



Schools for Every Child

Investment Policy

We are an education Trust that is committed to running dynamic, ever-improving schools. We work to make sure that every child feels they belong in their school where they feel safe and inspired by learning. For us, learning is an adventure. It is a privilege and a responsibility for all who work with us to ensure that the journey through school is exciting, challenging, caring and enriching, and that every child experiences joy, wonder, calm and success.

Approval Level	Board
Author	Lee Faris
Approval Date	September 2023
Trust/Template/School level	Trust
Review cycle	Annual

“The purpose of governance is to provide confident, strategic leadership and to create robust accountability, oversight and assurance for educational and financial performance”. (DfE)

Approval History

Committee Approval	Status	Next Review Date
Meeting Name Meeting Date	Review in progress Submitted for Ratification Live Policy	September 2024

This procedure works in conjunction with the following Schools for Every Child policies and procedures that are all available on the Schools for Every Child **web site**

- **Equalities strategy**
- **Wellbeing strategy**
- **Capability management procedure**
- **Disciplinary procedure**
- **Grievance procedure**
- **Staff code of conduct**
- **Concerns and complaints policy**

1. Aims

This policy aims to ensure that:

- The academy trust's funds are used only in accordance with the law, its articles of association, its funding agreement and the Academy Trust Handbook
- The trust's funds are used in a way that commands broad public support
- Value for money (economy, efficiency and effectiveness) is achieved
- Trustees fulfil their duties and responsibilities as charitable trustees and company directors

2. Legislation and guidance

The Academy Trust Handbook states that academy trusts are required to have an investment policy to:

- Manage and track their financial exposure
- Ensure value for money

This policy is based on the [Academy Trust Handbook](#) and guidance from [The Charity Commission](#).

This policy also complies with our funding agreement and articles of association.

3. Roles and responsibilities

3.1 Academy trustees

Academy trustees will ensure that investment risk is properly managed. When considering whether to make an investment, trustees will:

- Act within their powers to invest as set out in our articles of association
- Exercise caution in all investments, reducing risk and ensuring that the trust acts with the utmost integrity

- Take investment advice from a professional adviser, as appropriate
- Ensure that exposure to investment products is tightly controlled so security of funds takes precedence over revenue maximisation
- Ensure that all investment decisions are in the best interests of the trust and command broad public support

Trustees will seek prior approval from the Education and Skills Funding Agency (ESFA) for investment transactions that are novel, contentious or repercussive.

Novel transactions are those of which the academy trust has no experience, or are outside the range of normal business activity for the trust.

Contentious transactions are those which might give rise to criticism of the trust by parliament, the public, and the media.

Repercussive transactions are those likely to cause pressure on other trusts to take a similar approach and hence have wider financial implications.

3.2 Finance committee

Academy trustees delegate responsibility for the trust's investments to the finance committee.

The committee is responsible for:

- Controlling and tracking financial exposure
- Reviewing the trust's investments
- Reporting to trustees on investments

3.3 The Trust Business and finance manager (TBfM)

The TBfM is responsible for producing cash flow forecasts and for making recommendations on investments.

4. Investment principles

We do not currently invest. Funds will only be placed with banking institutions that are regulated by the Financial Conduct Authority and with good credit ratings.

5. Procedures

This section will only apply when an investment strategy is approved by the full board

Before any funds are invested, the 2 authorised signatories will sign to indicate they agree to the investment.

The following information will be recorded about investments:

- Date
- Amount and description of the investment
- Length of investment
- Interest rates/expected return

The TBfM will review interest rates and compare them with other opportunities annually.

Cash flow and current account balances will be monitored regularly by the TBFM to ensure immediate financial commitments can be met and that the current account has adequate balances to meet forthcoming commitments

When there are funds surplus to immediate cash requirements in the current account, we will transfer these to an account with a higher interest rate.

Investments will normally be for a fixed term that does not exceed 1 year, unless there is a clear rationale for longer-term investment that would benefit the trust.

A maximum of £85,000 will be placed with 1 financial institution. This is because the first £85,000 of an investment is protected by the Financial Services Compensation Scheme.

Funds, and any interest earned on those funds, will be automatically reinvested unless money is required for immediate or anticipated expenditure.