

Corporate Asset Investment Fund Advisory Board

ANNUAL REPORT 2019/20



FOREWORD

Leicestershire County Council's continued investment in its Corporate Asset Investment Fund has once again provided significant returns to the people of Leicestershire in difficult times. From relatively modest beginnings in 2016/17 when the Fund was valued at £43m, the Fund's value has continued to grow over the three past years and now stands at £171m. As the value of the Fund increases the income produced by these investments also continues to grow and now generates net income of £4.5m per annum.

The Funds business parks in Market Harborough and Coalville are now open providing 120,000 sq. ft. of commercial space for new and existing businesses in the county, generating further valuable income with more projects in the pipeline. The new office HQ for The Access Group on the Loughborough University Science and Enterprise Park is well underway and on target to be completed this autumn.

Overall, the Council's portfolio of commercial properties, farms, development land and other investments continues to consistently outperform the national average for comparable investment funds. Of particular note is the strong income return which is vital in supporting services throughout the county.

Leicestershire County Council continues to be the lowest funded county in the country. This continued good performance allows the Council to fund important services at this particularly difficult time with COVID-19 putting additional burdens on the Council's finances, whilst continuing to boost Leicestershire's economy and also helping the Council to achieve the aims and ambitions set out in its Strategic Plan



Byron Rhodes
Deputy Leader
Leicestershire County Council

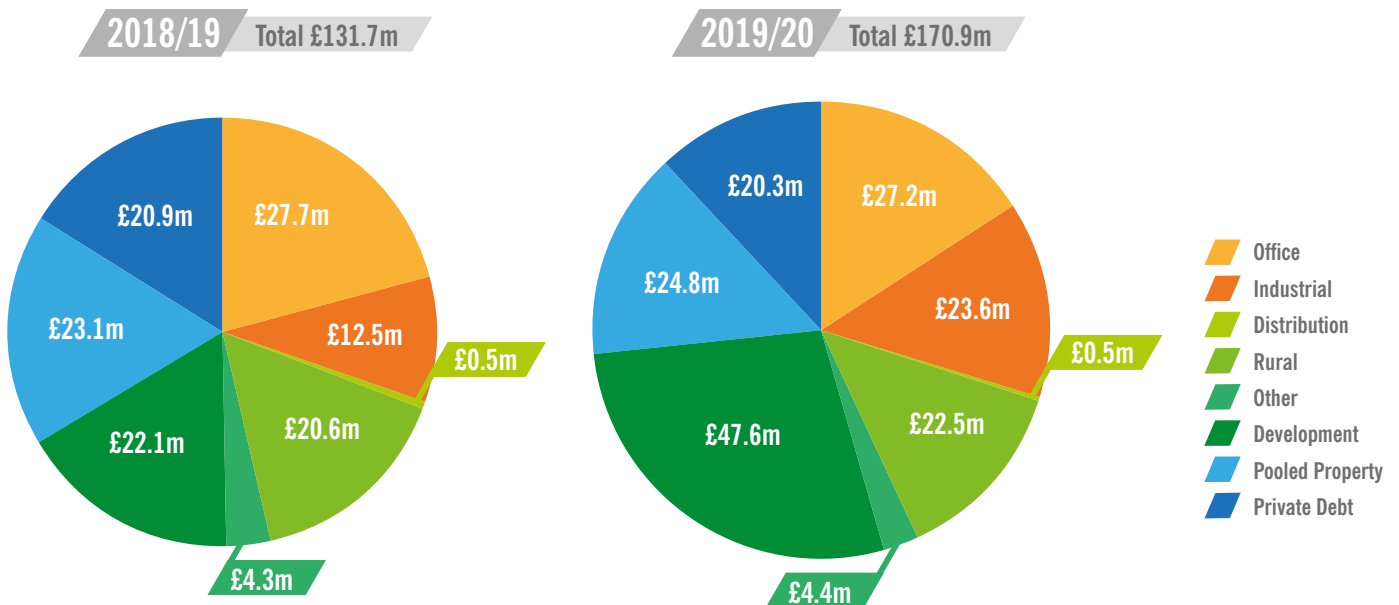
SUMMARY

This report forms the annual review of the Corporate Asset Investment Fund (CAIF) portfolio, reporting on the performance for the year to 31st March 2020.

The CAIF is fundamental to the economic, social and environmental wellbeing of the people of Leicestershire especially given the current financial climate coupled with service demand growth. Whilst making a significant contribution to the Council's Strategic Plan the income generated by investment in high quality assets provides increased financial resilience and underpins the Council's ability to deliver a comprehensive range of quality services in the future.

