

APPROVED LENDING LIST & POLICY (as per Treasury Management Policy 4)

1. Approved Types of Investment

The Council may use the following types of investment when managing funds:

- Fixed Term Deposits
- On Call Deposits

2. Approved Institutions for Investment

The Council may invest surplus cash with the following institutions, subject to the provisions within the **investment policy** below:

- UK Debt Management Office (DMO);
- Local Authorities and Police Authorities within the UK;
- Major clearing banks incorporated in the UK and their subsidiaries (**use of non-British banks is subject to the assessment and approval of the Head of Finance**);
- UK Building Societies;
- British Merchant Banks and Securities House Association members;
- The secondary banking sector (**use of non-British banks is subject to the assessment and approval of the Head of Finance**).
- Foreign Banks with an F1+ Rating (**subject to the assessment and approval of the Head of Finance**).

3. Investment Policy

The following limits apply on the amount of money that can be invested with any one institution mentioned above, by the designated officers:

• UK Debt Management Office (DMO)	£10M
• Highest quality financial institutions (see note below)	£7.5M (from £5m)
• Local authorities and police authorities	£1M
• 100% owned subsidiaries of clearing banks	£1M
• F1/AA rated building societies	£1M
• F1/A rated building societies	£0.5M
• Unrated building societies	£0.5M
• F1 /A rated merchant or secondary banks	£0.5M
• F2/A rated merchant or secondary banks	£0.25M

NOTES

- The highest quality financial institutions must have a minimum short-term "Fitch" IBCA rating of F1+ and long-term rating of AA+