**Appendix 1**

**Amended Specified Investments List**

**Specified Investments** – These investments are sterling investments that do not exceed a maturity period of more than one year, or those which could be for a longer period but where the Council has the right to be repaid within twelve months if it wishes. These are considered low risk assets where the possibility of loss of principal or investment income is small. These would include sterling investments which would not be defined as capital expenditure with:

1. The UK Government (such as the Debt Management Account deposit facility, UK Treasury Bills or Gilts with less than one year to maturity).
2. Supranational bonds of less than one year’s duration.
3. A Local Authority, Parish Council, Community Council, Fire or Police Authority
4. Pooled investment vehicles (such as money market funds) that have been awarded a high credit rating by a credit rating agency. For category 4, this covers pooled investment vehicles, such as money market funds, rated AAA by Standard and Poor’s, Moody’s or Fitch rating agencies*.*
5. A body that is considered of a high credit quality (such as a bank or building society) meeting the minimum ‘high’ quality criteria where applicable.

Additionally, and in accordance with the Code, the Council has set duration and value limits as follows:

**Specified Investments - Limits on value and period**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Minimum credit criteria/colour banding** | **Max % of total investments/ £ limit per institution** | **Max maturity period** |
| Debt Management Office – UK Government | Not applicable | 100% | 364 days |
| UK Government Gilts | UK Sovereign rating | 20% | 364 days |
| UK Government Treasury Bills | UK Sovereign rating | 20% | 364 days |
| Bonds issued by multilateral development banks | UK Sovereign rating | 20% | 6 months |
| ***Money Market Fund*** | ***AAA*** | ***£25m*** | ***Liquid*** |
| Local Authorities, Fire and Police Authorities |  | 20% | 364 days |
| Term deposits with banks and rated building societies | Blue  Orange  Red  Green | £15m or 20% of total investments whichever is the greater | Up to 1 year  Up to 1 year  Up to 6 Months  Up to 100 days |
| Certificate of Deposit or corporate bonds with banks and building societies | Blue  Orange  Red  Green | £10m or 20% of total investmentswhichever is the greater | Up to 1 year  Up to 1 year  Up to 6 Months  Up to 100 days |
| Enhanced Cash funds |  | 20% | 6 months |
| Corporate bond funds |  | 20% | 6 months |
| Gilt Funds | UK sovereign rating | 20% | 6 months |

The colour ratings above for the Term deposits with banks and rated building societies and Certificates of Deposit or corporate bonds with banks and building societies link the durations in the right hand column to colour coding used in Capita’s Credit List i.e. Blue and Orange coloured institutions can be allow investments of up .to a year according to the Capita Credit List