**Document 2 – Requirements Specification**

**Requirement – Stonewater Treasury Advisory Service (00010-FIN)**

Any bidder wishing to be considered for the above requirement **must** be able to provide and directly support all requirements stated below.

**Provide:**

1. Daily financial market information, to include SONIA as a minimum
2. Regular (daily, weekly or monthly, as appropriate) updates on funding markets, inflation, UK and international macroeconomics
3. Assumptions for forecast SONIA rates for budgeting purposes
4. Regular updates on counterparty credit ratings

**Funding & Hedging**

Provide analysis, guidance and advice on:

1. All aspects of structure of debt, hedging and investments, to include

* Interest management strategy
* Term and market structure of debt

1. Structuring and implementing funding from bank, bond and other markets

* To include negotiations with counterparties where requested
* To exclude Advisor / Arranger / Bookrunner role

1. Detailed assistance on structuring and implementing hedging transactions
2. Provide annual strategy for funding and hedging
3. Provide mark-to-market valuations to be available daily
4. Provide monthly accounting entries for hedging portfolio
5. Undertake EMIR compliance, as requested by Stonewater

**Other Treasury**

1. Review treasury policies initially and upon request and provide advice in line with good practice
2. Provide analysis and advice on investments

**Business Planning**

1. Provide business planning assumptions for inflation, interest rates and other parameters
2. Review plans, and undertake scenario / risk analysis

**Credit Rating**

1. Analyse business plans in terms of rating agency criteria (minimum 3 per annum, plus ad hoc)
2. Provide advice and guidance before and during annual and other reviews

**Training**

1. Provide training to Board, Stonewater executive or staff on treasury and corporate finance subjects

**Board and Finance Committee meetings**

1. Attend Board or Finance Panel meetings on request

**Key attributes we are looking for in our Treasury Advisor are:**

**Professional, Expertise & Analysis**

* Experienced practitioners in funding , treasury and corporate finance arenas
* Rigorous, practical and relevant analysis and advice
* Issues identified at an early stage and proactive planning and advice given
* Advice tailored to the specific strategic needs of Stonewater
* Experience in providing training on treasury and corporate finance topics appropriate to the specific audience

**Strategic & Market Awareness, Relationship**

* Based on excellent market knowledge and strategic insight
* Up to date with issues – within the relevant financial markets, housing sector, and government, regulatory and economic policy
* Maintain regular communication which is useful and relevant, at appropriate levels within Stonewater
* Continuing interest in the Association’s business

**Service Quality and Delivery**

* Respond to requests in a timely manner, consistently meet agreed deadlines
* Proper and adequate notice given of delays or previously unforeseen problems
* Reports should be in a readable form, user friendly, well presented and at a technical level appropriate to the specific audience
* Reports should be discussed in draft form with the responsible staff before they are issued

**Managing the Service**

* Material issues dealt with sensitively and at the appropriate level
* Staffing consistent and appropriate to the point of service delivery, and changes openly discussed with Stonewater and executed efficiently. Any changes to staffing should be of the same experience and hold the equivalent qualifications.

**Value**

* Fees offering Value for Money in terms of financial benchmarking
* Additional costs monitored and variations explained
* Contribution to improving Stonewater’s business efficiency and treasury processes