



Investment and Reserves Policy

September 2024

EXECUTIVE SUMMARY

1. **Introduction and Purpose** – the broad identification of the Council's investment goals, the types of the funds under its management and the relevant national regulations and guidance.
2. **Objectives** – the prioritising of the required characteristics (Security, Liquidity & Return) to applied to each category of funds controlled by the Council and what is likely to be needed to achieve the investment goals for each.
3. **Parish Council Reserves** – the legal requirements and constraints applied to funds retained for the purposes of the Council's core business.
4. **Treasury Investments** – a description of the types of investment prescribed to achieve the Investment Priorities (of Security and Liquidity) applicable to the Council's reserves
5. **Other Investments** – whilst not currently applicable, it is appropriate to include this category of investments in this policy now to allow for greater flexibility. With that in mind, "Other Investments" must have clear and robust requirements for their safe, successful and long-term retention.
6. **Roles & Responsibilities** – a synopsis of the roles of the Responsible Financial Officer, the Chair of the Council/F&G Committee and the Full Council itself (or a duly delegated Committee) and the interaction with the Internal Auditor
7. **Freedom of Information and the Transparency Code** – confirmation of the Council's compliance with the applicable national legislation in publishing this Policy.

Appendix 1 – 2018 Statutory Guidance on Local Government Investments

POLICY MANAGER: Town Clerk and/or Responsible Financial Officer

APPROVED BY: Halesworth Town Council on...../...../.....

REVIEW DATE: This strategy will be reviewed annually by the Parish Council in September



Halesworth Town Council

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1. Introduction and Purpose

Halesworth Town Council acknowledges the importance of the prudent investment of all funds held on behalf of the local community by the Council.

In accordance with Section 15(1) of the Local Government Act 2003 and the latest Statutory Guidance on Local Government Investments (3rd edition, effective April 1st 2018), the Council will have regard to a) such guidance as the Secretary of State may issue, and b) to such other guidance as the Secretary of State may, by regulations, specify.

The 2018 Guidance makes clear differentiation (Paragraph 20) between what it calls "Treasury Investments" and "Other Investments".

This Policy has been prepared by the Town Council to help ensure the long-term resilience of its investments and to sustain them in perpetuity on behalf of its local community. It is also important to record that the Council does not currently use or intend to use borrowed funds to make any financial investments.

2. Objectives

The Council's investment priorities are, in order of importance, as follows

- Security of capital/investments to minimise the risk of losses.
- Liquidity of investments to meet the cash flow needs of the Council in respect of these assets.
- Maximising the investment opportunities to generate capital and income growth.

The first two of these criteria particularly apply to Treasury Investments, here defined as funds either in General, Ring-Fenced or Earmarked Reserves.

Typically, these funds will be held in bank deposits, either on demand (e.g. current and short-term savings accounts) or fixed for a defined period (usually up to one year, but with maturities spread over regular intervals to support liquidity). According to the latest Statutory Guidance, this falls well within its definition of "a prudent investment policy".

In terms of "Other Investments", the third criterium may take priority, although the other two shall not be ignored. To illustrate why, the significant increase in inflation in the first half of 2022 demonstrated the corrosive effects on cash holdings in bank deposits. Interest income would have needed to be 2 – 3 times greater just to cover the likely increased costs of goods, services and wages.

To generate anywhere near those higher returns over the long-term requires taking greater risk and this typically means investing in the UK Stock Market and Corporate Bonds. This risk can be mitigated, in part, through diversification across industry sectors and by investing, for example, in high quality ("Blue Chip") companies with excellent growth prospects. For the purposes of this over-arching Policy, only a high-level perspective on "Other Investments" is provided.



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3. Parish Council Reserves (General and Earmarked)

The Legal Position

The Council is required, under statute, to maintain adequate financial reserves in order to meet the needs of the organisation. Section 50 of the Local Government Finance Act 1992 mandates that precepting authorities in England and Wales have regard to the level of reserves needed to meet estimated future expenditure when calculating the budget requirement.

There is no specified minimum level of reserves that an authority should hold, and it is the responsibility of the Responsible Financial Officer (RFO) to advise the Council about the level of those reserves and to ensure that there are procedures for their establishment and use.

