



# SAFFRON WALDEN TOWN COUNCIL

## Investment Policy

Version	Date Adopted Policy	Minute Reference	Review Date
1	September 2016	September 2016	October 2018
2	December 2018	FC 544-18	October 2020
3	April 2021	FC 208-21	April 2023
4	March 2023 (no changes)	FC 040-23 (a)	October 2025
5	September 2023	F&E 120-23	October 2024

# **Saffron Walden Town Council Investment Policy**

The Investment Strategy and Policy is in accordance with relevant regulations, proper practices and guidance. The Strategy and Policy shall be reviewed by the Council at least bi-annually.

All investments of money under the control of the Council shall be in the name of the Council.

Both the CIPFA (Chartered Institute of Public Finance) and the CLG (Communities and Local Govt.) Guidance require the Council to invest its funds prudently and to have regard to the security of and access to its investments before seeking the highest rate of return.

## **SHORT TERM INVESTMENTS**

Short term investments are those offering high security and high availability, made in sterling and maturing within 2 years.

For the prudent management of its treasury balances, maintaining sufficient levels of security and availability, the Council will use deposits with banks or building societies.

## **NON-SPECIFIED INVESTMENTS**

These investments have greater potential risk – examples include investment in the money market, stocks and shares.

Given the unpredictability and uncertainties surrounding such investments, the Council will not use this type of investment.

## **ACCESS TO INVESTMENTS**

The Chairman and the Vice-Chairman of the Finance and Establishment Committee in consultation with the Responsible Finance Officer (RFO) will determine the maximum periods for which funds may be prudently committed so as not to compromise availability using an appropriate cash flow projection.

Investments will be regarded as commencing on the date on which the funds are paid over to the counterparty.

## **LONG TERM INVESTMENTS**

Long term investments shall be defined as greater than 2 years. The Council will use the same criteria for assessing long term investments as identified above for short term investments.

## **REVIEW AND AMENDMENT OF REGULATIONS**

The Council does not employ in-house or externally any financial advisors but will rely on information in the public domain.

The Council reserves the right to make variations to the Policy at any time, subject to the approval of the Full Council. Any variations will be made available to the public.

## **FREEDOM OF INFORMATION**

In accordance with the Freedom of Information Act 2000 this document will be posted on the Council website and a hard copy will be available from the Council's office.

## **AUTHORISATION, INVESTMENT REPORTS AND RESPONSIBILITY**

Investments will be authorised by the Chairman and the Vice-Chairman of the Finance and Establishment Committee in consultation with the Responsible Finance Officer and reported at the following meeting of the Council or Finance and Establishment Committee, whichever is first. The Council is ultimately responsible for its investments.

~~Investments shall be made only with major High Street banks, and shall be instant access save that the RFO is authorised to make fixed term investments as follows:~~

~~—— up to £500,000 in total for fixed terms not exceeding 12 months~~

~~—— up to a further £500,000 in total for fixed terms not exceeding six months~~

~~This is to improve the return to the Council.~~

**Proposed amendment to read:**

**Investments may be made through major High Street banks and/or via the UK Debt Management Office, an integral part of the UK Treasury Department.**

**Investments shall be instant access, save that the RFO is authorised to make fixed term investments as follows:**

**- up to £1,500,000 in total for fixed terms not exceeding 12 months**

**- up to a further £1,000,000 in total for fixed terms not exceeding six months**

**This is to improve the return to the Council.**