

Treasury Management Strategy

Information

Treasury Management is defined as “The management of the Authority’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

The Local Government Act 2003 (the Act) and supporting Regulations requires the Authority to “have regard to” the Chartered Institute of Public Finance Accountants (CIPFA) Prudential Code and the CIPFA Treasury Management Code of Practice to set Prudential and Treasury Indicators for the next three years to ensure that the Authority’s capital investment plans are affordable, prudent and sustainable. The Code also requires the Authority to approve a treasury management strategy before the start of each financial year. The authority also adheres to investment guidance issued by the then Ministry of Housing, Communities and Local Government (MHCLG).

The definition of investments in the codes is wide ranging and includes non-treasury investments for example loans to third parties and the holding of property to make a profit. Where these are held a separate strategy is required. However, it is not considered that the Combined Fire Authority hold any such assets, and it does not propose to engage in any such investments in 2026/27.

Treasury Management Strategy for 2026/27

This Strategy Statement has been prepared in accordance with the CIPFA Treasury Management Code of Practice. Accordingly, the Lancashire Combined Fire Authority's Treasury Management Strategy will be approved by the full Authority, and there will also be a mid-year, and a year-end outturn report presented to the Resources Committee. In addition, there will be monitoring and review reports to members in the event of any changes to Treasury Management policies or practices. The aim of these reporting arrangements is to ensure that those with ultimate responsibility for the treasury management function appreciate fully the implications of treasury management policies and activities, and that those implementing policies and executing transactions have properly fulfilled their responsibilities regarding delegation and reporting.

This Authority has adopted the following reporting arrangements in accordance with the requirements of the revised Code: -

Table 1 Treasury Management Reporting Arrangements

Area of Responsibility	Committee/ Officer	Frequency
Treasury Management Policy Statement – this is set out in Appendix 1	Resources Committee/Authority	Annually
Treasury Management Strategy / Annual Investment Strategy / Minimum Revenue Provision (MRP) policy – scrutiny and approval	Resources Committee/ Authority	Annually before the start of the year

Area of Responsibility	Committee/ Officer	Frequency
Treasury Management mid-year report	Resources Committee	Mid-year
Treasury Management Strategy / Annual Investment Strategy / MRP policy – updates or revisions at other times	Resources Committee	As required
Annual Treasury Management Outturn Report	Resources Committee/ Authority	Annually by 30 September after the end of the year
Treasury Management Monitoring Reports	Director of Corporate Services	Quarterly
Treasury Management Practices	Director of Corporate Services	Annually

The Treasury Management Strategy, covers the following aspects of the Treasury Management function:

- Prudential Indicators which will provide a controlling framework for the capital expenditure and treasury management activities of the Authority;
- Current Long-term debt and investments;
- Prospects for interest rates;
- The Borrowing Strategy;
- The Investment Strategy;
- Policy on borrowing in advance of need.

Setting the Treasury Management Strategy for 2026/27

In setting the treasury management strategy the following factors need to be considered as they may have a strong influence over the strategy adopted:

- Economic position and forecasts.
- Interest rate forecasts.
- The current structure of the investment and debt portfolio.
- Future Capital Programme and underlying cash forecasts.

Economic Background:

The third quarter of 2025/26 saw: -

- A -0.1% month on month change in real Gross Domestic Product (GDP) in October, leaving the economy no bigger than at the start of April.
- The 3-month year on year rate of average earnings growth, excluding bonuses, fell to 4.6% in October, having been as high as 5.5% earlier in the financial year.
- Consumer Price Index (CPI) inflation fell sharply from 3.6% to 3.2% in November, with core CPI inflation easing to 3.2%.
- The Bank of England cut interest rates from 4.00% to 3.75% in December, after holding in November.
- The 10-year gilt yield fluctuated between 4.4% and 4.7%, ending the quarter at 4.5%.

In July real GDP was unchanged compared to July 2024, followed by a 0.1% increase in August compared to last August and a 0.1% decrease in September will have caused

some concern. October's disappointing 0.1% decrease in real GDP suggests that growth slowed to around 1.4% in 2025.

