



# Annual Investment Strategy 2023-2024

Falmouth Town Council

## **INTRODUCTION**

Falmouth Town Council acknowledges the importance of prudently investing the temporarily surplus funds held on behalf of the community.

This Strategy complies with the revised requirements set out in the Office of the Deputy Prime Minister's *Guidance on Local Government Investments* and Chartered Institute of Public Finance and Accountancy's *Treasury Management in Public Services: Code of Practice and Cross Sectoral Guidance Notes* and takes account of the Section 15(1)(a) of the Local Government Act 2003 (for financial years commencing on or after 1<sup>st</sup> April 2018)

## **INVESTMENT OBJECTIVES**

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.

The Council's investment priorities are the security of reserves and liquidity of its investments.

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

All investments will be made in sterling.

The Department for Communities and Local Government 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.

Where external investment managers are used, they will be contractually required to comply with the Strategy.

## **SPECIFIED INVESTMENTS**

Specified Investments are those offering high security and high liquidity, made in sterling and with a maturing date of no more than a year. Such short-term investments made with the UK Government or a local authority or town parish council will automatically be Specified Investments.

For the prudent management of its treasury balances, maintaining sufficient levels of security and liquidity, the Council will use:

- Deposits with banks, building societies, local or other public authorities.
- Specialised Sector Investment Managers CCLA
- The debt management agency of HM Government

Current investments are with the Church, Charities and Local Authorities Investment Management Ltd (CCLA) and the Bank of Ireland UK.

### **NON-SPECIFIED INVESTMENTS**

These investments have greater potential risk – examples include investment in the money market, stock and shares.

Given the unpredictability and uncertainties surrounding such investments, the Council will not use this type of investment.

### **LIQUIDITY OF INVESTMENTS**

The Responsible Finance Officer will determine the maximum periods for which funds may prudently be committed so as not to compromise liquidity.

Investments will be regarded as commencing on the date the commitment to invest is entered into, rather than the date on which the funds are paid over to the counterparty.

### **LONG TERM INVESTMENTS**

Long term investments are defined in the Guidance as greater than 12 months.

The Council does hold funds invested in the Local Authorities Property Fund managed by the CCLA.

The funds invested within this sector are reserves and are held on the basis of maximising return.

### **END OF YEAR INVESTMENT REPORT**

Investment forecasts for the coming financial year were accounted for when budget was prepared. At the end of the financial year, the Responsible Financial Officer will report on investment activity to the Finance and General Purposes Committee.

### **REVIEW AND AMENDMENT OF REGULATIONS**

The strategy will be reviewed annually. The Annual Strategy for the coming financial year will be prepared by the Responsible Financial Officer and presented for approval at the Finance and General Purposes Committee Meeting.

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.

### **ALTERNATIVE FORMATS**

If you require this document in amended formats, please contact the Council on 01326 315559 or e-mail [ruththomas@falmouthtowncouncil.com](mailto:ruththomas@falmouthtowncouncil.com)

### **FREEDOM OF INFORMATION**

In accordance with the Freedom of Information Act 2000, this Document will be posted on the Council's Website [www.falmouthtowncouncil.co.uk](http://www.falmouthtowncouncil.co.uk)

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