

**EXECUTIVE, RESOURCES AND CONTRACTS
POLICY DEVELOPMENT AND SCRUTINY COMMITTEE**

Minutes of the meeting held at 7.00 pm on 5 February 2020 (extract)

Present:

Councillor Simon Fawthrop (Chairman)
Councillor Christopher Marlow (Vice-Chairman)
Councillors Gareth Allatt, Julian Benington, Ian Dunn,
Nicky Dykes, Will Harmer, Russell Mellor, Keith Onslow,
Chris Pierce, Michael Rutherford, Michael Tickner,
Stephen Wells and Angela Wilkins

Also Present:

Councillor Graham Arthur, Portfolio Holder for Resources,
Commissioning and Contracts Management
Councillor Kira Gabbert, Executive Assistant to the
Resources, Commissioning and Contracts Management
Portfolio
Councillor Colin Smith, Leader of the Council

**123 RESOURCES, COMMISSIONING AND CONTRACTS
MANAGEMENT PORTFOLIO - PRE-DECISION SCRUTINY**

The Committee considered the following report where the Resources, Contracts and Commissioning Portfolio Holder was recommended to take a decision.

**a TREASURY MANAGEMENT - ANNUAL INVESTMENT
STRATEGY AND QUARTER 3 PERFORMANCE 2019/20
Report FSD20026**

The report summarised Treasury Management activity during the third quarter of 2019/20 and presented the Treasury Management Strategy and the Annual Investment Strategy for 2020/21, which were required by the CIPFA Code of Practice for Treasury Management in the Public Services to be approved by the Council. The report also included prudential indicators and the MRP (Minimum Revenue Provision) Policy Statement, both of which require the approval of Council. For clarification, the Council was required by statute to agree and publish prudential indicators, primarily to confirm that the Council's capital expenditure plans were affordable and sustainable. Bromley did not borrow to finance its capital expenditure and, as a result, many of the

indicators did not have any real relevance for the Council. The 2019/20 strategy was agreed by Council in February 2019 and no further changes were proposed at this time.

The Committee considered whether any consideration was given to the environmental policies of the organisations in which the Council invested. Members noted that it was clear that the Council invested in recognised investments such as banks and it was not always possible to know the full details of the environmental policies of these organisations. It was noted that it would be a significant piece of work to conduct the necessary due diligence in respect of environmental policies and the Council's current policy in respect of carbon emissions related to direct contractors. A Member also suggested that the market itself was doing a good job in terms of filtering out those companies that had a more negative impact on the environment.

The Vice-Chairman suggested that there should be further consideration of rationalising money market funds as it would be more cost effective to have one or two money market funds and it would be possible to achieve diversification through investing in one or two funds. It was agreed that following the meeting the Vice-Chairman and Director of Finance would discuss the options further and an update to the Committee in the next report.

RESOLVED: That the Portfolio Holder be recommended to

- 1. Note the report.**
- 2. Note the Treasury Management performance for the third quarter of 2019/20;**
- 3. Recommend that Council agrees to adopt the Treasury Management Statement and the Annual Investment Strategy for 2020/21 including the prudential indicators and the Minimum Revenue Provision (MRP) policy statement.**