**Short Term Investments Policy**

**Introduction**

Upper Beeding Parish Council (UBPC) acknowledges the importance of prudently investing all funds held on behalf of the community by the Council

**Legal Requirements**

This policy complies (as appropriate) with the revised requirements set out in Guidance on Local Government Investments issued by the Department of Communities and Local Government in April 2010 and takes account of section15(1)(a) of the Local Government Act 2003.

The Joint Panel on Accountability and Governance Practitioners Guide (JPAG), (March 2021 edition) advises on reserves as follows:

*1.11 Investments — Arrangements need to be in place to ensure that the authority’s funds are managed properly and that any amounts surplus to requirements are invested appropriately, in accordance with an approved strategy.*

**Investment Objectives and Priorities**

UBPC’s investment priorities are the security of reserves and the liquidity of its investments.

**Investment Strategy**

JPAG states:

*5.28. It is unusual for an authority to hold its reserves other than in the form of easily accessible bank deposits or other short-term investments (see paragraph 2.21 in Section 2 of the Guide for a definition). Occasionally, circumstances require authorities to consider making other types of investments, for example when saving.*

For the prudent management of its treasury balances, maintaining sufficient levels of security and liquidity the council will only use UK Banks and Building Societies that are UK FCA regulated qualifying money market funds with a triple A rating.

Investments will be in £ sterling.

UBPC will endeavour to ensure investments are covered by the Financial Services Compensation Scheme (FSCS) and will ‘spread’ its investments to facilitate this.

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

If an external investment manager(s) is used , they will be required to comply with this policy.

**Investment Procedure**

The Finance Committee will regularly review reserves and bank/investment balances, usually at year end (March/April) and when setting a budget (November/December).

The Finance Committee have delegated authority to move investments between existing providers.

All new investments will be approved by full Council following recommendation by the Finance Committee.

UBPC’s Finance Committee will monitor all investments and make recommendations to full Council.

The Clerk/RFO will facilitate the investments as agreed.

**Review**

This policy will be reviewed annually to ensure it fully complies with the Council’s requirements.

Policy Adopted: March 2022. Minute Ref: C:0322:22

Next Review: March 2023