GMCA GREATER MANCHESTER COMBINED AUTHORITY

Audit Committee

Date: 22 September 2025

Subject: Quarterly Treasury Management Update – 30 June 2025

Report of: Steve Wilson, Group Chief Financial Officer

Purpose of Report

To update Members on treasury management activities during the first quarter of 2025/26.

Recommendations:

Members are requested to:

1. Note the report on treasury activities during the first quarter of 2025/26 and the forecast prudential and treasury indicators in Appendix 1.

Contact Officers

Steve Wilson

Group Chief Financial Officer

Steve.Wilson@greatermanchester-ca.gov.uk

Claire Postlethwaite

Director of Operational Finance

Claire.Postlethwaite@greatermanchester-ca.gov.uk

Report authors must identify which paragraph relating to the following issues:

Equalities Impact, Carbon and Sustainability Assessment:

N/A

Risk Management

There are considerable risks to the security of the GMCA's resources if appropriate Treasury Management strategies and policies are not adopted and followed. The GMCA has established good practice in relation to Treasury Management.

Legal Considerations

This report fulfils the statutory requirements to have the necessary prudential indicators to be included in a Treasury Management Strategy.

Financial Consequences – Revenue

Financial revenue consequences are contained within the body of the report.

Financial Consequences – Capital

Financial capital consequences are contained within the body of the report.

Number of attachments to the report:

None

Comments/recommendations from Overview & Scrutiny Committee

N/A.

Background Papers

Treasury Management Strategy Statement, GMCA 28 March 2025

Tracking/ Process

Does this report relate to a major strategic decision, as set out in the GMCA Constitution

No

Exemption from call in

Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?

N/A

GM Transport Committee

N/A

Overview and Scrutiny Committee

N/A

1. Introduction/Background

1.1 The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management 2021 recommends that Members be updated on treasury management activities at least quarterly. This report, therefore, ensures this Authority is implementing best practice in accordance with the Code.

2. Economics update

2.1 The first quarter of 2025/26 (1 April 2025 to 30 June 2025) saw:

a) A 0.3% m/m fall in real GDP in April – the first fall since October 2024.

b) The 3myy rate of average earnings growth excluding bonuses fall from 5.5% to 5.2% in May 2025.

c) Core CPI inflation ease from 3.8% in April to 3.5% in May as temporary Easter-related effects faded.

d) The Bank of England cut interest rates from 4.50% to 4.25% in May, holding them steady in June.

e) The 10-year gilt yield fluctuate between 4.4% and 4.8% and end the quarter at 4.50%.

2.2 The 0.3% m/m fall in real GDP in April was the first fall since October 2024 and the largest fall since October 2023. This is a significant shift from the 0.7% q/q rise in Q1 2025, probably as a result of the boosts from net exports and business investment unwinding. The decline in exports was mostly due to a reversal of US tariff front-running with export values to the US falling by 31% m/m after rising 34% in total in the five months to February. April’s GDP figures also showed manufacturing output falling by 0.9% m/m along with the domestic economy showing signs of weakness in April. Despite construction output growing by 0.9% m/m, services output declined by 0.4% m/m, reversing all of March’s 0.4% m/m rise. This weakness in services likely reflects higher labour costs from April’s rise in National Insurance Contributions for employers. May’s GDP may have fallen a bit further as the boosts in Q1 continued to unwind. Overall, GDP in Q2 is likely to have flatlined and the economy will probably be hindered by subdued overseas demand and domestic businesses cutting spending given a rise in costs due to April’s increase in taxes. The Bank of England expects growth in 2025 to be around 0.8%.

2.3 Despite the rise in the composite Purchasing Managers Index (PMI) from 50.3 in May to 50.7 in June, it is still below its level in March, prior to the rise in business taxes and Trump's Liberation Day tariffs. This rise was driven by increases in both the services and manufacturing output balances. Although the services PMI rose from 50.9 to 51.3, that is consistent with non-retail services output growth slowing from 0.5% 3m/3m in April to 0.3% 3m/3m in June.

2.4 The sharp 2.7% m/m drop back in retail sales volumes in May adds to other evidence that the burst of economic growth in Q1 is over. The weakness was widespread with sales falling in all seven of the major categories. This decline was partly due to the unwinding of the previous boost from April's unusually warm and dry weather along with inflationary pressures prompting consumers to cut back. The latter would be a more persistent drag on retail spending. Looking ahead, the rise in the GfK measure of consumer confidence from -20 in May to -18 in June is consistent with the annual rate of real retail sales growth accelerating from -1.3% in May to around +0.5%.

