

Investments as at 31 March 2020

1. Internally Managed Investments

1.1 Term deposits, Call accounts and Money Market Funds

Instrument Type	Counterparty	Principal Amount £	Interest Rate	End Date
Fixed Deposits	Thurrock Borough Council	10,000,000	1.07%	29/05/2020
Fixed Deposits	Thurrock Borough Council	10,000,000	0.81%	30/04/2020
Fixed Deposits	Rotherham Metropolitan Borough Council	10,000,000	0.78%	23/04/2020
Fixed Deposits	Royal Borough of Windsor and Maidenhead	5,000,000	0.95%	30/04/2020
Fixed Deposits	Royal Borough of Windsor and Maidenhead	10,000,000	0.95%	07/05/2020
Fixed Deposits	Royal Borough of Windsor and Maidenhead	5,000,000	0.85%	27/07/2020
Total Local Authority Deposits		50,000,000		
Call Account	National Westminster Bank plc	30,000,000	0.50%	
Total Call Account Funds		30,000,000		
Money Market Funds	Federated Short-term Sterling Prime Fund GBP KCC	10,539,332	0.50%	
Money Market Funds	SSgA GBP Liquidity Fund (Stable NAV)	8,141,258	0.36%	
Money Market Funds	HSBC Sterling Liquidity Fund	15,931	0.51%	
Money Market Funds	LGIM Sterling Liquidity Fund 4 KCC	13,909,691	0.40%	
Money Market Funds	Insight Liquidity Funds PLC	8,229	0.27%	
Money Market Funds	Aberdeen Liquidity Fund (Lux) KCC	14,994,401	0.42%	
Money Market Funds	Deutsche Managed Sterling Platinum	9,058,682	0.40%	
Total Money Market Funds		56,667,527		
Equity and Loan Notes	Kent PFI (Holdings) Ltd	2,135,741		n/a
Icelandic Recoveries outstanding	Heritable Bank Ltd	366,905		n/a

1.2 Bond Portfolio

Bond Type	Issuer	Adjusted Principal £	Coupon Rate	Maturity Date
Fixed Rate Covered Bond	Bank of Scotland - Bonds	4,600,813	1.71%	20/12/2024
Fixed Rate Covered Bond	National Australia Bank - Bonds	4,978,564	1.35%	10/11/2021
Fixed Rate Covered Bond	Leeds Building Society Bonds	4,205,404	1.29%	17/04/2023
Fixed Rate Covered Bond	Santander UK - Bonds	3,265,748	0.65%	14/04/2021
Fixed Rate Covered Bond	Bank of Nova Scotia Bonds	4,993,773	0.88%	14/09/2021
Fixed Rate Covered	National Australia Bank - Bonds	3,001,265	1.10%	10/11/2021

Bond				
Floating Rate Covered Bond	TSB Bank - Bonds	2,503,355	1.54%	15/02/2024
Floating Rate Covered Bond	Lloyds - Bonds	2,502,197	0.78%	27/03/2023
Floating Rate Covered Bond	Lloyds - Bonds	2,502,932	0.77%	27/03/2023
Floating Rate Covered Bond	Nationwide Building Society - Bonds	3,998,458	1.42%	10/01/2024
Floating Rate Covered Bond	Lloyds - Bonds	4,500,000	1.31%	14/01/2022
Floating Rate Covered Bond	Australia and New Zealand Banking group - bonds	3,000,000	1.39%	24/01/2022
Floating Rate Covered Bond	Santander UK - Bonds	2,002,697	1.40%	12/02/2024
Floating Rate Covered Bond	Nationwide Building Society - Bonds	4,503,916	0.98%	12/04/2023
Floating Rate Covered Bond	Bank of Montreal - Bonds	5,004,352	0.98%	17/04/2023
Floating Rate Covered Bond	Santander UK - Bonds	3,751,268	0.94%	13/04/2021
Floating Rate Covered Bond	Lloyds - Bonds	5,005,178	0.77%	27/03/2023
Floating Rate Covered Bond	Canadian Imperial Bank of Commerce - Bonds	5,024,430	0.96%	10/01/2022
Floating Rate Covered Bond	Santander UK - Bonds	5,002,383	0.97%	16/11/2022
Floating Rate Covered Bond	Nationwide Building Society - Bonds	5,585,820	0.97%	12/04/2023
Floating Rate Covered Bond	Santander UK - Bonds	5,001,724	0.89%	05/05/2020
Total Bonds		84,934,287		