However, the Practitioners' Guide to Proper Practices (March 2019) advises that each authority adopts a Reserves Policy and goes on to give guidance that the minimum level of the General Reserve should be maintained between 3 to 12 months of **Net Revenue Expenditure (NRE)**, which is the precept less loan repayments and transfers to earmarked reserves. In general, the larger the organisation, the lower the General Reserve should be.

Types of Reserve

General Fund Reserve (GFR)

This represents the non-ring-fenced balance of Council funds. The main purpose of the General Fund is to help manage the impact of uneven cash flows and to provide a contingency to cushion the impact of emerging or unforeseen events.

In general, a robust level of reserves should be maintained and take account of operational and financial issues facing the Council. The level of general funds is always a matter of judgment, but this policy prescribes a **target level of 25% of NRE**, with a tolerated range of 20 - 30%. However, the Council must maintain sufficient working balances to cover the key risks it faces, as expressed in its financial risk assessment, and these may change from year to year. The use of a cashflow report will help manage this process and keeping the GFR as low as is practicable will help to reduce the impact of inflation on these reserves.

Ring-Fenced Reserves

Typically, this will include funds that originate externally from grants for specific projects and, in a more general sense, for Neighbourhood Community Infrastructure Levy funds which are provided for capital expenditure projects (albeit with more relaxed criteria than CIL Funds at District and County levels)

Specific or Earmarked Reserves (EMR).

As the name suggests, these represent amounts which are "earmarked" for specific items of expenditure to meet known or predicted liabilities or projects. Earmarked Reserves are often used to "smooth" the effects of certain expenditure commitments over time, thereby reducing the impact of significant expenditure in any one year, during the ordinary course of the Council's business.



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Earmarked reserves are typically held for five main reasons:

- Projects – to plan and finance a project in the future.
- Renewals – to plan and finance an effective programme of equipment replacement and planned property repair. These reserves are a mechanism to smooth expenditure so that a sensible replacement programme can be achieved without the need to vary the budget from year to year.
- Carry forward of underspend - some expenditure budgeted for projects in a given financial year may not be spent fully (or at all) in that year. Reserves are used as a mechanism to carry forward these resources.
- Trading accounts – In some instances, surpluses may be retained for future investment.
- Insurance reserve – to meet the estimate of future claims to enable the Council to meet the excesses not covered by insurance.

Other earmarked reserves may be set up from time to time to meet predicted and potential liabilities (such as business interruption and/or key person risk).

Usually, most, if not all EMR represent deferred expenditure or operational risk mitigation, making it more likely that they can be invested for longer periods to help increase interest income as an offset for inflation erosion.

Appendix 2 – Schedule of General Reserves and Earmarked Reserves (to include prevailing NRE ratio)

4. Treasury Investments

Treasury Management is defined as..... *'The management of the Council's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.'* CIPFA) *Treasury Management in the Public Services: Code of Practice (2011 Edition)*

As stated in Section 2 above, the management of the Council's Treasury Investments will be primarily governed by the two objectives defined in the 2018 Statutory Guidance as

- **Security** – protecting the capital sum invested from loss; and
- **Liquidity** – ensuring the funds invested are available for expenditure when needed.

The most basic form of security is ensuring that the monies in the Council's current and/or deposit account(s) are protected within the prevailing £85,000 limit of the Financial Services Compensation Scheme.

If not, the opening of a second (or even third) current or demand deposit (savings) account will not only broaden the FSCS protection but also provide an alternative, ready payment source if the main account is compromised in any way (for example, because of a cyber-attack).



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However, it is often the case that such funds will include earmarked reserves not needed for a while and these may be usefully deposited for longer periods to earn higher interest income, whilst ensuring that the liquidity objective is preserved as well.

In this respect, the use of a cashflow report can act as a safeguard. Month-by-month, the regular and other anticipated outflows from the Parish Council can be recorded. The monthly carried-forward total will demonstrate periods where the Council may be in significant surplus, well beyond its needs at the time, allowing high-quality bank deposits and some fixed-term bank or corporate bonds (ideally covered by the FSCS) to mature in stages to use otherwise idle funds more prudently.

