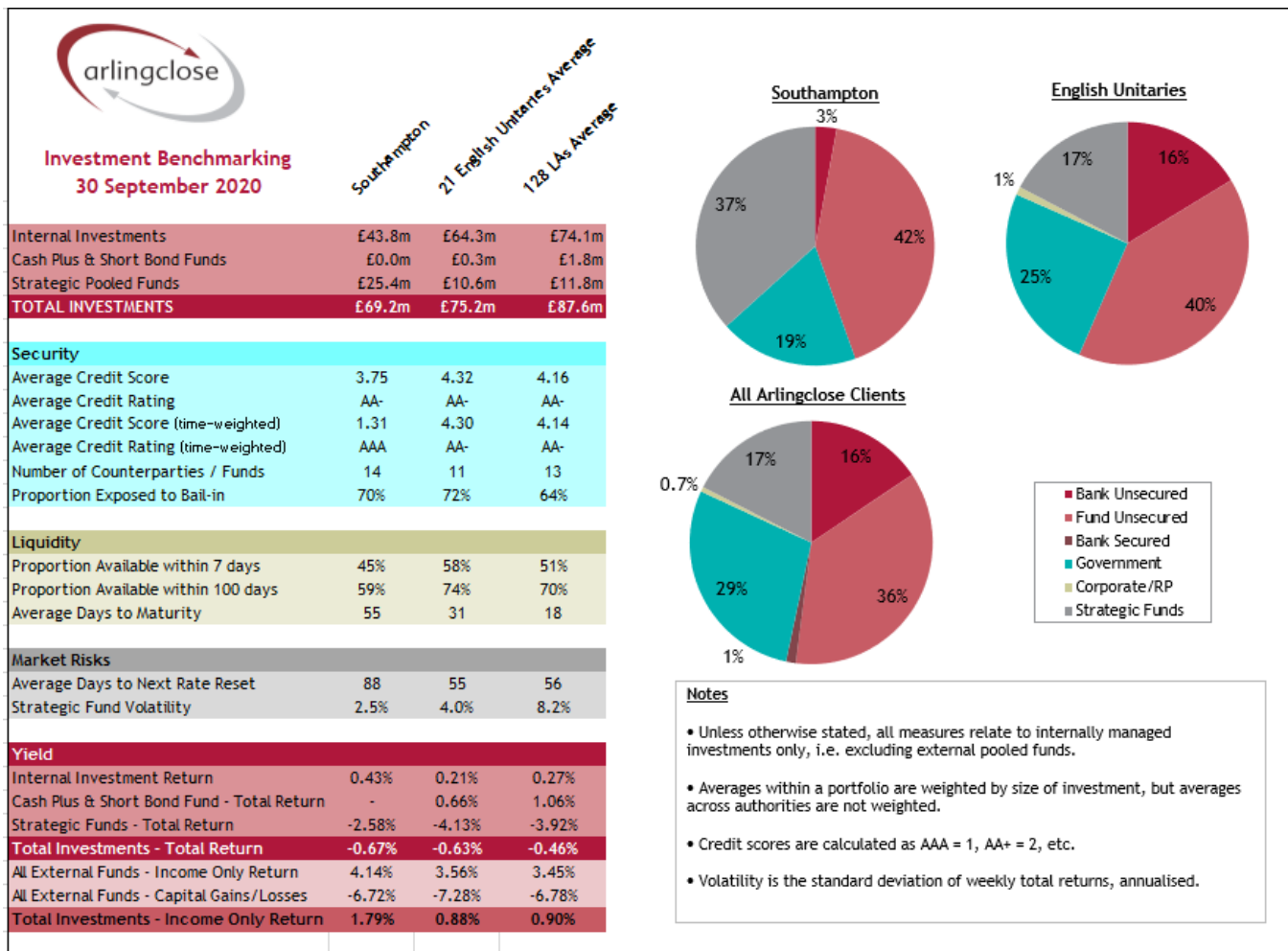


Southampton Benchmarking Scores 30th September 2020

The above highlights:

- We have lower internal investments than both the average English Unitary and other Local Authorities £44M compared to £64M and £74M and demonstrates our policy of minimising investments to avoid borrowing, lowering both investment risk and cost of carry (difference in interest earned on investments and that of borrowing which is usually higher). These investments are held for cash flow purposes and money markets are primarily used at the moment as they offer a higher rate than bank call accounts and are available on demand unlike short term fixed term deposits that offer a similar rate of return.
- Internal investments currently have a higher than average yield at 0.43%.
- We have maintained an average credit rating in line with the average English Unitary and other Local Authorities and above our minimum rating of A- whilst achieving a higher income return at 1.79% compared to 0.88% and 0.90%.
- Our Strategic Investments at 37% is higher than the average at 17% and the income yield on these is 4.14% is higher than average of 2.56% and 3.45%.