INVESTMENT STRATEGY 2023-2024
Adopted by Council with support of the Finance Advisory Group

The previous, adopted version of the BPC Investment Strategy was ratified in 2021 before the March Council meeting and reviewed but not changed in March 2022.

This document is submitted to the May2023 BPC Council meeting to have this in place prior to the next internal and external financial audits.

Having an agreed Investment Strategy in place for each financial year is a statutory requirement, due to the current turnover of BPC.

- There is no prescribed format for the strategy.
- The model below has been adapted from another Parish Council in Cambridgeshire.
- It is similar in content to a number of other Parish Council Investment Strategies which have been reviewed online by The Finance AG Chairman.

This document sets out in further detail the Principles for investment recommended by the Finance AG in April 2020 and adopted by full Council in May 2020. No conflicts between that previous document[1] and this Strategy have been identified.

This Investment Strategy for BPC put before Council was considered in detail by Finance Advisory Group members at their meeting on 25 April 2023 and their recommended updates have been incorporated.

In preparing and reviewing the BPC Investment Strategy account has been taken of national advice and guidance in Good Councillors' Guide to Finance and Transparency; Joint Panel on Accountability & Governance Practitioner's Guide (Finance); BPC Financial Regulations and BPC Standing Orders.

Cllr S Ashwell, Finance AG Chairman

Attachment:
Strategy adopted as recommended by Finance Advisory Group members

[1] Previously adopted document on investment: PRINCIPLES FOR INVESTMENT OF BPC CASH ASSETS May 2020

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1	**Introduction**
1.1	Buckden Parish Council acknowledges the importance of prudently investing the temporarily surplus funds held on behalf of the community.
1.2	This Strategy complies with the current requirements set out in the Government guidance on Local Government Investments and the Chartered Institute of Public Finance and Accountancy's Treasury Management in Public Services: Code of Practice and Cross Sectoral Guidance Notes and takes account of the Section 15(1) (a) of the Local Government Act 2003 and best practice from the National Association of Local Councils and CIPFA.
2	**Investment Objectives**
2.1	In accordance with Section 15(1) of the 2003 Act, Buckden Parish Council will have regard a) to such guidance as the Secretary of State may issue, and b) to such other guidance as the Secretary of State may by Regulations specify.
2.2	Buckden Parish Council's investment priorities will be centred on the security and liquidity of reserves and whilst also giving consideration as to to yield.
2.3	All investments will be made in sterling.
2.4	The relevant Government department maintains that borrowing of monies purely to invest, or to lend and make a return, is unlawful and Buckden Parish Council will not engage in such activity.
2.5	Where external investment managers are used, they will be contractually required to comply with this BPC Strategy.
3	**Specified Investments**
3.1	Specified Investments are those offering high security and high liquidity, made in sterling and with a maturing date of no more than a year. Such short-term investments made with the UK Government or a Local Authority or Town/Parish Council will automatically be specified investments.
3.2	For the prudent management of its treasury balances, maintaining sufficient levels of security and liquidity, Buckden Parish Council may use: • Deposits with banks, building societies, • Local authorities or other public authorities Buckden Parish Council's current investments are with Unity Trust Bank, Nationwide Building Society, NatWest Bank and Cambridge Building Society.
4	**Non-Specified Investments**
4.1	These investments have greater potential risk – examples include investment in the money market, stocks and shares.
4.2	Given the unpredictability and uncertainty surrounding such investments, BPC will not use this type of investment during the period covered by this Investment Strategy.

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5	**Liquidity of Investments**
5.1	The full Council, following advice from the Responsible Finance Officer, will determine the maximum periods for which funds may prudently be committed so as not to compromise liquidity.
6	**Risk Assessments**
6.1	The Parish Council's reserves are covered by the Financial Services Compensation Scheme up to £85,000 with any one institution and monies will be carefully managed in this context but other factors will also be taken into account, such as relative interest rates and the variable needs for access to BPC's different cash deposits.
7	**Long Term Investments**
7.1	Long term investments are defined in the guidance as greater than 12 months.
7.2	When investing in corporate bonds and/or government bonds it is considered that credit rating alone is not sufficient to make an investment; it would be reviewed within the context of the wider financial economic information available and advice.
7.3	Buckden Parish Council does not currently hold any funds in long term investments.
8	**Reporting on Investment Performance**
8.1	Buckden Parish Council will ensure that the Responsible Finance Officer has sufficient training to underpin their responsibility to scrutinise the treasury management function.
8.2	Investment forecasts for the coming financial year will be accounted for when the budget is prepared. At the end of the financial year, the Responsible Finance Officer will report on investment activity to the full Council.
9	**Review and Amendment of Regulations**
9.1	The Buckden Parish Council Investment Strategy will be reviewed annually by the Responsible Finance Officer and Chairman of Finance Advisory Group, and presented for approval by Full Council after any proposed amendments are discussed and proposed by the Finance Advisory Group.
9.2	Buckden Parish Council reserves the right to make variations to the Strategy at any time subject to the approval of Full Council. Any variations will be made available to the public.
10	**Freedom of Information**
10.1	In accordance with the Freedom of Information Act 2000 this document will be posted on the Council's website. https://buckdenpc.org.uk/

Proposed by Chairman, Finance Advisory Group after review by Finance Advisory Group members and Responsible Financial Officer (Parish Clerk).

With Acknowledgement to Littleport PC.

Adopted by 10 May 2023 Reviewed Finance AG: April 2023	Minute number 05-12.5 Next Review Finance AG: April 2025