UK Treasury Bills

The ultimate form of security and liquidity is to deposit funds with HM Government but only in the form of short-term "Treasury Bills" (up to one year maturity, to minimise any potential capital loss). The 2007 financial crisis saw several banks collapse and there was what is termed a 'flight to quality', with a rush across the globe to buy high grade government securities as a safe haven.

Given that the FSCS guarantee covers smaller councils (subject to the above-mentioned limit), it seems very unlikely that the Town Council will ever need to use HMG Treasury Bills as a safe haven, but the nature of financial markets is 'never to say never'.

The inclusion of an investment category for Treasury Bills in the Council's Investment Strategy costs nothing (even though it may never be utilised) but will become vital if, for example, the UK Government is under so much financial stress that it chooses to remove the FSCS Guarantee for town and parish councils. It should be noted that Treasury Bills are highly liquid and are effectively treated as cash-equivalent, although may be subject to modest capital loss if sold early. Nevertheless, Treasury Bills can be a very useful tool to balance the contradictory demands of Liquidity and Yield.

No other types of deposit/investment for Treasury Investment purposes are permitted, except by explicit formal authority of the Full Council and subject to the above-mentioned legislation (and any future updates).

Appendix 3 – Cashflow Forecast (minimum 12 months, updated quarterly)

Appendix 4 – List of Treasury Investments

5. Other Investments

Key requirements for the safeguarding of "Other Investments".

- a) The Town Council must require any investment management company to be regulated by the Financial Conduct Authority (FCA), and monies kept in client accounts, so they are not registered assets of that company.



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- b) Close attention must be paid to investment management and custodian fees, as these have an impact on the overall returns of investments. In addition, excessive activity – in the buying and selling of investments (commonly known as “churning”) - can have a further negative effect on returns.
- c) As an illustration only, a portfolio could be set up to grow year on year – in a mixture of gilts, stocks and shares that is consistent with the delivery of the Council’s objectives. The portfolio may also be required to produce an annual income.
- d) Appropriate benchmarks shall be used with which to compare the overall performance of the Fund, including a relevant measure of inflation to help ensure that the return meets expectations
- e) Withdrawals from a capital fund must only be undertaken in an emergency or on an urgent basis, and only with the full authority of the Town Council. This is because any withdrawals will negatively affect the investment objectives of the Council.
- f) Withdrawals from any fund will be transferred directly to the Parish Council Current Account – see Section 6.
- g) Cash account (interest/dividend payments) withdrawals will be transferred directly to the Town Council main bank current account or as otherwise directed by the Full Council.

6. Roles & Responsibilities

The roles that will ensure the objectives of this investment strategy are achieved can be found below, together with a brief outline of their key responsibilities.

Responsible Finance Officer (RFO) / Clerk to the Council

- To monitor the quarterly (at a minimum) performance of all Town Council investments and report their status to Full Council.
- To monitor the credit rating of all assets (where applicable).
- Where applicable, to examine and retain monthly statements and financial records from the fund manager(s), notifying the F&G Chair of significant variations.
- To effect withdrawals from any ‘fund’, following resolution and endorsement by the Town Council through its delegated powers to the Finance and Governance Committee.
- To make withdrawals from the cash account (interest/dividend payments) as and when required, subject to the prevailing budgetary and cash flow requirements of the Town Council.
- To inform the Internal Auditor of all Town Council investments and to notify any changes to this strategy.
- To arrange or undertake a formal external three-year review of this Investment Strategy



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Finance and Governance Committee

- To monitor the quarterly performance of all Town Council investments in conjunction with the Responsible Financial Officer.
- To determine whether changes to the Investment and Reserves Strategy are significant enough to be relayed to a Full Council meeting.
- To monitor the annual performance of Town Council investments
- To resolve and endorse all withdrawals from any "Other Investments" Fund.
- To evaluate and approve the Town Council's Investment and Reserves Strategy annually.
- To determine appropriate corrective action, when required, to ensure that all investments under the Town Council's management contribute to its objectives set out in Section 2.

