

## ABINGDON TOWN COUNCIL

<b>Report to</b>	<b>FINANCE, GOVERNANCE AND ASSET MANAGEMENT</b>
<b>Meeting date</b>	<b>17 January 2023</b>
<b>Report author</b>	<b>Responsible Finance Officer</b>
<b>Agenda item</b>	<b>7</b>

### INVESTMENT STRATEGY

1. **Purpose of the Report**

- (i) To present the current performance of the council's cash holdings.
- (ii) To consider any amendments required to the council's investment strategy, first adopted in December 2020.

2. **Summary**

2.1 The council holds its funds in three providers:

- NatWest Bank
- Santander Building Society
- CCLA Public Sector Fund

There are advantages gained from using these different accounts. To date the council has chosen to hold all its funds in cash and there are no recommendations at this present time to change this.

2.2 Performance of investments has grown over the last year with increased interest rates giving return. The table in APPENDIX A shows the levels of income the council has received from 1 October 2021 to 30 Sept 2022.

2.3 Members are required to review the strategy annually, in line with the Statutory Guidance on Local Government Investments (3rd edition), issued under section 15(1) of the Local Government Act 2003 and effective for financial years commencing on or after 1 April 2018. There are no recommendations to amend the existing Investment Strategy.

3. **Action required**

3.1 The committee is requested to

- (i) note the current performance of its cash and investments
- (ii) consider and approve any changes to the investment strategy.

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4. **Link to strategic plan and objectives**

- 4.1 Key Objective 3: To manage the Council's assets efficiently and effectively to meet the needs of the community now and in the future.

5. **Key information and options**

- 5.1 Income from interest has risen over recent years. the changes in financial markets. APPENDIX A shows that for the year ending 30 September 2022 the council received interest income of £7,901.10.

- 5.2 The funds retained in the Santander savings account attract higher interest, but access is restricted. We currently have no access to this account until the signatories are changed to the new RFO and Town Clerk.

The CCLA and NatWest accounts are both doing well brining in considerably more interest than budgeted for.

- 5.3 As per the investment strategy, the RFO, in conjunction with the Town Clerk and Leader of the Council, shall consider balances at year end and inform the committee of any transfer of funds between the three accounts already in use, or any recommendations regarding alternatives.

- 5.4 The investment strategy has been reviewed, **APPENDIX B**. No changes are recommended.

6. Supporting papers and appendices  
APPENDIX A: Summary of Performance  
APPENDIX B: Investment Strategy v2

Cherie Carruthers RFO  
12 January 2023