BEXHILL-ON-SEA TOWN COUNCIL



Figure 1: Bexhill-on-Sea Town Council Flag

INVESTMENT POLICY

ADOPTED: 7th September 2022

1. The Investment of surplus funds by local authorities is governed by the Local Government Act 2003, section 15(1)(a) and Guidance issued by the Secretary of State under that Act.

2. Investments below £10,000 are not subject to the Guidance but for investments.

3. Investments above £10,000 - The RFO will determine the maximum periods for which funds may prudently be committed so as not to compromise liquidity.

4. Investments will be regarded as commencing on the date the commitment to invest is entered, rather than the date on which the funds are paid over to the investment scheme.

5. All investments are to be made in pounds sterling.

6. The Guidance recommends that a council produces an Annual Investment Strategy which sets out its policy for managing the investments and giving priority to the liquidity and security. The policy is reviewed annually by the RFO and the Finance and Audit Committee.

7. A 'Specified Investment' is one which is made in sterling, is not long term (less than 12 months) not defined as capital expenditure and is placed with a body which has a high credit rating or made with the UK Government, a UK Local Authority or a parish/town or community council and CCLA Public Sector Deposit Fund

8. The Councils' current investments are:
   Unity Trust Instant Saver
   Unity Trust Current Account

Unity Trust Fixed 95 days' notice account
CCLA Public Sector Deposit Fund

9. Any other type of investment is considered 'Non-Specified Investment' to which there can be greater risk and where professional investment advice might be required.

10. Local authorities should keep strategies simple and maintain prudence at all times.

11. Bexhill-on-Sea Town Council (the Council) has adopted the following:
    a) The Council acknowledges the importance of prudently investing its temporary surplus funds held on behalf of the community.
    b) The Council's priorities are and will be centred on the security (protecting the capital sum from loss) and then liquidity (keeping the money readily available for expenditure when needed) of its reserves.
    c) Adopt the Secretary of State's Guidance in relation to council investments in full (Department for Communities & Local Government "Guidance on Local Government Investments" 2nd Edition dated 11 March 2010).
    d) Carry out an annual cash flow forecast to ascertain expenditure commitments for the coming financial year.
    e) On the basis of that cash flow forecast, to invest only in:
        i. 'Specified Investments' and/ or in
        ii. 'Non-Specified Investments' including longer term investment i.e. 12 months or more but which still offers the greatest security (such as a UK financial institution which offers the full £120,000 UK Financial Services Compensation Scheme)
        iii. Bodies with high credit ratings.
    f) To review investments at least annually.
    g) The RFO shall report on the investment activity to the Finance and Audit Committee at the end of the financial year.
    h) During the year the RFO will report on investment forecast to the Finance and Audit Committee.

12. List of Investments at 31 March 2026:
    £600,000 CCLA Public Sector Deposit Fund

DATE REVIEWED	11th March 2026
DATE REVIEWED	August 2026
DATE REVIEWED	14th October 2026