



Stockton Heath Parish Council

Investment Policy

This policy is supplemental to, and does not in any way override, the Parish Council Standing Orders and/or Financial Regulations.

This policy was adopted by the full parish council at its meeting on 12 November 2024 (minute 24/105.2)

1. Introduction

1.1 Stockton Heath Parish Council acknowledges its responsibility to the community and the importance of prudent investment of any reserves held by the council.

1.2 This policy describes how Stockton Heath Parish Council will invest any monies unallocated to specific capital and revenue expenditure.

2. Scope

2.1 The policy relates to monies held by Stockton Heath Parish Council in its bank accounts.

2.2 The Parish Council does not currently invest any monies in stocks and shares, property or in any other investment scheme.

3. The Legal Framework

3.1 The Local Government Act 2003 s. 15 (1) (a) and its accompanying Statutory Guidance on Local Government Investments (3rd edition)

3.2 The best practice found in the Joint Panel on Accountability and Governance (JPAG) Practitioners Guide.

4. Dissemination and training

4.1 This policy is available to councillors, staff and members of the public through publication on the Parish Council's website.

5. Monitoring and review

5.1 This policy will be reviewed bi-annually and whenever there is a change in legislation.

6. General Statement of Policy

6.1 Stockton Heath Parish Council will aim to hold an amount of money in a general reserve which represents its cash flow and contingency funds to cover unexpected inflation, unforeseen events and unusual circumstances. The JPAG Practitioners' Guide (5.33) advises that the level of general reserve be set between three and twelve months Net Revenue Expenditure, with smaller councils holding twelve months and larger councils around three months.

6.2 The Parish Council will also hold Earmarked Reserves which are monies being set aside each year to save for capital projects or for recurring large outlays like council elections. This practice ensures that the amount taxpayers pay does not fluctuate excessively and is a prudent way to manage expenditure of this nature.

6.3 These funds will be managed in such a way that they are firstly secure, secondly available without excessive delay and thirdly provide a modest return via interest paid.

6.4 To provide security of funds, the Parish Council will deposit with a recognised bank sums up to £85,000 to benefit from the Financial Services Compensation Scheme (FSCA).

6.4 To provide quick access to funds, the Parish Council will deposit monies in accounts which do not have more than a thirty-day notice period of withdrawal.

6.5 To provide a yield on monies deposited the Parish Council will seek to deposit monies in the best interest-bearing accounts that provide security and the relevant withdrawal period.

6.6 Any other investments will be considered using expert financial advice and no investment shall be made without the approval of the full council.

Reviewed by	Review date	Recommendations
L Jacob	17 September 2024	No changes
	Next Review Nov 2025	