

COPDOCK and WASHBROOK PARISH COUNCIL

INVESTMENT STRATEGY 2024

When making and managing investments Copdock and Washbrook Parish Council, (the Council) is bound by the Local Government Act 2003. In accordance with section 15(1), the Council will have regard to such guidance as the Secretary of State (a) may issue and (b) may by regulations specify.

The Council is required to have regard to the current editions of the Chartered Institute of Public Finance and Accountancy (CIPFA) codes by regulations 2 and 24 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 [S1 3146] as amended.

This Strategy will be reviewed annually for approval by the full Council.

Where the Council proposes to make a material change to this Strategy during the year, a revised Strategy will be presented to full Council for approval before the change is implemented.

The Strategy will be publicly available on the Council's website.

The Council's investment priorities will have two underlying objectives:

1. **Security** – protecting the capital sum invested from loss; and
2. **Liquidity** – ensuring the funds invested are available for expenditure when needed.

Once proper levels of security and liquidity are determined, it will then be reasonable to consider what yield can be obtained with these priorities.

Specified Investments: all of the following must apply:

1. The investment is denominated in sterling and any payments or repayments in the respect of the investment are payable only in sterling
2. The investment is not a long-term investment. This means the Council has a contractual right to repayment within 12 months, either because that is the expiry term of the investment or through a non-conditional option.
3. The making of the investment is not defined as capital expenditure by virtue of Regulation 25(1)d of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 [as amended]
4. The investment is made with a body or in an investment scheme described as high quality.

The Council will not borrow more than or in advance of their needs purely in order to profit from the investment of the extra sums borrowed.

Short-Term investments shall be defined as less than one year. **Long-Term** investments shall be defined as one year or greater.

Risk Assessment

The Council should assess the risk of loss before entering into and whilst holding an investment by using deposit and investment accounts with UK regulated banks and building societies only. Given the unpredictability surrounding investment in the money market of stocks and shares, the Council will not use this type of investment.

This Strategy recognises that members may not always have sufficient expertise to understand the complex transactions that they have ultimate responsibility for approving. Members do not

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necessarily need formal training in understanding investment risks to satisfy requirements. A presentation setting out the risks and opportunities of an investment strategy/specific investment in terms a layman would understand, would suffice.

This Investment Strategy 2024 is to be read in conjunction with the Copdock & Washbrook Parish Council Investment Policy document, as adopted by the Parish Council.

The next review will be due in 2025.