The annual report examines the development and performance of the overall portfolio, the potential of the future investment programme to deliver enhanced returns and the outlook for the wider investment market and how it might impact on the future investment strategy.

Total Value by Sector



As at 31st March 2020, the capital value of the property portfolio totalled £170.9 million compared with the value as at 31st March 2019 of £131.7 million (adjusted downwards from the closing valuation of £144.6 million reported in the 2018/19 CAIF Annual Report); the adjustment takes account of a change in the valuation methodology adopted in respect of the LUSEP office development.

Financial Summary

	Value at 31st March 2019 (£m)	Transactions			Transfer (£m)	Valuation Change (£m)	Value at 31st March 2020 (£m)	Net Income (£)
		Acquisitions (£m)	Capital spend (£m)	Sales (£m)				
Directly Managed Property								
Office	27.7					-0.5	27.2	1.7
Industrial	12.5		0.2		11.2	-0.3	23.6	1.0
Distribution	0.5						0.5	0.0
Rural	20.6		0.3	-0.1		1.7	22.5	0.3
Other Property	4.3					0.1	4.4	0.2
Total Property	65.6	0	0.5	-0.1	11.2	1.0	78.2	3.2
Development								
Development	22.1	14.1	23.2	0	-11.2	-0.6	47.6	-0.3
External Investments								
Pooled Property	23.1	2.5				-0.8	24.8	1.0
Private Debt	20.9			-0.7		0.1	20.3	0.6
Total Ext. Invts	44.0	2.5	0	-0.7	0	-0.7	45.1	1.6
Overall Total	131.7	16.6	23.7	-0.8	0.0	-0.3	170.9	4.5

At 31st March 2020, the Fund held managed direct property assets of £78.2m, and development property of £47.6m (a total of £125.8m). In addition, the Fund holds external pooled property funds and private debt investments totalling £45.1 million.

Returns in 2019/20 were lower than in previous years due in part to a 0.3% fall in the value of the properties held at the start of the year as a result of a softening of yields across the property sector, reflecting the state of the wider economy. As property is a long-term investment year to year fluctuations will occur, however over the longer term it is expected that the portfolio will generate capital growth.

The Fund achieved net income returns of £4.5m (2.7%) which is comparable to that achieved in 2018/19. As new developments are completed, and tenants secured, this will continue to grow.

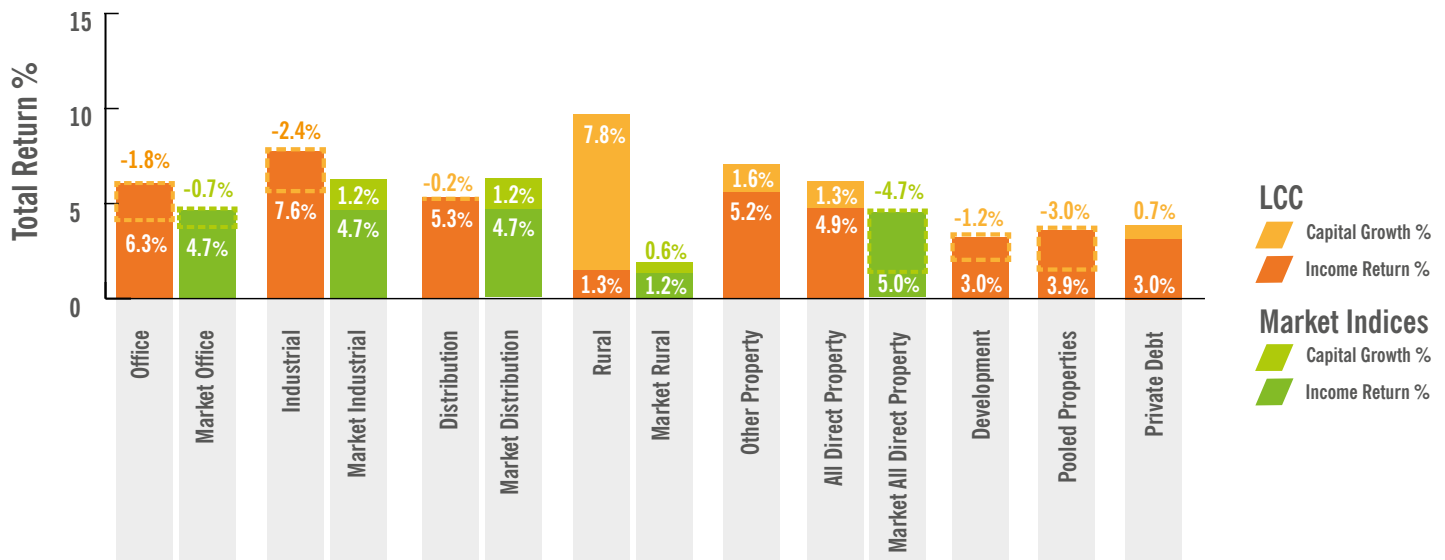
As the new business parks at Coalville and Market Harborough became operational, they have transferred to the managed portfolio; these changes to the sector weightings are shown in the figures above.

