

Bath & North East Somerset Council

MEETING/ DECISION MAKER:	Alice Park Trust Sub-Committee	
MEETING/ DECISION DATE:	5 February 2018	EXECUTIVE FORWARD PLAN REFERENCE:
TITLE:	Alice Park Investments	
WARD:	Lambridge	
AN OPEN PUBLIC ITEM		
List of attachments to this report: 1. HM Macvicar – Last Will and Testament (Extract)		

1 THE ISSUE

- 1.1 To review all financial investments held on behalf of Alice Park Trust and decide how those that have expired should be invested.

2 RECOMMENDATIONS

- 2.1 That the Trustees continues with the current cash fund investments held by Alice Park Trust into the Charities Official Investment Fund (COIF.)

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 3.1 The Charities Official Investment Fund (COIF.) currently holds 3 cash fund investments with balances of £11,843, £4,880 and £885 totalling £17,608 on behalf of the Trust, as originally donated through the last Will and Testament of HM Macvicar and held in line with the requirements of the Will and Testament.
- 3.2 The Trust additionally holds 278 Majedie Investment PLC shares at a current value of £3.0012 a share as at 19 January 2018, total holding £828.33 held by Majedie Asset Management.

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

- 4.1 The Will and Testament requires investment of these funds with the income generated being applied to the general maintenance of the Alice Park Trust.

5 THE REPORT

5.1 The Trust need to consider the most suitable investment mechanism for the funds. The recommended option is to continue with the current investments in the CCLA (Churches, Charities and Local Authorities), who manage funds for charities, religious organisations and the public sector. Under the charity umbrella (COIF) there is one cash fund which is an instant access account currently paying 0.25% per annum this is where the funds are currently invested.

6 RATIONALE

6.1 Investing in the COIF cash fund guarantees the return of any sum being invested.

7 OTHER OPTIONS CONSIDERED

7.1 The Trust could allow the Council to manage its funds. The estimated return investing through the council would be 0.25% given the current Bank of England interest rate. There may also be an admin charge associated with the council managing the fund which would negate the interest raised.

7.2 The Trust could invest in alternative long term managed funds through COIF. These would carry a higher return but would require investment into the market through equities and bonds. Whilst these carry a higher rate of interest they also carry a higher rate of risk; there is no guarantee that any sum invested will be returned to the Trust and therefore this option has not been investigated further or proposed.

7.3 Other alternative investments available include investing on the Foreign Exchange (FOREX), market hedging, stocks, cryptic currencies or commodities. These are also higher risk options with no guarantee that any sum invested will be returned, and are staff intensive to manage and so have not been investigated further.

8 CONSULTATION

8.1 S151 and Monitoring Officer have had opportunity to review and input into this report.

9 RISK MANAGEMENT

9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

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Background papers	www.ccla.co.uk - CCLA manage investments for Charities Commission and Local Authorities. They are the manager of the COIF charity Funds.
Please contact the report author if you need to access this report in an alternative format	