

Item No	Referred from:	Finance, Audit and Risk Committee
<b>6B</b>	Date:	Tuesday 10 February 2026
	Title of item:	Investment Strategy 2026/27
To be considered alongside agenda item:		Agenda Item 14

The report considered by Finance, Audit and Risk Committee at the meeting held on 10 February 2026 can be viewed here: [Agenda for Finance, Audit and Risk Committee on Tuesday, 10th February, 2026, 7.30 pm | North Herts Council](#)

**REFERRED TO CABINET:** That Finance, Audit and Risk Committee make recommendations to Cabinet on this Strategy, and in relation to Cabinet's recommendations which are:

That Cabinet recommends to Council that they:

- (1) Approve the adoption of the Investment Strategy (as attached at Appendix A).
- (2) That Council approve the adoption of the four clauses in relation to the Code of Practice on Treasury Management (as detailed in paragraphs 8.10 to 8.16).

**REASON FOR REFFERAL:** To ensure the Council's compliance with CIPFA's code of practice on Treasury Management, the Local Government Act 2003, statutory guidance from Government, and the CIPFA Prudential Code. As well as determining and managing the Councils risk appetite in respect of investments.

Audio recording – 1 hour 4 minutes 50 seconds

*N.B. Councillor Paul Ward declared an interest in this item due to his employment and left the Chamber for this item and did not return.*

The Director – Resources presented the report entitled 'Investment Strategy 2026/27' and highlighted that:

- The report provided information on what the Investment Strategy should cover and a number of indicators to monitor throughout the year and was in line with that presented in previous years.
- The main change to the strategy related to addressing the motion titled 'The Local Government Pension Scheme & Responsible Investment' passed at Council on 4 December 2025.
- Since this, there had been a meeting with the treasury advisors to the Council to consider how the requirements of the motion could be reasonably addressed whilst not putting the Council at risk. Following this, changes had been made to the strategy which were outlined in the table at paragraph 8.8 of the report.
- There was a proposal to increase the amount allowed to be invested in other Local Authorities to £5m. This was to reflect the low risk nature of these investments, the fewer number of investments through banks available and an increasing number of authorities seeking a minimum £5m investment.

- There was a proposal to reduce the period of longer term investments, which was a reflection of the Local Government Reorganisation process, whereby shorter term investments would be more appropriate.

The following Members asked questions:

- Councillor Daniel Wright-Mason
- Councillor Vijaiya Poopalasingham

In response to questions, the Director – Resources advised that:

- The treasury advisors consulted provided a list of Environmental, Social and Governance (ESG) investments available, which the Council would follow.
- Some of the ESG investments available required a large minimum amount, but they would allow for local authorities to pool investments together to reach this amount.
- There would be a focus on maintaining and expanding investments with other authorities and building societies.
- It was always important to have a range of investments, but the motion actions needed to be addresses and in the right way.

In response to questions, the Executive Member for Resources advised that:

- The discussions with the treasury advisors had been clear as to what the Council wanted to achieve and consider the methods in how this could be delivered.
- However, there would be some areas that would be too difficult to achieve, such as changing the bank account of the Council.

Councillor Daniel Wright-Mason proposed and Councillor Stewart Willoughby seconded and, following a vote, it was:

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