

**BRIDPORT TOWN COUNCIL
ANNUAL INVESTMENT STRATEGY 2011/12**

1.0 Introduction

1.1 This Strategy has been produced in accordance with Guidance issued by the Secretary of State under Section 15(1) (a) of the Local Government Act 2003.

2.0 Objectives

2.1 The general policy objective is that the Town Council will invest prudently, the surplus funds it holds on behalf of the community. Priority is given to security and liquidity.

2.2 The Town Council will seek the highest rate of return, consistent with the proper levels of security and liquidity.

3.0 Specified Investments

3.1 Specified investments are those offering high security and high liquidity. All such investments shall be in sterling and for no longer than one year.

3.2 For the prudent management of its treasury balances, maintaining sufficient levels of security and liquidity, Bridport Town Council will continue with its policy agreed in June 2004, that funds which are surplus for up to three months can be invested in short term deposits with one or more of the UK major clearing banks and/or building societies.

4.0 Non-Specified Investments

4.1 These have greater potential risk, such as investment in stocks and shares and the Town Council will not participate in such investments, which are considered not to offer the level of security and liquidity needed.

5.0 Liquidity of Investments

5.1 The Town Clerk, as the Responsible Financial Officer, will determine the maximum period for which funds may be prudently invested, subject to para. 3.1 above, so as not to compromise liquidity.

5.2 As agreed in June 2004, the placement of surplus funds shall be delegated to the Town Clerk, as the Responsible Financial Officer.

6.0 End of Year Report

6.1 At the end of each financial year, the Town Clerk shall report to the Best Value and Scrutiny Sub Committee detailing any investments made in line with this Strategy.

7.0 Review of this Strategy

7.1 The Investment Strategy shall be reviewed annually by the Town Council, before the commencement of a new financial year. It shall be approved by the full Council.

7.2 The full Council shall be able to amend or make variations to the Strategy at any time.

Approved Town Council 19 April 2011