

<b>CITY OF WOLVERHAMPTON COUNCIL</b>	<b>Cabinet (Resources) Panel</b> <b>3 March 2020</b>
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<b>Report title</b>	Treasury Management Activity Monitoring Quarter Three 2019-2020	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Louise Miles Resources	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All Wards	
<b>Accountable Director</b>	Claire Nye, Director of Finance	
<b>Originating service</b>	Strategic Finance	
<b>Accountable employee</b>	Alison Shannon	Chief Accountant
	Tel	01902 554561
	Email	Alison.Shannon@wolverhampton.gov.uk
<b>Report to be/has been considered by</b>	Strategic Executive Board	19 February 2020
	Our Council Scrutiny Panel	11 March 2020

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**Recommendations for noting:**

The Cabinet (Resources) Panel is recommended to note:

1. That the Council is continuing to operate within the Prudential and Treasury Management Indicators approved by Council, and also within the requirements set out in the Council's approved Treasury Management Strategy for 2019-2020.
2. That revenue underspends of £481,000 for the General Revenue Account and £243,000 for the Housing Revenue Account (HRA) are forecast from treasury management activities in 2019-2020.
3. That the Prudential and Treasury Management Indicators included in this report are the same figures as those seen by Cabinet on 19 February 2020 and will be submitted for approval by Council on 4 March 2020.

## 1.0 Purpose

- 1.1 This report provides a monitoring and progress report on treasury management activity for the third quarter of 2019-2020 and highlights the revised Prudential Indicators which are subject to approval by Council on 4 March 2020.

## 2.0 Background

- 2.1 The treasury management activities of the Council are underpinned by The Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management. For further information on the requirements of the Code please refer to the Treasury Management Strategy 2019-2020 report which can be accessed online on the Council's website [here](#).
- 2.2 Treasury management is defined as:  
"The management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."
- 2.3 The system of controls on local authority capital investment is based largely on self-regulation by local authorities themselves. At its heart is CIPFA's Prudential Code for Capital Finance.
- 2.4 Cabinet / Cabinet (Resources) Panel receives quarterly reports throughout the year to monitor performance against the strategy and Prudential Indicators that have previously been approved by Council.
- 2.5 The Council continues to use Link Asset Services as its treasury management advisors throughout 2019-2020. Link Asset Services provides market data and intelligence on which the Council can make decisions regarding all aspects of treasury management activities and in particular, managing the risks associated with investing surplus cash.

## 3.0 2019-2020 forecast

- 3.1 The forecast outturn for treasury management activities in 2019-2020 compared to budget is shown in Table 1.

**Table 1 – Treasury management budget and forecast outturn 2019-2020**

	Approved Budget £000	Forecast Outturn £000	Variance at Quarter three £000
General Revenue Account	33,683	33,202	(481)
Housing Revenue Account	9,868	9,625	(243)
<b>Total</b>	<b>43,551</b>	<b>42,827</b>	<b>(724)</b>

- 3.2 Overall, underspends of £481,000 for the General Revenue Account and £243,000 for the HRA are projected for the year 2019-2020.
- 3.3 The main reasons for the underspend for the General Revenue Account are as previously reported; a reduced borrowing need in year arising as a result of re-phasing of the capital programme offset against an increase in Minimum Revenue Provision (MRP) charges and loss of income for interest charged on loans to others. The MRP has increased due to the amount of borrowing applied in 2018-2019 against short life assets compared to the forecast. The loss of interest income is due to the revised timing of loan requests from WV Living.
- 3.4 The Council's strategy is to continue to use cash balances to finance capital expenditure rather than external borrowing. Borrowings are actively managed to achieve efficiencies wherever possible.
- 3.5 Appendix 1 to this report shows the revised Prudential and Treasury Management Indicators over the medium term period which are subject to approval by Council on 4 March 2020.

#### **4.0 Borrowing forecast for 2019-2020**

- 4.1 The Council's need to borrow and the rates available continue to be monitored in order to achieve optimum results. The Council's medium term forecast is regularly updated to reflect actual borrowing that takes place along with any revisions to future anticipated borrowing.
- 4.2 Table 2 shows the average rate of interest payable in 2018-2019 and forecast for 2019-2020.