2.5 While the £17.7bn of public sector borrowing in May was higher than the Office of Budget responsibility (OBR) forecast of £17.1bn, borrowing was £2.9bn below the OBR's forecast in the first two months of the 2025/26 fiscal year. The current budget deficit was £12.8bn in May, a touch below the OBR's forecast of £13.0bn. Within that, government spending surprised to the downside. Central government expenditure was £0.5bn lower than the OBR's forecast in May, leaving it £1.6bn lower in April and May combined. That has been largely driven by debt interest payments, which were £1.1bn below the OBR's forecast in May. But if the rises in gilt yields since the Spring Statement in March are sustained, the OBR will revise up its forecast for debt interest payments in the years ahead. That of itself would knock £1.0bn off the Chancellor's £9.9bn of headroom against her fiscal mandate and the subsequent Government U-turns on benefit and welfare spending and higher borrowing costs may mean to maintain her current £9.9bn buffer, Reeves has to raise upwards of £13bn later this year. And with the gilt market sensitive to significant increases in borrowing, all this means substantial tax rises are looking very likely.

2.6 The weakening in the jobs market is gathering pace. May's 109,000 m/m fall in the PAYE measure of employment was the largest decline (barring the pandemic) since the data began and the seventh in as many months. The monthly change was revised lower in five of the previous seven months too, with April's 33,000 fall revised down to a 55,000 drop. Overall, the payroll measure of employment has now fallen by 276,000 since the announcement of the rise in payroll taxes and the minimum wage in the October Budget. The job vacancies data also portrays a rapidly weakening labour market. The number of job vacancies is now falling a bit faster, dropping from 760,000 in the three months to April to 736,000 in May. Capital Economics' seasonally adjusted measure of single-month vacancies declined sharply from 763,000 in April to 713,000 in May.

2.7 A looser labour market is driving softer wage pressures. The 3myy rate of average earnings growth excluding bonuses fell from 5.5% to 5.2% in May. The rate for the private sector slipped from 5.5% to 5.1%, putting it on track to undershoot the Bank of England's Q2 forecast of 5.2%. And after rising in April as the 6.7% rise in the minimum wage took effect, the timelier PAYE median earnings measure fell back from 6.2% y/y in April to 5.8% in May. Softer wage growth is feeding through to lower services inflation, pointing to a slowdown from 4.7% in May to around 3.0% by the end of the year.

2.8 CPI inflation fell slightly from 3.5% in April to 3.4% in May – close to consensus. The sharp falls in services inflation from 5.4% to 4.7% and in core inflation from 3.8% to 3.5% confirmed that the previous month's jumps partly reflected an Easter-related blip. Services inflation is expected to continue to fall as wage growth slows, supporting a view that CPI inflation will fall close to 2.0% by the start of 2027. An upside risk, however, in the near term is that higher oil/gas and food prices could trigger another bout of second-round effects on wages and inflation expectations, meaning CPI inflation stays above 3.0% for longer and causes the Bank to shift to an even slower rate cutting path. CPI is expected to peak at 3.8% in September.

2.9 The yield on the 10-year gilt moved sideways in the second quarter of 2025. After rising from 4.4% in early April to 4.8% in mid-April following wider global bond market volatility stemming from the "Liberation Day" tariff announcement, gilt yields eased back as trade tensions began to de-escalate. By the end of April, the 10-year gilt yield had returned to 4.4%. In May, concerns about stickier inflation and shifting expectations about the path for interest rates led to another rise, with the 10-year gilt yield fluctuating between 4.6% and 4.75% for most of May. Thereafter, as trade tensions continued to ease and markets increasingly began to price in looser monetary policy, the 10-year yield edged lower, and ended Q2 at 4.50%. We expect this trend to continue over the next year. However, it is more difficult to be confident that the longer part of the curve will also see falls in yields, although that is still our central case, as that part of the curve is increasingly held by transient investors, such as foreign investors and hedge funds. Pension funds and insurance companies have more appetite in the short to medium part of the curve nowadays.

2.10 The FTSE 100 fell sharply following the “Liberation Day” tariff announcement, dropping by more than 10% in the first week of April - from 8,634 on 1st April to 7,702 on 7th April. However, the de-escalation of the trade war coupled with strong corporate earnings led to a rapid rebound starting in late April. As a result, the FTSE 100 closed Q2 at 8,761, around 2% higher than its value at the end of Q1 and more than 7% above its level at the start of 2025.

