

## SPECIFIED AND NON-SPECIFIED INVESTMENTS

## SPECIFIED INVESTMENTS:

All such investments will be sterling denominated, with **maturities up to maximum of 1 year**, meeting the minimum 'high' rating criteria where applicable. These are considered low risk assets where the possibility of loss of principal or investment income is small.

The criteria, time limits and monetary limits applying to institutions or investment vehicles are:

Investment	Minimum Credit Criteria / Colour Band	£ limit per institution and single transaction	Max maturity period
Debt Management Agency Deposit Facility	N/A	£3.0m	6 months
Term deposits – local authorities	N/A	£3.0m	1 year
Term deposits - UK part nationalised banks	Blue **	£3.0m	1 year
Term deposits – banks and building societies	Orange Red Green No colour	£3.0m	Up to 1 year Up to 6 months Up to 100 days Not for use
Money Market Funds	AAA	£3.0m	Liquid

\*\*only applies to nationalised or semi nationalised UK Banks

## NON-SPECIFIED INVESTMENTS

A maximum of £3.0m will be held in aggregate in non-specified investments

### 1. Maturities of ANY period

Investment	Minimum Credit Criteria / Colour Band	Maximum Investment	Maximum maturity period
Certificates of deposits issued by banks and building societies	Green	£1.0m	Up to 2 years
UK Government Gilts	Sovereign rating	£1.0m	Up to 2 years
Bonds issued by multilateral development banks	AAA	£1.0m	Up to 2 years
Bonds issued by a financial institution which is explicitly guaranteed by the UK government	Sovereign rating	£1.0m	Up to 2 years
Fixed term deposits with variable rate and variable maturities:			
Structured deposits	Green	£1.0m	Up to 2 years
Commercial paper issuance by UK banks covered by UK Government guarantee	Green	£1.0m	Up to 2 years
Other debt issuance by UK banks covered by UK Government guarantee	Green	£1.0m	Up to 2 years

This Authority will seek further advice on the appropriateness and associated risks with investments in these categories.

### 2. Maturities in excess of 1 year

Investment	Minimum Credit Criteria	Maximum Investment	Maximum maturity period
Term deposits – local authorities	N/A	£1.0m	Up to 2 Years
Term deposits – banks and building societies	Purple	£1.0m	Up to 2 Years

## APPROVED COUNTRIES FOR INVESTMENTS

### AAA

- Australia
- Canada
- Denmark
- Germany
- Luxembourg
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

### AA+

- Finland
- Hong Kong
- U.S.A.

### AA

- Abu Dhabi (UAE)
- France
- U.K.

### AA-

- Belgium
- Qatar

**TREASURY MANAGEMENT SCHEME OF DELEGATION**

**1. Full Council**

- receiving and reviewing reports on treasury management policies, practices and activities;
- approval of annual strategy.

**2. Policy and Resources Committee**

- approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices;
- budget consideration and approval;
- approval of the division of responsibilities;
- approving the selection of external service providers and agreeing terms of appointment.

**3. Overview and Scrutiny Committee**

- reviewing the treasury management policy and procedures and making recommendations to the responsible body.

## **THE TREASURY MANAGEMENT ROLE OF THE SECTION 151 OFFICER**

### **The S151 (responsible) officer**

- recommending clauses, treasury management policies and practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports to Members;
- submitting budgets and budget variations to Members;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- recommending the appointment of external service providers:
- preparation of a capital strategy to include capital expenditure, capital financing, non-financial investments and treasury management;
- ensuring that the capital strategy is prudent, sustainable, affordable and prudent in the long term and provides value for money;
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authority;
- ensure that the authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing;
- ensuring the proportionality of all investments so that the authority does not undertake a level of investing which exposes the authority to an excessive level of risk compared to its financial resources;