Prior to the November Budget, the public finances position looked weak. The £20.2 billion borrowed in September was slightly above the £20.1 billion forecast by the Office for Budget Responsibility (OBR). For the year to date, the £99.8 billion borrowed is the second highest for the April to September period since records began in 1993, surpassed only by borrowing during the COVID-19 pandemic. The main drivers of the increased borrowing were higher debt interest costs, rising government running costs, and increased inflation-linked benefit payments, which outweighed the rise in tax and National Insurance contributions.

Following the 26 November Budget, the OBR calculated the net tightening in fiscal policy as £11.7 billion (0.3% of GDP) in 2029/30, smaller than the consensus forecast of £25 billion. It did downgrade productivity growth by 0.3%, from 1.3% to 1.0%, but a lot of that influence was offset by upgrades to its near-term wage and inflation forecasts. Accordingly, the OBR judged the Chancellor was going to achieve her objectives with £4.2 billion to spare. The Chancellor then chose to expand that headroom to £21.7 billion, up from £9.9 billion previously.

Interest rate Forecast

The quarterly interest rate forecast to March 2027 can be seen in the table below: -

Table 2 Interest rate Forecast

Forecast	March 2026	June 2026	September 2026	December 2026	March 2027
Interest Rate	3.75%	3.50%	3.50%	3.25%	3.25%

The interest rate is forecasted to remain at 3.25% until March 2029.

Current Treasury Portfolio Position

At the 31 December 2025 the debt and investments balances were: -

Table 3 Debt and Investments Balances

Debt	Principal £ million	%
Fixed rate loans from the Public Works Loan Board (PWLB)	(2.000)	100
Variable rate loans	-	-
Total loans	(2.000)	100

Investments	Principal £ million	%
Variable rate investments with The Debt Management Office (DMO)	8.000	19
Fixed rate investments	35.000	81
Total investments	43.000	100

The level of investments represents the Authority's cumulative surplus on the General Fund, the balances on other cash-backed earmarked reserves and a cash-flow balance

generated by a surplus of creditors over debtors and by grant receipts in advance of payments. There is a net investment figure of £41 million.

Borrowing and Investment Requirement

In the medium-term the Authority borrows for capital purposes only. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The table below compares the estimated CFR to the debt which currently exists, this gives an indication of the borrowing required. It also shows the estimated resources available for investment. An option is to use these balances to finance the expenditure rather than investing, often referred to as internal borrowing. The table gives an indication of the minimum borrowing or investment requirement through the period.

The CFR forecast includes the impact of the latest forecast of the funding of the Capital Programme which currently assumes that there will be no borrowing until 2027/28. A voluntary MRP was made in 2019/20 to take the future loans element of the MRP to nil.

