



TREASURY MANAGEMENT AND INVESTMENT POLICY

2023-2026

MAT Board Approval:	November 2020
Last Review:	November 2023
Next Review:	Autumn 2026
Member of Staff Responsible:	Mrs Claire Rushton

Our Vision

‘To Love, To Learn, To Serve’ sums up the DoWMAT’s vision for those who come together to create the MAT, enabling all to flourish both as individuals and in community with each other; living life in all its fullness (John 10:10).

Our Values

To Love

The New Testament sums up the entire law as a call to “love your neighbour as yourself” (Galatians 5:14). The Bible teaches that we are only able to love because God first loved us (1 John 4:10). This love is expected to characterise the way in which the DoWMAT operates, makes decisions, builds relationships, and carries out its day-to-day business: each person putting the needs of others before their own, with a commitment to the flourishing of all. The exposition of love in 1 Corinthians 13 reminds us that love is patient, kind, forgiving, generous, humble, trusting, respectful, hopeful, resilient and enduring. Those who learn and work in the DoWMAT, and all who come into contact with it, can expect to experience that love in the way that they are treated.



To Learn



The DoWMAT is a Christian learning community that is committed to enabling all to live a life of freedom and transformation as a result of the hope and wisdom that learning brings. Learning is at the heart of the Church of England’s vision for and commitment to education. Growing in wisdom is celebrated in the Bible and all are exhorted to listen, to seek guidance, to acquire knowledge and to learn discretion (Proverbs 1: 1-6), largely through human relationships and interactions. Jesus’ teaching, as summed up in the Beatitudes (Matthew 5:3-10), describes human beings who are learning to live a life that is characterised by humility, compassion, mercy, righteousness and peace. The learning that takes place within the DoWMAT is expected to be recognisably rooted in these godly characteristics and focused upon enabling the holistic development of people who are made in the image of God.

To Serve

Service and servant leadership, was a striking feature of the way in which Jesus lived his life. The example he gave to his disciples in washing their feet (John 13:1-17) provides us with a role model for the way in which we should seek to live in community with others. Putting the needs of others before our own, supporting people in their growth and development as holistic human beings, enabling people’s gifts and talents to come to the fore as a result of our service to them are all defining characteristics of the way in which the DoWMAT operates. In serving others and meeting their needs through generosity of spirit, we manifest God’s grace and love for others (1 Peter 4:8-11).



These core values underpin all aspects of our Trust as we strive to make a positive difference to the lives of all DoWMAT pupils whilst they are at school and in later life. Through these values, we can be sure our community is one of hope; a place of transformation and trust, where all are treated with respect and dignity.

OUTSTANDING PROFESSIONALS | COLLABORATIVE PARTNERSHIPS | STRONG SYSTEMS | CONFIDENT LEARNERS

1. INTRODUCTION

Treasury Management is defined by the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice for Treasury Management in the Public Services as the management of the Trust's (and each academy within it) cash flow, banking, money market and capital market transactions; the effective management of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.

The objectives of treasury management and investment are:

- To provide a means by which each academy within the Trust can meet its commitments.
- To ensure that sufficient sums are available at short or no notice to meet foreseeable requirements.
- To earn an acceptable rate of return on surplus funds without undue risk.
- To spread risk between differing types of investment and institutions.

2. RESPONSIBILITY

The CEO and Trustees have responsibility for the overall security and management of funds. The day to day management of the treasury function is controlled by the Director of Finance.

The Director of Finance will liaise with the CEO and Trustees in relation to strategy and market conditions.

3. BORROWING OF FUNDS

The Trust, and its academies, are not allowed to borrow without the permission of the Secretary of State. The Trust does not currently envisage the need to borrow or operate an overdraft for any of its academies. Should this situation change the overdraft / borrowing will only be undertaken after approval of both the full Trust Board and Secretary of State.

4. INVESTMENT OF FUNDS

A return on working capital should be optimised whilst ensuring easy access of the funds. In balancing risk against return, the Trust policy is clearly geared to avoiding risk rather than maximising income.

The Trust will operate an interest bearing current account with a bank approved by the Trustees and maintain a balance in that account that is sufficient to cover immediate and forthcoming financial

commitments (payroll and payment runs) and sufficient contingency (cash buffer) for unexpected payments.

Monies surplus to the working requirements shall be invested in an account in the name of the Trust with the approved institutions authorised by the Trustees. This may be a higher interest bearing account operated by the same bank that the Trust operates its current account with, or an alternative approved institution. No investments will be made without the approval of the Finance and Audit committee.

The Trust will not take out any long term investments until a reliable cash flow pattern has been established; monies will only be paid into approved bank deposit accounts, allowing access to funds within a term not exceeding twelve months.

5. CREDIT RISK

Credit risk will be minimised by ensuring that funds are spread across a range of institutions as appropriate. The limits of funds invested with approved institutions will be approved at least annually by the Trust Board and more frequently subject to market conditions.

6. CASH FLOW FORECASTS

The Director of Finance will prepare and present to the Trustees an annual monthly cash flow statement in advance of each academic year, in order to highlight expected cash balances throughout the year that may be invested and give early warning of any need to seek approval to borrow. The Director of Finance will then subsequently maintain a rolling 12 month forecast.

7. APPROVED INSTITUTIONS FOR INVESTMENT

Security of investment is paramount. The Director of Finance will take external treasury management professional advice as needed to ensure timely amendments are brought to the Trust Board should the assessed strength of any institution be downgraded or should it be felt appropriate to incorporate new institutions.

8. LIMITS AND AUTHORITY

The Trust Board reserves the power to:

- Give prior approval to the opening of new bank current accounts.
- Amend the list of approved institutions.
- Give prior approval to any bank deposit with a maturity date of greater than twelve months.

- Give prior approval to any investment product other than a bank deposit.

The Trust Board delegates power to the Director of Finance to place deposits in the Trust's name, at approved institutions, once this has been approved by the Finance and Audit Committee.

9. REGISTER OF INVESTMENTS / DEPOSITS

The Director of Finance will maintain a register of all investments / deposits held which will record:

- Institution with which the deposit was made
- Date deposit was placed
- Amount deposited
- Date of maturity
- Amount returned
- Interest earned
- Rate of interest obtained
- Authorisation for the transaction

10. RECORDING AND MONITORING

Bank balances and all investments / deposits will be reconciled and balanced to the Trust's accounting records every month.

The cost of funds and requirement for funds will be monitored on an ongoing basis via the management accounts, in particular the 12 month rolling cash flow forecast.

11. APPROVED INSTITUTIONS FOR INVESTMENT

The following banks are authorised for the short term investment of Trust funds:

- Lloyds TSB Bank
- Barclays Bank
- Co-operative Bank

- HSBC Bank
- Santander UK PLC
- Royal Bank of Scotland
- Clydesdale Bank
- Cheltenham and Gloucester Building Society
- Halifax Building Society

12. MONITORING, EVALUATION AND REVIEW

The Trust will review this policy on a three-year cycle and assess its implementation and effectiveness. The policy will be promoted and implemented throughout the Trust.

The Director of Finance will report on the effectiveness of the policy to the Trust Board or the Finance and Audit Committee as appropriate.

Ref: CD/August2020

**Reviewed by F&A Committee – 28.11.2023*