Carharrack
PARISH COUNCIL

INVESTMENT STRATEGY POLICY

Review Date: 17th August 2026

Introduction

Carharrack Parish Council recognises its responsibility to manage public funds prudently, securely and transparently.

This Investment Strategy has been prepared in accordance with:

- Section 15(1)(a) of the Local Government Act 2003;
- The Department for Levelling Up, Housing and Communities Statutory Guidance on Local Government Investments;
- The Joint Panel on Accountability and Governance (JPAG) Practitioners' Guide;
- The Council's adopted Financial Regulations.

The purpose of this Strategy is to ensure that surplus funds are invested safely whilst maintaining sufficient liquidity to meet the Council's financial obligations.

The Council will not borrow money for investment purposes.

Scope

This policy applies to all temporary surplus funds held by Carharrack Parish Council.

The Council does not hold investments for commercial gain and will only invest funds for treasury management purposes.

Investment Objectives

The Council's priorities when investing public money are:

1. Security – protecting public funds from loss.
2. Liquidity – ensuring funds are available when required.
3. Yield – obtaining an appropriate rate of return consistent with the first two objectives.

Security and liquidity will always take precedence over investment returns.

Investment Principles

The Council shall only invest in institutions or investment products considered to present a low level of risk.

Investments will:

- be denominated in Pounds Sterling;
- comply with current legislation;
- comply with the Council's Financial Regulations;
- avoid unnecessary exposure to financial risk.

The Council will not invest in speculative or high-risk investment products.

Approved Investments

Subject to the Council's approval, investments may include:

- UK clearing banks.
- UK building societies.
- Local Authority investment accounts.
- UK Government backed investments.
- Public Sector Deposit Funds.
- Money Market Funds with appropriate credit ratings.

Any investment provider must be authorised and regulated where appropriate.

Ethical Considerations

The Council recognises that its primary duty is the protection of public funds.

Where two investment opportunities present an equivalent level of security and liquidity, the Council may consider environmental, social and governance (ESG) factors when making investment decisions.

Risk Management

The Responsible Financial Officer (RFO) shall regularly monitor:

- credit ratings where applicable;
- financial stability of investment institutions;
- Government guidance;
- market conditions;
- liquidity requirements.

Where an investment is considered to present an increased risk, the RFO shall report this immediately to the Council with recommendations.

Delegated Authority

The Responsible Financial Officer shall administer investments on behalf of the Council.

No investment shall be made without prior authority in accordance with the Council's Financial Regulations.

Transfers between approved Council accounts may be undertaken by the Responsible Financial Officer where authorised under the Financial Regulations.

All investment decisions shall be reported to the next meeting of Full Council.

Investment Limits

The Council shall determine appropriate investment levels according to:

- forecast cash flow;
- earmarked reserves;
- general reserves;
- known future commitments.

The Council shall retain sufficient immediately accessible funds to meet all operational commitments.

No investment shall compromise the Council's ability to meet its financial obligations.

Reporting

The Responsible Financial Officer shall include investment information within the regular financial reports presented to Full Council.

Reports will include:

- current investments;
- balances held;
- interest received;
- maturity dates where applicable;
- any identified risks.

Performance

The Council does not seek to maximise investment returns.

Performance will be measured primarily against:

- preservation of capital;
- liquidity;
- compliance with this Strategy;
- compliance with statutory guidance.

Review

This Strategy shall be reviewed annually.

The Council shall also review the Strategy whenever:

- legislation changes;
- Financial Regulations are amended;
- investment arrangements materially change.

Transparency

The approved Investment Strategy shall be published on the Council's website and made available for inspection upon request.

Investment Priorities

Priority	Objective
1	Security of capital
2	Liquidity of funds
3	Appropriate return on investments

Responsibilities

Full Council

- Approves the Investment Strategy.
- Approves investment providers where required.
- Reviews investment performance.
- Monitors compliance with legislation.

Responsible Financial Officer

- Implements the Strategy.
- Monitors investment risk.
- Reports investment activity.
- Ensures compliance with legislation and Financial Regulations.

Updates to This Policy

This policy was last updated on 6th August 2026 and reviewed at Council Meeting 17th August 2026 as detailed in meeting point 19

Implementation

This policy takes effect from 17th August 2026 .

Name	Position	Signature	Date
Cllr Bettina Holland	Chairperson		17.08.2026