It should be noted that the fund doesn't hold any retail investments in the direct property portfolio, which will have contributed towards the Fund outperforming the market indices.

There was one further land purchase at Misterton required to progress the Lutterworth East Strategic Development Area.



Fund Performance

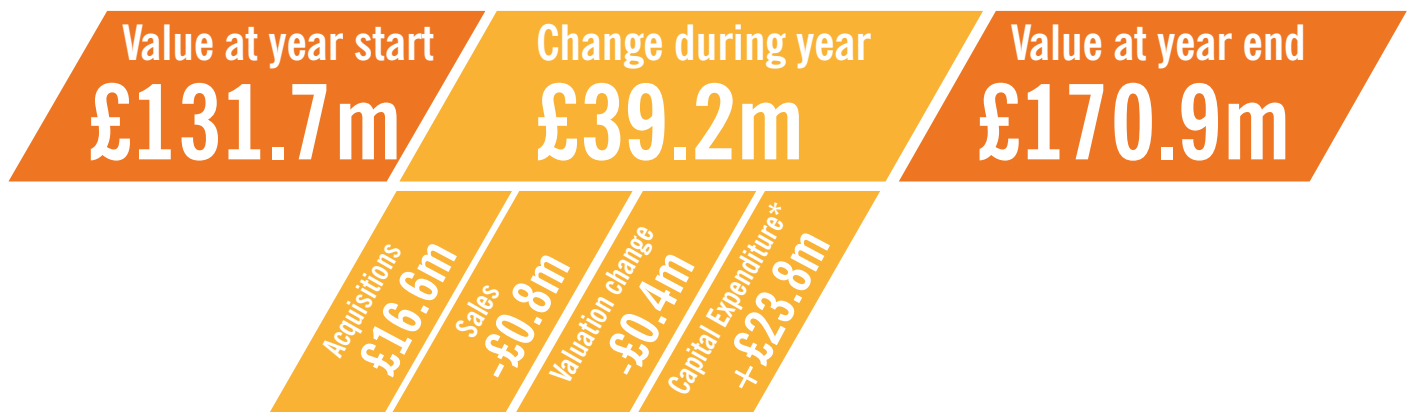


- The managed direct property portfolio (i.e. excluding the development assets, pooled property and private debt), produced a total net return for the year to 31st March 2020 of 6.2% compared to the market benchmark All Property Monthly Index of 0.3%.
- The income returns for the Funds office assets out-performed the market producing 6.3%, off-setting modest negative capital growth.
- The industrial portfolio showed an improved income return of 7.6% compared to the 7.3% achieved in 2018/19. Capital growth performance saw a further correction following the portfolio overachieving in 2017/18 when yields hardened significantly in a year of strong income growth.
- The comparison with the national picture for the distribution sector requires some clarification; the market figures reported include large storage and logistics units, as well as more traditional distribution and haulage yards. The Fund only has a small portfolio of open storage yards in this sector, hence it does not perform as well when compared nationally.
- The returns from the rural portfolio remained strong, exceeding the market for the 13th consecutive year, reflecting the benefit of pro-active management and the ongoing pipeline of development sites to be marketed with planning consent. The capital growth of 7.8% achieved ensured that the entire direct property portfolio remained in positive territory.
- The development sector saw considerable capital invested throughout the year, principally in the LUSEP office scheme and East of Lutterworth SDA. Whilst the expenditure has not impacted portfolio performance, due to the time lag between land acquisitions, paying for construction costs and achieving an income the performance metrics appear to be “relatively poor”, however this will be corrected when the developments are completed and when rental income or capital receipts are generated. As there are no national comparators for this sector’s performance, it has been excluded from the table above.
- The investments in pooled property and private debt provided a stable return in line with market expectations.
- Overall the portfolio produced a return (capital growth plus income return) of 2.7%, this compares favourably with returns of 0.3% for the market benchmark All Property monthly index. The income return percentage is calculated as net income divided by the opening value plus apportioned capital investment during the year.