7. Freedom of Information and the Transparency Code

In accordance with the Freedom of Information Act 2000 and the Local Government Transparency Code 2015, this Investment Policy and the related Investment Strategy are disclosable to the public. They will be placed on the Town Council website and hard copies will be available from the Town Council Office upon request.

Appendix 1

STATUTORY GUIDANCE ON LOCAL GOVERNMENT INVESTMENTS

(3rd Edition)

Issued under section 15(1)(a) of the *Local Government Act 2003* and effective for financial years commencing on or after 1 April 2018

POWER UNDER WHICH THE GUIDANCE IS ISSUED

1. The following Guidance is issued by the Secretary of State under section 15(1)(a) of the *Local Government Act 2003*. Under that section local authorities are required to “have regard” to “such guidance as the Secretary of State may issue”.

DEFINITION OF TERMS

2. In this guidance the **2003 Act** means the *Local Government Act 2003*.
3. **Local authority** has the meaning given in section 23 of the *2003 Act*. To the extent that this guidance applies to parish councils and charter trustees (see paragraph 11) a reference to a local authority includes those councils and trustees.
4. The definition of an **investment** covers all of the financial assets of a local authority as well as other non-financial assets that the organisation holds primarily or partially to generate a profit; for example, investment property portfolios. This may therefore include investments that are not managed as part of normal treasury management processes or under treasury management delegations.
5. For the avoidance of doubt, the definition of an investment also covers loans made by a local authority to one of its wholly-owned companies or associates, to a joint venture, or to a third party. The term does not include *pension funds* or *trust fund investments*, which are subject to separate regulatory regimes and therefore are not covered by this guidance.
6. A **credit rating agency** is one of the following three companies:
 - Standard and Poor’s;
 - Moody’s Investors Service Ltd; and
 - Fitch Ratings Ltd.
7. For the purposes of this guidance a **loan** is a written or oral agreement where a local authority temporarily transfers cash to a third party, joint venture, subsidiary or associate who promises to return it according to the terms of the agreement, normally with interest. This definition does not include a loan to another local authority, which is classified as a specified investment.

8. The **Treasury Management Code** means the statutory code of practice issued by CIPFA: *“Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes, 2017 Edition”*.
9. The **Prudential Code** means the statutory code of practice, issued by CIPFA: *“The Prudential Code for Capital Finance in Local Authorities, 2017 Edition”*.
10. The **Capital Strategy** is the strategy required by the updates to the Prudential Code and Treasury Management Code.

APPLICATION

Effective date

11. This guidance applies for financial years commencing on or after 1 April 2018. It supersedes all previous editions of the Statutory Guidance on Local Authority Investments.
12. Strategies presented to Council or equivalent before 1 April 2018 but relating to 2018-19 and future financial years do not need to include all of the additional disclosures required by this edition of the guidance should it not prove practical or cost effective to do so. If a local authority chooses not to include the new disclosures in its 2018-19 Strategy, it must include the disclosures in full in the first Strategy presented to full Council or equivalent after 1 April 2018.

Local authorities

13. This guidance applies to all local authorities in England.
14. This guidance applies to parish councils and charter trustees, providing their total investments exceed or are expected to exceed £100,000 at any time during the financial year. Where a parish council or charter trustee expects its total investments to be between £10,000 and £100,000, it is encouraged to adopt the principles in this guidance.

KEY PRINCIPLES

Transparency and democratic accountability

15. For each financial year, a local authority should prepare at least one Investment Strategy (“the Strategy”). The Strategy should contain the disclosures and reporting requirements specified in this guidance.
16. The Strategy should be approved by the full council. For authorities without a full Council, the Strategy should be approved at the closest equivalent level. The

Secretary of State recommends that the Strategy should be presented for approval prior to the start of the financial year.

17. Where a local authority proposes to make a material change to its Strategy during the year a revised Strategy should be presented to full council or equivalent for approval before the change is implemented.
18. The Strategy should be publicly available on a local authority's website. Where a parish council or charter trustee does not maintain its own website, they should post a public notice detailing how local residents can obtain a copy of the Strategy, free of charge.
19. Where a local authority prepares a Capital Strategy in line with the requirements of the Prudential Code, a Treasury Management Strategy in line with the requirements of the Treasury Management Code, or any other publicly available document, the disclosures required to be included in the Strategy can be published in those documents instead of in the Strategy.

