



## FOREST ROW PARISH COUNCIL INVESTMENT POLICY

### 1. DETAILS

Bank: UNITY TRUST  
Investments: CCLA

### 2. INTRODUCTION

- 2.1 The strategy has been produced and complies with the guidance issued by the Secretary of State under Section 15(1) (a) of the Local Government Act 2003.
- 2.2 Forest Row Parish Council acknowledges its responsibility to the community and the importance of prudently investing the temporary surplus funds held on behalf of the community.

### 3. OBJECTIVES

- 3.1 The general policy objective for this Council is prudent investment of its balances. The Council's investment priorities are:-
- (i) the security of its reserves  
and
  - (ii) the liquidity of its investments.
- 3.2 The Parish Council will aim to achieve the optimum return on its investments commensurate with proper levels of security and liquidity.

### 4. POLICIES

- 4.1 All the Parish Council's investments will be Specified Investments which are those offering high security and high liquidity. This means that:-
- (i) All investments will be made in sterling and any payments or repayments will also be made in sterling.
  - (ii) All investments will be short term investments which will not exceed a maximum of twelve months.
  - (iv) All investments will be made in UK banks and building societies.
- 4.2 For prudent management of its balances, the Parish Council, maintaining sufficient levels of security and liquidity, will adopt a policy whereby funds which are likely to be surplus for up to three months can be invested in short term deposits with one or more of the UK major clearing banks and/or building societies.

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

4.4 The Clerk will, on a monthly basis, determine the funds required for the day to day financial activity of the Council and transfer the funds from the CCLA investment fund to the Council's current account with Unity Trust.

## **5. REVIEW AND AMENDMENT OF THE STRATEGY**

5.1 Through the Finance Committee, the Clerk will review this strategy annually for approval by the Full Council when annual budgets are being considered.

5.2 At the end of the financial year during the preparation of accounts the Clerk will also report on investment activity.

5.3 The Finance Committee may recommend variations of the strategy for approval by the Full Council in accordance with the guidance from the Secretary of State.

Policy due for review May 2021
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MAY 2016