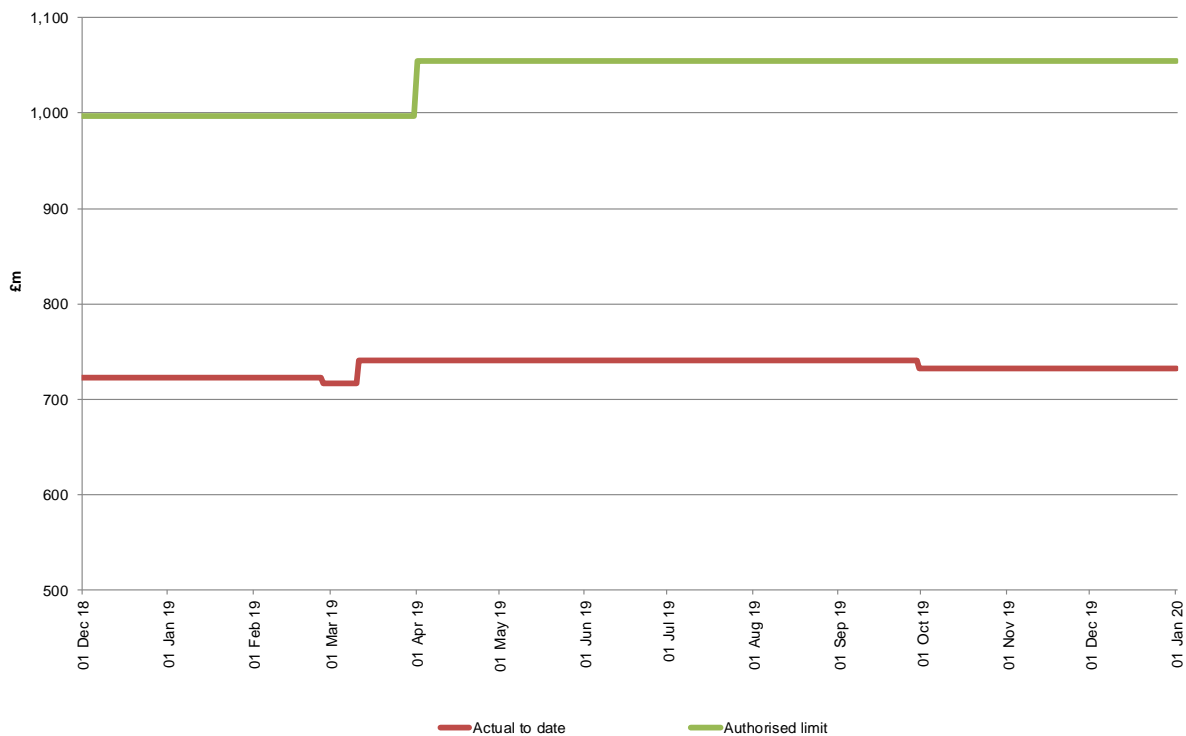
**Table 2 – Average interest rate payable in 2018-2019 and 2019-2020**

	<b>2018-2019 Actual</b>	<b>2019-2020 Forecast</b>
Average Interest Rate Payable	3.75%	3.74%

- 4.3 Each year it is necessary to raise new loans to finance capital expenditure and to replace existing maturing borrowing. The Council's policy is to prioritise the use of capital receipts to finance capital expenditure. Balances which are set aside to meet credit liabilities (i.e. to repay borrowing) are used to reduce the external borrowing requirement. Decisions to take borrowing will be made by the Director of Finance when it is judged that rates are likely to be at their lowest levels, and probably about to rise according to market indications, and only when an inflow of funds is required to meet imminent cash flow commitments. This will keep overall surplus cash balances to a minimum, in line with the current strategy. Appendix 2 to this report shows the maturity profile of external borrowing.

- 4.4 As always, the Council needs to be mindful that the opportunity to secure short term savings by postponing longer term borrowing requirements takes into account the risk of long term rates increasing in the future. Appendix 3 to this report includes the Link Asset Services interest rate forecast for quarter three 2019-2020 which forecasts that interest rates across all periods will increase up to March 2023. The Director of Finance will continue to keep actual and forecast rates under close review.
- 4.5 The Council's borrowing profile continues to operate within the overall limits previously approved by Council, as shown in Chart 1.

