



Investment Strategy 2023-24

Background

All community and town councils are required to have due regard to guidance¹ on investments issued by the Welsh Government.

The guidance requires that the Council

- Gives priority to liquidity and security rather than to yield for any investments the Council undertakes.
- Agrees its Annual Investment Strategy before the start of the financial year
- Agrees appropriate limits for each category of investments it plans to carry out
- Ensures that all investments are in Sterling

Machynlleth Town Council Investment Policy

The Council recognises the importance of prudently investing any surplus funds held on behalf of the community.

In making investment decisions, the Council will follow the Welsh Assembly Government's guidelines and will prioritise liquidity and security over yield.

Having regard to the sums to be invested, the Council will not engage Treasury Management advisers

All investments made by the Council will be in Sterling

The Council will not borrow monies for the purpose of making investments or to lend and make a return.

The Council will not invest with organisations known to support organisations with unethical practices such as child or forced labour, deforestation, animal cruelty, disregard of health & safety, equality or environmental regulations.

With regard to the sums to be invested and the small amount of any likely surplus on the Council's Receipts and Payments account, the Council will only invest its surpluses in short term, instant or short (less than six months notice) accounts of financial institutions which have credit ratings of BBB and above.

Subject to the above, the Council will seek to maximise the return on its investments

The Council will review this strategy annually.

¹<https://gov.wales/sites/default/files/publications/2019-11/statutory-guidance-on-local-government-investments.pdf>