



The Park Federation Academy Trust

Investment Policy 2026

Version History

Version	Date	Status and Purpose	Changes overview
1	20 th April 2026	Draft for FOC comment	
2	04 July 2026	Final for Board approval	

Approval History

Chief Executive Officer approved this policy on behalf of the Board of Directors:

Helen Abell

Helen Abell CEO

Approved on 04th July 2026

Next review: July 2027

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1. Aims

This policy aims to ensure that:

- The trust's funds are used only in accordance with the law, its articles of association, its funding agreement and the Academy Trust Handbook
- The trust's funds are used in a way that commands broad public support
- Value for money (economy, efficiency and effectiveness) is achieved
- Trustees fulfil their duties and responsibilities as charitable trustees and company directors

2. Legislation and guidance

The [Academy Trust Handbook](#) (paragraph 2.22) states that academy trusts are required to have an investment policy to:

- Manage and track their financial exposure
- Ensure value for money

This policy is based on the Academy Trust Handbook and guidance from [The Charity Commission](#).

3. Roles and responsibilities

3.1 Academy Trustees/Board Directors

Board Directors will ensure that investment risk is properly managed. When considering whether to make an investment, trustees will:

- Act within their powers to invest, as set out in our articles of association
- Exercise caution in all investments, reducing risk and ensuring that the trust acts with the utmost integrity
- Take investment advice from a professional adviser, as appropriate
- Ensure that exposure to investment products is tightly controlled so security of funds takes precedence over revenue maximisation
- Ensure that all investment decisions are in the best interests of the trust and command broad public support

Trustees will seek prior approval from the Department for Education for investment transactions that are novel, contentious or repercussive.

Novel transactions are those of which the academy trust has no experience or are outside the range of normal business activity for the trust.

Contentious transactions are those which might give rise to criticism of the trust by parliament, the public or the media.

Repercussive transactions are those likely to cause pressure on other trusts to take a similar approach and hence have wider financial implications.

3.2 Finance and Operations Committee (FOC)

The Board of Directors delegate responsibility for the trust's investments to the FOC.

The committee is responsible for:

- Controlling and tracking financial exposure
- Reviewing the trust's investments to ensure they provide best value
- Reporting to trustees on investments
- The committee has confirmed all investments should be made with Lloyds Bank and if other financial institutions are to be considered then this should be agreed with the FOC.
- Where possible, all academies will benefit from the same rate of investment

3.3 The Head of Finance (HoF)

The Head of Finance is responsible for producing monthly cash flow forecasts and for recommending decisions on investments. The HoF will provide a summary of monies that may be placed on deposit at Lloyds Bank to the Chief Operating Officer who has been authorised by the FOC to review and consider any recommendations before monies are placed on deposit. The HoF will update the FOC of any deposits made.

4. Investment principles

We only invest funds in low risk and easily-accessible accounts.

Risk is managed through diversification of investments, ensuring that the security of funds takes precedence over revenue maximisation.

Funds will only be placed with Lloyds Bank or banking institutions that are regulated by the Financial Conduct Authority and with good credit ratings.

5. Procedures

The following information will be recorded about investments:

- Date
- Amount and description of the investment
- Length of investment
- Interest rates/expected return

The HoF will review interest rates and compare them with other investment opportunities.

Cash flow and current account balances will be monitored regularly by the HoF to ensure immediate financial commitments can be met and that the current account has adequate balances to meet forthcoming commitments.

When there are funds surplus to immediate cash requirements in the current account, we will transfer these to an account with a higher interest rate.

Investments will normally be for a fixed term that does not exceed 1 year unless there is a clear rationale for longer-term investment that would benefit the trust.

Funds, and any interest earned on those funds, will be automatically reinvested unless money is required for immediate or anticipated expenditure.

6. Monitoring arrangements

The FOC monitors the implementation of this policy.

This policy will be reviewed and approved by the Board of Directors annually.

7. Links with other policies

This investment policy links with our policies on:

- Finance Policy
- Reserves Policy