**Chart 1 – Comparison of borrowing within approved borrowing limits over the previous 12 months**



- 4.6 The level of borrowing at 31 December 2019 is £732.9 million. Appendix 4 to this report shows a summary of this position along with a detailed breakdown of new loans and repayments made throughout the year. There is no existing borrowing due to be repaid in quarter four.
- 4.7 In March 2019, Council approved a net borrowing requirement for 2019-2020 of £206.8 million. The forecast net borrowing requirement for 2019-2020 is £77.4 million, as shown in appendix 5 to this report. This appendix also shows the details for the disclosure for certainty rate, which enables the Council to access discounted borrowing at 0.20% below normal Public Works Loan Board (PWLb) rates.

## 5.0 Investment forecast for 2019-2020

- 5.1 The approach during the year is to continue to use cash balances to finance capital expenditure so as to keep cash balances low.
- 5.2 Table 3 shows the total amount of surplus funds invested as at 30 September 2019 and 31 December 2019.

**Table 3 – Total amounts invested 2019-2020**

	30 September 2019 £000	31 December 2019 £000
Business Reserve Accounts	120	8,049
Money Market Funds	20,190	20,755
	<b>20,310</b>	<b>28,804</b>
Average cash balance for the year to date	35,165	33,972

- 5.3 Money Market Funds and Business Reserve Accounts are the main investments used as these have high credit ratings and instant access which is consistent with the Council's strategy.
- 5.4 The Council's cash flow balance for the third quarter of the current financial year has moved between a low of £20.0 million and a maximum of £40.9 million. The average cash balance for the quarter being £31.3 million.
- 5.5 Table 4 shows the budgeted average rate of interest receivable in 2019-2020 and the forecast for the year.

**Table 4 – Average interest rate receivable in 2019-2020**

	2019-2020 Budget	2019-2020 Forecast
Average Interest Rate Receivable	0.60%	0.71%

- 5.6 Due to the continuing low interest rates on offer, a prudent percentage was used for budgeting purposes, as can be seen a slightly higher rate is forecast based on rates achieved so far during the year.
- 5.7 Investment rates are expected to continue to be below long term borrowing rates, in which case, the Council can minimise its overall net treasury costs in the short term by continuing to avoid new external borrowing and by using internal cash balances to finance new capital expenditure or to replace maturing external borrowing (this is referred to as internal borrowing).

- 5.8 The Council manages its investments in-house and invests only in the institutions listed in the Council's approved lending list, which is reviewed each time a counterparty is subject to a credit rating amendment. The Council's strategy allows for investments for a range of periods from overnight to five years, depending on the Council's cash flows, its interest rate view and the interest rates on offer. However, in order to maintain sufficient liquidity whilst total investment levels are relatively low, most investments have been placed for shorter durations.
- 5.9 The approved Treasury Management Code of Practice sets out the criteria to be used for creating and managing approved counterparty lists and limits. As a result of any changes to credit criteria, the Director of Finance is authorised to make changes to the list of approved counterparties. In the event that any of these counterparties fall below the Council's minimum lending criteria, activity in that account will temporarily cease and any balance withdrawn immediately. Appendix 6 to this report shows the Council's current specified investments lending list.
- 5.10 In quarter three 2019-2020 the Director of Finance has not been required to use her discretion to temporarily exceed any upper limits with approved counter-parties.

## **6.0 Evaluation of alternative options**

- 6.1 As this is a monitoring report of treasury management activities undertaken in line with the approved Treasury Management Strategy 2019-2020, there are no alternative options available.

## **7.0 Reasons for decision**

- 7.1 This report provides an update on treasury management activities undertaken in line with the approved Treasury Management Strategy 2019-2020.

## **8.0 Financial implications**

- 8.1 The financial implications are discussed in the body of this report.  
[SH/07022020/U]

## **9.0 Legal implications**

- 9.1 The Council's Treasury Management activity must be carried out in accordance with the requirements of the Local Government Act 2003. In addition, the Local Government and Housing Act 1989 sets out requirements for local authorities in respect of capital controls, borrowing and credit arrangements. The Council is also required to comply with the Local Authority (Capital Finance and Accounting) (England) (Amendment) Regulations 2008.
- 9.2 Treasury Management relates to the management of the Council's cash flow, borrowing and cash investments. This involves seeking the best rates of interest for borrowing, earning interest on investments, whilst managing risk in making financial decisions and adopting proper accounting practice.