Total Internally managed investments	£224,104,461
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2. Externally Managed Investments

Investment Fund	Market Value at 31-Mar-20 £
CCLA - Diversified Income Fund	4,569,342
CCLA – LAMIT Property Fund	57,880,302
Fidelity Global Multi Asset Income Fund	23,702,249
Investec Diversified Income	9,198,620
Kames Diversified Monthly Income Fund	16,899,833
M&G Global Dividend Fund	8,568,332
Pyrford Global Total Return Sterling Fund	4,712,633
Schroder Income Maximiser Fund	15,768,778
Threadneedle Global Equity Income Fund	8,440,787
Threadneedle UK Equity Income Fund	7,587,704
Total External Investments	157,328,584

3. Total Investments

Total Investments	£381,433,045
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GLOSSARY

Local Authority Treasury Management Terms

Bond	A certificate of long-term debt issued by a company, government, or other institution, which is tradable on financial markets
CET 1	Core equity tier 1 - the purest form of capital for a financial institution, which is available to absorb losses while it remains a going concern, usually expressed as a ratio to risk weighted assets.
CFR	Capital Financing Requirement. A local authority's underlying need to hold debt for capital purposes, representing the cumulative capital expenditure that has been incurred but not yet financed. The CFR increases with capital expenditure and decreases with capital finance and MRP.
Covered bond	Bond issued by a financial institution that is secured on that institution's assets, usually residential mortgages, and is therefore lower risk than unsecured bonds. Covered bonds are exempt from bail-in.
CPI	Consumer Price Index - the measure of inflation targeted by the Monetary Policy Committee, measured on a harmonised basis across the European Union
FTSE	Financial Times stock exchange – a series of indices on the London Stock Exchange. The FTSE 100 is the index of the largest 100 companies on the exchange, the FTSE 250 is the next largest 250 and the FTSE 350 combines the two
GDP	Gross domestic product – the value of the national aggregate production of goods and services in the economy. Increasing GDP is known as economic growth.
IFRS	International Financial Reporting Standards, the set of accounting rules in use by UK local authorities since 2010
IMF	International Monetary Fund
LOBO	Lender's Option Borrower's option
MMF	Money Market Funds. A collective investment scheme which invests in a range of short-term assets providing high credit quality and high liquidity. Usually refers to CNAV and LVNAV funds with a WAM under 60 days which offer instant access, but the European Union definition extends to include cash plus funds
Monetary Policy	Measures taken by central banks to boost or slow the economy, usually via changes in interest rates. Monetary easing refers to cuts in interest rates, making it cheaper for households and businesses to borrow and hence spend more, boosting the economy, while monetary tightening refers to the opposite. See also fiscal policy and quantitative easing.
MPC	Monetary Policy Committee. Committee of the Bank of England responsible for implementing monetary policy in the UK by changing Bank Rate and quantitative easing with the aim of keeping CPI inflation at around 2%.
MRP	Minimum Revenue Provision – an annual amount that local authorities are required to set aside and charge to revenue for the repayment of debt associated with capital expenditure. Local authorities are required by law to have regard to government guidance on MRP. Not applicable in Scotland, but see Loans Fund
Municipal bond	Bond issued or guaranteed by local authorities.
Municipal bond	Company that issues bonds in the capital market and lends the proceeds back to local

Agency	authorities. The bonds are guaranteed by the local authorities
Pooled Fund	Scheme in which multiple investors hold units or shares. The investment assets in the fund are not held directly by each investor, but as part of a pool (hence these funds are also referred to as 'pooled funds').
Prudential Code	Developed by CIPFA and introduced in April 2004 as a professional code of practice to support local authority capital investment planning within a clear, affordable, prudent and sustainable framework and in accordance with good professional practice. Local authorities are required by law to have regard to the Prudential Code
PWLB	Public Works Loan Board – a statutory body operating within the DMO that lends money from the National Loans Fund to local authorities and other prescribed bodies and collects the repayments. Not available in Northern Ireland.
REIT	Real estate investment trust – a company whose main activity is owning investment property and is therefore similar to a property fund in many ways
Share	An equity investment, which usually also confers ownership and voting rights
Short-term	Usually means less than one year