



MALTON TOWN COUNCIL

INVESTMENT STRATEGY

This strategy reflects the current 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 1st April 2018.

The Town Council acknowledge the importance of prudently investing surplus funds held on behalf of the community. All investments will be made in line with the Council's financial procedures and observations or advice received from the Council's internal and external auditors, supported as necessary by advice from financial advisors the Council chooses to appoint.

The Council will ensure it has adequate, though not excessive, cash resources to enable it to have the level of funds available which are necessary for the achievement of its key objectives. These objectives are:-

1. To respond effectively and speedily to the climate emergency
2. To develop a resilient, sustainable town which will provide a home for residents now and in the future
3. To manage the Council's assets efficiently and effectively to meet the needs of the community now and in the future
4. To work with community partners to support those who are vulnerable and in need and to create opportunities to increase social inclusivity.

Investment Objectives

In making investment decisions, the Council and its officers will focus on the following objectives:-

1. The Council's investment priorities are the security of reserves and adequate liquidity of its investments.
2. The Council will aim to maximise income from its investments commensurate with proper levels of security and liquidity
3. The Council will seek to ensure that investment income is consistent one year to the next
4. Where external investment managers are used, they will be contractually required to comply with this Strategy.
5. In balancing risk against return, this Council is more concerned to avoid risks than to maximise returns.
6. All investments will be in sterling.

Specified Investments

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

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

- Deposits with banks, building societies, local authorities, or other public authorities.
- Other recognised funds specifically targeted at the Public Sector, such as the Public Sector Deposit Fund.
- The choice of institution and length of deposit will be at the discretion of the Responsible Financial Officer/Town Clerk and the Mayor & Deputy Mayor.

Non-Specified Investments

These investments have a greater potential risk such as investments in the money market, stocks and shares. Should the Council decide to invest in such funds, the Council will use the services of an appointed FSA accredited financial advisor and the choice of investment company will be reviewed within the first year of every new administration following an election or more frequently if the performance of the investments is not meeting the required objectives.

The Council will expect the Investment Manager to invest in a balanced portfolio that will yield a consistent income/growth year on year whilst having regard to the Council's objectives and security of its investments.

Please click on the Value for Money Statement and Climate & Diversity Policy adopted by the Council in 2022.

[Value for Money Statement.
Climate&DiversityPolicy.pdf](#)

The Investment Manager will be encouraged to consider social, ethical and/or environmental factors or criteria when selecting, retaining, or disposing of assets.

At the end of each financial year the Fund Manager will present a report on the Investment activity to Full Council.

Adopted 14th December 2022 (Next Review January 2024)