



## **Catterall Parish Council**

### **Investment Policy**

#### **Introduction**

Catterall Parish Council will from time to time have surplus funds available and it is important that such funds are invested prudently with due regard to the Council's fiduciary responsibility to the Council Tax payers and to the priority for security and liquidity of those investments.

This policy is in accordance with the Local Government Act 2003 section 15(1)(a) and must be approved by the full Council but may be varied from time to time as circumstances dictate. The policy will be a public document as defined by the Freedom of Information Act 2000. Catterall Parish Council will also from time to time need to borrow money and, whilst it may borrow by temporary loan or overdraft to meet expenses pending the receipt of revenues receivable, will invariably be required to meet capital expenditure.

#### **Investment Policy**

All the Parish Council's investments will be Specified Investments which means that:

1. All investments will be made in sterling and any payments or repayments will also be made in sterling
2. All investments will be short term investments not to exceed 12 months, unless the investment is towards a specified project
3. All investments will be made with a body or an investment scheme which has been awarded a high credit rating by a credit rating agency

A credit rating agency will be taken as one of the following

- Standard and Poor's
- Moody's Investors Services Ltd
- AVIVA Investors UK Fund Services

A high credit rating will be defined as 'AAA' 'High Credit Quality' although it is recognized that in times of financial unrest, such a rating may not be possible to achieve. At these times, the Council will seek the highest credit quality available in the market, taking professional financial advice where appropriate.

Credit ratings will be monitored regularly and if the rating falls, consideration will be given at the next Council meeting of the appropriate action to be taken.



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#### **External Borrowing**

No borrowing approval is required for temporary loans or borrowing by way of an overdraft. However in order to borrow to fund capital expenditure approval must first be given by the Department for Communities and Local Government. The process to be followed and the criteria applied in deciding whether or not approval should be forthcoming are detailed in the Guide to Parish and Parish Council Borrowing in England jointly published by the Department and NALC. Seek assistance from Lancashire Association of Local Councils initially.

<b>Version Number</b>	<b>Purpose/Change</b>	<b>Author</b>	<b>Date</b>
v1.0	Updated from SLCC – minute 3163	G. Benson, Clerk	03/03/2020
v1.1	Review & change of title – minute 3310	G. Benson, Clerk	02/03/2021
v1.2	Review– minute 3534	G. Benson, Clerk	03/05/2022
V1.3	Review, reformat and minor amendments – minute 3735	E Millington, Clerk	07/03/2023