



WENDOVER PARISH COUNCIL

Address: The Clock Tower, High Street, Wendover,
Aylesbury, Buckinghamshire HP22 6DU
Telephone: 01296 623056 Fax: 0871 236 1550
Email: clerk@wendover-pc.gov.uk

Investment and Deposit Policy

Policy Statement

Wendover Parish Council acknowledges the importance of prudently saving, depositing and investing any surplus funds held on behalf of the community.

Parish Councils have the power to invest surplus funds under the Local Government Act 2003 which states that a local authority may invest:

- For any purpose relevant to its functions under any enactment.
- For the purpose of prudent management of its financial affairs.

The priorities for any investment or depositing decision by Wendover Parish Council shall be:

- Ensuring prudent investment of funds.
- The need to meet cash flow requirements to ensure adequate liquidity of its investments to ensure operational efficiency.
- Ease of operation, monitoring and reporting.
- The limitations of the Financial Services Compensation Scheme (FSCS).
- The financial risk rating of the organisation holding the Parish Council's fund

Guidance

This policy complies where applicable with the revised requirements set out in statutory guidance and considers Section 15(1)(a) of the Local Government Act 2003 and guidance within the Governance and Accountability for Local Councils Practitioners' Guide 2020 and should be read in conjunction with the Council's Financial Regulations.

1. Wendover Parish Council's bank account from which payments for expenditure is currently made by cheques, direct debit and debit card payments shall be maintained with a UK clearing bank.
2. All deposits and investments will be made in sterling.
3. As a principle, funds will be distributed between several organisations, to minimise any loss in the event of failure of a single institution.
4. The purpose of surplus funds held by Wendover Parish Council is to provide:
 - i) A general reserve with sufficient liquidity to cover 4 months of normal expenditure.
 - ii) Earmarked reserves for capital or other identified projects.
5. Monthly statements of any deposits or investments (including any reconciliation reports) and balance sheet will be reviewed by Finance and Council and will be available to view on the Council's website.
6. The Council does not employ in-house or externally any financial advisors but will rely on information which is publicly available.



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DEPOSITS

7. The financial regulations will differentiate between deposits and investments. If the Council Qualifies for Financial Services Financial Scheme (FSCS)
 - i) Funds will only be deposited and invested with institutions that are covered by the Financial Services Compensation Scheme which currently provides protection on up to £85,000.
 - ii) Funds will be held with at least two different financial organisations
 - iii) The organisations with whom funds are held shall have a minimum credit rating of bbb-
 - iv) The Clerk will have authority to move funds between accounts to maximise interest and minimise the risk within these guidelines.
 - a. The Clerk shall notify the Chair and Chair of Finance of the movement
 - b. The Council shall receive a statement of the deposit accounts at each meeting under the financial reports
8. If the Council does not qualify for Financial Services Financial Scheme (FSCS)
 - i) Funds will only be deposited and invested with institutions that have an acceptable risk level
 - a. For any organisation with a risk rating of A- upwards it shall place a maximum of £85000 per organisation
 - b. For any organisation with a risk rating of BBB- or upwards it shall place a maximum of £50000 per organisation
 - c. It shall not place any deposits within organisations with a risk rating below BBB-
 - ii) Funds will be held with at least two different financial organisations
 - iii) The organisations with whom funds are held shall have a minimum credit rating of bbb-
 - iv) The Clerk will have authority to move funds between accounts to maximise interest and minimise the risk within these guidelines.
 - a. The Clerk shall notify the Chair and Chair of Finance of the movement
 - b. The Council shall receive a statement of the deposit accounts at each meeting under the financial reports

INVESTMENTS

9. Typical investment period will be: 1, 3 or 6 months.
10. Long term investments are defined as over 12 months. Should the Council wish to invest in a long-term investment, it must identify the procedures for monitoring, assessing and mitigating the risk of loss.
11. Investments and deposits are overseen by the Finance Committee, via its quarterly meetings, or a full council meeting, whichever is first. The Council is ultimately responsible for its investment and safeguarding of funds.

This policy will be reviewed every year.



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