9.3 This area is heavily regulated. The Local Government and Housing Act 1989 regulates the operation of the Housing Revenue Account. The 'CIPFA Code of Practice for Treasury Management in Public Services', contains treasury management indicators and advice on treasury management strategy. Investment strategy is regulated by 'MHCLG Guidance on Local Government Investments' issued initially in 2004 and re-issued in 2010 and 2018. Part 2 of this Guidance is statutory guidance.  
[TS/06022020/Q]

## **10.0 Equalities implications**

10.1 There are no equalities implications arising from this report.

## **11.0 Climate change and environmental implications**

11.1 There are no climate change and environmental implications arising from this report.

## **12.0 Human resources implications**

12.1 There are no human resources implications arising from this report.

## **13.0 Corporate landlord implications**

13.1 There are no corporate landlord implications arising from this report.

## **14.0 Health and Wellbeing Implications**

14.1 There are no health and wellbeing implications arising from this report.

## **15.0 Schedule of background papers**

15.1 Cabinet, 20 February 2019 – [‘Treasury Management Strategy 2019-2020’](#)

15.2 Cabinet, 10 July 2019 – [‘Treasury Management – Annual Report 2018-2019 and Activity Monitoring Quarter One 2019-2020’](#)

15.3 Cabinet, 13 November 2019 – [‘Treasury Management Activity Monitoring – Mid Year Review 2019-2020’](#)

15.4 Cabinet, 19 February 2020 – [‘Treasury Management Strategy 2020-2021’](#)

## **16.0 Appendices**

16.1 Appendix 1 – Prudential and Treasury Management Indicators

16.2 Appendix 2 – Borrowing maturity profile

16.3 Appendix 3 – Link interest rate forecasts

16.4 Appendix 4 – Borrowing type, borrowing and repayments

16.5 Appendix 5 – Disclosure for certainty rate

16.6 Appendix 6 – Lending list

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## Prudential Indicators (PI) required by The Prudential Code

**PI for Prudence** - Ensuring that external debt is sustainable and compliance with good professional practice are essential features of prudence.

### PI 1 - Estimates and actual capital expenditure.

Full details of capital expenditure plans and funding can be found in the quarter three capital budget monitoring 2019-2020 report.

	Approved by Council 6 March 2019			For approval by Council 4 March 2020		
	2019-2020 Forecast £000	2020-2021 Forecast £000	2021-2022 Forecast £000	2019-2020 Forecast £000	2020-2021 Forecast £000	2021-2022 Forecast £000
General *	170,756	59,398	7,152	111,998	168,620	56,009
HRA	99,350	90,770	77,660	63,596	79,708	82,828
	270,106	150,168	84,812	175,594	248,328	138,837
* Commercial activities / non-financial investments included in General figure. These relate to areas such as capital expenditure on investment properties and loans to third parties etc.	17,000	17,350	-	25,662	27,257	10,000

### PI 2 - Estimates and actual capital financing requirement General and HRA.

The capital financing requirement measures the authority's underlying need to borrow for a capital purpose.

	Approved by Council 6 March 2019			For approval by Council 4 March 2020		
	2019-2020 Forecast £000	2020-2021 Forecast £000	2021-2022 Forecast £000	2019-2020 Forecast £000	2020-2021 Forecast £000	2021-2022 Forecast £000
General *	729,726	745,447	729,723	679,931	740,334	730,838
HRA	308,896	356,087	392,946	263,734	297,250	335,264
	1,038,622	1,101,534	1,122,669	943,665	1,037,584	1,066,102
* Commercial activities / non-financial investments included in General figure. These relate to areas such as capital expenditure on investment properties and loans to third parties etc.	36,286	25,763	25,068	18,712	26,399	15,078
<b>Movement in capital financing requirement represented by:</b>						
New borrowing for capital expenditure	166,189	100,479	57,866	91,720	127,037	65,759
Less minimum revenue provision/voluntary minimum revenue provision	(36,481)	(37,567)	(36,731)	(41,441)	(33,118)	(37,241)
Movement in capital financing requirement	129,708	62,912	21,135	50,279	93,919	28,518

### PI 3 - Authorised limit for external debt.

These limits apply to the total external debt gross of investments and separately identify borrowing from other long term liabilities such as finance leases including Private Finance Initiatives (PFI).

