



Investments Policy

Revision History

Date	Section/Paragraph Changed	Reason for Change
July 2021	Original Document	Adopted by Hayle Town Council at Resource Committee Meeting 22 July 2021, Minute R9
January 2024	Complete review.	
January 2025	Annual review.	
January 2026	Annual review.	

1) Introduction

- a) This Policy is reviewed under guidance issued by the Ministry of Housing, Communities and Local Government in 2018 '*Statutory Guidance on Local Government Investments (3rd Edition)*'.
- b) Hayle Town Council acknowledges its responsibility to the community and the importance of prudently investing reserves held by the Council and the importance to protect its actions from unethical investment.

2) Objectives

- a) The Policy objective is the prudent investment of the Council's balances.
- b) Investment priorities are: -
 - a. Security - protecting the capital sum from loss;
 - b. Liquidity - keeping the money readily available for expenditure when needed;
 - c. Yield – return on the investment.
- c) The Council will aim to achieve the optimum return on its investments commensurate with proper levels of security and liquidity.
- d) The Council will consider social, ethical and environmental factors when looking at the various investment options.
- e) Ethical investment opportunities which seek to contribute positively to the environment should be considered alongside yield, subject to such investment complying with statutory guidance on Climate Emergency.

3) Policy

- a) The Town Council shall diversify its reserves between multiple relatively highly rated UK banks and/or building societies.
- b) The Town Council shall retain a minimum of four months estimated expenditure in current and deposit accounts giving immediate access.
- c) A significant percentage of the Council's reserves shall be placed in interest bearing deposits such as Fixed Rate Bonds, if available.
- d) To retain liquidity Fixed Rate Bonds should be placed with phased end dates.
- e) No one investment shall be for longer than 12 months unless specifically approved by the Resource Committee.
- f) Investments shall be decided and placed by the Clerk & Responsible Financial Officer following a due diligence exercise.
- g) New investments will be reported to the Resource Committee with an explanation of security, liquidity and yield.
- h) The performance of investments will be regularly monitored and reported to the Resource Committee
- i) The Clerk & Responsible Financial Officer shall review credit ratings of organisations in which the Council holds investments on a quarterly basis and take action as necessary.
- j) The Guidance states that councils must not borrow more than, or in advance of their needs, purely in order to profit from the investment of the extra sums borrowed.

4) Current Investments

- a) At the time of adoption and review Hayle Town Council holds the following accounts:-
- Barclays Current Account Instant Access
 - Barclays Deposit Account Instant Access

5) Review

- a) This Policy shall be reviewed by the Resource Committee annually in January.
- b) Any revisions to the Policy shall be approved by Resource Committee prior to the commencement of the new financial year.
- c) If no revisions are recommended, the Resource Committee shall note the Policy