Table 4 Borrowing/Investment need

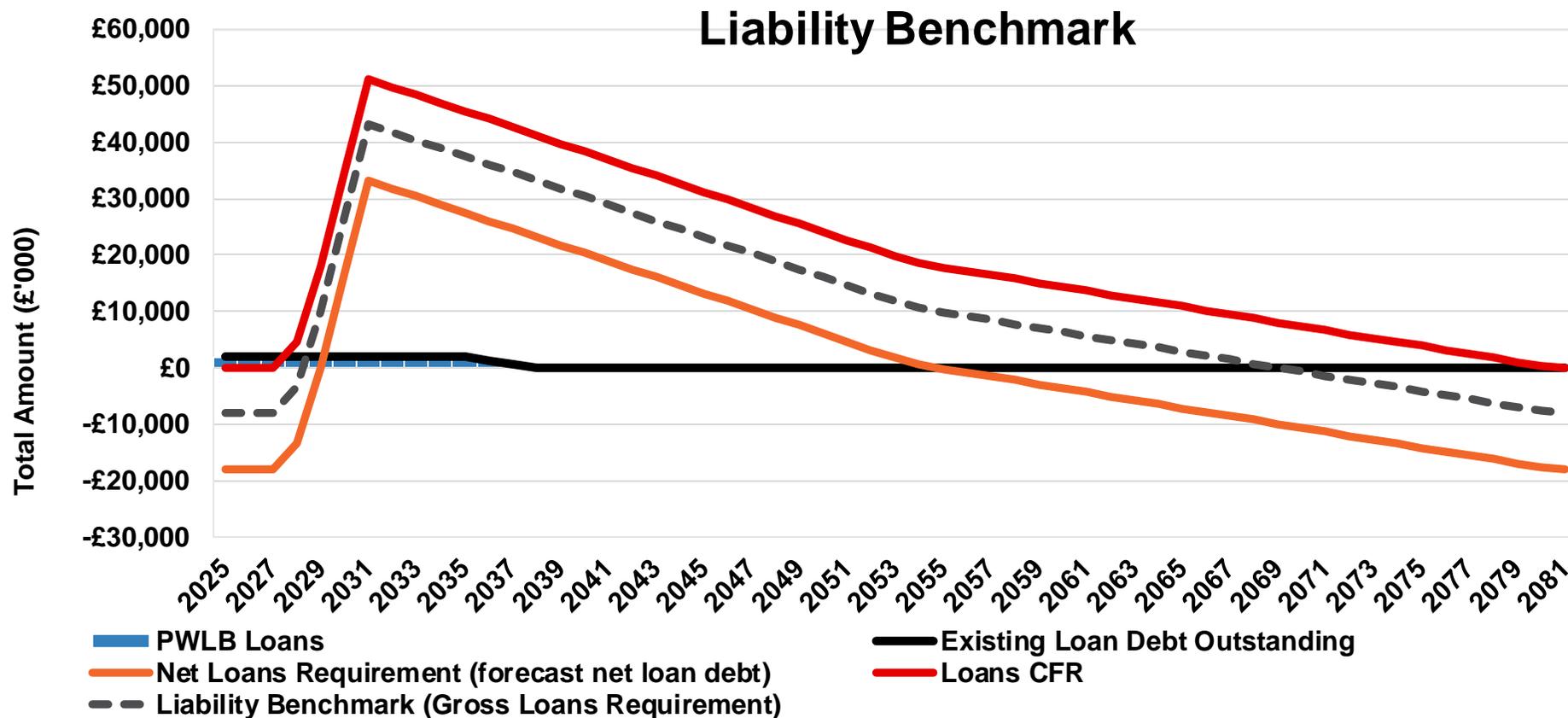
	2024/25 £ million	2025/26 £ million	2026/27 £ million	2027/28 £ million	2028/29 £ million
Capital Financing Requirement	12.542	11.875	11.154	14.952	27.590
Less long-term liabilities (PFI and finance leases)	(12.542)	(11.875)	(11.154)	(10.352)	(9.482)
Less external borrowing	(2.000)	(2.000)	(2.000)	(2.000)	(2.000)
Borrowing requirement	(2.000)	(2.000)	(2.000)	2.600	16.108
Reserves and working capital	(47.981)	(31.350)	(23.419)	(20.080)	(18.915)
Borrowing/(investment) need	(49.981)	(33.350)	(25.419)	(17.480)	(2.807)

The table above indicates that rather than having a need for borrowing it is estimated that the authority has an underlying need to invest until 2026/27 although the available balances are forecast to reduce. Based on the latest capital programme the authority will have a borrowing requirement in 2029/30.

Although the Authority does not have plans for new borrowing until 2027/28 it does hold £2.0 million of loans as part of its strategy for funding previous years' capital programmes.

Liability benchmark

The liability benchmark is an indicator required by the CIPFA Code. It looks to compare the Authority’s actual borrowing requirements against an alternative strategy, a liability benchmark, which shows the minimum level of borrowing. This assumes the same forecasts as table 4, but that cash and investment balances are kept to a minimum level of £10 million at each year-end to maintain sufficient liquidity but minimise credit risk. In addition, it reflects the latest Capital Programme information which shows a borrowing requirement from 2027/28 onwards.



