

## Treasury Management Scrutiny Report

## Internal Lending List of Tonbridge and Malling Borough Council

Checked against Sector Duration Matrix dated 28/05/10

TMBC minimum investment criteria AA-, F1+, B, 1 unless there is an implicit guarantee by HMG.

Money Market Funds minimum investment criteria AAA, MR1+.

Counterparty	Government Direct Guarantee or investment in bank	Sovereign Rating Must not be less than AA	Country	L/Term	S/Term	Individual	Support	Obligor limit subject to specific approval by DoF/CA for amounts of over £2m	Duration limit subject to approval by 2 of DOF, CA and CE and Sector duration limit if > overnight.	Sector Duration
Alliance & Leicester - wholly owned sub of Santander - Group limit £5m	Implicit guarantee by HMG plus expected support from parent.	AAA	GBR	AA-	F1+	B	1	£2m	Overnight unless approved as above then max 6 months	6 months
Bank of Scotland Plc - Group limit with HBOS and Lloyds TSBC of £5m	Now part of Lloyds and covered by the implicit guarantee from HMG	AAA	GBR	AA-	F1+	C	1	£2m	Overnight unless approved as above then max 12 months	1 year
Barclays Bank plc	Implicit guarantee by HMG	AAA	GBR	AA-	F1+	B	1	£2m	Overnight unless approved as above then max 6 months	6 months
DMADF - a/c	HMG	HM Govt owned	GBR	Government owned				£10m	Overnight unless approved as above then max 3 months	3 months
HSBC Bank plc	Implicit guarantee by HMG	AAA	GBR	AA	F1+	B	1	£2m	Overnight unless approved as above then max 12 months	1 year
Lloyds TSB Bank - Group limit with HBOS and BOS of £5m	Implicit guarantee by HMG	AAA	GBR	AA-	F1+	C	1	£2m	Overnight unless approved as above then max 12 months	1 year
National Westminster Bank (RBS) - Group limit with RBS and Ulster Bank of £10m	Implicit guarantee by HMG	AAA	GBR	AA-	F1+		1	£2m	Overnight unless approved as above then max 12 months	1 year
Nationwide Building Society	Implicit guarantee by HMG	AAA	GBR	AA-	F1+	B	1	£2m	Overnight unless approved as above then max 6 months	6 months
The Royal Bank of Scotland plc - Group limit with Nat West and Ulster Bank of £10m	Implicit guarantee by HMG	AAA	GBR	AA-	F1+	D/E	1	£2m	Overnight unless approved as above then max 12 months	1 year
Santander - Formerly Abbey plc - wholly owned sub of Santander - Group limit with A&L of £5m	Implicit guarantee by HMG plus expected support from parent.	AAA	GBR	AA-	F1+	B	1	£2m	Overnight unless approved as above then max 6 months	6 months
Svenska Handelsbanken		AAA	SWE	AA-	F1+	B	1	£2m	Overnight unless approved as above then max 12 months	1 year
UK Government Gilts	HMG	AAA	GBR	Guaranteed by HMG				£2m	1 year	
UK Local Authorities	HMG		GBR	Secured on revenues of authority				£2m	1 year	
<b>Money Market Funds</b>										
- Global Treasury Funds	Implicit support of HMG via RBS	AAA	GBR	AAA/MR1+	AAA			£2.5m	Overnight unless approved as above then max 3 months	3 months
- Insight	Implicit support of HMG via RBS	AAA	GBR	AAA/MR1+	AAA			£2.5m	Overnight unless approved as above then max 3 months	3 months
- Goldman Sachs	Implicit support of HMG via RBS	AAA	GBR	AAA/MR1+	AAA			£2.5m	Overnight unless approved as above then max 3 months	3 months
- Blackrock	Implicit support of HMG via RBS	AAA	GBR	AAA/MR1+	AAA			£2.5m	Overnight unless approved as above then max 3 months	3 months
Approved by Director of Finance - No change			on 1 June 2010							

Sector rating & duration limit	N/C	G	R	O	B	P	
0 days		3 month	6 months	1 year	1 year	2 years	TMBC

The Sector duration colours have been faithfully represented above. However, the duration adopted by TMBC and recorded in the duration limit column may in some cases be less than that suggested by Sector. The duration of any investment must at no time exceed the Sector duration limit.