

Martlesham Parish Council



INVESTMENTS & INVESTMENT POLICY

Reviewed:- 05.11.25

Review by:- November 2026

Noting that the Governance and Accountability Guide advises the following: “2.29 It is rare for a local council to hold investments other than in the form of easily accessible bank deposit or other short-term savings accounts” Martlesham Parish Council adopts the following simplified investment strategy which articulates its practice:

1. Parish council funds will be placed in accounts or investments with regard to the following characteristics, in order of importance,
 - i. security of capital and returns,
 - ii. liquidity and

III. yield.
2. Investments will not be made which require active day to day management which is beyond the resources of the council.
3. Funds should only be placed in specified investments.
4. The finance and general purposes committee will review the strategy each year and additionally if there are significant changes to the council’s financial circumstances or the rates of interest generally payable in the economy.

Appendix

Extract from Department for Communities and Local Government GUIDANCE ON LOCAL GOVERNMENT INVESTMENTS Issued under section 15(1)(a) of the Local Government Act 2003 and effective from 1 April 2010:

5.1 An investment is a specified investment if all of the following apply:

- (a) the investment is denominated in sterling and any payments or repayments in respect of the investment are payable only in sterling;
- (b) the investment is not a long-term investment (as defined in paragraph 2.4);
- (c) the making of the investment is not defined as capital expenditure by virtue of regulation 25(1)(d) of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 [SI 3146 as amended];
- (d) the investment is made with a body or in an investment scheme of high credit quality (see paragraph 5.2); or with one of the following public-sector bodies:
 - (i) the United Kingdom Government
 - (ii) a local authority in England or Wales (as defined in section 23 of the 2003 Act) or a similar body in Scotland or Northern Ireland
 - (iii) a parish council or community council.