The benchmark shows that from 2027/28 there is likely to be a long-term requirement to borrow but that this does not necessarily have to be at the level of the loans CFR, which represents the maximum borrowing. The borrowing requirement is also reducing over time which may influence the length and type of borrowing to be taken.

Borrowing Strategy

The draft Capital Programme implies there may be a requirement to use borrowing to fund the capital programme in the later years. At this stage it is unlikely that borrowing will be required in 2026/27. However, it is still best practice to approve a borrowing strategy and a policy on borrowing in advance of need. In considering a borrowing strategy the Authority needs to make provision to borrow short term to cover unexpected cash flow shortages or to cover any change in the financing of its Capital Programme.

In the past the Authority has raised all its long-term borrowing from the Public Works Loan Board, but if long term borrowing was required other sources of finance, such as local authority loans, and bank loans, would be investigated that may be available at more favourable rates.

Short-term borrowing if required would most likely be taken from other local authorities.

Therefore, the approved sources of long-term and short-term borrowing are:

- Public Works Loan Board (PWLB)
- UK local authorities
- Any institution approved for investments
- Any other bank or building society authorised by the Prudential Regulation Authority to operate in the UK
- UK public and private sector pension funds

Policy on Borrowing in Advance of Need

In line with the Prudential Code the Authority will not borrow purely to profit from the investment of the extra sums borrowed. However advance borrowing may be taken if it is considered that current rates are more favourable than future rates and that this advantage outweighs the cost of carrying advance borrowing. Any decision to borrow in advance will be considered carefully to ensure value for money can be demonstrated and that the Authority can ensure the security of such funds and relationships.

In determining whether borrowing will be undertaken in advance of need the authority will: -

- Ensure that there is a clear link between the capital programme and the maturity profile of the existing debt portfolio which supports the need to take funding in advance of need.
- Ensure the on-going revenue liabilities created, and the implications for future plans and budgets have been considered.
- Evaluate the economic and market factors that might influence the manner and timing of any decision to borrow.
- Consider the merits and demerits of alternative forms of funding.
- Consider the alternative interest rate bases available, the most appropriate periods to fund and repayment profiles to use.

Debt Restructuring

The Authority's debt has arisen because of prior years' capital investment decisions. It has not taken any new borrowing out since 2007 as it has been utilising cash balances to pay off debt as it matures, or when deemed appropriate with the authority making early payment of debt. The anticipated holding of debt at 31 March 2026 is £2.0 million. All the debt is from the PWLB and is all at fixed rates of interest and is repayable on maturity. Table 5 shows the maturity profile and interest rate applicable on these: -

Table 5 Outstanding Loans

Loan Amount	Maturity Date	Interest rate
£650,000	December 2035	4.49%
£650,000	June 2036	4.49%
£700,000	June 2037	4.48%

(Note, this debt was taken out in 2007 when the base rate was 5.75% and when the Authority was earning 5.84% return on its investments.)

If the loans were to be repaid early there would be an early repayment (premium) charge. At 31 December the Authority would have to pay a premium of £8200 across the three loans if the Authority were to repay early. Therefore, it is not beneficial for the Authority to repay the loans currently. With the Authority planning to borrow to fund its capital programme in 2027/28 it is beneficial to keep the current loans as the interest rate is likely to be less than taking out new loans.

Investment Strategy

At 31 December 2025 the Authority held £43 million invested funds, representing income received in advance of expenditure plus existing balances and reserves. During the year the Authority's investment balance has ranged between £30 million and £60 million. The variation arises principally due to the timing of the receipt of government grants. It is anticipated that there will be reduced cash levels in the forthcoming year, due to a drawdown in reserves to finance capital expenditure.

Both the CIPFA Code and government guidance require the Authority to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

Therefore, in line with the guidance the Treasury Management Strategy is developed to ensure the Fire Authority will only use very high-quality counterparties for investments.

The Authority may invest its surplus funds with any of the counterparties in the table below, subject to the cash and time limits shown.