CHANGES TO THE PORTFOLIO DURING THE YEAR

Summary of Changes

During the year, the property portfolio increased from £132m as at 31st March 2019 to £171m as at 31st March 2020. This increase was due to a combination of valuation changes and further investment in assets and indirect holdings, as set out in the chart below.



*This includes spend on farm estate buildings and the original industrial premises.

Transactions Through the Year

Direct property acquisitions

Lutterworth East

The Fund completed the acquisition of one further area of development land and exchanged contracts on two future acquisitions necessary to complete the land assembly for the proposed East of Lutterworth Strategic Development Area.

Private Debt Investment

The Fund has £20m invested in private debt managed externally by the Partners Group. At 31st March 2020, the fund had a capital value of £20.3m following repayment of £0.7m of the principal value. Estimated income returns were lower than expected (+3% compared with 4%).

Pooled Property

The Fund also hold £25m in externally managed pooled property investments. This includes an additional investment of £2.5m that was made during the year. Income for the year was in line with expectations at 3.9%. However, the year-end valuation reported a reduction of 0.8%. This reflects the state of the wider property market. Over the longer term it is expected that yields will recover.

Property Disposals

In line with the strategy, the following disposals were achieved during the year and resulted in total capital receipts of £80,000 through opportunity sales of property from the Rural portfolio.

Property	Disposal Date	Receipt	Sector
Land at Heather Road Ravenstone	02/07/2019	£60,000	Rural
Allotments, Lutterworth CFE	15/05/2019	£20,000	Rural



PERFORMANCE AND COMPARISON AGAINST INDUSTRY BENCHMARK

The Fund's benchmark is the "All Property" total return (capital growth plus income return) - which used to be known as the IPD benchmark. The total return for the direct property portfolio for the year to 31st March 2020 was 2.7% significantly outperforming the market benchmark Monthly Index total return of 0.3%.

Office Sector

Although this sector suffered from negative capital growth this year, the income growth was sufficiently strong to produce an overall positive performance – one that outperformed the sector nationally by 0.6%. Lettings which were completed after the year end will further improve this position in the next year.

Industrial Sector

The Industrial sector produced an increased income return of 7.6% compared to the 2018/19 figure of 7.3% and well above the market level of 4.7%. This offset the negative capital growth of -2.4%, showing a further market correction from the 2017/18 year when growth of 26.5% was achieved. However, demand and rental growth have both remained strong during the year for all grades of property within the sector, as demonstrated by the high levels of interest shown for the newly constructed units at Coalville and Market Harborough.

Rural Sector

The rural assets performed very well, producing an overall return of 9% which is well in excess of the sector's national performance. At 1.3%, income return was marginally above the performance of the rural sector nationally.



PORTFOLIO REVIEW

Current Yield

The current net yield from managed direct property is 4.9%; this is slightly below the market benchmark figures due to yields softened during the year both for the Fund and within the market indices, reflecting the uncertainty created by Brexit. A further significant rise is anticipated due to increased risk resulting from COVID-19 which will impact capital growth over the year 2020/21 and future years until normal market conditions resume.

Sector Proportions

The effect of purchases, sales and movements in value during the year has resulted in further shifts in the sector weightings as illustrated earlier in the report. Whilst the long-term aim is to maintain a balance between sectors that maximises the potential for achieving financial resilience in the shorter term, in considering future acquisitions, the Fund will continue to focus on the purchase of assets that deliver the prospect of good long-term income, sound tenant covenant and produce a better than market yield, rather than maintaining any particular sector balance.

Rent Reviews, Lease Expiries and Tenant Only Breaks

There are 46 rent reviews, 39 lease expiries and 16 tenant-only break options that are falling due in 2020/21. The negotiations regarding the reviews, lease renewals and dealing with the break options will form part of normal day-to-day property management.

The effect of Covid19 on business confidence will become a defining factor of the next 12 months, as the financial impact of the pandemic becomes fully felt across all sectors. The early indication is that many of the Council's tenants are well placed to utilise the support offered by Central Government and in effect "weather the storm", but a prolonged economic downturn or "second wave" will likely result in many businesses exercising their opportunity to terminate leases leading to more voids in future years. However, there are positives with several new lettings agreed since early March 2020, and more premises under offer.

Future Investments

During the 2019/20 the CAIF has, on the basis of further funding being available through the Medium-Term Financial Strategy (MTFS), committed to the following developments that will have the effect of further transforming the portfolio, achieving excellent rates of return and delivering significant additional income.

In addition to further phases of investment at Airfield Farm Business Park in Market Harborough and Leaders Farm in Lutterworth, the proposed development at Poole Farm/Barrow Road Quorn is being progressed to the planning application/delivery phase.

