

Supplementary Papers



Listening Learning Leading

Contact Officer: Darius Zarazel, Democratic Services Officer
Tel: 07917 088376

FOR THE MEETING OF

Joint Audit and Governance Committee

held on Tuesday 31 January 2023 at 7.30 pm in Meeting Room 1, Abbey House, Abbey Close, Abingdon, OX14 3JE

Open to the public including the press

7 Treasury Management Strategy 2023/24 (Page 2)

To receive the amended table 6 from the South Oxfordshire District Council strategy from the head of finance.

Table 6: Counterparty Limits					
	Minimum Fitch Short term Rating (or equivalent)	Minimum Fitch Long term Rating (or equivalent)	Individual Counterparty Limit	Maximum maturity period	Maximum % of total investments
Specified Instruments					
Term Deposits - UK Government				1 year	100%
UK Debt Management Agency Deposit Facility		N/A			
UK Government Treasury Bills					
UK Government Gilts					
Term Deposits - Other UK Local Authorities	N/A	N/A	£20m		
Term Deposits - Banks and Building Societies	F1	A-	£15m		
Covered Bonds	N/A	A+	£5m		
Money Market Funds (CNAV)	Fund Rating AAA		£30m	Liquid	
Ultra Short Dated Bond Funds			£20m	Liquid	
Non-Specified Instruments					
Term Deposits 1yr +- UK Government	N/A	N/A	N/A	5 years	100%
Term Deposits 1yr +- Other UK Local Authorities	N/A	N/A	£20m	5 years	100%
Banks - part nationalised UK	N/A	N/A	£20m	4 years	100%
Institutions with a minimum rating:	F1+	AA-	£15m	4 years	70%
Institutions with a minimum rating:	F1+	A+	£15m	3 years	70%
Institutions with a minimum rating:	F1	A	£15m	2 years	70%
Institutions with a minimum rating:	F1	A-	£15m	1 year	70%
Building Societies	F2	BBB+	£15m	1 year	70%
Building societies assets >£5bn	N/A	N/A	£13m	1 year	70%
Building societies assets >£3bn	N/A	N/A	£11m	1 year	60%
Building societies assets >£2bn	N/A	N/A	£9m	1 year	50%
Banks - house bank	N/A	N/A	£5m	3 months	20%
Managed Funds					
Money Market funds (LVNAV & VNAV)	Fund Rating AAA		£30m	Liquid	70%
Unit Trusts			£20m	Variable	20%
Pooled Bond Funds	Use of these instruments can be deemed capital expenditure. The council will seek guidance on the status of any fund it may consider using. Appropriate due diligence will also be undertaken before investment of this type is undertaken.		£20m	Variable	15%
Pooled property funds			£10m	Variable	15%
Non-UCITS Retail Scheme (NURS)			£5m	Variable	50%
Diversified Income Funds			£10m	Variable	15%
Multi - Asset Funds			£10m	Variable	15%
Equity Funds		£10m	Variable	20%	
Tradable Instruments					
UK Government Gilts with maturities over 1yr		UK sovereign	£15m	15 years	10%
Supranationals		AAA	£10m	15 years	20%
Corporate Bonds		AA-	£5m	5 years	10%
Covered Bonds maturities over 1yr		AA-	£5m	5 years	10%
Bonds issued by Multilateral Development banks		AA-	£5m	5 years	10%
Sovereign Bond Issues		AA-	£5m	5 years	10%