

# INVESTMENT POLICY

<b>Policy Number:</b>	2.2.2
<b>Approved by:</b>	Council
<b>Date Approved:</b>	June 2021
<b>Date of Next Review:</b>	June 2022
<b>Applicable to Unit(s):</b>	Finance
<b>Responsible Officer:</b>	Manager Corporate Finance
<b>Related Policies:</b>	Nil
<b>Related Documents:</b>	Investment Guidelines
<b>Statutory Reference:</b>	<i>Local Government Act 2020</i>

## OVERVIEW

To establish a policy for the investment of Council's surplus funds.

## THE POLICY

Due to the public nature of the Council's activities, prudent management of its monetary assets is essential to mitigate against unnecessary risks. For this reason, Council needs to establish conservative and risk averse guidelines for its investments.

1. The interest earned on investments should be maximised while minimising Council's exposure to financial risk.
2. All investments are to be made exercising care, diligence and skill that a prudent person of business would exercise in managing the affairs of other persons. When acting under the provisions of this policy Council staff should always maintain a professional balance of risk and return and act as a steward of Council funds.
3. Investments are to be denominated in Australian Dollars.
4. Investment of surplus funds shall only be through investment types as permitted by Section 103 of the *Local Government Act 2020* and will comply with all relevant regulations and Ministerial guidelines.
5. Short Term Investments (less than or equal to 12 months) will only be made with financial institutions with a minimum Short-Term Standard & Poor's rating of A-2.
6. Long Term Investments (more than 12 months) will only be made with financial institutions with a minimum Long-Term Standard & Poor's rating of AA-.
7. Any amendment to this policy will be reviewed by Council's Audit & Risk Committee prior to being presented to Council for consideration.

## HUMAN RIGHTS

Wellington Shire Council is committed to upholding the Human Rights principles as outlined in the *Charter of Human Rights and Responsibilities Act 2006 (Vic)* and referred to in Council's Human Rights Policy. The Human Rights Checklist has been completed and this policy accords with Council's policy commitment to uphold human rights principles.