Contribution

20. Investments made by local authorities can be classified into one of two main categories:
 - Investments held for treasury management purposes; and
 - Other investments.
21. Where local authorities hold treasury management investments, they should apply the principles set out in the Treasury Management Code. They should disclose that the contribution that these investments make to the objectives of the local authority is to support effective treasury management activities. The only other element of this Guidance that applies to treasury management investments is the requirement to prioritise Security, Liquidity and Yield in that order of importance.
22. Local authorities should disclose the contribution that all other investments make towards the service delivery objectives and/or place making role of that local authority. It is for each local authority to define the types of contribution that investments can make and a single investment can make more than one type of contribution.

Use of indicators

23. The Strategy should include quantitative indicators that allow Councillors and the public to assess a local authority's total risk exposure as a result of its investment decisions. This should include how investments are funded and the rate of return

received. Where investment decisions are funded by borrowing the indicators used should reflect the additional debt servicing costs taken on.

24. Local authorities should consider the most appropriate indicators to use, given their risk appetite and capital and investment strategies. Whilst this guidance does not prescribe specific indicators or thresholds, the indicators used should be consistent from year to year and should be presented in a way that allows elected members and the general public to understand a local authorities' total risk exposure from treasury management and other types of investment.
25. Where a local authority has entered into a long term investment or has taken out long term debt to finance an investment the indicators used should allow Councillors and the general public to assess the risks and opportunities of the investment over both its payback period and over the repayment period of any debt taken out.

Security, Liquidity and Yield

26. A prudent investment policy will have two underlying objectives:

- **Security** – protecting the capital sum invested from loss; and
- **Liquidity** – ensuring the funds invested are available for expenditure when needed.

27. The generation of **yield** is distinct from these prudential objectives. However, this does not mean that local authorities are recommended to ignore potential revenues. Once proper levels of security and liquidity are determined, it will then be reasonable to consider what yield can be obtained consistent with these priorities.

28. When entering into treasury management investments, local authorities should consider security, liquidity and yield in that order of importance.

29. When entering into other types of investments local authorities should consider the balance between security, liquidity and yield based on their risk appetite and the contribution(s) of that investment activity.

Security

Financial Investments

30. Financial investments can fall into one of three categories:

- **Specified investments;**
- **Loans;** and
- Other **Non-specified investments.**

Specified Investments

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

- The investment is denominated in sterling and any payments or repayments in the respect of the investment are payable only in sterling.
- The investment is not a long term investment. This means that the local authority has contractual right to repayment within 12 months, either because that is the expiry term of the investment or through a non-conditional option.
- 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 [as amended]*.
- The investment is made with a body or in an investment scheme described as high quality (see paragraph 33 or with one of the following 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; or
 - iii. A parish council or community council.

32. For the purposes of paragraph 32 the Strategy should define high credit quality. Where this definition incorporates ratings provided by credit rating agencies paragraph 42 is relevant.

Loans

33. A local authority may choose to make loans to local enterprises, local charities, wholly owned companies and joint ventures as part of a wider strategy for local economic growth even though those loans may not all be seen as prudent if adopting a narrow definition of prioritising security and liquidity.

34. Local authorities can make such loans whilst continuing to have regard to this guidance if they can demonstrate in their Strategy that:

- Total financial exposure to these type of loans is proportionate;
- They have used an allowed “expected credit loss” model for loans and receivables as set out in International Financial Reporting Standard (IFRS) 9 *Financial Instruments* as adopted by proper practices to measure the credit risk of their loan portfolio;
- They have appropriate credit control arrangements to recover overdue repayments in place; and
- The local authority has formally agreed the total level of loans by type that it is willing to make and their total loan book is within their self-assessed limit.

