the Responsible Financial Officer and presented for approval at the Finance & General Purposes Committee.

9.2

The Council reserves the right to make variations to the Strategy at any time, subject to the approval of the full Council. Any variations will be made available to the public.

Freedom of Information

10.1 In accordance with the Freedom of Information Act 2000, the Council's Investment Strategy will be published on the Town Council's website www.stivestowncouncil-cornwall.gov.uk and is also available as hard copy from the Town Council Offices.

SIGNED: [Mayor]

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