Funds have also been committed to acquisition of further properties including that required to complete land assembly to facilitate the delivery of the East of Lutterworth SDA.



Developments Completed in 2019/20:

Airfield Farm Business Park (Phase 2)

Background

The Council purchased this 16-acre site to the north of Market Harborough in late 2016 which benefitted from an outline planning permission for a mix of industrial, office and roadside uses. A new planning permission was achieved for 80,000 sq. ft of industrial units forming phase 2 and construction began on site in early 2019. (Note: Phase 1 was the sale of land to Thorpe's' Joinery)

7 out of the 12 units have been let or under offer totalling 39,350 sq. ft. securing an increase in income of £263,000.



📄 Description	80,000 sq ft B1/B2/B8 units
📅 Completion Date	6 December 2019
£ Build Cost	£5.2m
🏠 Rental Income	£543,000 per annum
📈 Yield	6.98%

Apollo Business Park, Coalville

Background

This site was a former undeveloped yard in Coalville leased to a haulage company for open storage. Having obtained vacant possession, planning consent was achieved for 17 industrial units and work began on site in late 2018. Following completion in September 2019, 3 units have been let, providing an increase in income of £45,500 pa with a further two under offer and interest in several of the remainder.



📄 Description	41,000 sq ft industrial space divided into 17 units
📅 Completion Date	16 September 2019
£ Build Cost	£5.6m (the LLEP contributed £2.34m towards this cost)
🏠 Expected total rental Income	£329,000 per annum
📈 Yield	8.06%


Developments On-site at present:

Loughborough Science and Enterprise Park (LUSEP)

Background

The County Council entered into a ground lease with Loughborough University with effect from January 2019 whilst simultaneously entering into an agreement for lease to Access Group UK Ltd for an initial term of 15 years.

Work commenced on site at the beginning of February 2019. Construction is well advanced with the building wind and watertight and internal first fix under way. Unfortunately, delays during the construction phase due to Covid19, has meant that completion is now planned for November 2020.



📄 Description	100,000 sq. ft. gross Grade A Office HQ with 320 car parking spaces
📅 Completion Date	November 2020
£ Build Cost	£22.7m
🏠 Rental Income	£1.6m per annum
📊 Yield	6.6%

Leaders Farm South, Lutterworth

Background

This site formed part of a field within the County Farms portfolio and was identified as having possible office and industrial development potential.

After marketing this site for several years, it is clear that there is no substantial identifiable demand for the previously allocated uses on the site. The estate road was constructed to try and stimulate light industrial/office demand, but none has been forthcoming. However, demand has been expressed for roadside and storage uses, and terms have been agreed (and contracts drawn up) with several occupiers for these uses. A planning application is to be submitted shortly. Changes to the Use Class Orders due in September 2020 should allow more flexibility and help with the development of this site.



Airfield Farm Business Park (Phase 3)

Background

Following completion and the successful launch of Phase 2 of the new industrial development at Airfield Farm Business Park, a masterplan has been drawn up for the final phases and a planning application for a further 82,436 sq. ft. of industrial units will be submitted in November 2020.



Voids

Once development schemes are completed, they are transferred from the development sector in the CAIF portfolio, to the relevant occupier sector (office, distribution, industrial etc). At this point, if the units are not pre-let, then they are classed as 'void' as they are neither occupied nor producing income.

In the year 2019/20, two major schemes (Apollo Court and Airfield Business Park Phase 2) came on stream and therefore those new units which were unlet by year end, are classed as 'void'. This has led to an unusual increase in the void rate, at 31st March 2020, of 22.3%. This is a natural state of the development cycle and will be rectified once the units are let. If these properties are excluded, the voids figure stands at 5.7%, which is in line with wider market levels.

A note of caution however, there is an expectation of an increased level of voids, particularly within the office sector in 2020/21, as the effect of Covid19 on business confidence impacts the market.

Developments in planning stages at present

Sysonby Farm, Melton Mowbray

An outline planning application for 290 dwellings, a primary school and local centre has been submitted to Melton Borough Council and was approved subject to the completion of a Section 106 Agreement. However, the Section 106 Agreement has yet to be completed delaying the issue of planning permission. Master-planned in collaboration with Richborough Estates, the promoter of the adjoining land, the site will contribute to the comprehensive development of the land between Nottingham Road and Scalford Road as an early phase of the Melton Northern Sustainable Neighbourhood with further land reserved for the construction of the Melton Mowbray Distributor Road. To support the delivery of enabling infrastructure £4.5m of Local Authority Accelerated Construction funding has been secured from Homes England; the delayed planning permission impacting on the delivery of the milestone within the funding agreement resulting in the need to extend the period for the delivery of the enabling works beyond March 2021.

