

WANTAGE TOWN COUNCIL

INVESTMENT STRATEGY

APPROVED 26/01/2026

1. Background
 - 1.1. The main purpose of this Investment strategy is to define how Wantage Town Council (the Council) will maximise the impact of capital resources to deliver its key priorities.
 - 1.2. All investments will comply with Local Government Act 2003 and Statutory Guidance on Local Government Investments
2. Definitions
 - 2.1. Specified investment means a low risk asset where the possibility of loss of the investment is negligible.
 - 2.2. Non-Specified Investment means any investment that is not a loan and does not meet the criteria of a Specified investment.
3. Objectives

All investments will consider the following objectives:

 - 3.1. The security of the investments – protecting the capital from loss
 - 3.2. The liquidity of the investments – ensuring the funds are available when needed
 - 3.3. The return on the investments – what is the best that can be obtained that is consistent with 3.1 and 3.2 above.
4. Investment Strategy
 - 4.1. Funds will only be deposited in specified investments as defined in 2.1 above.
 - 4.2. Investments will be split across different bodies as defined by the Finance and Grants Committee.
 - 4.3. In order to mitigate risk not more than xx% (to be defined) of funds will be held with any one body.
 - 4.4. specified investments will only be made with bodies which have a credit rating of at least AA. Bodies that will be considered are:
 - 4.4.1. Government gilts
 - 4.4.2. Building Societies
 - 4.4.3. Banks
 - 4.4.4. Other recognised institutions specifically targeted at the public sector
 - 4.5. The choice of institution and length of the deposit will be at the joint discretion of the RFO and Chair of the Finance and Grants Committee.
 - 4.6. Specified investments shall always be in Sterling.
5. Investment Policy
 - 5.1. The Council will prioritise the level of risk over maximising return.
 - 5.2. The Council will aim to maximise income from investments, but will balance risk against return.
 - 5.3. Recognition will be given to the ethical credentials of the investment organisation(s).
 - 5.4. Where external investment managers are used, they will be required to comply with this policy.
 - 5.5. The RFO will determine the maximum periods for which funds may be committed to ensure that liquidity is not compromised or that funds are withdrawn under adverse conditions.
 - 5.6. The Council will not use non-specified investments.
6. Reserves Policy

Next Review: January 2027

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- 6.1. In accordance with good practice, the Council will aim to maintain a sum of 3-6 months of its net expenditure in General (non-Ear Marked) reserves.
- 6.2. Ear Marked reserves (EMR) are set aside for specific purposes and will be maintained as necessary.
7. Procedure for funds management
 - 7.1. Administration of investments must not be complex or onerous.
 - 7.2. Investments will be managed by the Responsible Finance Officer (RFO) in conjunction with the Chair of the Finance and Grants committee.
 - 7.3. Investments will be reviewed by the Finance and Grants committee at least quarterly.
 - 7.4. The movement of funds will require authorisation by nn Councillors.

This document will be reviewed annually and will be presented to the Finance and Grants Committee for approval before the end of each financial year.