



Investment Policy and Strategy

1. Introduction

1.1 Bingham Town Council acknowledges the importance of investment of reserves held for future expenditure.

1.2 This policy complies with section 15 of the Local Government Act 2003 and the statutory Guidance on Local Government Investments effective from 01 April 2018.

1.3 This policy complies with the requirement to publish an investment strategy for funds held over £100,000 in a single year.

1.4 This policy specifies the objectives that the Town Council will take into consideration when investing funds.

2. Objectives

When investing surplus, temporary or projects funds, the Council will consider

2.1 Security

The Council's primary consideration will be protecting the capital sum from loss. Low risk investments will be chosen for consideration, and investments will be spread to reduce risk.

2.2 Liquidity

The Town Council will ensure that the funds are available for expenditure when required and will consider the future plans and projects prior to considering investments that are for a fixed term period of up to 2 years.

2.3 Yield

The Town Council will consider the yield to achieve a reasonable return on the investment of funds, but only after security and liquidity are considered.

3. Policy

3.1 The Town Council will prioritise the availability of its required general reserve fund to enable cash flow to be maintained at all times.

3.2 Funds held by the Town Council for grant purposes will be instantly accessible to meet the terms of the grant.

3.3 Fixed term investments will only be considered alongside the project plans to ensure the availability of funds to meet project demands and will not exceed a fixed term of two years

3.4 All investments will be made in the name of the Town Council and will be deposited in sterling.

3.5 The Council does not qualify for the Financial Services Compensation Scheme (FSCS) so investments will be spread across organisations to reduce the level of risk

3.6 The Council will invest funds with the CCLA Public Sector Deposit Fund. The Council have approved the fund as low risk with funds available on the same day and with funds spread across organisations to limit risk.

3.7 Any investment outside of the current and reserve accounts held in the Natwest current and reserves account will be approved by the Full Council after consideration of the objectives at 2.1 to 2.3.

4. Short Term Specified Investments

4.1 Short term specified investments are defined as those offering high security and high liquidity, made in sterling and with a maturity of less than 1 month. Short term investments made with the UK Government or to a local authority or Town/Parish Council will automatically be defined as a specified investment.

4.2 Town Council may choose to invest short term funds with:

Banks, building societies, local authorities or other public authorities who are all based in the UK; or

Other approved public sector investment funds.

5. Long Term Non Specified Investments

5.1 Non-specified investments are defined as any investments that do not meet the criteria of short term specified investments detailed in section 4. In general, non-specified investments have greater risk potential and include investment in money markets, stocks and shares.

5.2 The Town Council do not invest in money markets, stocks or shares to prioritise security of its investments

5.3 Funds may be invested for periods of 1 month or more up to a maximum of 2 years and this will be classified as a long term investment.

5.4 The Full Council will agree the length of the investment and will consider the Town Council's anticipated expenditure requirement over the proposed investment period. This will ensure sufficient funds remain available.

5.5 The Full Council will review long term investments at the point of maturity prior to consideration of re-investment.

6. Risk management

6.1 The Responsible Financial Officer will prepare a report for consideration by the Full Council for all investments.

6.2 The objectives will be considered within the report, prioritising the security of funds.

6.3 The Responsible Financial Officer will monitor the Council's investments and seek to spread investment of funds to limit the risk of loss.

6.4 The Council's Internal Controls will be followed when transferring and investing funds.

6.5 The CCLA Public Sector Deposit Fund will hold the largest proportion of excess/earmarked funds until required.

6.6 The Full Council will review its investments at least annually

6.7 All investments will be reconciled monthly and will be monitored by the Finance, Policy and Resources Committee

7. Investment Strategy

7.1 The Council's cash resources required for the delivery of its services will be held in the current and reserve accounts with Natwest Bank.

7.2 The precept demand will be paid to the Natwest Reserve Account and transfers made as funds are required

7.3 A minimum of the General Reserves Policy Amount and the Bingham Linear Park Grant will be held in the Natwest accounts.

7.4 Funds allocated to projects, asset replacement or that are considered surplus will be invested to achieve the Council's objectives.

7.5 The Council will spread investment of its funds to meet the objective of security of funds

7.6 The CCLA Public Sector Deposit Fund will hold all short term investments to ensure the availability of funds and to comply with 7.5 of this policy.

This policy was reviewed by the Finance, Policy and Resources Committee on 05 May 2026 and was approved by the Full Council on 12 May 2026.

Minute ref:

This Policy will be reviewed annually and revised as necessary to reflect changes to the business activities and any changes to legislation.

POLICY REVIEW & UPDATES	DATE	MINUTE REF