2.11 Monetary Policy Committee (MPC) meetings 8 May 2025 and 19 June 2025

a) There were two Monetary Policy Committee (MPC) meetings this quarter. In May, the Committee cut Bank Rate from 4.50% to 4.25%, while in June policy was left unchanged. In June’s vote, three MPC members (Dhingra, Ramsden and Taylor) voted for an immediate cut to 4.00%, citing loosening labour market conditions. The other six members were more cautious, as they highlighted the need to monitor for “signs of weak demand”, “supply-side constraints” and higher “inflation expectations”, mainly from food prices rising. By repeating the well-used phrase “gradual and careful”, the MPC continued to suggest that rates will be reduced further.

b) At the start of June, amid escalating tensions between Israel and Iran, oil prices surged to over $75 per barrel. However, following a ceasefire agreement near the end of the month, oil prices eased back to levels prior to the conflict. Given the drop back in energy prices and the relatively muted reaction to fears of a ceasefire violation, along with a large drop in the services PMI output prices balance, our central view is that once inflation begins to trend downwards, Bank Rate reductions can begin again, falling to a low of 3.5% in May 2026. However, if the conflict in the Middle East were to result in higher energy prices and/or domestic inflationary pressures grow stronger, there is a risk the Bank of England may skip cutting rates further.

3. Interest rate forecasts

3.1 The Authority has appointed Mitsubishi UFJ Financial Group (MUFG), as its treasury advisors and part of their service is to assist the Authority to formulate a view on interest rates. The Public Works Loan Board (PWLB) rate forecasts below are based on the Certainty Rate (the standard rate minus 20 bps) which has been accessible to most authorities since 1 November 2012.

The latest forecast was provided on 10th February:

	Mar 25	Jun 25	Sep 25	Dec 25	Mar 26	Jun 26	Sep 26	Dec 26	Mar 27	Jun 27	Sep 27	Dec 27	Mar 28
BANK RATE	4.50	4.25	4.25	4.00	3.75	3.75	3.75	3.50	3.50	3.50	3.50	3.50	3.50
3 month ave earnings	4.50	4.30	4.30	4.00	3.80	3.80	3.50	3.50	3.50	3.50	3.50	3.50	3.50
6 month ave earnings	4.40	4.20	4.20	3.90	3.70	3.70	3.50	3.50	3.50	3.50	3.50	3.50	3.50
12 month ave earnings	4.40	4.20	4.20	3.90	3.70	3.70	3.50	3.50	3.50	3.50	3.50	3.50	3.60
5 yr PWLB	5.00	4.90	4.80	4.70	4.60	4.50	4.40	4.40	4.30	4.20	4.20	4.10	4.00
10 yr PWLB	5.30	5.20	5.10	5.00	4.90	4.80	4.70	4.70	4.60	4.50	4.50	4.40	4.40
25 yr PWLB	5.80	5.70	5.60	5.50	5.40	5.30	5.20	5.10	5.00	5.00	4.90	4.90	4.80
50 yr PWLB	5.50	5.40	5.30	5.20	5.10	5.00	4.90	4.80	4.70	4.70	4.60	4.60	4.50

Money market yield forecasts are based on expected average earnings by local authorities for 3 to 12 months.

The MUFG Corporate Markets forecast for average earnings are averages i.e., rates offered by individual banks may differ significantly from these averages, reflecting their different needs for borrowing short-term cash at any one point in time.

3.2 The forecast has proved robust over the period since February, setting out a central view that short and long-dated interest rates will start to fall once it is evident that the Bank of England has been successful in squeezing excess inflation out of the economy, despite a backdrop of stubborn inflationary factors. Nonetheless, the longer dated part of the forecast also reflects the increased level of Government borrowing over the term of the current Parliament and the weakness in the public finances, with the Government struggling to deliver on the efficiencies detailed in the 30th of October Budget.

3.3 Moreover, there is still on-going debate as to when, and if, the Government's policies will lead to a material uptick in growth given their reliance on the logistics of fast-tracking planning permissions, identifying sufficient skilled labour to undertake a resurgence in building, and an increase in the employee participation rate within the economy.

3.4 Overall, our central view is that monetary policy is sufficiently tight at present to cater for some further moderate loosening, the extent of which, however, will continue to be data dependent. We forecast the next reduction in Bank Rate to be made in November and for a pattern to evolve whereby rate cuts are made quarterly and in keeping with the release of the Bank's Quarterly Monetary Policy Reports (February, May, August and November). Any movement below a 4% Bank Rate will, nonetheless, be very much dependent on inflation data releases in the coming months.

3.5 International factors could also impact the prospect for longer dated gilt yield falls. President Trump's "big, beautiful bill" has successfully made its way through the House of Representatives in July and given that it will signal a continued large budget deficit position in the US finances, any uptick in Treasury yields will likely impact other developed economies markets too. There will also be a keen focus on whether US-driven tariff policies result in upward pressures on inflation.

4. Annual Investment Strategy

4.1 The Treasury Management Strategy Statement (TMSS) for 2025/26, which includes the Annual Investment Strategy, was approved by the Authority on 28 March 2025. In accordance with the CIPFA Treasury Management Code of Practice, it sets out the Authority's investment priorities as being:

a) Security of capital
b) Liquidity
c) Yield

4.2 The Authority will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity, aligned with the Authority's risk appetite. In the current economic climate, over and above keeping investments short-term to cover cash flow needs, there is a benefit to seeking out value available in periods up to 12 months with high credit rated financial institutions, using the MUFG suggested creditworthiness approach, including a minimum sovereign credit rating and Credit Default Swap (CDS) overlay information.

