



Keighley Town Council

Investment Policy

APPENDICES

None

Investment Strategy

The Town Council acknowledges the importance of prudently investing surplus funds held on behalf of the community. All investments will be made in line with the Council's financial procedures and observations, or advice received from the Council's internal and external auditors, supported as necessary by advice from a financial advisor.

The Council will ensure it has adequate though not excessive cash resources, overdraft or standby facilities to enable it at all times to have the level of funds available which are necessary for the achievement of its service objectives.

Investment Objectives

1. The Council's investment priorities are the security of reserves and adequate liquidity of its investments.
2. The Council will aim to maximise income from its investments commensurate with proper levels of security and liquidity.
3. The Council will seek to ensure that investment income is consistent one year to the next.
4. Where external investment managers are used, they will be contractually required to comply with this Strategy.
5. In balancing risk against return, this Council is more careful to avoid risks than to maximise returns.

Specified Investments

Specified investments are those offering high security and high liquidity, made in sterling and maturation of no more than a year. Such short-term investments made with the UK Government or a local authority or town or parish council will automatically be Specified Investments.

For prudent management of its treasury balances, maintaining sufficient levels of security and liquidity, Keighley Town Council will use:

- Deposits with banks, building societies, local authorities or other public authorities.
- Other recognised funds specifically targeted at the Public Sector.
- The total amount invested each year shall not exceed 65% of the available general reserves available in the current financial year. (excluding Ear Marked Reserves and budget commitments).

- The choice of institution and length of deposit and amount will be at the discretion of the Town Clerk, in consultation with the RFO and Chairman of the Finance & Audit Committee and will be reported to the next meeting of the Finance & Audit Committee.

Non-Specified Investments

These investments have greater potential risk such as investments in the money market, stocks and shares. The Council will use the services of an appointed FSA accredited financial advisor on the investment of these funds. The choice of investment company will be reviewed within the first year of every new administration following an election or more frequently if the performance of the investments is not meeting the required objectives or at the Town Clerk's, in conjunction with RFO discretion.

End of Year Investment Report

At the end of each financial year the Town Clerk/RFO will present a report on the investment activity to the Finance & Audit Committee.

Review and Amendment of Regulations

This Strategy will be reviewed annually by the Finance & Audit Committee. The Committee reserves the right to make variations to the Strategy at any time, subject to the approval of the Full Council.