Lutterworth East

The allocation of the East of Lutterworth SDA comprising 2,750 dwellings, 23 hectares of B1, B2 and B8 employment land, a community hub, two primary schools, 110 hectares of open space including a country park together with substantial highways infrastructure was secured as part of the Harborough Local Plan which was adopted on 30th April 2019.

A hybrid planning application (in outline for the main residential and commercial development and in details for spine road and other highways infrastructure works) was considered by Harborough District Council on 28th July 2020 and it voted to grant permission subject to completion of a section 106 Planning Agreement.

Due to the decision by Homes England not to support the County Council's application for Housing Infrastructure Fund money, the procurement of a delivery partner for the scheme was temporarily put on hold. Further discussions regarding other funding sources are being held.

On receipt of a free from legal challenge planning permission and confirmation of funding (both internal and external) work could commence on the enabling infrastructure within 6 months with a view to the first houses and an early phase of commercial development being occupied in 2022/23.

Furthermore, the procurement of a delivery partner could recommence at this point.

However, in the light of continued market uncertainty commencement of works on site may be delayed ensuring that returns from the project are protected in the longer term. To support the delivery of the infrastructure, £8.8m of Local Authority Accelerated Construction funding has been secured from Homes England. An application has been made to extend the period for the delivery of the grant funded works to meet the revised project timetable.



M69 Junction 2 – Stoney Stanton

Following the decisions of CAIFAB and the Cabinet, most recently in March 2020, work has been progressed on the promotion of up to 152 acres of County Council land as part of a larger residential led mixed use development of at least 4,500 houses. Working in collaboration with other landowners and their developer partners submissions have been made to the Call for Sites and Issues and Options consultation and work is ongoing to provide the necessary evidence base to support the sites allocation as part of the emerging Blaby District Local Plan which is due to be adopted in 2022.

Quorn

At Poole Farm, Quorn a planning application for a high quality, sustainable, environmentally friendly development was submitted in April 2020. The scheme includes a 62-acre solar farm and 45,500 sq. ft. of energy efficient, zero carbon, commercial units in this very accessible, sustainable location. Construction is projected to cost £14.0m generating a net income of in excess of £0.8m per annum, an initial yield of 5.96%.

Rent Arrears (Direct Portfolio)

At 31st March 2020, total unsecured 90-day debt amounted to £49,731 which equates to less than 0.1% of gross portfolio income and comparable with previous years and remains considerably below industry averages especially during turbulent economic conditions. Payment of all outstanding debts is being actively pursued through debt management procedures.

It should be noted that none of the tenants of the 3 major investment property acquisitions (Embankment House, Nottingham/Lichfield South Office Park/car showroom in Leicester) have any rent arrears at all.

