

COUNCIL MEETING – 8 MARCH 2022

INVESTMENT STRATEGY 2022/23

1.0 Purpose of Report

1.1 To approve the Investment Strategy for 2022/23. This Strategy meets the requirements of statutory guidance issued by the Department of Levelling Up, Housing and Communities (DLUHC) in January 2018.

2.0 Background Information

2.1 The definition of an investment covers all of the financial assets of the Council as well as other non-financial assets that the organisation holds primarily or partially to generate a profit; for example, investment property portfolios. This may therefore include investments that are not managed as part of normal treasury management processes or under treasury management delegations.

A loan is a written or oral agreement where a local authority temporarily transfers cash to a third party, joint venture, subsidiary or associate who promises to return it according to the terms of the agreement, normally with interest. This definition does not include a loan to another local authority, which is classified as a specified investment.

2.2 Statutory Requirements:

- The DLUHC Investment Guidance is issued by the Secretary of State under section 15(1)(a) of the Local Government Act 2003. Under that section local authorities are required to “have regard” to “such guidance as the Secretary of State may issue”.
- For each financial year, a local authority should prepare at least one Investment Strategy (“the Strategy”). The Strategy should contain the disclosures and reporting requirements specified in this guidance. The Strategy should be approved by the full council.

2.3 A copy of the Investment Strategy 2022/23 is attached as **Appendix A** to this report.

3.0 Summary of Limits

3.1 The below table summarises the proposed limits within the Investment Strategy 2022/23 for the non-treasury investments, each category has further details within the **Appendix**.

Category of Borrower	2020/21 actual			2022/23
	Balance owing £m	Loss allowance £m	Net figure in accounts £m	Approved Limit £m
Service Investments: Loans	3.210	0.032	3.178	14.500
Service Investments: Shares	3.833	(0.178)	3.655	5.000
Commercial Investments: Property	0	0	0	0

4.0 RECOMMENDATIONS that the Council approves:

- (a) the Investment Strategy 2022/23; and**
- (b) the Investment Prudential Indicators and Limits.**

Background Papers

DLUHC Investment Guidance 3rd Edition

For further information please contact Andrew Snape on Ext 5523.

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