

**TEIGNBRIDGE DISTRICT COUNCIL TREASURY MANAGEMENT:
AUTHORISED LENDING LIST FROM 2 OCTOBER 2018**

Lending list

The current authorised lending list has been updated to take account of changes in ratings and is shown below for approval.

Type of Lender	Details	
1. Current Banker	Lloyds Bank	£3,000,000 limit
2. Local Authorities	All	£3,000,000 limit
3. UK Debt Management Office Deposit Facility (UK government AA/Aa2/AA rated) no limit.		
4. UK Treasury Bills (UK government AA/Aa2/AA rated) no limit.		
5. Public Sector Deposit Fund	AAAmmf	£3,000,000 limit
6. Standard Life Sterling Liquidity Fund	AAAmmf	£3,000,000 limit
7. Top UK-registered Banks and Building Societies, subject to satisfactory ratings.		

Institution	Tier	90 day limit	180 day limit	364 day limit	Overall limit
		£	£	£	£
Close Brothers Ltd	1	3,000,000	2,000,000	1,000,000	3,000,000
Santander UK plc	1	3,000,000	2,000,000	1,000,000	3,000,000
Nationwide Building Society	1	3,000,000	2,000,000	1,000,000	3,000,000
Lloyds Bank plc and Bank of Scotland plc	1	3,000,000	2,000,000	1,000,000	3,000,000
Coventry Building Society	2	2,000,000	1,000,000		2,000,000
National Westminster Bank	2	2,000,000	1,000,000		2,000,000
Leeds Building Society	3	1,000,000			1,000,000
Clydesdale Bank	3	1,000,000			1,000,000
Nottingham Building Society	3	1,000,000			1,000,000
Principality Building Society	3	1,000,000			1,000,000
Royal Bank of Scotland	3	1,000,000			1,000,000
Skipton Building Society	3	1,000,000			1,000,000
Yorkshire Building Society	3	1,000,000			1,000,000

From 1 January 2019, the largest UK banks must separate core retail banking from investment banking in order to support financial stability and make any potential failures easier to manage without the need for a government bailout. In addressing this ring-fencing requirement, banks have taken various approaches about which side of the bank is best suited for local authorities. Allocation to the “investment” sector by Barclays resulted in removal from the lending list due to the perception of higher risk from the ratings agencies. For this update, Leeds Building Society have been moved to Tier 3 due to reduced ratings and Royal Bank of Scotland have been added back to the list due to improved ratings.

Officers will continue to seek the best rate, balanced against risk, at the time of investment. Use of call and notice accounts with Santander, Lloyds and Clydesdale continue. These accounts provide access to flexible deposits, with a range of access options and interest rates. Treasury Bills, an AA/Aa2/AA (very securely) rated, short dated form of Government debt which are issued by the Debt Management Office via a weekly tender are also included on the lending list, offering the Council an additional secure investment option.