DITTISHAM PARISH COUNCIL
Incorporating the Hamlet of Capton and the Manors of Bozomzeal and Coombe

Investment Strategy

Introduction
Dittisham Parish Council (the Council) acknowledges the importance of prudently investing the temporary surplus funds held on behalf of the community.

This policy is created under guidance issued by the Secretary of State for Communities and Local Government in accordance with the Local Government Act 2003 and as amended by the Levelling-up and Regeneration Act 2023.

The Guidance applies to a parish council if its total investments exceed, or are expected to exceed, £100,000 at any time during the financial year. A parish council that expects its total investments to be between £10,000 and £100,000 is encouraged to adopt the principles of the Guidance.

The Council recognises that neither Councillors nor Officers are experts in the field of investment fund management and, as part of the annual review, will assess if there is a requirement to obtain independent, external, expert advice regarding its investments.

Objectives
The general policy objective of the Council is prudent investment of its balances. The Council's investment priorities are:
i. Security of reserves
and then
ii. Liquidity of investments

The Council will aim to achieve the optimum return on its investments commensurate with proper levels of security and liquidity.

Investment Policy
The Council shall diversify its reserves between multiple relatively highly rated UK banks and building societies. The Town Council shall only use specified investments as defined by in the Capital Finance; guidance on local government investments (third edition) issued by MHCLG in 2018.

Investments shall be decided on by Full Council and placed by the Responsible Financial Officer (RFO) using due diligence including as a minimum finance search engines and ratings agencies.

a. This shall be under the oversight of the Finance Working Group.
b. The actual movement of money shall be by the usual authorised signatories.

The procedure for undertaking investments, (considering the need for timely and speedy placing of deals) shall be documented by the Responsible Financial Officer and approved by the Full Council, following a recommendation from the Finance Working Group before any investments are placed.

The Responsible Financial Officer shall review credit ratings of organisations in which the Council holds investments on a quarterly basis. Should the credit rating of an organisation fall below that specified above, the Responsible Financial Officer shall consult the Finance Working Group and take the appropriate action.

Revision
Any revisions to this policy shall be approved by the Full Council.

The [Finance Working Group] shall review this policy annually and recommend any proposed changes to Full Council prior to the commencement of the new financial year. Where no changes are proposed, Full Council shall note the policy.

This investment strategy was drafted using a model document produced by Society of Local Council Clerks.

Adopted by Dittisham Parish Council on 3 June 2026