



Congresbury Parish Council

Congresbury Parish Council: Investment Strategy 2025-26

Approved and readopted 12th January 2026

Date of adoption by Parish Council	12 th January 2026	Next review date	January 2028
Signature of Chairman of Parish Council		Policy reference	INV-1

1. Introduction

- (i) The Investment of surplus funds by local authorities is governed by the Local Government Act 2003, section 15(1)(a) and Guidance under that Act issued by the Secretary of State for the Department of Communities and Local Government.
- (ii) The guidance states 'Where the parish council or charter trustee expects its investments at anytime during a financial year to exceed £10,000 but not £500,000, it should decide on the extent, if any, to which it would be reasonable to have the guidance in relation to that year' (Para 3.3 (b) DCLG 2010). The level of investment for Congresbury Parish Council falls within this range.
- (iii) Local authorities should keep strategies simple and maintain prudence at all times, in accordance with the above guidance. Where a Council builds up balances these must be safeguarded by investing in an appropriate account.

2. Objectives

- (i) The general policy objective is that Congresbury Parish Council is prudent investment of balances. The council's investment priorities are in line with the widely recognised investment policy - Security, Liquidity and Yield
 - The security of its reserves
 - The liquidity of its investments
 - The return on investment
- (ii) The Council will aim to achieve the optimum rate of return, consistent with the proper levels of security, liquidity and ethical considerations.

3. Specified Investments

- (i) A 'Specified Investment' is
 - one which is denominated in sterling
 - is not long term (i.e. less than 12 months)
 - not defined as capital expenditure, by virtue of Regulation 25(1)(d) of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003

- is placed with a body which has a high credit rating or made with the UK Government, a UK Local Authority or a parish or community council.
- (ii) The choice of body and length of deposit will be at the approval of Full Council.

4. Non-Specific Investments

- (i) Any other type of investment is considered 'Non-Specified Investment'
 - to which there can be greater risk and where professional investment advice might be required.
 - Longer term investment (i.e. 12 months or more) but which still offers the greatest security (such as a UK financial institution which offers the full £85,000 UK Financial Services Compensation Scheme)
- (ii) As this type of investment has greater potential risk, such as stocks and shares, the Parish Council will not participate in such investments at this time, as they do not offer as high enough level of security and liquidity.

5. Liquidity of Investments

- (i) Full Council in consultation with the Responsible Finance Officer RFO will determine the maximum periods for which funds may prudently be committed, so as not to compromise liquidity.
- (ii) Investments will be regarded as commencing on the date the commitment to invest is entered into rather than the date on which the funds are paid over the counterparty.

6. Annual Report

- (i) Investment forecasts for the coming financial year will be accounted for when the annual budget is prepared.
- (ii) During each financial year, the Clerk/Responsible Finance Officer RFO, should report to the Finance Committee any investments made in line with this strategy.
- (iii) At the end of the financial year the Clerk/RFO will produce a summary report on the balances to Full Council.

7. Review of Strategy

- (i) The Investment Strategy should be reviewed biennial.
- (ii) The Parish Council may amend or make variations to the Strategy at any time, as required.
- (iii) Next policy review due December 2027