

**OFFICER'S REPORT****6.2 Update on Responsible Investment**

Submitting Councillor: Josh Fergeus

**MOTION**

*That Council:*

1. *Directs the CEO to present a report to an upcoming Council meeting, no later than March 2021, detailing:*
  - a) *The positive screening approach adopted as a result of Council's Responsible Investment motion passed in June 2018;*
  - b) *The amount of money invested in fossil fuel free financial institutions at 30 June 2018, 30 June 2019, 30 June 2020 and 31 December 2020;*
  - c) *Advice on potential changes to Council policy which could further decrease Council's investment exposure to financial institutions investing in fossil fuels.*

**BUDGET IMPLICATIONS**

There are no budget implications – interest revenue and banking transaction expenditure should not be impacted if the Notice of Motion is passed.

**IMPACT ON INTERNAL RESOURCES**

There are no internal resource impact if the recommendations were to be implemented.

**COUNCIL PLAN AND COUNCIL POLICIES**

The Notice of Motion is relevant to Council's Investment Policy which was last updated in June 2018. If a Notice of Motion is passed to further decrease Council's investment exposure to fossil fuel institutions, this will require an update to the Investment Policy.

**RELEVANCE TO WORK ALREADY UNDERTAKEN BY OFFICERS OR COMMITTEES**

If Council were to change the Investment Policy as suggested by this Notice of Motion, it would enhance the social and environmental impact of the policy.

**FURTHER CONSIDERATIONS**

The Investment Policy provides mandatory rules and specific guidelines for Council officers to follow in managing cash flow requirements and investing surplus/available funds for Council. This Policy provides a safeguard that investment management will conform to Council's governance provisions including the appropriate delegations for approval of investments, conflict of interest and regular reporting to Council. Any changes to the Investment Policy to further reduce Council's exposure to fossil fuel investments will require consideration of Council's risk tolerance to particular

institutions. The Standard and Poors' risk rating definitions are relied upon by Officers when assessing the creditworthiness of investments. More detailed information can be provided once a report is presented to Council.