Non-specified investments

35. A non-specified investment is any financial investment that is not a loan and does not meet the criteria to be treated as a specified investment.
36. For non-specified investments (i.e. those not meeting the criteria in paragraph 31), the Strategy should:
- Set out procedures for determining which categories of investments may be prudently used (and where these procedures involve the use of credit ratings, paragraph 32 is relevant).
 - Identify which categories of investments have been defined as suitable for use.
 - State the upper limits for the maximum amounts both individually and cumulatively that may be held in each identified category and for the overall amount held in non-specified investments and confirm that investments made have remained within those limits.

Non-financial investments

37. As defined in paragraph 4 of this guidance non-financial investments are non-financial assets that the organisation holds primarily or partially to generate a profit. Where a local authority holds a non-financial investment, it will normally have a physical asset that can be realised to recoup the capital invested. Local authorities should consider whether the asset retains sufficient value to provide security of investment using the fair value model in *International Accounting Standard 40: Investment Property* as adapted by proper practices.
38. Where the fair value of non-financial investments is sufficient to provide security against loss, the Strategy should include a statement that a fair value assessment has been made within the past twelve months, and that the underlying assets provide security for capital investment.
39. Where the fair value of non-financial investments is no longer sufficient to provide security against loss, the Strategy should provide detail of the mitigating actions that the local authority is taking or proposes to take to protect the capital invested.
40. Where a local authority recognises a loss in the fair value of a non-financial investment as part of the year end accounts preparation and audit process, an updated Strategy should be presented to full council detailing the impact of the loss on the security of investments and any revenue consequences arising therefrom.

Risk Assessment

41. The Strategy should state the local authority's approach to assessing risk of loss before entering into and whilst holding an investment, making clear in particular:

- How it has assessed the market that it is/will be competing in, the nature and level of competition, how it thinks that the market/customer needs will evolve over time, barriers to entry and exit and any ongoing investment requirements.
- Whether and, if so how, a local authority uses external advisors be they treasury management advisors, property investment advisors or any other relevant persons.
- How the local authority monitors and maintains the quality of advice provided by external advisors.
- To what extent, if at all, any risk assessment is based on credit ratings issued by credit ratings agencies.
- Where credit ratings are used, how frequently they are monitored and the procedures for taking action if credit ratings change.
- What other sources of information are used to assess and monitor risk.

Liquidity

42. For financial investments that are not treasury management investments or loans the Strategy should set out the procedures for determining the maximum periods for which funds may prudently be committed and state what those maximum periods are and how the local authority will stay within its stated investment limits.

43. For non-financial investments the Strategy should set out the procedures for ensuring that the funds can be accessed when they are needed, for example to repay capital borrowed. It should also state the local authority's view of the liquidity of the investments that it holds, recognising that assets can take a considerable period to sell in certain market conditions. Where local authorities hold non-financial investment portfolios they can choose to assess liquidity by class of asset or at a portfolio level if appropriate.

Proportionality

44. Where a local authority is or plans to become dependent on profit generating investment activity to achieve a balanced revenue budget, the Strategy should detail the extent to which funding expenditure to meet the service delivery objectives and/or place making role of that local authority is dependent on achieving the expected net profit. In addition, the Strategy should detail the local authority's contingency plans should it fail to achieve the expected net profit.

45. The assessment of dependence on profit generating investments and borrowing capacity allocated to funding these should be disclosed as a minimum over the life-cycle of the Medium Term Financial Plan. However, an assessment of longer term risks and opportunities is recommended.

Borrowing in advance of need

46. Authorities must not borrow more than or in advance of their needs purely in order to profit from the investment of the extra sums borrowed.
47. Where a local authority chooses to disregard the Prudential Code and this Guidance and borrows or has borrowed purely to profit from the investment of the extra sums borrowed the Strategy should explain:
- Why the local authority has decided not to have regard to this Guidance or to the Prudential Code in this instance; and
 - The local authority's policies in investing the money borrowed, including management of the risks, for example, of not achieving the desired profit or borrowing costs increasing.

