

Bishops Lydeard and Cothelstone Parish Council

Investment Policy

Adopted: 8th October 2025

Reviewed: 13th May 2026

Next Review Date: May 2027

Purpose

The purpose of this policy is to confirm the council's decision on the investment of the funds it holds. This is in terms of short-term funds that are used on a day-to-day basis and long-term funds used to invest into savings or investment accounts. The council will consider the return on these saving, the costs of holding these accounts and the security of the accounts and banks.

Short-Term Day-to-Day Funds

The council uses the Unity Trust Bank account to hold fund used for day-to-day purposes. All direct debits and invoice payments are made from this account. Any cash can be deposited into this account. At this time the council does not have a credit card for this account. The clerk/ Responsible Finance Officer will be the administrator for this account. Two signatories will sign off any payments.

For further information about the Unity Trust Bank please visit:

<https://www.unity.co.uk/about-us/>

Long Term Investments

The council uses the Churches, Charities and Local Authorities (CCLA) Investment Management Limited company to hold its long-term investments. The investments are held in the Public Sector Deposit Fund SC4 . This account gives a good rate of return (interest rate) while also giving access to these funds at short notice. The clerk/ Responsible Finance Officer will be the administrator for this account. Two signatories will sign off any payments.

With the introduction of financial services regulation in 1987, Churches, Charities and Local Authorities (CCLA) Investment Management Limited was formed. CCLA looks after the investments of more charities than any other fund manager in the UK.

For further information about the CCLA Bank please visit:

<https://www.ccla.co.uk/about-us/our-philosophy>

Security

Small local authorities (or parish councils) with an annual budget of up to EUR500,000 are covered by the Financial Services Compensation Scheme (FSCS). As the parish council annual budget is less than £200,000, we are included in this scheme. In addition, the FSCS scheme protects deposits up to £85,000 if an authorised bank or building society fails. Please note that all banks and investment companies take cyber-attack very seriously and take precautions to prevent this.