	For approval by Council 4 March 2020		
	2019-2020 Limit £000	2020-2021 Limit £000	2021-2022 Limit £000
Borrowing	1,054,931	1,049,311	1,100,137
Other Long Term Liabilities	86,553	87,249	84,637
Total Authorised Limit *	1,141,484	1,136,560	1,184,774
Actual and Forecast External Debt as at 31 December 2019	896,876	1,032,794	1,063,389
Variance (Under) / Over Authorised limit	(244,608)	(103,766)	(121,385)
* Commercial activities / non-financial investments included within this figure.	40,438	45,893	43,867

## Prudential Indicators (PI) required by The Prudential Code

<b>PI 4 - Operational boundary for external debt.</b>			
This is based on the same estimates as the authorised limit but directly reflects the Director of Finance's estimate of the most likely, prudent but not worst case scenario, without the additional headroom included.			
	For approval by Council 4 March 2020		
	2019-2020 Limit £000	2020-2021 Limit £000	2021-2022 Limit £000
Borrowing	1,013,398	1,018,328	1,083,775
Other Long Term Liabilities	86,545	85,247	82,635
Total Operational Boundary Limit *	1,099,943	1,103,575	1,166,410
Actual and Forecast External Debt as at 31 December 2019	896,876	1,032,794	1,063,389
Variance (Under) / Over Operational Boundary Limit	(203,067)	(70,781)	(103,021)
* Commercial activities / non-financial investments included within this figure.	35,760	43,867	43,867

<b>PI 5 - Gross debt and the capital financing requirement.</b>						
*In order to ensure that over the medium term debt will only be for a capital purpose, the local authority should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years*.						
	Approved by Council 6 March 2019			For approval by Council 4 March 2020		
	2019-2020 Forecast £000	2020-2021 Forecast £000	2021-2022 Forecast £000	2019-2020 Forecast £000	2020-2021 Forecast £000	2021-2022 Forecast £000
Forecast Capital Financing Requirement at end of Second Year	1,122,670	1,123,546	1,123,546	1,066,104	1,086,737	1,102,383
Gross Debt	1,038,222	1,101,133	1,122,269	896,876	1,032,794	1,063,389
Capital Financing Requirement Greater than Gross Debt	Yes	Yes	Yes	Yes	Yes	Yes

**PI for Affordability** - These indicators are used to ensure the total capital investment of the Council is within a sustainable limit and the impact of these decisions are considered with regard to acceptable council tax and housing rent levels.

<b>PI 6 - Estimates and actual ratio of financing costs to net revenue stream.</b>						
This represents the cost of financing capital expenditure as a % of net revenue for both General and HRA.						
	Approved by Council 6 March 2019			For approval by Council 4 March 2020		
	2019-2020 Forecast	2020-2021 Forecast	2021-2022 Forecast	2019-2020 Forecast	2020-2021 Forecast	2021-2022 Forecast
General *	14.3%	17.2%	17.5%	14.2%	14.9%	18.1%
HRA	34.5%	35.5%	35.8%	28.8%	30.3%	30.9%
* Commercial activities / non-financial investments included in General figure. These relate to areas such as capital expenditure on investment properties and loans to third parties etc.	0.7%	0.7%	0.6%	0.7%	0.9%	0.9%

## Treasury Management Indicators (TMI) required by The Treasury Management Code

### TMI 1 - Upper limits to the total of principal sums invested over 365 days.

This details the maximum amount which can be invested for up to 5 years (as per paragraph 1.5 of the Annual Investment Strategy). It has been determined that a maximum of 50% of total investments with a cap of £35.0 million could be prudently committed to long term investments should the Director of Finance decide it is appropriate to.

	Approved by Council 6 March 2019		
	2019-2020 Limit £000	2020-2021 Limit £000	2021-2022 Limit £000
Upper limit for more than 365 days	35,000	35,000	35,000
Actual and Forecast Invested at 31 December 2019	-	-	-
Variance (Under) / Over Limit	(35,000)	(35,000)	(35,000)