Capacity, skills and culture

48. The Strategy should disclose the steps taken to ensure that those elected members and statutory officers involved in the investments decision making process have appropriate capacity, skills and information to enable them to take informed decisions as to whether to enter into a specific investment, to assess individual assessments in the context of the strategic objectives and risk profile of the local authority and to enable them to understand how the quantum of these decisions have changed the overall risk exposure of the local authority.
49. The Strategy should disclose the steps taken to ensure that those negotiating commercial deals are aware of the core principles of the prudential framework and of the regulatory regime within which local authorities operate.
50. Where appropriate the Strategy should comment on the corporate governance arrangements that have been put in place to ensure accountability, responsibility and authority for decision making on investment activities within the context of the local authority's corporate values.

Appendix 2—Target NRE 25% (range 20 - 30%)

2 October 2024 (2024-2025)

Halesworth Town Council Reserves Balance 2024-2025

<u>Reserve</u>	<u>OpeningBalance</u>	<u>Transfers</u>	<u>Spend</u>	<u>Receipts</u>	<u>CurrentBalance</u>
Capital					
Community Infrastructure Levy	216,682.62		60,654.15	12,474.17	168,502.64
White Bridge Reserve		35,000.00	30,000.00		5,000.00
Bus shelters		2,000.00	120.00		1,880.00
MUGA Reserve		15,000.00			15,000.00
Total Capital	216,682.62	52,000.00	90,774.15	12,474.17	190,382.64
Earmarked					
Park Equipment	10,000.00				10,000.00
Memorial	4,476.00	-1,476.00			3,000.00
Station Building (Survey/Solicito	13,940.00	6,060.00			20,000.00
Election Reserves	8,774.00	1,226.00			10,000.00
Allotment Reserves	1,843.00	657.00	1,890.15		609.85
Depreciation	5,660.00				5,660.00
Street Furniture	5,440.00	60.00	45.00		5,455.00
Festive Lights (Electricity)	3,916.00	584.00			4,500.00
London Road Bldg improvemen	40,819.34		14,070.48		26,748.86
Neighbourhood Planning	3,000.00				3,000.00
Market Reserve	3,000.00				3,000.00
Emergency Staff Provision	10,000.00	11,000.00			21,000.00
Youth Development	7,000.00	3,000.00			10,000.00
Civic Duties Reserve	2,500.00				2,500.00
Twinning Reserve	2,000.00		401.95		1,598.05
Skatepark Reserves	35,385.00	-10,385.00			25,000.00
Public Events	1,000.00				1,000.00
The Rifle Hall Trust					0.00
Town Marketing	5,000.00				5,000.00
Play Equipment Reserve	500.00	9,500.00			10,000.00
Office (Furniture/IT)		1,500.00	859.87		640.13
Specialist Fees		22,500.00	1,519.00		20,981.00
Footpath Reserve		2,500.00			2,500.00
Trees & Open Spaces		5,000.00			5,000.00
Business Continuity Reserve		42,000.00			42,000.00
Total Earmarked	164,253.34	93,726.00	18,786.45		239,192.89
TOTAL RESERVE	380,935.96	145,726.00	109,560.60	12,474.17	429,575.53
GENERAL FUND					116,104.15
TOTAL FUNDS					545,679.68

Appendix 4

	Bank Reconciliation at 08/11/2024		
	Cash in Hand 01/04/2024		496,896.20
	ADD		
	Receipts 01/04/2024 - 08/11/2024		238,408.01
			735,304.21
	SUBTRACT		
	Payments 01/04/2024 - 08/11/2024		295,003.27
A	Cash in Hand 08/11/2024 (per Cash Book)		440,300.94
	Cash in hand per Bank Statements		
	Petty Cash	08/11/2024	6.45
	1 Unity Trust Current	08/11/2024	12,960.59
	2 Barclays Current	08/11/2024	120,137.35
	3 Barclays Savings	08/11/2024	94,737.20
	4 Barclays Community	08/11/2024	5,412.57
	6 Soldo Prepaid Account (CLOSEE	08/11/2024	0.00
	5 Unity Trust Savings	08/11/2024	225,110.64
	Lloyds Payment card	08/11/2024	0.00
			458,364.80
	Less unrepresented payments		18,063.86
			440,300.94
	Plus unrepresented receipts		
B	Adjusted Bank Balance		440,300.94
	A = B Checks out OK		