

APPROVED LENDING LIST & POLICY

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 in 3 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	£7.5M
• Local authorities and police authorities	£5M
• 100% owned subsidiaries of clearing banks	£2M
• F1/AA rated building societies	£2M
• F1/A rated building societies	£1M
• Unrated building societies	£1M
• F1 /A rated merchant or secondary banks	£1M
• F2/A rated merchant or secondary banks	£0.25M

NOTE

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