**RECORD SOCIETY OF LANCASHIRE AND CHESHIRE**

**Investment and risk management policy**

1. This policy is intended to set out the Society’s approach to:
	1. identifying risks to which it may be exposed and over which it may have some control, and to mitigating those risks
	2. investing the Society’s funds to ensure that they are used most effectively to meet its objectives.
2. The Society’s primary objective is the publication, both in hard copy and digitally, of editions of original documents relating to the history of the historic counties of Lancashire and Cheshire. Implicit in this is that the Society itself needs to consider measures to ensure, as far as possible, its own continuation.
3. The following risks can be identified:
	1. Governance: potential lack of suitable individuals, with appropriate skills/knowledge willing to serve on Council or as office holders;
	2. Operations: lack of suitable material for publication. Council will also take into account the likely cost of offered editions, particularly in the case of proposed multiple volume editions;
	3. Operations: difficulties arising in the process of preparing editions such as delays in the editing timetable, serious differences of opinion between individual editors and the General Editor, or problems with copyright or intellectual property rights;
	4. Operations: unavailability of, or difficulties with printer(s);
	5. Operations: sustainability of digital resources: the Society has invested heavily in digitising past volumes and making them available online
	6. Operations: development in the field of online publication may have an impact on the Society’s current *modus operandi*
	7. Finances: loss of income to pay for publication owing to decline in membership, reduction in stock sales and/or erosion of reserves.
4. Mitigating measures for a.) and b.) above lie with members of the Council to use their best endeavours to identify colleagues or acquaintances who are able and willing to contribute to the work of the Society.
5. Mitigating measures for c.) and d.) above lie principally with the General Editor, supported as appropriately by other members of the Council.
6. Mitigating measures for e.) above lie with members of Council to ensure the safe custody of copies of digitised data and arrange for their transfer to newer media as and when required.
7. The only mitigating measures for f.) above is for all Council members to keep technological developments under consideration as far as possible, to try to understand their potential impact on the Society’s plans.
8. Risk g.) above is arguably 3 separate issues, but they are inextricably linked. Members’ subscriptions are the main source of funds for the Society’s activities, and the loss of both individual and institutional members, albeit gradual, has been noticeable over the last few years. Recent measures to mitigate this trend have included improvements to the website, including the provision of free, online access to most of our back numbers; and engagement with local historical associations in Lancashire and Cheshire to bring the work of the Society to a wider audience.
9. In 2013 the Council adopted a policy in relation to the retention of reserve funds to “enable the Society to meet its financial commitments and look beyond the immediate year’s financial needs. It ensures that the Society can manage its future publishing schedule more effectively than it could by drawing only on a specific year’s income to pay for the publication of the associated volume…. Council aims to hold in reserve c. £40,000.”
10. Currently there is a notable shortfall between our income from subscriptions and the cost of printing and publication of an annual volume. With the collapse of interest rates on savings, the Society’s strategy is to follow guidance to invest its funds in a specialist fund, of a type approved by the Charity Commission, focussed on generating income, while protecting capital as far as possible. For the future, the Council will continue to monitor movements in savings rates, in case they become more favourable.
11. Income from stock sales has varied between c£300 and £600 pa over recent years. Council will consider measures to increase sales of recent volumes by exploring other avenues for marketing.
12. Council will also explore, whenever appropriate, opportunities for attracting funding from external sources.
13. As a related but subsidiary issue, Council will endeavour to reduce other costs as far as possible, such as storage of unsold volumes.

Jonathan Pepler

Hon. Treasurer

31 March 2020