Bishop Luffa Learning Partnership

Investment Policy

1. Introduction

The purpose of this policy is to outline the principles and framework for managing the financial investments of Bishop Luffa Learning Partnership. The Trust's primary objective in managing its investments is to safeguard and grow financial resources to support educational outcomes, operational needs, and strategic priorities while adhering to applicable regulatory and legal requirements.

2. Objectives

The objectives of the investment strategy are to:

- Achieve the best financial return whilst ensuring security of deposits, which takes precedence over revenue maximisation
- Ensure sufficient liquidity to meet the Trust's operational and educational needs.
- Align investments with the Trust's values, ensuring they contribute positively to society.

3. Governance and Oversight

- The Trust's Finance, Audit and Risk Committee, reporting to the Board of Trustees, is responsible for overseeing and reviewing the investment strategy.
- Decisions regarding investments will be made by the CFO in consultation with the Finance, Audit and Risk Committee, either at meetings or via email.
- Investments will be authorised by the CEO and CFO following above consultation.
- The Finance, Audit and Risk Committee will review the performance of all investments on a termly basis and ensure compliance with this policy.

4. Permitted Investments

The Trust may invest in the following financial instruments:

- Interest-bearing savings accounts, notice deposit accounts or fixed-term deposits with UK banks or building societies.
- Common Deposit Funds authorised by the FCA

5. Risk Management

The Trust's investments will only be made with a trustworthy provider. For example, banks or building societies with a minimum credit rating of A from at least one major credit rating agency, and authorised by the:

- Financial Conduct Authority
- Prudential Regulation Authority
- relevant financial regulator in any other country

(The Trust will refer to the 'FSCS Bank & savings protection checker' to see how much money is protected for different providers.)

- Risk is managed through diversification of investments, with a maximum of £250,000 per banking licence and ensuring that the security of funds takes precedence over revenue maximisation.

We recognise that this sum exceeds the current protection limit of £85,000 provided by the FSCS, but consider that it is not always practicable to find, and manage, a sufficient number of investments of this size to cover the full extent of our reserves.

6. Liquidity Requirements

- Cash flow and current account balances will be monitored regularly by the CFO 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, the CFO will transfer these to an account with a higher interest rate.
- The CFO will regularly review interest rates, at least termly, and compare them with other investments and report to the Finance, Audit and Risk committee.
- Investments for a fixed term will not normally exceed 1 year unless there is a clear rationale for longer-term investment that would benefit the trust.

7. Reporting and Compliance

- The Finance, Audit and Risk Committee will provide termly reports to the Board of Trustees regarding the performance of investments, changes to the portfolio, and compliance with this policy.
- All investments must comply with the regulations set out in the **Academies Handbook** and the **Charity Commission** guidance.

8. Policy Review

This policy will be reviewed annually by the Finance, Audit and Risk Committee to ensure its continued relevance and effectiveness. Any proposed changes must be approved by the Board of Trustees.

Reviewed by Finance, Audit & Risk committee July 2025
Approved by Board of Trustees September 2025