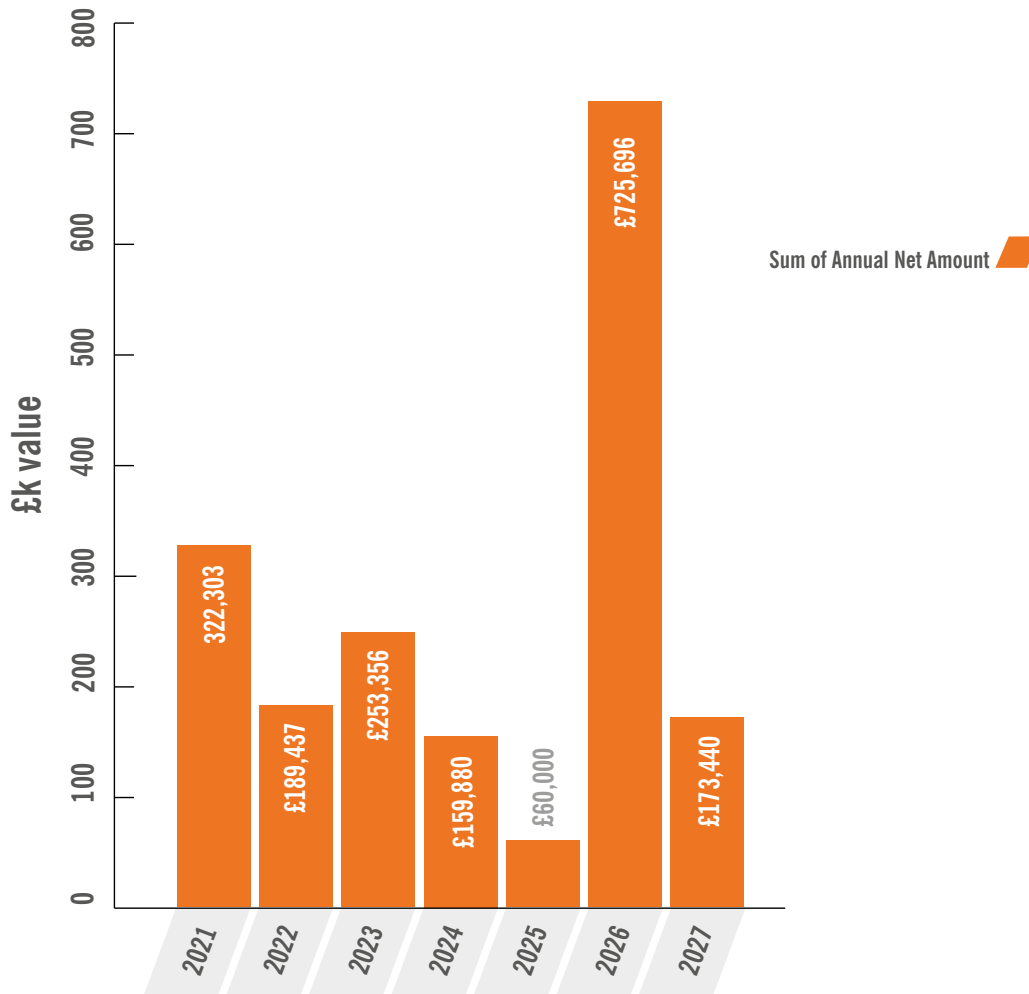
In the longer term as the proportion of properties devoted to economic development continues to fall in line with the CAIF Strategy, the covenant status profile should improve significantly reducing the fund's exposure to debt risk.

There is a risk of increased debt arising because of Covid19 on businesses, and although it is too early to make a judgement on the longer-term impact, it is anticipated that business failure (and consequently bad debt) may rise over the next financial year.



Lease Expiry Profile (Direct Portfolio)

The figures below show the profile of rents receivable from leases expiring in each year within the portfolio. Where a tenant has an option to break within a lease, the worst-case scenario that the tenant will exercise such an option is assumed, whereas in practice it is likely that not every tenant will elect to do so



The largest figure in the table above relates to the year 2026; the majority of income subject to lease expiry in this year is derived from the tenants of Embankment House, Nottingham. We will be approaching the tenants in due course to negotiate renewal of those leases in line with normal practice.

PROPERTY INVESTMENT MARKET REVIEW

Economic Outlook

Economic growth improved marginally in 2019 with GDP expanding 1.4% year on year, up from 1.3% in 2018; the economy flatlining in the final quarter as growth in the services sector, which now makes up 75% of the economy, only increasing by 0.1%. Construction showed a 0.5% increasing whilst manufacturing output saw a 1.1% fall. In addition, at the end of the year investment had flatlined and inventories fell, both because of continued Brexit uncertainty.

The CPI had fallen to 1.3% in December (the lowest rate since 2016) having shown a sustained downward trend over the second half of the year with the last 5 months of the year being below the Bank of England target rate; part of the fall being attributable to the introduction of the cap on utility prices. With no inflationary pressures, subdued economic growth, stable exchange rates and a stagnant labour market the signs were that there was little pressure on the Bank to raise interest rates.

At the start of the year the economy was beginning to show positive signs driven by increased household and government spending. A further year of modest economic growth dependent on the continued positive effects of the post General Election bounce which saw business optimism rise together with positive investment intentions and hiring plans.

However, the impact of COVID-19 has clearly had a visible impact on all economic predictions with GDP tumbling 20.4% in the second quarter of the year from April to June; the steepest quarterly fall in history. A sharp bounce back is predicted for Q3 and Q4 although anything like a full recovery is likely to take upwards of 2 years. Whilst indicators such as the PMIs appear to have bottomed out and are on an upward trajectory and unemployment figures remain low due to the job retention scheme there remain a number of downside risks to the economy and commercial property market, principally, (1) an inability of industry to rehire workers when furlough ends (2) a second wave of infection (3) a reluctance by households to begin spending, and (4) an unfavourable Brexit outcome.



Investment Market

After a sluggish year investment surged at the end of December when transactions valued at £9.4bn were achieved bringing the total for the year to £52bn down 18% on 2018; much of the late activity focussed on the alternative/mixed continuing the trend of the past 2 years in which there has been a marked move away from the core sectors. The office and industrial sector also remained healthy as the market matched the £50bn 10-year average.