Table 6 Investment Counterparties

Counterparty	Cash Limit	Time Limit
Banks and other organisations and securities whose lowest published long-term credit rating from Fitch, Moody's and Standard and Poor's is a minimum of AA-	£5 million each	5 years
Call accounts with banks and other organisations with minimum A- credit rating	£10 million	Next day
Call account with the Debt Management Office	Unlimited	Next day
UK Central Government (irrespective of credit rating)	Unlimited	50 years
UK Local Authorities (irrespective of credit rating)	£5 million each	10 years
Secured bond funds AA rating and Weighted Average Life (WAL) not more than three years	£5 million each	N/A
Secured bond funds AAA rated and WAL not more than five years	£5 million each	N/A

Allowable bond funds are defined by credit rating and Weighted Average Life (WAL). Investing in senior secured bonds backed by collateral provides a protection against bail-in. Although the average life of the securities within the fund will be either 3 or 5 years, funds can be redeemed within 2 days of request but in general these should be seen as longer-term investments.

The Authority currently has access to an account with the Debt Management Office, which pays slightly lower than bank base rate, this is 3.71% at 31 December. Each working day the balance on the Authority's current account is invested to ensure that the interest received on surplus balances is maximised.

Regarding the risk of investing with another local authority, only a few authorities have their own credit rating, but those that do are the same or one notch below the UK Government reflecting the fact that they are quasi-Government institutions. Overall, credit ratings are seen as unnecessary by the sector because the statutory and prudential framework within which the authorities operate is amongst the strongest in the world. In addition, any lender to a local authority has protection, under statute, by way of a first charge on the revenues of that authority. No local authority has ever defaulted to date, and this also may be an indication of security. However, when the UK credit rating by the rating agencies has been downgraded those local authorities with a rating saw a reduction in their ratings. Therefore, consideration has been given to reducing the risk associated with the investment with other local authorities.

Table 7 Investment Limits with Local Authorities

Investment Period	Maximum Individual Investment (£ million)	Maximum Total Investment (£ million)	Maximum Period
Up to 2 years	5	40	2 years
Over 2 years	5	25	10 years

In respect of banks taxpayers will no longer bail-out failed banks instead the required funds will be paid by equity investors and depositors. Local authorities' deposits will be at risk and consequently although currently available within the policy it is unlikely that long-term unsecured term deposits will be used at the present time.

All the Authority's fixed investments are with other local authorities. To enhance the interest earned the following investments are already impacting 2026/27: -

Table 8 Current Investments

Start Date	End Date	Principal	Rate	Interest 26/27
22/04/2025	21/04/2026	£5,000,000	4.50%	£12,329
30/04/2025	29/04/2026	£5,000,000	4.75%	£18,219
30/07/2025	29/07/2026	£5,000,000	4.15%	£67,651
29/09/2025	28/09/2026	£5,000,000	4.15%	£102,329
30/09/2025	29/09/2026	£5,000,000	4.25%	£105,377

The Authority has the below future deals which impact 2026/27 which have yet to commence.

Table 9 Future Investments

Start Date	End Date	Principal	Rate	Interest 26/27
04/02/2026	03/02/2027	£5,000,000	4.55%	£191,973

Consideration is given to fixing further investments if the maturity fits with estimated cash flows and the rate is attractive. This will continue to be reviewed. Suggested rates payable by other local authorities indicated:

Table 10 Indicative Interest Rates on Investments with other Local Authorities

Investment length	Interest Rates
3-month investment	4.15 – 4.25%
6-month investment	4.50 – 4.55%
12-month investment	4.30 – 4.45%
3-year investment	4.20 – 4.25%
4-year investment	4.10 - 4.20%

The overall combined interest earned on fixed and overnight DMO deposits as at 31 December 2025 is £1.671 million on an average balance of £48.716 million at an annualised rate of 4.55%. This is more than the benchmark 7-day Sterling Overnight Index Average (SONIA) rate which averages a yield of 4.14% over the same period.

In addition to the above the authority uses NatWest for its operational banking. Balances retained in NatWest are very low, usually less than £5,000. However, if required monies are retained at NatWest this would be in addition to the limits set out above.

