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To: Governance and Audit Committee – 3 October 2014

Subject: **COMMERCIAL SERVICES POLICIES**

Classification: Unrestricted

Summary: This paper provides a summary of the key differences between KCC and the recently introduced Commercial Services policies and procedures.

FOR ASSURANCE

Introduction and Background

1. The protocol relating to companies in which KCC has an interest stipulates that where a company adopts its own policies, assurance must be provided that adequate policies and procedures are in place, with particular reference to anti-fraud and corruption. The following paper summarises the key differences (by notable exception) between KCC and the recently introduced Commercial Services policies.

Commercial Services Policies

2. Commercial Services has recently introduced the following policies:
 - Anti-Bribery and Hospitality
 - Expenses Policy
 - Corporate Charity Policy
 - Sponsorship Policy
 - Recruitment Policy
 - Declarations of Interest
 - Procurement Policy and Procedures
 - Whistleblowing Procedure
3. These policies have been developed and proposed by the company Executive Committee and formally approved by the Commercial Services Audit Committee in line with best practice within the commercial Sector. These policies only apply to those staff employed by either Commercial Services Kent Ltd or Commercial Services Trading Ltd.

4. Where possible a direct comparison has been made to KCC policies. In the absence of a direct comparator, the policies were compared to specific sections of relevant policies and procedures, such as the Kent Code. Differences between these policies and procedures and those of the Council, have been summarised by notable exception in the table shown in Appendix A for information. The Whistleblowing Procedure adopted by Commercial Services is very similar to KCC's procedure and there were no notable exceptions, hence it is not referred to in the table at Appendix A. Richard Martin, the Chair of Commercial Services Audit Committee has commented as follows *"To my mind the CS policies reflect what one would expect to see in a commercial organisation i.e. opportunities for socialising with customers and key suppliers should be encouraged (within appropriate limits) not just tolerated. This is quite different from what one would expect to see in a local authority, which has a very different and non-commercial purpose and whose employees therefore would not be expected to have the same degree of relationships with commercial organisations."*

Recommendations

5. Members are asked to note the contents of this report for assurance.

Appendices

Appendix A Table of key differences between Commercial Services and Kent County Council policies and procedures

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