

Policy Title	INVESTMENT POLICY
Policy Number	FIN-003
Business Unit	CORPORATE SERVICES / FINANCE
Date of Adoption	28/06/2024
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Review Date	28/06/2025
Date Repealed	

1. POLICY OBJECTIVES

Northern Peninsula Area Regional Council's overall objective is to invest its funds at the most advantageous rate of interest available to it at all times, for the investment type, and in a way that it considers most appropriate given the circumstances.

This policy applies to the investment of all surplus funds held by Northern Peninsula Area Regional Council. For the purposes of this policy, investments are defined as arrangements that are required or undertaken for the purpose of producing income and/or capital gains.

2. POLICY STATEMENT

2.1. Investment Authority

Local Governments have authority to exercise Category 1 investment powers under Part 6 of the *Statutory Bodies Financial Arrangements Act 1982*.

2.2. Delegations

The Chief Executive Officer, or sub-delegate, has been authorised to invest Northern Peninsula Area Regional Council's operating funds in investments consistent with this Investment Policy and legislation.

2.3. Investment Guidelines

The structure and features of Councils investments are to be consistent within the time horizons, risk parameters, liquidity requirements and operational guidelines of Council as set out below:

2.3.1. Quotations on investments

No less than three (3) quotations shall be obtained from authorised institutions when an investment is proposed. Investment with the Queensland Treasury Corporation Capital Guaranteed Cash Fund does not constitute an investment decision requiring three (3) quotes.

In assessing fair value of quotes obtained, the risk of the entity providing the return must be considered. The fair value calculated provided by the Queensland Treasury Corporation can be used to assist in this evaluation.

2.3.2. Term to maturity

The term to maturity of the Council's investments may range from at call to one (1) year and will depend on Council's future cash flow requirements, credit risk guidelines and the prevailing outlook regarding interest rates.

2.3.3. Diversification/credit risk

When placing investments, consideration will be given to the relationship between credit rating and interest rate.

2.3.4. Liquidity

Refers to Council's ability to access funds in the short-term to meet its day-to-day cash requirements. The Council will seek to minimise the costs of failing to adequately manage day to day liquidity needs through monitoring cash flow requirements, establishing and maintaining procedures for cash balancing and evaluating investment options for surplus funds.

3. RELATED LEGISLATION

Statutory Bodies Financial Arrangements Act 1982

Statutory Bodies Financial Arrangements Regulations 2007

Local Government Act 2009 Section 191

Local Government Regulation 2012

4. RELATED DOCUMENTS

FIN-001 DEBT POLICY

FIN-002 FINANCIAL DELEGATIONS POLICY

FIN-004 PROCUREMENT POLICY

FIN-005 REVENUE POLICY

NPARC Revenue Statement 2023/2024

5. DEFINITIONS

All definitions are as per the *Local Government Act 2009 (Qld)* (LGA 2009) and *Local Government Regulation 2012 (Qld)* (LGR 2012).

6. REVIEW MECHANISM

This policy will be reviewed when any of the following occur:

1. The related legislation or governing documents are amended or replaced; or
2. Other circumstances as determined by resolution of Council or the CEO; or
3. 12 months from date of adoption.

7. AMENDMENTS

Document History	Date	Council Resolution Number	Notes (including the prior Policy number, details of change/s, etc)
Original	23/10/2018	8.1 231018	
Amendment 1	26/02/2019	7.1 260219	
Amendment 2	29/07/2020	4.1 290720	
Amendment 3	22/07/2021	EO6.5-22072021	
Amendment 4	27/07/2022	C8.6-27072022	
Amendment 5	27/06/2023	C6.3.7.-27062023	
Amendment 6	28/06/2024	C6.1.7-28062024	



KATE GALLAWAY

CHIEF EXECUTIVE OFFICER

28/06/2024