

WEST MOORS TOWN COUNCIL



ANNUAL INVESTMENT STRATEGY

Adopted 27th February 2014

Reviewed: 21st March 2024

WEST MOORS TOWN COUNCIL
ANNUAL INVESTMENT STRATEGY 2023/24

1 Introduction

- 1.1 West Moors Town Council acknowledges the importance of prudently investing all funds held on behalf of the community by the Council.
- 1.2 This Strategy complies (as appropriate) with the revised requirements set out in the *Guidance on Local Government Investments* issued by the Department of Communities and Local Government in April 2010.

2. Investment Objectives

- 2.1 In accordance with Section 15(1) of the 2003 Act, the Council will have regard (a) to such guidance as the Secretary of State may issue, and (b) to such other guidance as the Secretary of State may by regulations specify.
- 2.2 The Council's investment priorities are first the security of reserves, second the liquidity of the investments and thirdly return.
- 2.3 All investments will be made in sterling.
- 2.4 The Department for Levelling Up, Housing and Communities maintains that borrowing of monies purely to invest, or to lend and make a return, is unlawful and this Council will not engage in such activity.
- 2.5 Where external investment managers are used, they will be contractually required to comply with the Strategy.

3. Specified Investments

- 3.1 Specified Investments are those offering high security and high liquidity, made in sterling and with a maturity of no more than a year. Such short term investments made with a body or investment scheme of high credit quality (including the UK Government or a local authority or town/parish council) will automatically be Specified Investments. The Council will only invest in institutions with good credit ratings from approved credit rating organisations.
- 3.2 For the prudent management of its treasury balances, maintaining sufficient levels of security and liquidity, West Moors Town Council will use:
 - Deposits with banks, building societies, local authorities or other public authorities (Investment opportunities to be reviewed regularly to identify any suitable investment accounts on offer)

Any short term surplus will be invested with the Lloyds Bank Business Instant Access Deposit Account.

4. Non-Specified Investments

- 4.1 These investments have greater potential risk – examples include investment in the money market, stocks and shares.
- 4.2 Given the unpredictability and uncertainties surrounding such investments, West Moors Town Council will not use this type of investment.

5. Liquidity of Investments

- 5.1 The Responsible Finance Officer together with the Finance and GP committee will determine the maximum periods for which funds may prudently be committed so as not to compromise liquidity.
- 5.2 Investments will be regarded as being committed on the date of the council's decision to invest, rather than the date on which the funds are paid over to the counterparty.

6. Long Term Investments

- 6.1 Long term investments are defined in the Guidance as greater than 36 months

7. Investment Reporting

- 7.1 Investment forecasts for the coming financial year are accounted for when the budget is prepared. At the end of the financial year, the Responsible Finance Officer will report on investment activity to the Finance and General Purpose committee.

8 Review and Amendment of Regulations

- 8.1 This strategy will be reviewed annually and at other times as necessary. The Annual Strategy for the coming financial year will be prepared by the Responsible Finance Officer in conjunction with the Chairman of the Finance and General Purpose committee and presented for approval by the F&GP committee.
- 8.2 The Council reserves the right to make variations to the strategy at any time, subject to the approval of the full council. Any variations will be made available to the public.

9. Publication

- 9.1 In accordance with the Freedom of Information Act 2000, this document will be published on the Town Council's website www.westmoors-tc.gov.uk and will be available in hard copy from the Council's office.

10. Investment Plan 2023/24

- 10.1 The Town Council uses Lloyds Bank for its day to day banking needs. Funds not immediately required will be held in the Lloyds Bank Business Instant Access Deposit Account.

- 10.2 The Council will continue with the CCLA Local Authorities Property Fund.

The CCLA has been appointed by the Local Authorities' Mutual Investment Trust (LAMIT) to manage and administer the Local Authorities' Property Fund. Local Authorities' Property Fund provides a high quality, well-diversified commercial and industrial property portfolio; it focuses on delivering attractive income; it is actively managed to add value; it is usually held with other investments such as equities, bonds and cash to give a broad spread of assets and achieve combined income and growth objectives.

The Fund offers all the advantages of a professionally managed property portfolio, with broadly diversified exposure to high quality properties in the strongest areas of the market.

- 10.3. In order to ensure the Town Council receives the best possible return on any funds, a deposit may be held in the CCLA Public Sector Deposit Fund.