

APPENDIX D - 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

NON-SPECIFIED INVESTMENTS

These are any investments which do not meet the specified investment criteria. A maximum of 50% will be held in aggregate in non-specified investments.

A variety of investment instruments will be used, subject to the credit quality of the institution. Depending on the type of investment made it will fall into one of the above two categories.

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

| | Minimum Credit Criteria (i.e. Colour Band) | Max % of total investments / £ limit per institution | Max. maturity period | Specified (S) / Non-Specified (N) |
|---|---|---|-----------------------------|--|
| Debt Management Agency Deposit Facility (DMADY) – UK Government | N/A | 100% | 6 Months | S |
| UK Government gilts | UK sovereign rating AA- or better | 100% | 1 Year | S |
| UK Government treasury bills | UK sovereign rating AA- or better | 100% | 6 Months | S |
| Bonds issued by multilateral development banks | UK sovereign rating AA- or better | 100% | 6 Months | S |
| Money market funds | AAA | 25% / £5m | Liquid | S |
| Enhanced money market funds | AAA | 25% / £5m | Liquid | S |
| Local authorities (up to one year) | N/A | 25% / £5m | 1 Year | S |
| Local authorities (over one year) | N/A | 25% / £5m | 2 Years | N |
| Term deposits with Lloyds Bank Group / RBS Group (up to one year) | Blue | 30% / £10m | 1 Year | S |
| Term deposits with Lloyds Bank Group / RBS Group (over one year) | Blue | 30% / £10m | 2 Years | N |
| Term deposits with other banks (up to one year) | Green | 25% / £6m | 1 Year | S |
| Term deposits with other banks (over one year) | Green | 25% / £6m | 2 Years | N |
| Term deposits with building societies | No colour | 25% / £2m | 3 Months | N |
| CDs or corporate bonds with banks or building societies | Green | 25% / £5m | 1 Year | S |
| Gilt funds | UK sovereign rating AA- or better | 25% / £5m | 1 Year | S |
| Property funds | N/A | 25% / £2m | Semi-liquid | N |

The criteria in this appendix are intended to be the operational criteria in normal times. At times of heightened volatility, risk and concern in the financial markets, this strategy may be amended by temporary operational criteria further limiting investments to counterparties of a higher creditworthiness and/or restricted time limits.

APPENDIX E - Approved countries for investments

Based on lowest available rating

AAA

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

AA+

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

AA

- Abu Dhabi (UAE)
- France
- Qatar

AA-

- Belgium
- Saudi Arabia

APPENDIX F - Treasury management scheme of delegation

Full Council

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

Cabinet

- 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;
- receiving and reviewing regular monitoring reports and acting on recommendations;
- approving the selection of external service providers and agreeing terms of appointment.

Finance and Resources Advisory Committee

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

APPENDIX G - The treasury management role of the section 151 officer

The S151 (responsible) officer is responsible for:

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- 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.