

SPECIFIED INVESTMENTS :

All such investments will be sterling denominated, with **maturities up to maximum of 1 year**, meeting the minimum 'high' rating criteria where applicable.

	* Minimum 'High' Credit Criteria	Use
Debt Management Agency Deposit Facility	--	In-house
Term deposits – local authorities	--	In-house
Term deposits – banks and building societies **	Green or Red rated as appropriate	In-house

NON-SPECIFIED INVESTMENTS:

A maximum of 10% will be held in aggregate in non-specified investment

1. Maturities under 1 year.

Certificates of deposits issued by banks and building societies	Green or Red rated as appropriate	In-house buy and hold
UK Government Gilts	Long term AAA	In-house buy and hold
Bonds issued by multilateral development banks	Long term AAA	In-house on a 'buy-and-hold' basis.
Bonds issued by a financial institution which is guaranteed by the UK government	Long term AAA	In-house on a 'buy-and-hold' basis
Sovereign bond issues (i.e. other than the UK govt)	AAA	In house on a 'buy and hold basis'
Treasury Bills	--	Fund Managers
Collective Investment Schemes structured as Open Ended Investment Companies (OEICs): -		
1. Money Market Funds	Green or Red rated as appropriate	In-house
2. Enhanced cash funds	Green or Red rated as appropriate	In-house
3. Bond Funds	Green or Red rated as appropriate	In-house
4. Gilt Funds	Green or Red rated as appropriate	In-house

N.B. buy and hold may also include sale at a financial year end and repurchase the following day in order to accommodate the requirements of SORP2007.

2. Maturities of any period.

	* Minimum Credit Criteria	Use	*** Max % of total investments	Max. maturity period
Fixed term deposits with variable rate and variable maturities: -				
1. Callable deposits	Red Rated	In-house		
2. Range trade	Red Rated	In-house		
3. Snowballs	Red Rated	In-house		
4. other structured investment				
a) Corporate Bonds : (note this is classed as capital expenditure)	Red Rated	In house on a 'buy and hold basis'		
b) Floating Rate Notes: (note this is classed as capital expenditure unless they are issued by a multi lateral development bank)	Red Rated	Fund managers		

3. Maturities in excess of 1 year

Term deposits – local authorities	--	In-house		
Term deposits – banks and building societies	Red Rated	In-house		
Certificates of deposits issued by banks and building societies	Red Rated	In house on a 'buy and hold basis'		
UK Government Gilts	AAA	In house on a 'buy and hold basis'		
Bonds issued by multilateral development banks	AAA	In-house on a 'buy-and-hold' basis.		
Bonds issued by a financial institution which is guaranteed by the UK government	AAA	In-house on a 'buy-and-hold' basis		
Sovereign bond issues (i.e. other than the UK govt)	AAA	In house on a 'buy and hold basis'		

N.B. buy and hold may also include sale at a financial year end and repurchase the following day in order to accommodate the requirements of SORP2007.