

LONDON BOROUGH OF BROMLEY

STATEMENT OF EXECUTIVE DECISION

The Portfolio Holder for Resources, Commissioning and Contracts, Councillor Graham Arthur has made the following executive decision:

TREASURY MANAGEMENT - QUARTER 2 PERFORMANCE 2018/19 & MID YEAR REVIEW

Reference Report:

TREASURY MANAGEMENT - QUARTER 2 PERFORMANCE 2018/19 & MID YEAR REVIEW, 22/11/2018 Executive, Resources and Contracts Policy Development and Scrutiny Committee

Decision:

- 1. That the Treasury Management performance for the second quarter of 2018/19 be noted;**
- 2. That Council be recommended to approve the inclusion of the new Low Volatility Net Asset Value (LVNAV) category of Money Market Funds into the Treasury Management Strategy; and**
- 3. That Council be recommended to approve the non-reporting of Treasury Management Activity quarterly.**

Reasons:

In line with government guidance, the Council's policy is to seek to achieve the highest rate of return on investments whilst maintaining appropriate levels of risk, particularly security and liquidity.

The current approved 2018/19 Treasury Management Strategy permits the use of 'standard' Constant Net Asset Value (CNAV) Money Market Funds with a limit of £15m in each fund, as well as, Variable Net Asset Value (VNAV) funds, with a limit of £10m in each fund, and a maximum of £25m at any one time. New regulations coming into effect reforming Money Market Funds mean there will be classification changes, which includes the introduction of Low Volatility Net Asset Value (LVNAV) funds. As a result the Council must update the Treasury Management Strategy in line with these Money Market Fund classification changes.

The proposed decision was scrutinised by the Executive, Resources and Contracts PDS Committee on 22nd November 2018 and the Committee supported the proposal.

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Councillor Graham Arthur
Portfolio Holder for Resources, Commissioning and Contracts

Mark Bowen

**Director of Corporate Services
Bromley Civic Centre
Stockwell Close
Bromley BR1 3UH**

Date of Decision: 27 November 2018

Implementation Date (subject to call-in): 4 December 2018

Decision Reference: RES18012