

DOCUMENT MANAGEMENT

Date

26 November 2024

Amendment

Committee established.

Approval

Council resolution.

Terms of Reference

Investment Committee

Membership

Membership shall comprise:

- i. Three elected members appointed by council.¹
- ii. The council Chair as an Ex-officio member.
- iii. Three independent members (two being investment advisors, one being a Tangata Whenua advisor²), with voting rights.
- iv. The Chair shall be an independent member (selected from the two investment advisors) appointed by council.

Quorum

A quorum comprises 4 members, 2 of whom must be elected members.

1.0 Purpose and Areas of Responsibility

The Investment Committee's function is to monitor and improve the performance of the council's investment portfolio. This includes recommendations on investments and resourcing to manage the financial and non-financial risks associated with these activities.

The Committee is expected to identify opportunities that will maximise the value of the portfolio and returns and may also recommend to Council disposal of sub-optimal assets and investments.

The Investment Committee's areas of responsibility for the investment portfolio are:

- Investment property
- Forestry
- Managed investment funds
- Commercial investments using reserve funds
- Marsden Maritime Holdings, and investments in subsidiaries, joint ventures and associates

2.0 Responsibilities / Objectives - General

- 2.1 The Committee is directly responsible and accountable to the council for the exercise of its responsibilities. In carrying out its responsibilities, the committee must at all times recognise that primary responsibility for management of the council rests with the Chief Executive.

For reasons of efficiency and/or expediency, should the Committee not be able to perform their functions, the council will assume their role and responsibilities.

The Committee is further authorised to fulfil its role and responsibilities through the establishment or disestablishment of other working groups as the Committee sees fit.

Working groups can include councillors, independent members, and advisors whose skills and experience are appropriate to the work being done. The staff member responsible to provide support to the working groups shall be the Chief Executive, who may delegate the role.

- 2.2 Ensure that operational strategies / policies for the activities within the commercial

¹ Councillors Blackwell, Craw and Stolwerk.

² Mr George Riley

portfolio maximise returns on investment after balancing risks (noting that approval of policy and strategy settings reside with council).

- 2.3 Recommend to council an overall investment strategy and resourcing for the management of the portfolio, for inclusion in the Annual and Long Term Plans.
- 2.4 Monitor and improve the performance of council's investment portfolio.
- 2.5 Receive and monitor investment portfolio performance reporting.
- 2.6 Receive and consider reports from both staff and the council's advisors on strategies, and investments along with the identification and mitigation of financial and non-financial risk.
- 2.7 Make recommendations to the council on new investments, disposals, business opportunities and other matters in relation to the investment portfolio.
- 2.8 Make recommendations to council in relation to the powers of the committee within the terms of reference to enable the Committee to operate in an effective manner.

3.0 Responsibilities – Investment Property

- 3.1 Undertake the property investment functions referred to in the Treasury Risk Management Policy adopted within the current LTP. These functions include:
 - I. To review performance and compliance against council's Treasury Risk Management Policy (and its objectives).
 - II. To make recommendations to council on any changes to the subcommittee's delegations, the objectives and policies in the Treasury Risk Management Policy.
 - III. To recommend to the council targets, policies and strategies for undertaking its investment property activities.
 - IV. To oversee the administration and review of the council's property investment opportunities within the subcommittees delegated authority and make recommendations to council as appropriate.

4.0 Responsibilities – Managed Funds

- 4.1 Move investment funds between various managed funds within approved limits provided for in the Statement of Investment Policy and Objectives (SIPO).
- 4.2 Recommend manager(s) of new funds for approval by council.
- 4.3 Ensure there are no withdrawals from the Long-Term Fund without the approval of council.
- 4.4 Undertake the investment functions referred to in the Treasury Risk Management Policy adopted within the current LTP. These functions include:
 - i. To review performance and compliance against council's Investment Policy and SIPO for all the council's investment funds.
 - ii. To make recommendations to council on any changes that fall outside the subcommittee's delegations including changes to the construction of investment portfolios, the SIPO, the Investment Policy, and investment management appointees.
 - iii. To recommend to the council targets, policies and strategies for undertaking its investment activities.
 - iv. To oversee the administration and review of the council's investment opportunities within the subcommittees delegated authority and make recommendations to council as appropriate. Three elected members appointed by council.

5.0 Powers

- 5.1 Obtain external professional advice (within approved budget), as considered necessary to meet its responsibilities.
- 5.2 Recommend to council action on any matter in relation to the investment portfolio.

6.0 Administration

- 6.1 Meets quarterly. Should an urgent decision be required outside of the quarterly meeting schedule, the council will assume the role and responsibilities of the committee.
- 6.2 Reports to the council.