

Devon and Cornwall Police Authority Resources Committee

28 September 2005

Open for the purposes of FOI

Report of the Treasurer

Treasury Management Report 2005-06

Recommendations:

- (i) That the attached Treasury Management report be accepted;**
- (ii) That the committee approve the use of Money Market Funds as detailed in the report below.**

1. The Police Authority has approved and adopted a Treasury Management Strategy and associated policies and practices. These need to be reviewed from time to time. One investment instrument that is becoming more widely used since it became an approved investment in 2002 is the Money Market Fund.
2. These are short term financial funds which invest at least 95% of their assets in money market instruments i.e. cash and near cash such as certificates of deposit. The funds operate in sterling and guidelines are in place to ensure that they obtain a AAA rating, the highest available.
3. In order to provide further flexibility, with the potential to earn marginal additional returns, it is recommended that The Treasurer be authorised to deal in money market funds where they carry a AAA rating. Generally, this will be through Devon County Council. Further, it is recommended that a limit of £5 million be placed on an investment in any individual Fund and a limit of £10 million overall.

Contact for information:

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