Minimum Revenue Provision

Under Local Authority Accounting arrangements, the Authority is required to set aside a sum of money each year to reduce the overall level of debt. This sum is known as the minimum revenue provision (MRP).

The Authority will assess their MRP for 2026/27 in accordance with guidance issued by the Secretary of State under section 21(1A) of the Local Government Act 2003.

The Authority made a voluntary MRP in 2019/20 and it is anticipated that the MRP on loans will be nil in 2026/27, this will be the case until capital expenditure is financed by borrowing.

Whilst the Authority has no unsupported borrowing, nor has any plans to take out any unsupported borrowing in 2026/27 it is prudent to approve a policy relating to the MRP that would apply if circumstances change. As such in accordance with guidelines, the MRP on any future unsupported borrowing will be calculated using the Asset Life Method. This will be based on a straightforward straight-line calculation to set an equal charge to revenue over the estimated life of the asset. Estimated life periods will be determined under delegated powers. To the extent that expenditure is not on the creation of an asset and is of a type that is subject to estimated life periods that are referred to in the guidance, these periods will generally be adopted by the Authority. However, the Authority reserves the right to determine useful life periods and prudent MRP in exceptional circumstances where the recommendations of the guidance would not be appropriate.

As some types of capital expenditure incurred by the Authority are not capable of being related to an individual asset, asset lives will be assessed on a basis which most reasonably reflects the anticipated period of benefit that arises from the expenditure. Also, whatever type of expenditure is involved, it will be grouped together in a manner which reflects the nature of the main component of expenditure and will only be divided up in cases where there are two or more major components with substantially different useful economic lives.

Assets held under a PFI contract and finance leases form part of the Balance Sheet. This has increased the overall capital financing requirement and results in an MRP charge being required. The government guidance permits a prudent MRP to equate to the amount charged to revenue under the contract to repay the liability. In terms of the PFI schemes this charge forms part of the payment due to the PFI contractor.

Revenue Budget

The capital financing budget currently shows that income received exceeds expenditure. This excludes the PFI and Finance lease payments, which are included in other budgets. Based on the Strategy outlined above then the proposed budget for capital financing are:

Table 11 Capital Financing Charges Included in Revenue Budget

	2025/26 £ million	2026/27 £ million	2027/28 £ million	2028/29 £ million
Interest payable	0.090	0.090	0.233	0.981
MRP	0.000	0.000	0.000	0.184
Interest receivable	(1.385)	(1.390)	(1.023)	(0.787)
Net budget	(1.295)	(1.300)	(0.790)	0.378

Prudential Indicators for 2025/26 to 2028/29 in respect of the Combined Fire Authority's Treasury Management Activities

In accordance with its statutory duty and with the requirements of the Prudential Code for Capital Finance and the CIPFA Code for Treasury Management, the Combined Fire Authority produces each year a set of prudential indicators which regulate and control its treasury management activities.

The following table sets out the debt and investment-related indicators which provide the framework for the Authority's proposed borrowing and lending activities over the coming three years. These indicators will also be approved by members as part of the Capital Programme approval process along with other capital expenditure-related indicators but need to be reaffirmed and approved as part of this Treasury Management Strategy.

It should be noted that contained within the external debt limits, there are allowances for outstanding liabilities in respect of the PFI schemes and leases. Following implementation of International Financial Reporting Standards (IFRS) 16 Leases more leases are likely to be included on the balance sheet and therefore will be included against the other long-term liabilities indicators.

