

Amendment to Treasury Management Strategy Statement (TMSS)

As indicated in **paragraph 10.9** of the report, the following extracts from the TMSS show the proposed changes for approval.

Specified Investments

Specified Investments will be those that meet the criteria in the CLG Guidance, i.e. the investment

- is sterling denominated
- has a maximum maturity of 1 year
- meets the “high” credit quality as determined by the Council or is made with the UK government or is made with a local authority in England, Wales and Scotland or Northern Ireland or a parish or community council.
- the making of which is not defined as capital expenditure under section 25(1)(d) in SI 2003 No 3146 (i.e. the investment is not loan capital or share capital in a body corporate).

“Specified” Investments identified for the Council’s use are:

- Deposits in the DMO’s Debt Management Account Deposit Facility
- Deposits with UK local authorities
- Deposits with banks and building societies
- *Certificates of deposit with banks and building societies
- *Gilts : (bonds issued by the UK government)
- *Bonds issued by multilateral development banks
- Treasury Bills (T-Bills)
- Local Authority Bills (LA Bills)
- Commercial Paper
- Corporate Bonds
- AAA-rated Money Market Funds
- Other Money Market Funds and Collective Investment Schemes– i.e. credit rated funds which meet the definition of a collective investment scheme as defined in SI 2004 No 534 and SI 2007 No 573.

1. ** Investments in these instruments will be on advice from the Council’s treasury advisor.*
2. *The use of the above instruments by the Council’s fund manager(s) will be by reference to the fund guidelines contained in the agreement between the Council and the individual manager.*

For credit rated counterparties, the minimum criteria will be the lowest equivalent ~~short term~~/long-term ratings assigned by Moody’s, Standard & Poor’s and Fitch (where assigned):

Long-term minimum: A3 (Moody’s) or A- (S&P) or A-(Fitch)

~~Short term minimum: P 1 (Moody's) or A 1 (S&P) or F1 (Fitch).~~

In addition the Council will also make use of short term call accounts with the Councils current bankers, the Co-operative Bank, who do not meet the Council's minimum creditworthiness criteria, although the ratings do.

The Council will also take into account information on corporate developments of and market sentiment towards investment counterparties