

## Pension Fund Committee

10 December 2014



### Short Term Investments for the period ended 30 September 2014

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#### Don McLure, Corporate Director Resources

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#### Purpose of Report

1. To provide the Committee with information on the performance of the Pension Fund's short term investments as at 30 September 2014.

#### Short Term Investments

2. Durham County Council (DCC) invests the short term cash balances on behalf of the Pension Fund; this is done in line with DCC's Treasury Management Policy and Annual Investment Strategy. This investment strategy sets out the maximum amounts and time limits in respect of deposits which can be placed with each financial institution.
3. The Pension Fund's surplus cash holding as at 30 September 2014 was £24.422m which was held in the institutions listed in the table below alongside their credit rating at 30 September 2014.

Financial Institution	Short-term Rating	Amount Invested £m
Bank Deposit Accounts		
Handelsbanken	F1+	1.940
Santander UK Plc	F1	3.776
Barclays	F1	4.634
Fixed Term Deposits		
Bank of Scotland	F1	6.619
Nationwide Building Society	F1	4.634
UK Local Authorities	N/A	0.086
National Savings & Investments	N/A	0.132
Money Market Funds	N/A	2.601
<b>Total</b>		<b>24.422</b>

4. The following table provides information on the interest earned during the 3 month period to 30 September 2014, the average daily investment balance and the average return earned in comparison to the average bank base rate:

	<b>Total</b>
Net Interest Earned	£29,773
Average Return Earned	0.44%
Average Bank of England base rate	0.50%
Average Daily Balance of Investments	£29.411m

### **Recommendation**

5. Members are asked to note the position at 30 September 2014 regarding the Pension Fund's short term investments where £29,773 net interest was earned in the 3 months period.

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