

Item No	Referred from:	Cabinet
6B	Date:	17 February 2026
	Title of item:	Investment Strategy 2026/27
To be considered alongside agenda item:		9

The report considered by Cabinet at the meeting held on 17 February 2026 can be viewed here: [Agenda for Cabinet on Tuesday, 17th February, 2026, 7.30 pm | North Herts Council](#)

RECOMMENDED TO COUNCIL: That it:

- (1) Approves the adoption of the Investment Strategy (as attached at Appendix A).
- (2) Approves 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 RECOMMENDATIONS: 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 34 minutes 31 seconds

In the absence of the Chair of Finance, Audit and Risk Committee, the Chair invited Councillor Ian Albert, as Executive Member of Resources, to present the referral and report entitled 'Investment Strategy 2026/27'. Councillor Albert advised that:

- Finance, Audit and Risk Committee had expressed thanks and recognition of the swift implementation of the motion from Council on responsible investment.
- There had been some comments around the specific definition of the Environmental, Social and Governance (ESG) fund metrics being utilised.
- Finance, Audit and Risk Committee had noted the strong capital assets and the increased level of £5M for deposits placed with other local authorities to maximise returns was supported.
- The additional clauses were considered sensible to be adopted.
- This Investment Strategy set out the assets owned by the Council, how they were maintained and plans for any new assets.
- The Investment Strategy determined how the Council would fund capital spend, including the approach to borrowing and the minimum revenue provision.
- All of this combined with the revenue forecasts identified the surplus cash available for investment.
- The main change to this Investment Strategy related to addressing the motion 'The Local Government Pension Scheme & Responsible Investment' which was passed at Council on 4 December 2025.
- A meeting had taken place with the treasury advisors to the Council to see how the requirements of the motion could be addressed, whilst minimising risk to the Council.
- Following this meeting, a change had been made to the Investment Strategy for the Council to invest with banks offering ESG investments, as outlined in Table 8.8 in the report.

- It was proposed to increase the amount allowed to be invested in other local authorities to £5M, as local authorities were seen as secure investments. This also reflected a number of local authorities were now seeking minimum investments of £5M.
- It was proposed to reduce the longer-term investments, in light of the Local Government Reorganisation process where shorter term investments would be more appropriate.
- This Investment Strategy offered a sensible, pragmatic and appropriate approach both on management of investments and moving the motion passed at Council on 4 December 2025.

Councillor Sean Nolan expressed thanks to everyone involved with implementing the motion from Council so quickly. Cllr Nolan added that the Investment Strategy had been a positive form of income for the Council over the past few years.

Councillor Ian Albert proposed and Councillor Sean Nolan seconded and, following a vote, it was:

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