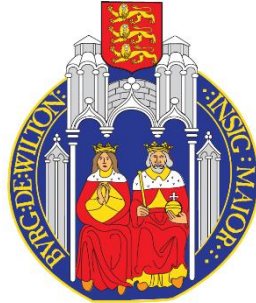


WILTON TOWN COUNCIL

Ancient Capital of Wessex



Town Clerk

Tel: 01722 742093

Email: clerk@wiltontowncouncil.gov.uk

Council Offices

Kingsbury Square

Wilton

Salisbury

Wilts SP2 0BA

www.wiltontowncouncil.gov.uk

WILTON TOWN COUNCIL

Investment Strategy

Adopted on 5th July 2022

Minute reference 121/22

Reviewed September 2023

Minute Reference 170/23 (i)

1. Banking Arrangements

1.1: In accordance with the Financial Regulations (para 5.1 - The council's banking arrangements, including the bank mandate, shall be made by the Responsible Finance Officer and approved by the Council; banking arrangements may not be delegated to a committee. They shall be regularly reviewed for safety and efficiency), the following information summarises the banking arrangements of Wilton Town Council:

- (i) The payment of income into the Bank shall be undertaken regularly, usually weekly.
- (ii) When a new Council comes into Office, bank mandates will be updated within 3 months.
- (iii) A balance sufficient to avoid bank charges being imposed will be maintained within the Current Account and the No 2 account used for debit card purchases.

2. Investment Strategy

2.1 Introduction: The strategy has been produced and complies with the guidance issued by the Secretary of State under Section 15(1) (a) of the Local Government Act 2003 and being effective from 6th July 2022. Wilton Town Council acknowledges its responsibility to the community and the importance of prudently investing the temporary surplus funds held on behalf of the community.

2.2 Objectives: The general policy objective for this Council is prudent investment of its balances. The Council's investment priorities are: -

- (i) The security of its reserves.
- (ii) The liquidity of its investments.
- (iii) The yield obtained from any investment.

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

2.3 Policy: All the Town Council's investments will be those offering high security and high liquidity. This means that: -

- (i) All investments will be made in sterling and any payments or repayments will also be made in sterling.
- (ii) All investments will be short term investments which will not exceed a maximum of twelve months.
- (iii) Before investments have reached their 12-month maturity term and it is in the Council's best intention to continue with the fund by having a roll-on investment, a review will take place on the eleventh month of every year of the duration of the fund.
- (iv) All investments will be made in UK Banks, Building Societies and High Quality Sterling Denominated Deposits and Instruments.
- (v) The Council will monitor the risk of loss on investments by review of credit ratings on a regular basis.

(vi) The Council will only invest in institutions of high credit quality – based on information from credit rating agencies (as defined).

For prudent management of its balances, the Town Council, maintaining sufficient levels of security and liquidity, will adopt a policy whereby funds which are likely to be surplus for up to three months can be invested in short term deposits. All investments will be made in UK Banks, Building Societies and High Quality Sterling Denominated Deposits and Instruments. It is noted that borrowing of monies purely to invest, or to lend and make a return is unlawful and the Town Council will not engage in such activity.

3. Investment Arrangements

3.1: In accordance with the approved Committee Functions & Terms of Reference the Policy and Resources Committee will determine investment opportunities.

3.2: Approximately 1 month prior to an investment maturing a report will be presented to the Full Council detailing:

- (i) Capital expenditure forecast
- (ii) Investment opportunities
- (iii) Recommendation for subsequent investment including location of investment, period and amount.

3.3: Upon an investment maturing the Finance Committee will receive a report detailing the investment return.

4. Review

4.1: This policy must be reviewed annually.