SOUTHEND-ON-SEA BOROUGH COUNCIL

CHANGES FROM THE 2013/14 TREASURY MANAGEMENT POLICY

Change	Appendix	Paragraph
Removal of the reference to Sector as our Treasury Management Adviser as this service is currently out to tender and therefore the adviser for 2014/15 is not currently known.	1 and 3	4.1 in Appendix 1 and 3.10, 4.10 and 4.16 in Appendix 3
Addition of 'or via the Local Government Association (LGA)' to allow use of the LGA municipal bond agency if deemed appropriate and cost effective.	1	7.2
Removal of the bullet point for LATS trading (LATS was the Landfill Allowances Trading Scheme for allowances to dispose of waste), as the LATS scheme in England closed after the 2012/13 scheme year and trading was therefore only permitted until the end of September 2013.	1	11
Removal of the paragraph regarding using short term borrowing to bridge the timing of capital receipts.	2	5.5 in 2013/14
To increase flexibility, the addition of the PWLB as an approved source of short term borrowing of monies in order to manage the cash flow and maintain liquidity.	3	3.7
To amend the 'up to three month investment' category to 'up to 100 days investment', to allow greater flexibility of counterparties given the banks' liquidity rule changes.	3	4.8
To amend the credit ratings matrices for up to one year to allow investments up to 100 days for viability/financial strength ratings of the lower of bb- to bbb- for Fitch and C-/D+ for Moodys where the support rating is 1. This will allow more flexibility for no greater risk than the ratings combinations for up to 100 days where the support rating is 3.	3	4.8

New paragraph included allowing banks included in the counterparty list whose parent company is not in the range permitted by the table in paragraph 5.1 but whose UK operations are ring-fenced to the UK, to have a counterparty limit of £20 million.	3	5.3
Addition of 'These deposits will have a maximum duration of 5 years'. This is to give a time limit to deposits with other local authorities, to be consistent with other deposits.	3	5.10