

The Herbert Strutt Charity No 517860

Treasury Management Policy

1 Background

- 1.1 The Herbert Strutt Charity was established on 15 May 1986. It is an amalgamation of two earlier charities, “The Charity for the Benefit of the Inhabitants of Belper (1908)” and “The Herbert Strutt Baths (1910)”.
- 1.2 Belper Town Council was appointed as the Sole Trustee of the Herbert Strutt Charity on 2 November 2017. The Charity is administered and managed by the Herbert Strutt Charity Committee as set up by the Trustee.
- 1.3 The Annual Net Income of the Charity is distributed by the Committee for the benefit of Belper residents in accordance with the following conditions:
 - the relief of the aged, impotent and poor;
 - the relief of distress and sickness;
 - the provision and support of facilities for recreation and leisure time occupation;
 - the provision and support of educational facilities;
 - in such other ways as the Committee thinks fit.

2 Purpose & Scope

- 2.1 The Committee takes the view, both corporately and individually, that the financial objective of its investments is to generate a sustainable return to help deliver the objects of the Charity.
- 2.2 The Committee have agreed that the whole of the Charity’s Capital Sum shall be invested to provide such a return.
- 2.3 This Policy forms part of the Governance Framework of the Charity and shall be read in conjunction with the Terms of Administration of the Charity and the Charity Commission Scheme Deed.

3 Investment Objective & Risk

- 3.1 The overall investment objective is to produce optimum financial return with an acceptable level of risk which minimises the risk of capital losses. Investments in financial institutions, ie banks and building societies are the preferred method of investment.
- 3.2 The Charity’s eligible deposits are covered by a statutory Deposit Guarantee Scheme whereby, if insolvency of the financial institution holding the Charity’s funds should occur, deposits would be repaid up to £85,000 by the Scheme. On this basis, the maximum the Committee will invest is £85,000 with the automatic transfer of interest to the Charity’s current account.

- 3.3 The Committee shall normally invest the Capital sums in long term notice accounts to ensure maximum return. However, given the current changes in the interest rates, shorter terms shall be considered.

4 Liquidity

- 4.1 The Committee shall only approve Grant Applications up to the value of the sum 'Available for Distribution' as stated in the Charity's accounts. This sum comprises any brought forward balance from the previous financial year plus interest and donations received.
- 4.2 If sufficient Grant Applications are not received, the sum "Available for Distribution" shall be reviewed and an amount transferred to Capital if felt appropriate by the Committee.

5 Ethical Policy

- 5.1 The Herbert Strutt Charity shall carry out due diligence to ensure investments are only made to institutions which have an established policy for ethical investments.

6 Management, Reporting & Monitoring

- 6.1 The Committee is responsible for the overall management of the Charity, its Capital Fund and the application of its income.
- 6.2 The Town Clerk is responsible for the general administration of the Charity including the receipt of grant applications, provision of advice and guidance to applicants, promotion of the Charity and meetings administration.
- 6.3 The Responsible Financial Officer (RFO) shall act as the Investment Manager of the fund providing advice and guidance as necessary with delegated authority to move funds as appropriate and in line with this Policy and financial procedures to secure the optimum rates of interest. The RFO is responsible for maintaining the accounts, submitting Charity Commission Returns and making arrangements to pay grant funding or other bills as necessary from Charity Funds.