

AVON PENSION FUND –CURRENT TREASURY MANAGEMENT POLICY

- (1) The management of the pension fund cash will be delegated to the Treasury Management team.
- (2) The monies will be invested separately from the Council's and the Fund will receive the actual interest earned. Monies will be paid out of and received back in to the Pension Fund bank account.
- (3) The Pension Fund will use the same criteria for counterparties as approved by the Council on an annual basis.
- (4) The Treasury Manager will inform the pension fund of any change in the criteria for the counterparty list.
- (5) The maximum invested by the pension fund with any one counterparty will be as follows:

Where the Council has a limit of:	The Pension Fund will have a limit of:
£10 million (including £20m temporary increase in UK Banks)	£5 million
£5 million	£3 million
£3 million	£3 million

- (6) The Pension Fund's limits are in addition to the Council's limit in any single counterparty.
- (7) The maximum term with any counterparty will be as follows:

Where the Council has a limit of:	The Pension Fund will have a limit of:
1 year	6 months
6 months	3 months
3 months	3 months

- (8) The cash retained as a working balance will target £10 million.
- (9) All Treasury Management activity related to the Pension Fund will be reported to the Pension Fund Finance and Systems Manager on a regular basis.

Approved by Pension Fund Committee 18 December 2009