# STILTON PARISH COUNCIL

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# Investment Policy

## Objective

The primary objective of the Stilton Parish Council's investment activities is to preserve capital whilst maximising the return on investments within the bounds of prudent risk management. The investment portfolio will be managed to ensure sufficient liquidity to meet the parish's operational needs whilst striving to achieve a reasonable rate of return.

## Authority

The Parish Council is responsible for overseeing investment activities. The Finance, General Purpose and Communication Committee will recommend investment strategies and monitor compliance with this policy.

## Scope

This investment policy applies to all funds of Stilton Parish Council, including but not limited to general reserves, ear marked reserves and operating funds. The policy covers both short-term and long-term investments.

## Investment Objectives

Safety - preservation of capital is the foremost priority. Investments must be made with the goal of avoiding undue risk of loss
Liquidity – maintain sufficient liquidity to meet the parish's operating and financial obligations
Return on investment – strive to achieve a reasonable rate of return, considering the risk tolerance and time horizon of the parish.

## Authorised Investments

Permitted investments include, but are not limited to:

- Deposits with CCLA Public Sector Deposit Fund
- Saving bonds with UK banks
- Government Securities
- Business saving accounts with UK banks.

## Diversification

Diversify investments to mitigate risk.

## Risk Management

Consideration should be given to the credit quality, maturity and liquidity of investments. Investments should be made with a focus on minimising the potential for loss and ensuring ability to meet cash flow needs

## Ethical and Social Considerations

Consideration should be given to ethical and social responsibility when making investment decisions. Investments in entities or industries that conflict with the parish's values or mission should be avoided.

## Review and Reporting

The Finance, General Purpose and Communication Committee shall conduct an annual review of the investment portfolio and report to the Parish Council. The Annual review shall report on the Parish's investment activities, including performance relative to benchmarks and compliance with this policy, and shall be provided to the Parish Council.

## Compliance

This policy shall be reviewed and updated annually and more frequently if significant changes in market conditions or parish priorities occur.

## Conclusion

This Investment Policy is intended to guide the prudent management of Stilton Parish Council's financial resources. It is the responsibility of the Parish Council to ensure compliance with this policy and to regularly assess the appropriateness of the investment strategy in light of changing economic conditions and the parish's financial objectives.

## Policy Review

Reviewed: 12 May 2026 (agenda item PC108/26)
Next review date: May 2027