

## Investment Policy – 2023-24

Adopted March 2023 (23/038.e)

### 1. Introduction

Nettleden with Potten End Parish Council (the ‘Council’) acknowledges the importance of prudently investing the temporarily surplus funds held on behalf of the community.

This policy has been prepared in accordance with the Guidance on Local Government Investments (‘the Guidance’), issued under section 15(1)(a) of the Local Government Act 2003 and effective from 1 April 2018 (3rd edition).

### 2. Objectives

- 2.1. To invest prudently to ensure the security of the principal sums and to mitigate risk.
- 2.2. To maintain liquidity in the portfolio to meet the council’s spending plans.
- 2.3. To seek the optimum returns available whilst remaining consistent with the proper levels of security and liquidity

### 3. Specified Investments

3.1. The Council will only invest in bank or building society accounts or deposit bonds that are:

- 3.1.1. denominated in sterling and any payments or repayments in respect of the investments are payable only in sterling.
- 3.1.2. that have a period to maturity of no more than 12 months.
- 3.1.3. made with a UK bank or building society (see below), or with the UK Government.

3.2. The Council will not:

- 3.2.1. Invest in share or loan capital of any corporate body.
- 3.2.2. Invest more than £85,000 or the current limit under the Financial Services Compensation Scheme (FSCS) (whichever is the lesser)<sup>1</sup> with any bank or building society.

3.3. Decisions on investments within this strategy will be made by Full Council.

### 4. Acceptable Level of Risk

- 4.1. The acceptable level of risk for a bank or building society to be considered as a potential investment is for it to be registered with the Financial Services Authority (FSCS).

---

<sup>1</sup> [Deposit and savings protection | FCA](#)