

SALISBURY CITY COUNCIL

Report

Subject : Annual Investment Strategy
Committee : Full Council
Date : 29 June 2020
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1. Report Summary:

- 1.1. The Annual Investment Strategy is a core policy of the Council's Constitution which details the regulations and controls in place to ensure the prudent management of treasury balances throughout the year.
- 1.2. The Strategy is reviewed annually to ensure it remains fit for purpose and reflective of changes in legislation and regulations for parish councils.
- 1.3. This Strategy should be read in conjunction with the Council's Financial Regulations and Internal Financial Controls.

2. Amendments and Variations

- 2.1. Amendments and variations have been made to the Strategy to incorporate non-specified investments, which are provided in paragraphs 35 and 36 of the Statutory Guidance on Local Government Investments (3rd Edition), and as detailed in section 4 of the Strategy.
- 2.2. These amendments are essential for enabling the Council to examine opportunities for the allocation of funds to longer term investments to achieve a better return on the council's investments.

3. New Council Investments

- 3.1. The Local Authorities' Property Fund is administered by the CCLA, who also administer the Public Sector Deposit Fund. The CCLA is part owned by LAMIT, the Local Authorities' Mutual Investment Trust, which is a local government body that acts as Trustee of the Fund, representing investors and providing external oversight.
- 3.2. There are currently 258 local authorities investing £1.21 billion, including 104 Parish and Town Councils. Such councils include Amesbury Town Council, Shaftesbury Town Council, Westbury Town Council Chippenham Town Council and Blandford Forum Town Council.
- 3.3. Investments into the fund should be applied with a long term view of at least 5 years. Historically, annual net performance figures have been:

Long-term performance

Total return performance (net) 12 months to 31 March

	2019	2018	2017	2016	2015
The Local Authorities' Property Fund	+5.99%	+9.72%	+3.07%	+11.26%	+17.81%

4. Recommendation:

It is recommended that Full Council:

4.1. Approve the Annual Investment Strategy.

4.2. Authorise the Responsible Finance Officer, under instruction by the City Clerk and Leader of the Council, to:

- Set upper limits for the maximum amounts both individually and cumulatively that may be held in non-specified investments.
- Scrutinise the PSDF investment vehicle within the limits set to any identify opportunities for timely and prudent investment with the Local Authorities Property Fund.

5. Background Papers: Annual Investment Strategy 2020