



# Investment Policy

Board approved and accepted 22 February 2018

Version 1

# Investment Policy

## 1. Purpose of the Investment Policy

The overall investment objective is to maximise the return on invested funds while minimising risk and expenses.

## 2. Investment Strategy 2018/19

The Strategy for 2018/19 shall be through placing funds with the Council to a maximum level agreed by the Board (2018/19 - £0.500m). Terms to be agreed with the Council shall be for 1 year fixed term, with an interest rate similar to the rate accessible by the Council from the Bank of England on the date of transfer. Interest due payable at the end of the term. Any other surplus funds shall be held by the Trust Banker's in an interest bearing account with suitable liquidity arrangements.

A working bank balance (through use of grouped Bank Accounts) shall be maintained by the Council on behalf of the Trust, as part of the daily cashflow, with a zero to very low risk tolerance to keep cash available for payment of expenses.

## 3. General Provisions

All transactions shall be for the sole benefit of the Trust. Any Trust investment will not be pooled with any other organisation, with each investment being available for review.

The Trustees shall consider updating this Policy annually, together with an update on performance of the Investment Portfolio over the previous 12 months, to be reviewed and monitored by the Audit and Risk Committee on an annual basis. Any investment that is not expressly permitted under this Policy must be formally reviewed and approved by the Trustees before use.

If circumstances change during the year, an update report shall be brought to the Board for consideration. The Trustees will endeavour to operate the investment program in compliance with all applicable legislation and regulations concerning management of investment.

## 4. Delegation of Responsibility – reliance on experts and advisors

The Trustees have ultimate responsibility for the investment and management of the excess funding and reserves, however the General Manager shall have authorisation to take the necessary action to invest funds as agreed by the Board.

## 5. General Investment Guidelines

Transactions shall be executed at reasonable cost, taking into consideration prevailing market conditions and services and research provided by the Council on behalf of the Trust.