4.3 As shown by the charts below and the interest rate forecasts in section 3, investment rates have started to taper downwards during the first quarter of 2025/26 and are expected to fall back further if inflation falls through 2025 and 2026 and the MPC loosens monetary policy more substantially.

4.4 Creditworthiness

4.4.1 There have been few changes to credit ratings over the quarter under review. However, officers continue to closely monitor these, and other measures of creditworthiness to ensure that only appropriate counterparties are considered for investment purposes.

4.5 Investment counterparty criteria

4.5.1 The current investment counterparty criteria selection approved in the TMSS is meeting the requirement of the treasury management function.

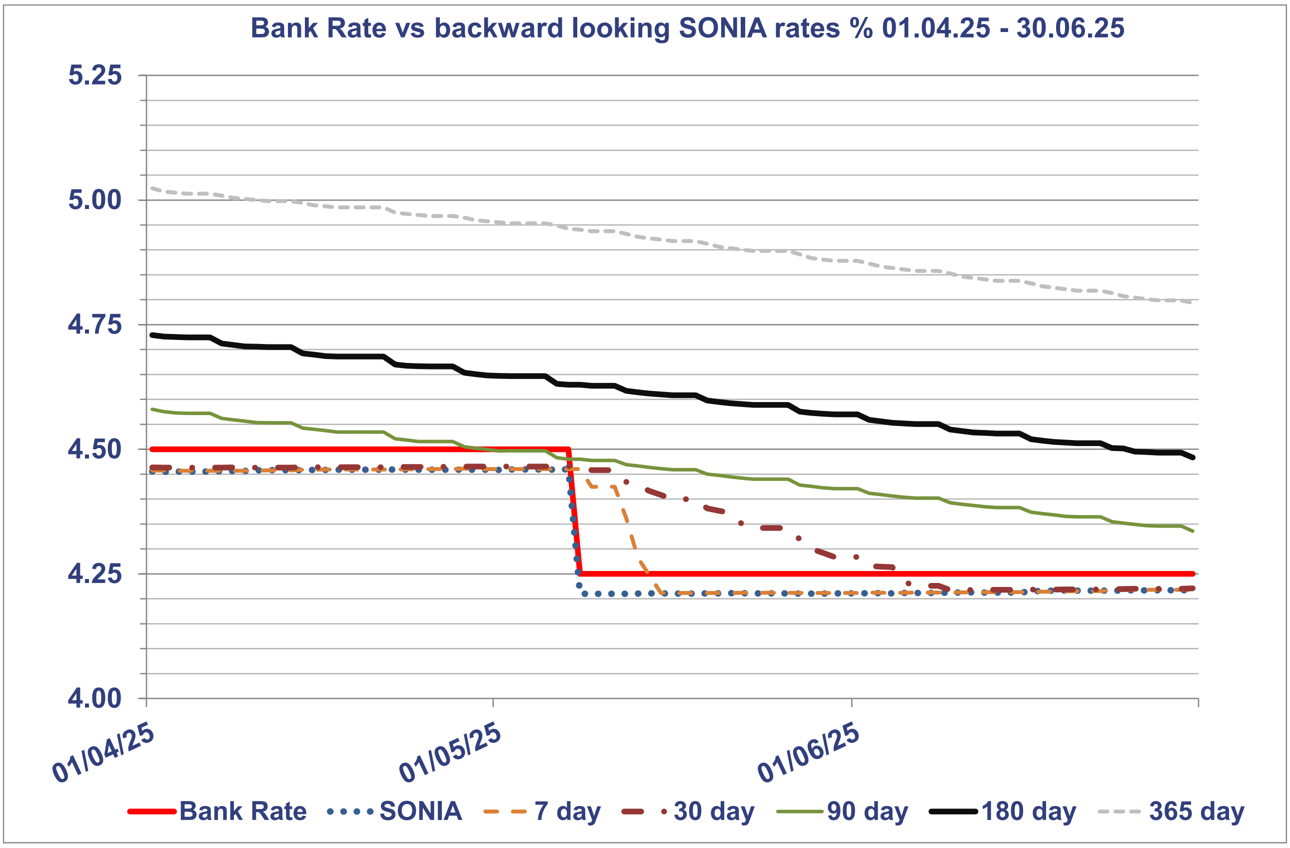
4.6 CDS prices

4.6.1 For UK and International banks, these have remained low, and prices are not misaligned with other creditworthiness indicators, such as credit ratings. Nevertheless, it remains important to undertake continual monitoring of all aspects of risk and return.

