

## 1.10 Investment

---

POLICY TITLE: INVESTMENT  
FILE REF: SC306  
EXPIRY DATE: OCTOBER 2026

---

### OBJECTIVE

The purpose of this Policy is to ensure that surplus cash funds are invested efficiently to achieve the optimal balance between risk and return.

### LEGISLATIVE BASIS

Section 625 of the Local Government Act provides councils with the power to invest surplus cash funds. Section 625 provides as follows:

- 1) "A council may invest money that is not, for the time being, required by the council for any other purpose."
- 2) "Money may be invested only in a form of investment notified by order of the Minister published in the Gazette."

### INVESTMENT LIMITS

Investment of Council funds is to be in accordance with the Order of the Minister published in the Government gazette from time to time for the purposes of section 625 (2) of the Local Government Act 1993 and the following policy guidelines:

- a) All investments must be denominated in Australian dollars.
- b) The investment shall be secured at all times as to both principal and interest.
- c) No Institution shall hold more than 30% of Council's total investments at the time the investment was made.
- d) Building Societies and Credit Unions are designated as authorised deposit taking institutions by the Australian Prudential Regulation Authority and therefore comply with the Minister's Investment order. The maximum amount of funds invested with an individual Building Society/Credit Union will be 5% of Council's total investments at the time the investment was made. Not more than 30% of Council's portfolio should be held with Building Societies/Credit Unions in total at the time of placing each investment.

### MARKET TESTING

Three (3) quotations shall be obtained from authorised deposit taking institutions whenever placing a short term (1-30 days), medium term (31-90 days) or long term (91-180 days) deposit.

The term of the deposit will depend on Council's funding requirements and risk profile at the time of placing each investment but shall not exceed 180 days.

### MONITORING AND REPORTING

In accordance with clause 212 of the Local Government (General) Regulation, The Director Corporate and Community Services shall provide a written report at each monthly Council meeting setting out the details of all money that the Council has invested. The report must be made up to the last day of the month immediately preceding the Council meeting.

*Adopted by Council 16 October 2023  
Refer Minute 187/23*

*Amended by Council 17 August 2009  
Refer minute 283/09*

*Adopted by Council 19 October 2020  
Refer minute 216/20*

*Adopted by Council – 15 October 2007  
Refer Minute No. 336/07*

*Amended by Council 16 October 2017  
Refer minute 263/17*