

WARLINGHAM PARISH COUNCIL

INVESTMENT POLICY STATEMENT

6 December 2023

INTRODUCTION

This statement relates to a proportion of the Council's reserves that may be held as short-term investments as opposed to being deposited at a bank or similar institution as savings.

Arrangements must allow for funds to be accessible within a period of less than three months (short-term/ liquidity) and use an investment product that:

- is suitable for use by a local authority (tailored for the sector)
- defines the risk
- provides a return (potential growth) that is better than the cash held on deposit
- can be regularly monitored by the council
- will allow deposits and withdrawals without penalty/hindrance

SUITABILITY

The Council will only wish to use an investment product:

- that is designed for use by Parish Councils (amongst others)
- that has a proven track record (established for several years)
- uses a basket of risks (asset classes) considered acceptable
- that has competitive fees compared to the rest of the market
- allows immediate withdrawals of funds without notice/delay

RISK

The Council will only invest in risks that are rated A- or better.

RETURN

The Council will only invest when the investment is consistently making a return above the average published short-term bank savings rates over a rolling period of one year.

MONITORING

The Council will monitor the investment's return on a quarterly basis.

DEPOSITS AND WITHDRAWALS

The Council will monitor the total of the Council's funds (earmarked, CIL and general) on a quarterly basis and make further deposits or withdrawals to ensure that the Council has sufficient available funds to conduct its business unhindered.

Statement to be reviewed annually