4.7 Investment balances

4.7.1 The average level of funds available for investment purposes during the quarter was £505.1m. These funds were available on a temporary basis, and the level of funds available was mainly dependent on the timing of precept payments, receipt of grants and progress on the capital programme.

4.8 Investment performance year to date as of end-June 2025



	Bank Rate	SONIA	7day	30 day	90 day	180 day	365 day
High	4.50	4.46	4.46	4.47	4.58	4.73	5.02
High Date	1 Apr 2025	7 May 2025	28 Apr 2025	06 May 2025	01 Apr 2025	01 Apr 2025	01 Apr 2025
Low	4.25	4.21	4.21	4.22	4.34	4.48	4.79
Low Date	8 May 2025	8 May 2025	15 May 2025	09 Jun 2025	30 Jun 2025	30 Jun 2025	30 Jun 2025
Average	4.35	4.31	4.33	4.36	4.46	4.61	4.91
Spread	0.25	0.25	0.25	0.25	0.24	0.25	0.23

4.8.1 The Authority achieved an average rate of 4.35% which outperformed the average backward looking SONIA rate by 0.04 bps. The Authority's budgeted investment return for 2025/26 is £2.257m, and performance for the year to date is forecast £6.876m above budget.

4.9 Approved limits

4.9.1 Officers can confirm that the approved limits within the Annual Investment Strategy were not breached during the quarter ended 30 June 2025.

4.9.2 A full list of investments held as of 30 June 2025 is in Appendix 2.

5. Borrowing

5.1 At the beginning of 2025/26, the authority had £127m of short-term borrowing and £28m was undertaken during the quarter ended 30 June 2025. The temporary borrowing has now been fully repaid but it is anticipated that further short-term borrowing will be needed later in the financial year.

5.2 PWLB maturity Certainty Rates 1 April to 30 June 2025

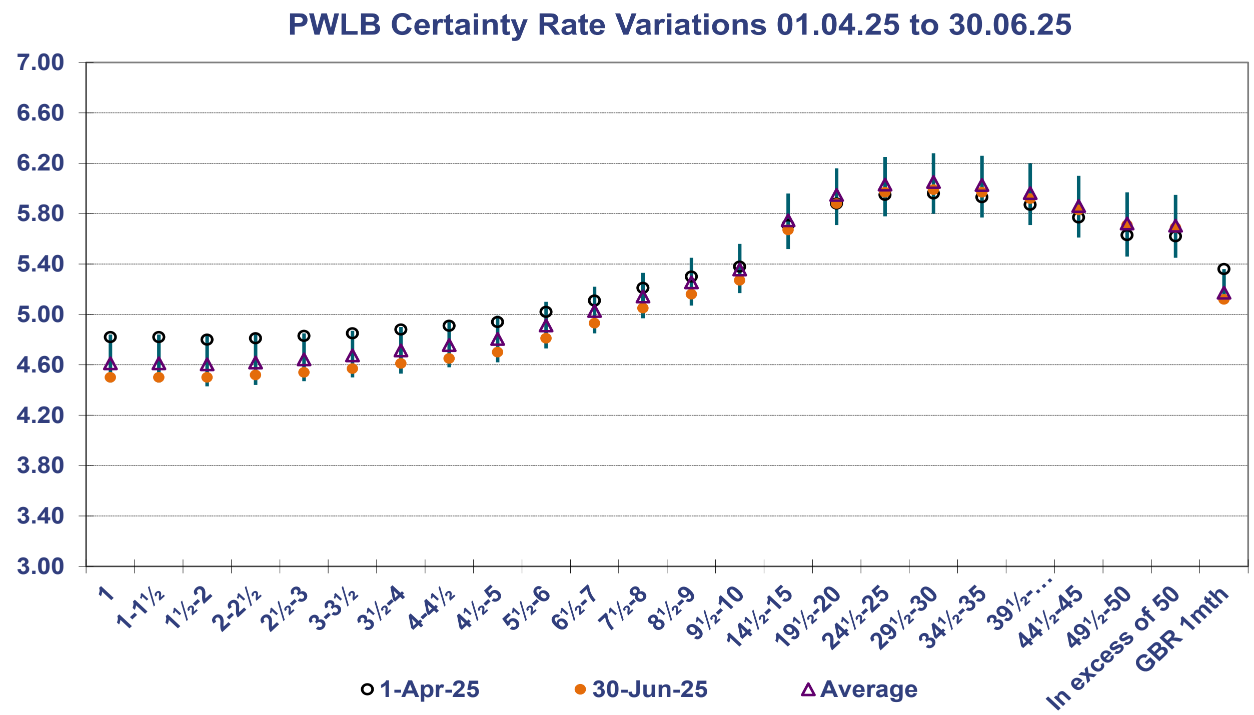
5.2.1 Heading into the second quarter of 2025/26, markets seem to be comfortable with a central case of gradual monetary policy easing, leading to Bank Rate and gilt yields out to c10 years trending downwards. That part of the curve has broadly acted in line with MUFG's forecasts, unchanged since February.

