



Supplement for

OVERVIEW AND SCRUTINY COMMITTEE - MONDAY, 13 OCTOBER 2025

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| 5. | Matters Arising from Minutes of the Previous Meeting 3 - 4 |
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TREASURY MANAGEMENT INVESTMENTS Q1

Financial Performance Report – Q1 2025/26 Table 6 including Interest Rate % for each investment type.

Table updated in response to a question raised at Overview and Scrutiny Committee.
Narrative from the Q1 report reproduced for completeness.

Investment type	Balance Invested at 30/06/25 (£'000)	Investment Income received to 30/06/2025 (£'000)	2025/26 Forecast (£'000)	Interest Rates at 30/06/25 (%)
Bank of England DMADF	7,650	94	418	4.21
Money Market Funds				
Federated Money Market Fund	3,000	33	132	4.31
DGLSMoney Market Fund	3,000	33	132	4.30
Insight Liquidity Money Market Fund	3,000	27	127	4.26
Lloyds Instant Access	1,780	4	16	4.04
Santander Call Account	1	-	1	2.48
Other Short-term deposits	1,000	8	8	4.22
Real Estate Investment Trusts (REIT)				
Fundamentum Housing REIT	660	8	30	3.01
Cash Plus Fund				
Federated Cash Plus Fund	1,227	-	-	N/A
Pooled Funds				
CCLA Property Fund	2,199	25	93	3.99
Schroders Income Maximiser Fund	908	10	54	8.67
CCLA Cautious Multi Asses Fund	938	11	30	4.58
M&G UK Income Fund	1,880	54	104	10.71
Ninety-One (Investec) Diversified Fund	1,823	21	98	4.30
Columbia Threadneedle Bond Fund	1,958	21	83	4.14
	31,024	349	1,326	4.80



TREASURY MANAGEMENT INVESTMENTS Q1

Treasury Management

- 4.33** Dividends from the Council's longer-term investments (Pooled funds and Real Estate Investment Trusts) of £0.150m were received in the three months to the 30 June 2025 year achieving a return of 6.31% Interest from short term cash deposits including the Debt Management Office (DMO) was £0.199m due to higher surplus balances and interest rates remaining at a higher level than assumed in the budget and MTFS.
- 4.34** It should be noted that the budgeted level of net investment income for 2025/26 is £1.208m – a decrease of £0.077m over the 2024/25 budgeted level and recognises the current interest rate position. This is a prudent estimate for the year and is lower than the final 2024/25 level of investment income achieved of £1.621m given the forecast interest rate reductions over the financial year.
- 4.35** It is not expected that the current interest rate level will be maintained over the MTFS period, as set out in Section 3 of this report, with expectations of investment income in 2026/27 reducing to around £0.700m with a further reduction to £0.500m by 2027/28.
- 4.36** A prudent forecast of investment income has been included in the outturn forecast of £1.327m. This includes the expectation that the base rate will continue to reduce, with two further cuts expected in 2025.
- 4.37** The level of investment income for the year will depend on the performance of both short-term investments (Money Market Funds, deposits with the DMO) and dividends from the long-term investment. The table [below] provides members with a high-level overview of the Council's Treasury Management investments on 30 June 2025.