### TMI 2 - Upper and lower limits to the maturity structure of its borrowing.

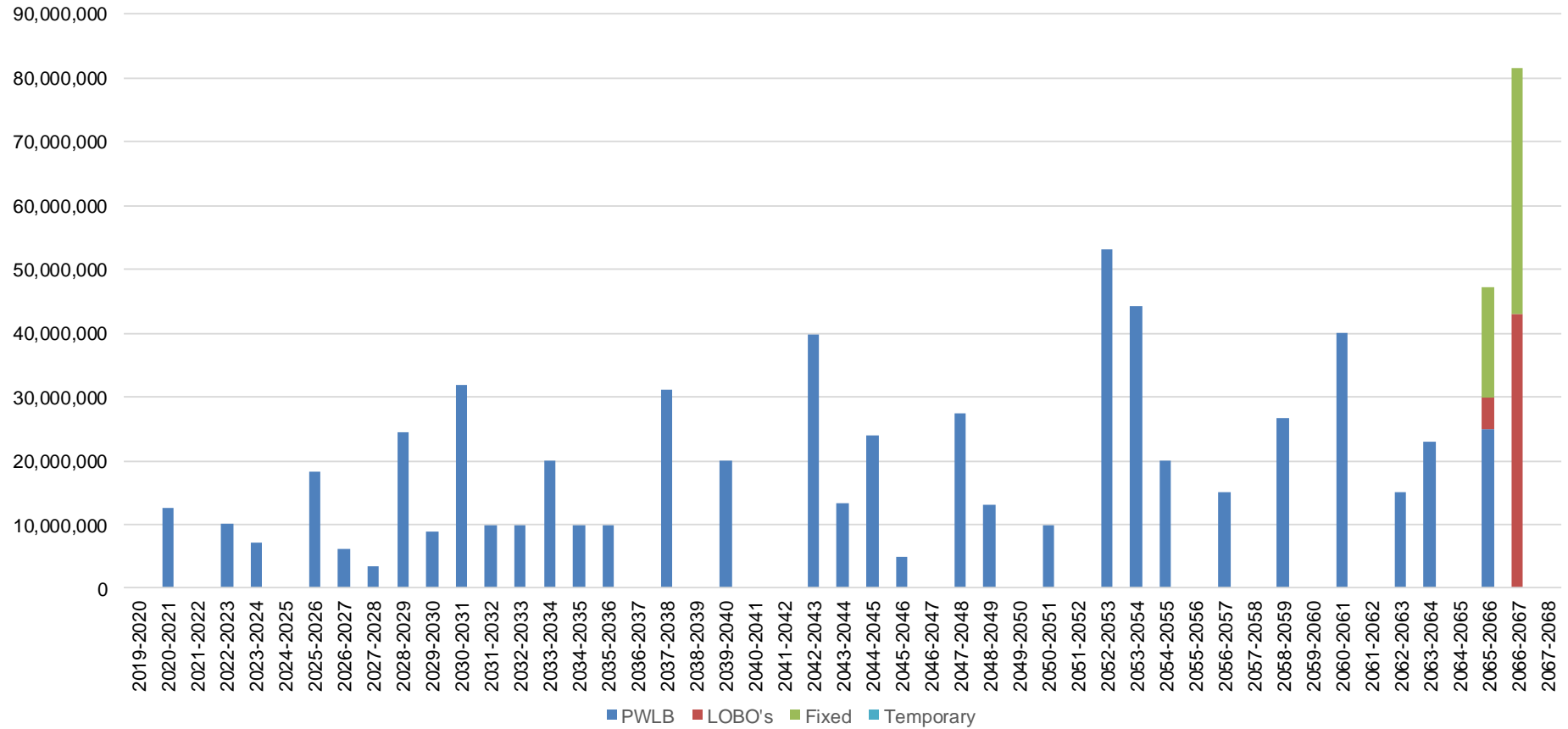
These limits relate to the % of fixed and variable rate debt maturing.

	Approved by Council 6 March 2019		For approval by Council 4 March 2020
	Upper Limit	Lower Limit	2019-2020 Forecast Borrowing
Under 12 months	25%	0%	2.16%
12 months and within 24 months	25%	0%	-
24 months and within 5 years	40%	0%	2.13%
5 years and within 10 years	50%	0%	7.57%
10 years and within 20 years	50%	0%	17.65%
20 years and within 30 years	50%	0%	24.09%
30 years and within 40 years	50%	0%	20.87%
40 years and within 50 years	50%	0%	25.53%
50 years and within 60 years	50%	0%	-

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Borrowing Maturity Profile at 31 December 2019