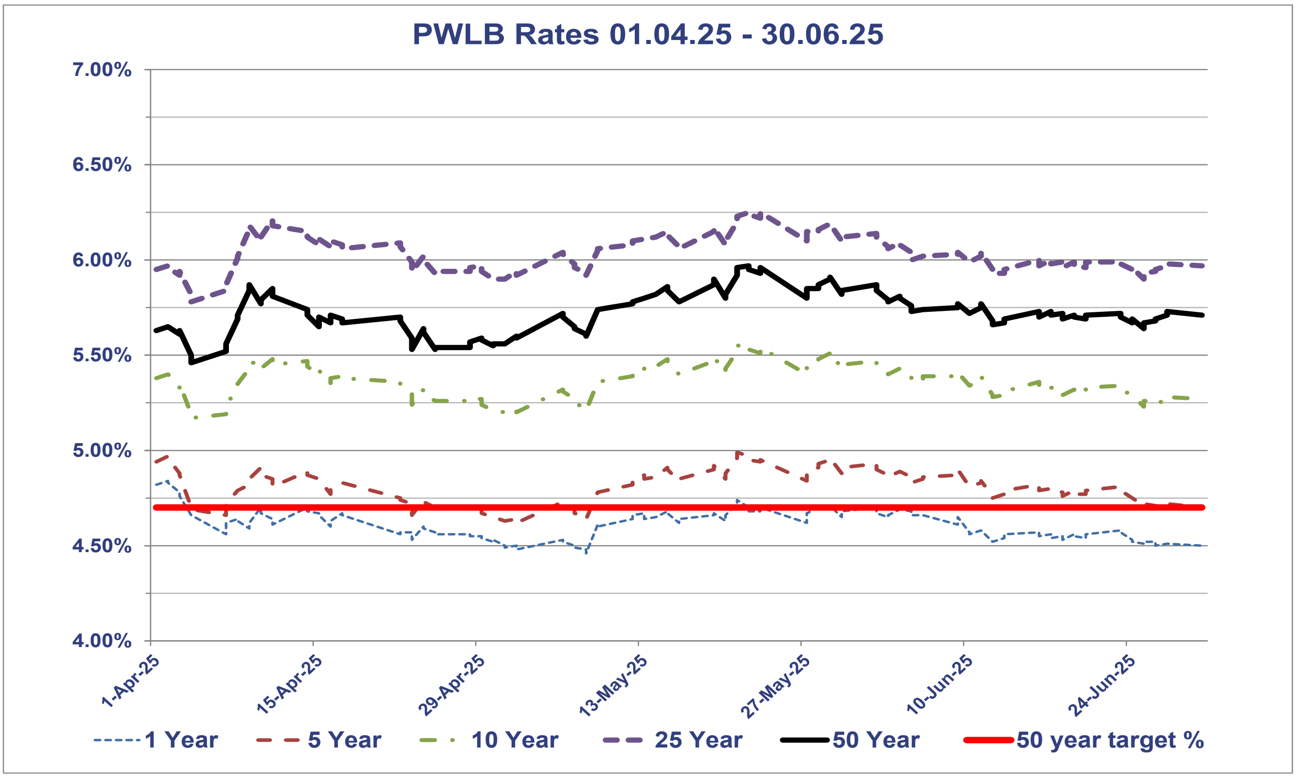
5.2.2 However, the Government's difficulty in convincing the market that it can work within its self-imposed fiscal parameters has meant there has continued to be a somewhat fragile confidence in the medium to longer dated part of the curve. The worst of this sentiment was reflected on 21st May, but as recently as the first week of July has provided a reminder that markets will be quick to sell-off if they feel there is anything to prejudice the Chancellor's stated aim of not raising the headline tax rates nor boost borrowing to greater than has already been reported. The markets have also indicated that they would prefer Chancellor Reeves to stay in post even if the fiscal landscape has deteriorated since the Autumn.

5.2.3 The Bank of England has remained cautious in stating that any Bank Rate cuts must be undertaken gradually, and the inflation outlook remains a little opaque with the CPI measure of inflation not expected to peak until September (possibly 3.8%) before falling back towards 2% by the start of 2027. Annual wage increases also remain at 5% y/y, even though the seasonally adjusted job vacancies number has fallen to 712k. Nonetheless, both the 5-year and, albeit to a lesser extent, 10-year PWLB Certainty Rates have trended lower through the quarter.

