Hadleigh Town Council

The Guildhall
Hadleigh
Suffolk
IP7 5DN
01473 823884

Strategic Investment Implementation Plan 2022

1. Introduction

1.1 The Council's Investment Strategy provides a requirement in item 4 that the council will prepare an Investment Implementation Plan annually to provide a summary of investments and commentary on key investment considerations and decisions for the forthcoming year.

1.2 The implementation plan shall consider the approach to risk management for the forthcoming year and cash and cashflow management.

2. Current Investments and Borrowings

2.1 There are currently funds equal to £172,639.07 invested in a Business Deposit (2) account with Suffolk Building Society, attracting interest of 1.45% pa. This account is an instant access account, withdrawal by cheque, cash or chaps.

2.2 The remainder of the Council's monies (£893,301.97 as at 31st October 2022) lies in their community current account held with Metro Bank PLC. Metro Bank Instant Access Community or Business Deposit Account would only attract variable interest of 0.35% per annum. A one-year fixed term savings account at Metro is currently only 0.40%.

2.3 The Council currently has one loan with the Public Works Loan Board (PWLB). This loan was taken for extending the cemetery at a fixed interest rate of 2.79%.
The principal at commencement in 2018 was £500,000 payable over 25 years. As at the end of November, the principal is £400,000.

3. Key considerations for 2023/24

3.1 Liquid funds will need to be available in order to meet the regular and ongoing costs of the Council and the major project expenditure required for commitments made to increased provisions for the town.

3.2 The uncertainty over global security, increasing supplier costs and the cost of living will all have an impact upon the Council's finances and the funds available to invest.

3.3 The management of cash flow will include the transfer of funds between investment accounts and products in order to achieve reasonable returns on investments whilst continuing to prioritise security and liquidity with regard to investment decisions. The situation will be maintained under review to identify higher interest rates on investments should this occur in response to rising inflation and the raising of the Bank of England's base rate.

4. Approach

4.1 As per the adopted Investment Strategy, it is planned to hold the Town Council's investments solely with UK financial institutions at this time.

4.2 In 2022, £500,000 to be transferred from the Metro Bank Community Current Account to the Suffolk Building Society Business Savings (2) Account.

5. Revision and Review

5.1 The Strategic Investment Implementation Plan shall be revised and reviewed at least annually.