Overseas buyers continued to invest in UK commercial property accounting for 44% of all transactions with increasing interest from German and US investors who have returned to a positive net investment position. Far Eastern investors continue to increase their exposure to UK real estate, but the rate of increase has slowed markedly on last year.

The market in January 2020 was again subdued with transaction volumes at £1.6bn well down on December 2019, however, activity increased in February to £8.1bn falling again in March to £2.8bn as the effects of COVID-19 began to bite. Since that time transactions failed to reach £1bn in April and May and are only now beginning to increase as the market begins to open up. Particularly hard hit is the level of foreign investment as investors unable to travel focus their attention on home markets.

Property Forecasts

In January it was noted that annual all property returns showed signs of stagnation in 2019 as rental performance and pricing in the retail sector drove increases in yields resulting in an overall return of 0.3% comprising negative capital growth of -4.7% and an income return of 5.2% (0.2% residual). However, it was expected that total returns of 2.4% would be achieved in 2020 and over the 5 year forecast horizon returns were expected to average 4.5%pa. Further the 10-year downward trend in equivalent yields was predicted to end at the end of 2019 and move out by 28bps over 2020. Driven by poor performance in the retail sector rental growth was likely to be negligible over the cycle notwithstanding the modest increases of 1.1% and 2.9% predicted for the office and industrial sectors respectively.

The commercial property market is far from immune from the impact of COVID-19. Accordingly, it is now anticipated that the future performance of property investments will experience similar negative effects as the rest of the economy. The table below compares the current predictions with those made at the start of the year and shows that the annual all property return for 2020 is now -7.1% and a modest 3.8% pa over the forecast horizon.



All Property Forecast

Prediction Date	December 2020		5 year Cycle	
	January 2020	Current	January 2020	Current
ERV Growth (% pa)	-0.9	-3.9	0.4	0.0
Equivalent Yield (%)	5.8	6.3	5.8	6.1
Capital Growth (% pa)	-2.5	-11.6	-0.5	-1.5
Total Return (% pa)	2.4	-7.1	4.5	3.8

Yields are expected to move out by an average of a further 50 bps to 6.3% with rental growth in negative territory across the market except for supermarkets where rents will remain stable and the industrial sector where nominal increases may be achieved.

Following a 6.8% decline in 2019 to -11.1% all retail total returns for 2020 are now expected to fall further to -14.1% in 2020 with income returns of 6.3% insufficient to off-set a 19.4% (1.0% residual) fall in capital growth. With capital growth likely to remain negative over the 5-year cycle retail returns are expected to be 2.2%.

All office total returns are expected to fall from 3.9% in 2019 to -5.5% by the end of 2020 comprised of 4.1% income return and -9.4% (0.3% residual) capital growth. With yields expected to stabilise by the end of 2021 and hardening slightly over the following years combined with a return to rental growth total returns will average 3.8%pa over the forecast horizon.

The industrial and logistics sector is set to remain the best performing sector for the foreseeable future. It is the only sector predicted to achieve both positive total annual returns of 0.7% and rental growth of 0.9% in the current year (1.6%). Further, it is expected that total returns return to previous levels of 6% in 2021 and average 5.6% pa over the cycle.

Whilst constrained by a limited supply of investment opportunities Rural Property remains a safe-haven for investors, with income returns of 1.2% and the prospect of modest long-term capital growth achieved through the realisation of development potential.



Investment Strategy Update

The key objectives of the strategy remain: -

- Ensuring that there is a diverse range of assets available to meet the aims of economic development;
- Increasing the size of the portfolio;
- Improving the quality of the assets;
- Ensuring the sustainability of the County Farms and industrial portfolio by replacing land sold to generate capital receipts;
- Providing a revenue stream that can be used to support ongoing service delivery; and
- Ensuring that any development undertaken on land owned by the County Council (or sold to a 3rd party for development) is undertaken in accordance with the aims and aspirations of the County Council's Declaration of Climate Emergency and any development is therefore to be sustainable, low carbon and energy efficient.

The implementation of this strategy coupled with the development of robust performance monitoring measures will ensure that the portfolio operates effectively and delivers value for money.

The CAIF Strategy continues to be reviewed regularly. A review is currently ongoing and in addition to taking account of market trends and the County Council's strategies, it will address both the short-term effects and potential longer-term risks associated with the COVID-19 pandemic with a view to protecting the Fund's current portfolio and guide its future development moving forward to maximise the benefits it delivers.

The updated strategy will be presented to Cabinet, for adoption, later in 2020.



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