

Lindfield Parish Council
Investment Policy

1 Introduction.

- 1.1 Lindfield Parish Council acknowledges the importance of prudently investing all funds held on behalf of the community by the Council.
- 1.2 This Policy complies (as appropriate) with the revised requirements set out in Guidance on Local Government Investments issued by the Department of Communities and Local Government in April 2010 and takes account of Section 15 (1)(a) of the Local Government Act 2003.
- 1.3 This Policy should be read in conjunction with Council's Financial Regulations.

2 Investment Objectives.

- 2.1 In accordance with Section 15 (1) of the 2003 Act, the Council will have regard (a) to such guidance as the Secretary of State may issue, and (b) to such other guidance as the Secretary of State may by regulations specify.
- 2.2 The Council's investment priorities are the security of reserves and the liquidity of its investments.
- 2.3 The Council will aim to achieve the optimum return on its investments commensurate with proper levels of security and liquidity.
- 2.4 All investments will be made in sterling.
- 2.5 The Department for Communities and Local Government maintains that borrowing of monies purely to invest or to lend and make a return, is unlawful and this Council will not engage in such activity.
- 2.6 The Council's Finance & General Purposes Committee will monitor the risk.
- 2.7 Where external investment managers are used, they will be contractually required to comply with the Policy.

3 Specified Investments.

- 3.1 Specified Investments are those offering high security and high liquidity, made in sterling and with a maturing of no more than a year. Such short-term investments made with the UK Government, or a Local Authority or Town and Parish Council will automatically be Specified Investments.
- 3.2 For the prudent management of its treasury balances, maintaining sufficient levels of security and liquidity, the Parish Council will use deposits with banks and building societies, local authorities, or other public authorities.

4 Non-Specified Investments.

4.1 These investments have greater potential risk – examples include investment in the money market, stocks, and shares. The Parish Council will not use this type of investment.

5 Liquidity of Investments.

5.1 The Responsible Financial Officer will determine the maximum periods for which funds may prudently be committed so as not to compromise liquidity.

5.2 Investments will be regarded as commencing on the date the commitment to invest is entered into, rather than the date on which the funds are paid to the counterparty.

6 Long Term Investments.

6.1 Long term investments are defined in the Guidance as greater than 36 months. The Council currently holds no such investments.

7 End of Year Investment Report.

7.1 Investment forecasts for the coming year are accounted for when the budget is prepared. At the end of the financial year, the Responsible Financial Officer will report on investment activity to the Finance & General Purposes Committee.

8 Review and Amendment of Regulations.

8.1 The Policy will be reviewed annually and at other times as necessary.

8.2 The Parish Council reserves the right to make variations to the Policy at any time, subject to the approval of Full Council.

9 Policy Implementation and Review.

9.1 This policy was implemented on 11 November 2021. The policy shall be reviewed every year by the **FINANCE & GENERAL PURPOSES COMMITTEE**. The date of the next review is November 2022.