

## APPENDIX Policy E

### WINCHAM PARISH COUNCIL

#### FINANCIAL MANAGEMENT AND INVESTMENT STRATEGY

Confirmed by Wincham Parish Council on 20 January 2026

Next review: January 2027

#### 1. Introduction

Wincham Parish Council acknowledges the importance of prudently investing the temporarily surplus funds held on behalf of the community.

This strategy has been prepared in accordance with the Guidance on Local Government Investments ('the Guidance'), issued under section 15(1)(a) of the Local Government Act 2003, effective from 1st April 2018.

The Guidance states:

- a) Where a Town or Parish Council expects its investments at any time during a financial year to exceed £100,000, the Guidance should apply in relation to that year.
- b) Where a Town or Parish Council expects its investments at any time during a financial year to exceed £10,000 but not £100,000, it should decide on the extent, if any, to which it would be reasonable to have regard to the Guidance in relation to that year.
- c) Where a Town or Parish Council expects its investments at any time during a financial year not to exceed £10,000, no part of the Guidance need be treated as applying in relation to that year.

The Council expects its investments during the 2025/26 financial year to exceed £100,000 and therefore has agreed to apply the Guidance as set out below.

#### 2. Investment Objectives

The Council's investment priorities are:

- 1) the security of its reserves;
- 2) the liquidity of its investments; and
- 3) return.

The Council will aim to achieve the optimum return on its investments commensurate with proper levels of security and liquidity.

All investments will be made in sterling and, as a minimum, surplus funds will be aggregated in an interest-bearing bank account.

#### 3. Security of Investments

Government guidance differentiates between specified investments and non-specified investments.

##### 3.1 Specified Investments

Specified investments are those offering high security and high liquidity with a maturity of no more than one year. In addition, short-term sterling investments must be with bodies/institutions with "high credit ratings".

For the prudent management of its treasury balances, maintaining sufficient levels of security and liquidity, the Council could use:

- UK banks and UK building societies;
- Public Bodies (including Local Authorities and Police Authorities);
- UK FCA regulated qualifying money market funds with a triple A rating.

##### 3.2 Non-specified investments

Non-specified investments are usually for longer periods (i.e. more than one year) and with bodies that are not highly credit-rated.

No non-specified investments are included in the Investment Strategy for this Council as these investments are not acceptable due to their higher potential risk.

#### 4. Liquidity of Investments

The Responsible Finance Officer in consultation with the Full Parish Council will determine the maximum periods for which funds may prudently be committed so as not to compromise liquidity.

The Council expects to spend large sums from its investments within the current financial year and so liquidity of funds is essential. For that reason, the Council intends to maintain its funds on deposit with Nat West Bank for the remainder of the financial year or until the funds are spent.

#### 5. Long Term Investments

Long term investments shall be defined as greater than one year. The Council will use the same criteria for assessing long term investment as identified above for specified investments

The Council does not currently hold any long-term investments and does not intend to hold any long-term investments during this financial year.

#### 6. Risk Assessment

The Council will only invest in institutions of "high credit quality" as set out in section 3.1 of this strategy.

The Council will monitor the risk of loss on investments by reference to credit ratings. The Council should aim for ratings equivalent to the Fitch F1 (AAA) rating for short-term investments or Fitch A - for long term investments.

The investment position will be reviewed annually by the Responsible Financial Officer and reported to the Full Parish Council.

The Council does not employ, in-house or externally, any financial advisors but will rely on information which is publicly available.

#### 7. Use of Investment Managers

If external investment managers are used, they will be contractually required to comply with this strategy.

The Council does not currently use external investment managers and does not intend to so during this financial year.

#### 8. Review and Amendment of Regulations

The Investment Strategy will be reviewed annually by the Full Council.

The Council reserves the right to make variations to the Strategy at any time, subject to the approval of the Full Council. Any variations will be made available to the public.

#### 9. Freedom of Information

This Document will be posted on the Parish website and a hard copy will be available from the Clerk.

Approved by Council on 20 January 2026

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Chairman of Wincham Parish Council

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Clerk of Wincham Parish Council

Dated 20 January 2026