

Relevant Information for Council

FILE: X020701 **DATE:** 27 October 2022

TO: Lord Mayor and Councillors

FROM: Bill Carter, Chief Financial Officer

THROUGH: Monica Barone, Chief Executive Officer

SUBJECT: Information Relevant To Item 6.5 – Review of the Investment Policy and Strategy

For Noting

This memo is for the information of the Lord Mayor and Councillors.

Purpose

This memorandum confirms the requirements for qualifications of people making investments on behalf of council.

Background

At the meeting of the Corporate, Finance, Properties and Tenders Committee on 17 October 2022, further information was sought as to any requirement for staff to be registered as financial advisors.

The processes and policies relating to the investment of Council's funds are highly regulated under the Local Government Act 1993, Local Government (General) Regulation 2021, the Local Government Code of Accounting Practice and Financial Reporting and Office of Local Government (OLG) guidance including the Investment Policy Guidelines.

In accordance with the OLG's Investment Policy Guidelines, the City's Investment Policy nominates specific staff who are able to make investment decisions in accordance with the adopted Investment Policy, Investment Strategy and other statutory and professional requirements. The delegations in relation to these functions are set out in the Register of Delegations from the Chief Executive Officer to Directors and Staff (Delegation 12).

Staff are not engaged in any activities which would require them to be registered as a financial advisor with the Australian Securities and Investments Commission (as those activities are all prohibited by the Ministerial Investment Order), nor are they carrying on a financial services business (as they do not provide services to individuals or third parties).

The staff involved in making decisions under the Investment Policy and Investment Strategy are members of professional associations (CPA and CA) and must comply with the Accounting and Professional Ethical Standards Board Code of Ethics for Professional Accountants (APES 110). As such, they are obliged to comply with fundamental principles of integrity, objectivity, professional competence, due care, confidentiality and professional behaviour in all dealings with Council's funds.

In accordance with the OLG Investment Policy Guidelines, if the City did need to obtain external financial advice, it would only do so from a financial advisor who is licenced with the Australian Securities and Investments Commission.

Memo from Bill Carter, Chief Financial Officer

Prepared by: Bob Wallace, A/Chief Financial Officer

Approved

A handwritten signature in black ink, appearing to read 'P. M. Barone', with a long horizontal flourish extending to the right.

MONICA BARONE

Chief Executive Officer