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**Interest rate forecasts**

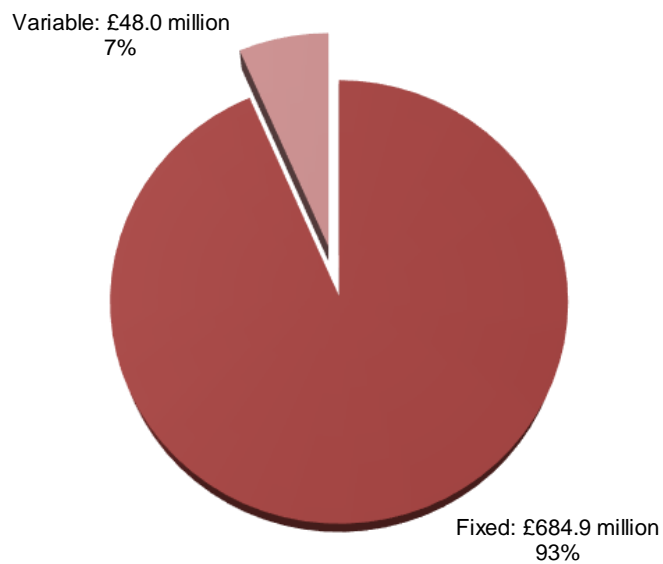
The Council's treasury advisor, Link Asset Services, has provided the following forecast:

Link Asset Services Interest Rate View													
	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Bank Rate View	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00	1.25	1.25	1.25	1.25
3 Month LIBID	0.70	0.70	0.80	0.90	1.00	1.00	1.00	1.10	1.20	1.30	1.30	1.30	1.30
6 Month LIBID	0.80	0.80	0.90	1.00	1.10	1.10	1.20	1.30	1.40	1.50	1.50	1.50	1.50
12 Month LIBID	1.00	1.00	1.10	1.20	1.30	1.30	1.40	1.50	1.60	1.70	1.70	1.70	1.70
5yr PWLB Rate	2.40	2.40	2.50	2.50	2.60	2.70	2.80	2.90	2.90	3.00	3.10	3.20	3.20
10yr PWLB Rate	2.70	2.70	2.70	2.80	2.90	3.00	3.10	3.20	3.20	3.30	3.30	3.40	3.50
25yr PWLB Rate	3.30	3.40	3.40	3.50	3.60	3.70	3.70	3.80	3.90	4.00	4.00	4.10	4.10
50yr PWLB Rate	3.20	3.30	3.30	3.40	3.50	3.60	3.60	3.70	3.80	3.90	3.90	4.00	4.00

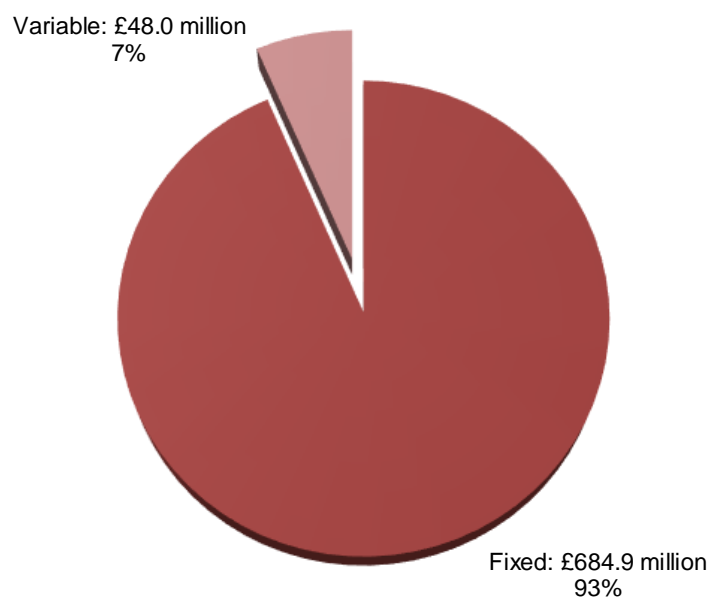
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**Borrowing by Type**  
**As at 30 September 2019**



**As at 31 December 2019**



## Borrowing and Repayments in 2019-2020

	Start Date	Maturity Date	Amount £000	Length	Interest Rate	Full Year Interest £000
<b>2019-2020 Borrowing</b>						
<b>PWLB Fixed Maturity:</b>						
No activity in quarter 3						
<b>Sub total for PWLB</b>			-			-
<b>Temporary Loans:</b>						
No activity in quarter 3						
<b>Sub total for Temporary Loans</b>			-			-
<b>Grand total borrowing</b>			-			-