5.2.4 Further out, however, rates have either finished close to their starting point for the quarter, if not a little higher. It remains problematic that historic buyers of longer-dated gilts – pension funds and insurance companies – have preferred the shorterdated maturities of late, whilst there is anecdotal evidence that both foreign investors and hedge funds, who are not natural long-term holders of long-dated debt gilt issuance, as a rule, may be more active in this part of the market currently than has previously been the case. Their presence, arguably, adds even greater volatility to the equation. Consequently, and pulling all these factors together, and it is clear that any signs of public finance weakness could put even greater upward pressure on medium and longer dated gilts and, therein, PWLB rates.

5.2.5 Additionally, US Treasury yields have also remained elevated because markets are unclear as to the relative impact of President Trump's tariffs, deportation and tax-cutting policies. Given the effect US markets have globally, this is another contributing factor to the stubbornness of medium to long-dated gilt yields to fall back.





High/ Low/ Average PWLB Rates for 1 April 2025 – 30 June 2025

	1 Year	5 Year	10 Year	25 Year	50 Year
01/04/2025	4.82%	4.94%	5.38%	5.95%	5.63%
30/06/2025	4.50%	4.70%	5.27%	5.97%	5.71%
Low	4.46%	4.62%	5.17%	5.78%	5.46%
Low Date	08 May 2025	02 May 2025	02 May 2025	04 Apr 2025	04 Apr 2025
High	4.84%	4.99%	5.56%	6.25%	5.97%
High Date	02 Apr 2025	21 May 2025	21 May 2025	21 May 2025	22 May 2025
Average	4.61%	4.81%	5.36%	6.03%	5.72%
Spread	0.38%	0.37%	0.39%	0.47%	0.81%

6. Debt rescheduling

6.1 Debt rescheduling opportunities have remained a possibility in the current quarter for those authorities with significant surplus cash and a flat or falling Capital Financing Requirement in future years. Members will be advised if there is value to be had by rescheduling or repaying a part of the debt portfolio.

7. Compliance with Treasury and Prudential Limits

7.1 The prudential and treasury Indicators are shown in Appendix 1.

7.2 It is a statutory duty for the Authority to determine and keep under review the affordable borrowing limits. During the quarter ended 30 June 2025, the Authority has operated within the treasury and prudential indicators set out in the Authority’s Treasury Management Strategy Statement for 2025/26. The Group Chief Financial Officer reports that no difficulties are envisaged for the current or future years in complying with these indicators.

7.3 All treasury management operations have also been conducted in full compliance with the Authority's Treasury Management Practices.

APPENDIX 1: Prudential and Treasury Indicators for 2025/26 as at 30 June 2025

Treasury Indicators	2025/26 Budget	2025/26 Forecast
Authorised limit for external debt	£2,747.568m	£2,797.771m
Operational boundary for external debt	£2,628.924m	£2,671.688m
Gross external debt as at 31 March	£1,414.297m	£1,465.298m
Investments as at 31 March	£50.000m	£50.000m
Net borrowing as at 31 March	£1,364.297m	£1,407.798m

Prudential Indicators	2025/26 Budget	2025/26 Forecast
Capital expenditure	£635.880m	£689.883m
Capital Financing Requirement (CFR)	£2,471.749m	£2,521.660m
Annual change in CFR	£24.545m	£55.679m
In year borrowing requirement	£126.646m	£200.000m
Ratio of financing costs to net revenue stream	8.9%	8.7%

As Members are aware the Authority will be implementing International Financial Reporting Standard (IFRS) 16 with an effective date of 1 April 2024. This standard changes how leases are treated by removing the distinction between operating and finance leases, instead creates assets where there is a right to use and liabilities for the outstanding lease payments. This introduction of right of use assets and associated liabilities will increase the Authority's Capital Financing Requirement and the authorised debt limits. At the time of writing, the valuation of those leases is in the final stages, therefore, the forecasts will be adjusted to reflect the changes in the next treasury update.

APPENDIX 2: Investment Portfolio

Investments held as of 30 June 2025:

