



## 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
<b>Money Market Funds</b>				
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
<b>Real Estate Investment Trusts (REIT)</b>				
Fundamentum Housing REIT	660	8	30	3.01
<b>Cash Plus Fund</b>				
Federated Cash Plus Fund	1,227	-	-	N/A
<b>Pooled Funds</b>				
OCLA Property Fund	2,199	25	93	3.99
Schroders Income Maximiser Fund	908	10	54	8.67
OCLA Cautious Multi Asses Fund	938	11	30	4.58
M&GUK 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.