Treasury Management Prudential Indicators

Table 12 Treasury Management Prudential Indicators

	2025/26	2026/27	2027/28	2028/29
	£	£	£	£
	million	million	million	million
1. Adoption of the Revised CIPFA Code of Practice on Treasury Management (2011)			Adopted for all years	
2. Authorised limit for external debt - A prudent estimate of external debt, which includes sufficient headroom for unusual cash movements:				
Borrowing	4.000	4.000	11.000	30.000
Other long-term liabilities	30.000	25.000	25.000	22.000
Total	34.000	29.000	36.000	52.000
3. Operational boundary for external debt - A prudent estimate of debt, but no provision for unusual cash movements. It represents the estimated maximum external debt arising because of the Authority's current plans:				
Borrowing	3.000	3.000	9.000	24.000
Other long-term liabilities	16.000	15.000	15.000	13.000
Total	19.000	18.000	24.000	37.000
4. Upper limit for fixed interest rate exposure:				
Upper limit of borrowing at fixed rates	100%	100%	100%	100%
Upper limit of investments at fixed rates	100%	100%	100%	100%
5. Upper limit for variable rate exposure:				
Upper limit of borrowing at variable rates	50%	50%	50%	50%
Upper limit of investments at variable rates	100%	100%	100%	100%
6. Upper limit for total principal sums invested over 364 days (per maturity date)	40.000	40.000	40.000	40.000
7. Maturity structure of debt:	Upper Limit %	Lower Limit %		
Under 12 months	100	-		
12 months and within 24 months	50	-		
24 months and within 5 years	50	-		
5 years and within 10 years	75	-		
10 years and above	100	-		

8. Estimated Capital Expenditure

Table 13 Estimated Capital Expenditure

	2024/25 Actual	2025/26 Forecast	2026/27 Budget	2027/28 Budget	2028/29 Budget
Capital Expenditure (£ million)	6.034	6.925	9.241	10.012	17.873

9. Proportion of Financing Costs to Net Revenue Stream

Table 14 Proportion of Financing Costs to Net Revenue Stream

	2024/25 Actual	2025/26 Budget	2026/27 Budget	2027/28 Budget	2028/29 Budget
Financing costs (£ million)	(2.177)	(1.295)	(1.300)	(0.790)	0.378
Proportion of net revenue stream	(2.90%)	(1.67%)	(1.61%)	(0.95%)	0.46%

Treasury Management Policy Statement

The Fire Authority adopts the key recommendations of CIPFA's Treasury Management in the Public Services: Code of Practice (the Code), as described in Section 5 of the Code.

Accordingly, the Authority will create and maintain, as the cornerstones for effective treasury management: -

A treasury management policy statement stating the policies, objectives and approach to risk management of its treasury management activities suitable treasury management practices (TMPs), setting out the manner in which the Authority will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities.

The Authority delegates responsibility for the implementation and monitoring of its treasury management policies and practices to the Resources Committee and for the execution and administration of treasury management decisions to the Director of Corporate Services, who will act in accordance with the Treasury Management Policy Statement and CIPFA's Standard of Professional Practice on treasury management.

The Authority nominates the Resources Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.

Definition

The Authority defines its treasury management activities as: the management of the Authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.

Risk management

The Fire Authority regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.

Value for money

The Fire Authority acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.

Borrowing policy

The Fire Authority greatly values revenue budget stability and will therefore borrow most of its long-term funding needs at long-term fixed rates of interest. However, short-term and variable rate loans may be borrowed to either offset short-term and variable rate investments or to produce revenue savings. The Authority will also constantly evaluate debt restructuring opportunities of the existing portfolio.

The Fire Authority will set an affordable borrowing limit each year in compliance with the Local Government Act 2003 and will have regard to the CIPFA Prudential Code for Capital Finance in Local Authorities when setting that limit. It will also set limits on its exposure to changes in interest rates and limits on the maturity structure of its borrowing in the treasury management strategy report each year.

Investment policy

The Fire Authority's primary objectives for the investment of its surplus funds are to protect the principal sums invested from loss, and to ensure adequate liquidity so that funds are available for expenditure when needed. The generation of investment income to support the provision of local authority services is an important, but secondary, objective.

The Fire Authority will have regard to the then Ministry of Housing, Communities and Local Government Guidance on Local Government Investments. It will approve an Investment Strategy each year as part of the Treasury Management Strategy. The strategy will set criteria to determine suitable organisations with which cash may be invested, limits on the maximum duration of such investments and limits on the amount of cash that may be invested with any one organisation.