

Policy, Governance & Finance Committee

Date: Monday 23 November 2020

Title: Annual Investment Strategy

Contact Officer: Town Clerk/RFO – Sharon Groth

Background

The Council is required to approve an Investment Strategy on an annual basis.

The Investment Strategy should set out what the Council intends to do with any surplus funds and is there to ensure that the Council invests prudently to achieve the optimum return, bearing in mind the security (safety) and liquidity (ease of access) of the funds invested. These requirements form a basis to create clear treasury management objectives and to structure sound treasury management policies and practices.

Investment Strategy

Revised statutory guidance on Local Government Investments (3rd Edition) has been published and was effective from financial years commencing on or after 1 April 2018.

It should be noted that the Committee reserves the right to make variations to the attached Strategy at any time, subject to the approval of the Council.

By implementing this strategy the Officers foresee no changes to the current process for investing surplus funds.

Current Process for Investing Surplus Funds

In line with the Council's Financial Regulations the Town Clerk/RFO has delegated responsibility to invest surplus funds for the best income return having regard both to the requirements of the Local Government Act 2003 and the absolute requirement to avoid capital loss.

Financial Implications

There are no direct financial implications arising from this report.

Recommendation

The Committee is invited to note this report and

1. confirm approval of the current investment in secure banks and the Town Clerk/RFO continues to monitor interest rates to ensure that the Council receives the most advantageous interest rates.
2. that the attached appendix being the Annual Investment Strategy 2020/21 is formally approved by the Committee, and subsequently full Council on 7 December 2020.