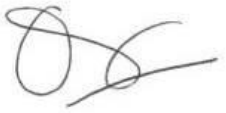




Cwmbran Community Council
Cyngor Cymuned Cwmbrân

Investment Strategy 2022/23

1. *Adopted by Cwmbran Community Council at a meeting held on 27 October 2021.*
2. *Review Date – 17 October 2022*



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Cwmbran Community Council
Annual Investment Strategy 2022/23

This Annual Investment Strategy is prepared in accordance with the statutory guidance on Local Government Investments issued by the Welsh Government.

Welsh Ministers recommend that for any financial year an investment Strategy (“the initial Strategy”) should be prepared and approved before the start of that year.

All cash, bank balances, financial assets, borrowings and credit arrangements are defined as a part of the Council’s treasury management activities. This Annual Investment Strategy will concentrate on the Council’s temporary surplus resources (or other financial assets it holds) and the investments it undertakes of these resources.

The Council undertakes to ensure that, for all its investments, priority will be given firstly to security and secondly to liquidity rather than to yield. In drafting this Annual Investment Strategy, the Council has made appropriate arrangements for:-

- Identification, management and control of risks in the investments/treasury management activities it undertakes;
- Budgeting, accounting and audit arrangements;
- Its cash flow management requirements;
- Segregation of responsibilities, organisational arrangements, adequate documentation and the identification of a responsible officer for investment/treasury management activities;
- Corporate governance;
- Procedures to ensure it is alert to the possibility that it may become subject to an attempt to involve it in a transaction involving the laundering of money.
- The Strategy will be monitored in year by the Council’s Policy & Finance Committee.
- The committee is responsible for monitoring, assessing and mitigating the risk of loss of invested sums and for ensuring that such sums are readily accessible for expenditure whenever needed. Risk Assessment are not based on credit ratings by credit agencies or other sources of information on credit risk. The Council’s investments are held with established financial institutions.
- The committee will also review and address the needs of the Council’s treasury management staff for training in investment management.

All investments undertaken by this Council will be made and repaid in Sterling.

The Council does not currently use external Treasury Management Advisors.

This Strategy will be reviewed annually but the Council will contingency arrangements will operate in the event of which a revised Strategy will be prepared (for example, significant changes in the risk assessment of a significant proportion of the authority’s investments).

SUMS TO BE INVESTED

Cwmbran Community Council has set its Precept for 2022/23 at £601,675.(13634 = Band D £44.13)

It will be received in equal instalments from Torfaen County Borough Council on 30 April, 31 August and 30 December. Each instalment will be deposited with the Monmouthshire Building Society. Other surplus income from balances and sales will be deposited in the Council’s current account (Co-operative Bank)

LISTING OF INVESTMENTS UNDERTAKEN

The Council will undertake the following categories of investment for its revenue and reserve accounts for the financial year.

Unity Trust Bank.

As at 31 January 2022 the balance on this account was £101,255.29

Monmouthshire Building Society

As at 31 January 2022 the balance on this account was £1,287,949.58

Earmarked Reserves are identified in the Council's Statements of Accounts.

Co-operative Bank

As at 31 January 2022 the balance on this account was £170,485.57.

The above amounts are considered appropriate. The Council will review these limits annually. The period for which funds may be committed will be reviewed as part of this review.

Non-Specified Investments have greater potential risk. Given the unpredictability and uncertainty surrounding such investments the Council will not normally use this type of investment.

High Credit Quality: Definition

The Council considers that the investment options with relatively high security and high liquidity constitute high credit quality. The Council does not employ a system of credit ratings. Other sources of information on credit risk are not used.

INVESTMENT OF MONEY BORROWED IN ADVANCE OF NEED

The Council has no current loans or borrowing outstanding. There are therefore no current plans to invest money borrowed in advance of spending needs.

Any future such investment would be managed and risk-assessed in accordance with appropriate guidance and this Strategy adapted accordingly.

GLOSSARY

Credit arrangements – this covers all forms of borrowing or credit transactions that the Council may undertake.

NEW INVESTMENTS: REPORTING REQUIREMENTS

If any new investment instruments (other than those approved in the list above) are proposed, before such an investment is undertaken it will first be approved by the Council.