



# Hedge End Town Council

V.0

## Investments Policy

2024

Adopted 3 April 2024  
Policy & Resources (minute P1302)

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## Introduction

1.1. This policy is created under the guidance issued by the Secretary of State for Communities and Local Government in accordance with the Local Government Act 2003, section 15(1)(a) and effective from 1 April 2018 (3<sup>rd</sup> edition).

1.2. Hedge End Town Council acknowledges its responsibility to the community and the importance of prudently investing any reserves held by the council.

1.3. The guidance states:

- a) Where a Town/Parish Council expects its investments at any time during a financial year to exceed £100,000 or
- b) Where a Town/Parish Council expects its total investments at any time during the financial year to be between £10,000 and £100,000.

It should decide on the extent to which if any, to which it would have reasonable regard to the guidance in relation to that year.

## Objectives

2.1. The council will invest prudently any additional funds it holds on behalf of the community. Priority will be given to the security and liquidity of its reserves.

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

2.3. The Council will withdraw monies first from the least secure or higher rated investments funds/ banks.

## Specified Investments

3.1. The Council will invest its reserves in specified investments which are defined by the guidance as investments that are:

- Denominated in sterling and any payments or repayments in respect of the investments are payable in sterling
- That have a period of maturity of no more than 12 months
- Made with a body or investment scheme which has been awarded a high credit quality (see below) or is made with the UK Government or Local

Authority. This being Standard and Poor's, Moodys Investors Service Ltd and Fitch Ratings Ltd.

- Investments shall be decided and placed by the Responsible Finance Officer having used due diligence including as a minimum finance search engines and ratings agencies.
- The council does not use external advisers to offer information, advice or assistance relating to investments, nor does it regard there being a need for its staff to be trained in investment management given the nature of its investments but will rely on information which is publicly available.
- The Responsible Finance Officer shall review the investments and in consultation with the Finance Committee will take appropriate action.

## Monitoring & Review

Any revisions to this policy shall be approved by Full Council.

The Policy & Resources Committee shall review this policy annually and recommend any proposed changes to Full Council prior to the commencement of the new financial year. Where no changes are proposed Full Council shall note the policy.

The Investments Policy will be made publicly available on the Councils website.