# EAST GOSCOTE PARISH COUNCIL

# INVESTMENT POLICY

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| **Approved by:** | Full Council | **Date:** 20.7.26 |
| **Last reviewed:** | New Document | |
| **Next review due:** | March 2027 | |

**Investment Policy**

## 1. Introduction

This policy complies with DCLG Guidance on Local Government Investments (3rd Edition), Section 15(1)(a) of the Local Government Act 2003, and the Practitioner's Guide 2018. An investment strategy is required where funds are expected to exceed £100,000 at any point during the financial year. This policy should be read alongside the Council's Financial Regulations.

The Local Government Act 2003 states that a local authority may invest:

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

## 2. Investment Objectives & Principles

The Council invests surplus funds/general reserves to maintain their real value and support future service delivery. All investments must prioritise:

- Security – protecting the investment from loss
- Liquidity – ensuring funds can be accessed when needed
- Yield – maximising return, once security and liquidity are satisfied

All investments shall be made in sterling, in the Council's name, with UK-registered financial institutions. The choice of institution and deposit length shall be agreed by Full Council. This policy will be published on the Council's website.

## 3. Short Term Specified Investments

Short term specified investments are sterling investments with a maturity of up to 12 months, offering high security and liquidity. Eligible counterparties include:

- UK banks, building societies, local authorities, and other public authorities
- Approved public sector investment funds

Investments with the UK Government or another local authority are automatically classified as specified.

## 4. Long Term Non-Specified Investments

Non-specified investments are those not meeting the criteria in section 3 (e.g. money markets, stocks and shares). Investments may be placed for up to 5 years. Before doing so, the Council will:

- Assess anticipated expenditure to ensure sufficient liquidity
- Seek independent financial advice

- Set and confirm upper limits for amounts held in non-specified investments

Investments will be reviewed at maturity to determine whether they should continue.

**5. Monitoring**

The Parish Clerk (as Responsible Financial Officer) will:

- Report investment performance to Full Council each November
- Review credit ratings of institutions at least annually
- Bring to the Council's attention any matter affecting investment security

The Full Council is responsible for agreeing any action to safeguard investments. Amendments to this policy require Full Council approval.

The policy will be reviewed each March to ensure the investment strategy meets the Council's requirements for the forthcoming year.

**6. Investment Strategy 2026/27**

The Council's primary banking provider is TSB Bank. From 15th June 2026, a proportion of general reserves is invested in Redwood Bank via a 35-day notice account. This was approved under minute number 26/069.

The Council will maintain sufficient cash resources at all times to meet its service delivery obligations.

**Signed.......................................................................................... (Chair)**

**Date...........................................................................................**