

## TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY 2017/18

### Investment Instruments and Credit Criteria

Investment instruments used for the prudent investment of the Authority's cash balances are listed below under the 'Specified' and 'Non-Specified' Investment categories.

**Specified Investments** – are those investments offering high security and liquidity. All such investments will be in sterling, with a maximum maturity of 364 days, meeting the minimum 'high' rating criteria where applicable. Table 1 below shows the credit rating criteria used to select whom the Authority will place funds:

**Table 1: Specified Investments and Credit Criteria**

The minimum credit ratings criteria the Council use will be a Short Term rating (Fitch or equivalents) of F1 and a Long Term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances consideration will be given to the whole range of ratings available or other market information, to support their use.

	Maximum Deposit	Maximum Period
UK Government Debt Management Office (DMO)	£50m	6 months
UK Local Authorities	£10m each	1 year
UK Government Gilts, Bonds and Treasury Bills	£10m	1 year
AAA-rated Money Market Funds	£5m each	Liquid
Certificate of Deposits with banks and building Societies	£5m each	1 year
UK Banks / Building Societies	£5m each	1 year

**Non-specified Investments** - are all sterling denominated, with maturities in excess of one year. A maximum of 25% may be held in aggregate in non-specified

investments. Table 2 below shows the counterparties with whom the Authority will place funds:

**Table 2: Non-Specified Investments**

	<b>Maximum Deposit</b>	<b>Maximum Period</b>
UK Local Authorities	£5m each	3 years