# BARLASTON PARISH COUNCIL

## INVESTMENT POLICY

BPC01-03.1

**INVESTMENT POLICY**

Revision History

**This document was originally written by:**

| **Name** | **Position** | **Date** |
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| Vivien O'Dunne | Clerk & RFO | June 2025 |

**This document was reviewed by:**

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| The Parish Council | 8 September 2026 |

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| The Parish Council at their meeting on | 8 September 2026<br>Minute 681.7 |

**Document Review schedule:**

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| Next Mandatory Review by | September 2029 |

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| 1 | 09 Sept 2025 | BPC01-03 | New Policy | n/a |
| 2 | 08 Sept 2026 | BPC01-03.1 | Amendment following review | Section 4 |
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# Barlaston Parish Council

## Investment Policy

1. **Introduction**

This policy sets out how Barlaston Parish Council will manage its investments, ensuring security, liquidity, and responsible stewardship of public funds, in line with legislation and best practice.

2. **Legal Framework**

Under the Local Government Act 2003, the Council has the power to invest:

- For any purpose relevant to its functions; or
- For the prudent management of its financial affairs.

The Council will have regard to guidance issued by the Secretary of State and any subsequent updates to local authority investment guidelines.

3. **Objectives**

The Council's priorities when investing are:

- Security – protecting the capital sum invested
- Liquidity – ensuring funds are available when required
- Yield – achieving a reasonable return consistent with the above

Security and liquidity will always take precedence over yield.

4. **Types of Investments**

The Council will only invest in low-risk investments that are appropriate for the prudent management of public funds and consistent with its objectives of security, liquidity and reasonable yield. Permitted investments include:

- **UK Bank Deposits:** The Council may hold funds in UK banks or building societies that are authorised and appropriately regulated. The Council will have regard to the level of protection available under the Financial Services Compensation Scheme (FSCS), the financial strength of the institution and the need to diversify its deposits.
- **Public Sector Deposit Fund (CCLA):** The Council may invest surplus funds in the CCLA Public Sector Deposit Fund, which provides a low-risk, daily-access investment suitable for local authorities. The level of investment held in the Fund will be determined by Full Council, having regard to the Council's cash-flow requirements, liquidity needs, diversification, security and the overall level of funds available for investment.
- **Other Investments:** The Council may consider other low-risk investments where these are permitted by legislation and relevant statutory guidance and are consistent with the objectives of this policy. Any such investment must be approved by Full Council before it is made.

- The Council will not invest in high-risk or speculative products, including equities, derivatives or other investments where the preservation of public funds cannot be adequately safeguarded.

5. **Ethical Considerations**

The Council will aim to invest in institutions with sound ethical and environmental policies where practicable.

6. **Risk Management**

To manage risk, the Council will:

- Only invest with regulated institutions with a sound credit rating
- Diversify investments to avoid reliance on any single institution
- Monitor investments regularly and take action where risk changes

7. **Liquidity**

The Council will maintain sufficient accessible reserves to meet operational needs, placing only surplus funds in term or pooled investments.

8. **Roles and Responsibilities**

- The Clerk and Responsible Financial Officer manages day-to-day investment administration.
- The Finance Committee reviews proposals and monitors investment performance, making recommendations to Full Council.
- The Full Council must approve investment decisions and this policy.

9. **Conflicts of Interest**

Councillors and staff involved in investment matters must declare any interests and not take part in related decisions where a conflict exists.

10. **Reporting and Review**

The Clerk will report investment holdings and performance at least quarterly.
This policy will be reviewed annually or sooner if legislation or circumstances change.

11. **Publication**

This policy will be available on the Council's website and on request.

*David Borasinski* 8 September 2026

Chairman Date