	Start Date	Maturity Date	Amount £000	Length	Interest Rate	Full Year Interest £000
<b>2019-2020 Repayments</b>						
<b>PWLB Fixed Maturity:</b>						
No activity in quarter 3						
<b>Sub total for PWLB</b>			-			-
<b>Temporary Loans:</b>						
				years		
London Borough of Wandsworth	28/09/2017	30/09/2019	8,000	2	0.80%	64
<b>Sub total for Temporary Loans</b>			<b>8,000</b>		<b>0.80%</b>	<b>64</b>
<b>Grand total repayments</b>			<b>8,000</b>			<b>64</b>
<b>Net movement</b>			<b>(8,000)</b>			<b>(64)</b>

## Disclosure for certainty rate

<b>Certainty Rate</b>						
This table details the information that is required to enable the Council to submit a return for 2019-2020						
	Approved by Council 6 March 2019			As at 31 December 2019		
	2019-2020 Forecast £000	2020-2021 Forecast £000	2021-2022 Forecast £000	2019-2020 Forecast £000	2020-2021 Forecast £000	2021-2022 Forecast £000
<b>Net Borrowing Requirement:</b>						
Borrowing to finance planned capital expenditure	166,129	100,373	57,554	91,660	123,931	65,447
Existing maturity loans to be replaced during the year	73,000	62,500	50,000	23,000	59,500	34,077
Less:						
Minimum Revenue Provision for debt repayment	(15,445)	(18,247)	(18,910)	(16,220)	(17,896)	(20,920)
Voluntary debt repayment	(16,850)	(14,937)	(14,897)	(21,035)	(10,839)	(13,397)
	(32,295)	(33,184)	(33,807)	(37,255)	(28,735)	(34,317)
Loans replaced less debt repayment	40,705	29,316	16,193	(14,255)	30,765	(240)
<b>Net Advance Requirement</b>	<b>206,834</b>	<b>129,689</b>	<b>73,747</b>	<b>77,405</b>	<b>154,696</b>	<b>65,207</b>

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## Lending List

## 2019-2020 Specified Investments as at 31 December 2019

Institution	Country (Sovereign Rating)	Limit £000	Term Limit
Australia & New Zealand Banking Group Ltd	Australia (AAA)	10,000	6 mths
Bank Netherlandse Gemeenten	Netherlands (AAA)	20,000	12 mths
Commonwealth Bank of Australia	Australia (AAA)	10,000	6 mths
DBS Bank Ltd	Singapore (AAA)	10,000	6 mths
Landwirtschaftliche Rentenbank	Germany (AAA)	20,000	12 mths
National Australia Bank Ltd	Australia (AAA)	10,000	6 mths
National Bank of Abu Dhabi	Abu Dhabi (U.A.E) (AA)	5,000	3 mths
NRW.BANK	Germany (AAA)	20,000	12 mths
Oversea Chinese Banking Corporation Ltd	Singapore (AAA)	10,000	6 mths
United Overseas Bank Ltd	Singapore (AAA)	10,000	6 mths
Westpac Banking Corporation	Australia (AAA)	10,000	6 mths
<b>Nationalised Banks</b>			
<b>Royal Bank of Scotland Group plc</b>			
National Westminster Bank plc	UK (AA)	10,000	3 mths
The Royal Bank of Scotland plc	UK (AA)	10,000	3 mths
<b>Money Market Funds</b>		<b>Fund Rating</b>	
Invesco STIC Account	Fitch AAmmf	20,000	Instant Access
Aberdeen Liquidity Fund (LUX) Class 2	Fitch AAmmf	20,000	Instant Access
Federated Short-Term Sterling Prime Fund	Fitch AAmmf	20,000	Instant Access
Black Rock Sterling Liquidity Fund	Moody's Aaa-mf	20,000	Instant Access
Scottish Widows Sterling Liquidity Fund	Moody's Aaa-mf	20,000	Instant Access

**Non-rated Institutions**

County Councils, London Boroughs, Metropolitan Districts and Unitary Authorities - limits £6m and 12 months.  
 Shire District Councils, Fire and Civil Defence Authorities, Passenger Transport Authorities and Police  
 Authorities - limits £3m and 12 months.

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