

CONGLETON TOWN COUNCIL

COMMITTEE REPORTS AND UPDATES

COMMITTEE:	Council		
MEETING DATE AND TIME	3 rd October 2024 7 pm	LOCATION	Congleton Town Hall
REPORT FROM	Serena Van Schepdael – Responsible Financial Officer (RFO)		
AGENDA ITEM REPORT TITLE	10.3 Investment Policy and Strategy Review		
Background	<ul style="list-style-type: none">• The current Investment Policy was approved by Council on 7th December 2023.• The current Investment Strategy was approved at Council on 7th December 2023, which covered the investment period from December 2023 to December 2024.• The Policy and Strategy is to be reviewed and updated if required on an annual basis ready for the December renewal of the Yearly Bond we hold with Cambridge and County.• The Council hold a Bond with Cambridge and Counties (C&C) and a Public Sector Deposit Fund with CCLA.• By holding funds over 3 separate entities it ensures that funds would remain available should any of the banks/companies go into financial difficulties. By moving funds between CCLA and RBS enables The Council to gain the best possible interest income available for the investments.		
Update	Policy- Appendix 1 <ul style="list-style-type: none">• No updates are recommended to the current Policy. Includes the updated from 2023 to assess the ethical and environmental credentials. Strategy Updates- Appendix 2 <ul style="list-style-type: none">• Updated renewal requirements (new paragraph 4)• Removed item 5 replaced with new wording.		
Details	<p>The C&C Bond is due to mature on 8th December 2024, renewal documents will be received in November, current interest being offered in the 1 Year bond is 4.6%, which would mean potential interest income of approximately £11,500 based on reinvesting the £250,000.</p> <p>1 year fixed rate business bond online Savings (ccbank.co.uk)</p>		

	<p>CCLA current rates at 23rd September were 4.9967%, but it is important to note that these fluctuate daily.</p> <p>RBS interest rate on the Reserve Account is currently 1.46%. This is reducing to 1.35% from 16th October 2024.</p> <p>Finance and Policy approved the draft updates with the following updated resolution:</p> <p style="padding-left: 40px;">To approve the renewal and reinvestment for 12 months of the Cambridge and Counties 1-year investment subject to any three of the five authorised individuals, the Chief Officer, the R.F.O, the Chair, Vice-Chair of Finance and Mayor, being satisfied that the rate on offer is reasonably competitive. In the event that the rate on offer not being considered to be reasonably competitive, the matured funds to be reinvested at the best rate on offer in the instant access account with the CCLA or R.B.S. and for Council to be provided with a proposal on the best options available to reinvest these matured sums.</p> <p>This has been included in the 2024-2025 strategy for Council approval.</p>
Financial	Dependant on interest rates, investments will create variable income for the Council.
Environmental	<p>Any new investment companies will have the Environmental Credentials checked/ Current policies for CCLA and C&C are shown here:</p> <p>CCLA from Guide: download (ccla.co.uk) and July 2024 download (ccla.co.uk)</p> <p>C&C Environmental, social and governance Cambridge & Counties Bank (ccbank.co.uk)</p>
Equality and Diversity	<p>As above.</p> <p>CCLA download (ccla.co.uk)</p> <p>C&C Our commitments About us Cambridge & Counties Bank (ccbank.co.uk)</p>
Decision Request	<ol style="list-style-type: none"> 1) To approve the updates to the Investment Policy and adopt into the Constitution. 2) To approve the updated Investment Strategy for 2024-2025 and adopt into the Constitution.