Institution	Instrument Type	Start	Maturity	Yield	Principal
Barclays Bank PLC (NRFB)	Call (Instant Access)			3.65%	£5,890,000
TfGM	Call (Instant Access)			0.00%	£44,134,000
Blackpool Council	Fixed Term Deposit	25/04/2025	27/10/2025	4.30	£8,000,000
Blaenau Gwent County BC	Fixed Term Deposit	28/04/2025	28/07/2025	4.35	£5,000,000
Blaenau Gwent County BC	Fixed Term Deposit	28/05/2025	29/09/2025	4.20	£10,000,000
Bristol City Council	Fixed Term Deposit	22/04/2025	22/09/2025	4.30	£20,000,000
Central Bedfordshire Council	Fixed Term Deposit	09/06/2025	10/11/2025	4.25	£20,000,000
Central Bedfordshire Council	Fixed Term Deposit	21/05/2025	21/08/2025	4.25	£5,000,000
Cherwell District Council	Fixed Term Deposit	17/04/2025	17/09/2025	4.30	£5,000,000
Cheshire East Council	Fixed Term Deposit	09/05/2025	11/08/2025	4.50	£5,000,000
Cornwall County Council	Fixed Term Deposit	17/06/2025	17/09/2025	4.25	£10,000,000
Cornwall County Council	Fixed Term Deposit	25/04/2025	27/10/2025	4.40	£20,000,000
Dover District Council	Fixed Term Deposit	23/06/2025	19/12/2025	4.20	£3,000,000
Dover District Council	Fixed Term Deposit	30/06/2025	19/12/2025	4.20	£20,000,000
East Dunbartonshire Council	Fixed Term Deposit	14/04/2025	14/10/2025	4.30	£5,000,000
East Dunbartonshire Council	Fixed Term Deposit	30/05/2025	28/11/2025	4.19	£5,000,000
Falkirk Council	Fixed Term Deposit	17/04/2025	18/08/2025	4.30	£5,000,000
Greater London Authority	Fixed Term Deposit	29/04/2025	29/09/2025	4.30	£20,000,000
Harlow District Council	Fixed Term Deposit	17/04/2025	17/07/2025	4.40	£10,000,000
Harlow District Council	Fixed Term Deposit	20/05/2025	21/07/2025	4.30	£8,000,00
Kingston upon Hull City Council	Fixed Term Deposit	30/04/2025	30/09/2025	4.30	£20,000,000
Lancashire County Council	Fixed Term Deposit	30/04/2025	30/09/2025	4.20	£20,000,000
LB of Barking & Dagenham	Fixed Term Deposit	23/04/2025	23/07/2025	4.40	£10,000,000
Luton Borough Council	Fixed Term Deposit	27/05/2025	27/11/2025	4.25	£10,000,000
North East Lincolnshire Council	Fixed Term Deposit	25/04/2025	25/09/2025	4.30	£5,000,000
Oldham MBC	Fixed Term Deposit	17/04/2025	17/10/2025	4.30	£10,000,000
Plymouth City Council	Fixed Term Deposit	06/05/2025	06/10/2025	4.35	£10,000,000
Stockport MBC	Fixed Term Deposit	20/05/2025	03/07/2025	4.25	£5,000,000
Stockport MBC	Fixed Term Deposit	24/04/2025	05/08/2025	4.23	£10,000,000
Stockport MBC	Fixed Term Deposit	01/05/2025	05/08/2025	4.23	£5,000,000
Stockport MBC	Fixed Term Deposit	20/06/2025	15/09/2025	4.25	£10,000,000
Surrey County Council	Fixed Term Deposit	16/06/2025	18/08/2025	4.25	£10,000,000
Surrey County Council	Fixed Term Deposit	28/05/2025	28/08/2025	4.25	£5,000,000
Surrey County Council	Fixed Term Deposit	29/04/2025	29/09/2025	4.30	£10,000,000
The Highland Council	Fixed Term Deposit	22/04/2025	17/10/2025	4.30	£5,000,000
Torfaen CBC	Fixed Term Deposit	30/05/2025	29/08/2025	4.25	£3,000,000
Lloyds Bank PLC	Fixed Term Deposit	16/04/2025	16/07/2025	4.38	£10,000,000
Lloyds Bank PLC	Fixed Term Deposit	16/04/2025	15/08/2025	4.37	£10,000,000
SMBC Bank International PLC	Fixed Term Deposit	16/04/2025	15/08/2025	4.44	£10,000,000
SMBC Bank International PLC	Fixed Term Deposit	16/04/2025	16/09/2025	4.43	£10,000,000
Banks and Local Authorities					**£422,024,000**
MMF Aviva	Money Market Fund			4.32%	£25,000,000
MMF Federated Investors (UK)	Money Market Fund			4.31%	£25,000,000

Institution	Instrument Type	Start	Maturity	Yield	Principal
MMF Aberdeen	Money Market Fund			4.30%	£24,250,000
MMF Blackrock	Money Market Fund			4.27%	£25,000,000
Money Market Funds					**£99,250,000**
Total					**£521,274,000**

APPENDIX 3: Approved countries for investments as of 30 June 2025

Based on lowest available rating

AAA

a) Australia

b) Denmark

c) Germany

d) Netherlands

e) Norway

f) Singapore

g) Sweden

h) Switzerland

AA+

a) Canada

b) Finland

c) U.S.A.

AA

a) Abu Dhabi (UAE)

b) Qatar

AA-

a) France

b) U.K.

AA+

a) Belgium

(Please note that Belgium had its Fitch sovereign rating lowered to A+ from AA- on 13th June. However, it is still rated Aa3 {AA- equivalent} by Moody's and AA by Standard & Poor's, thus meets the minimum "AA-" criteria applied by the Authority.