By: Richard Long – Chairman of Governance and Audit Committee

Lynda McMullan – Director of Finance

To: Governance and Audit Trading Activities Sub Committee – 1 September 2009

Subject: **PROPOSED ANNUAL WORKPLAN**

Classification: Unrestricted

Summary: To ensure the Trading Activities Sub Committee deliver upon its

Terms of Reference, a draft work plan has been prepared for its

consideration.

FOR INFORMATION

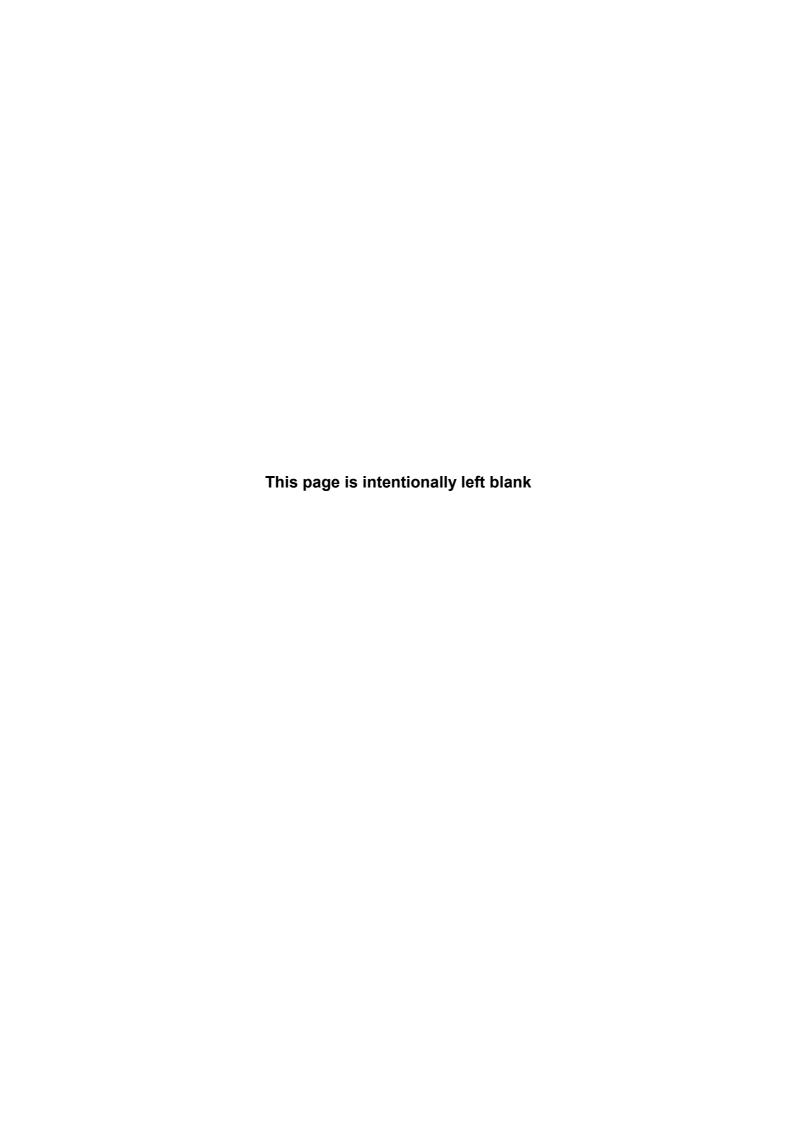
1. INTRODUCTION AND BACKGROUND

- 1.1 In order to meet the terms of reference discussed earlier on this agenda. It is proposed that a formal work plan of activity be delegated to the Director of Finance on behalf of the Sub Committee.
- 1.2 A draft work plan has been drafted for Members' consideration as Appendix A.

2. RECOMMENDATIONS

2.1 It is recommended that Members CONSIDER the draft work plan attached, AGREE any amendments or additions and DELEGATE delivery of this to the Director of Finance.

Lynda McMullan Director of Finance Ext: 7000 4550



PROPOSED ANNUAL WORKPLAN

- 1. Monitor the financial performance and reporting of all trading accounts and all limited companies owned in whole or in part or controlled by KCC.
 - Produce summary of trading activity across KCC for agreement
 - Finance to produce bi-annual reports tracking financial performance for meetings
 - Members to identify particular areas for further scrutiny to be added to agendas (to be discussed)
 - Commission review of charging policies across the Council (to be discussed)
- 2. Receive the annual business plans and annual financial accounts of any KCC limited companies.
 - Produce business plans and financial accounts annually
- 3. Oversee the establishment of new limited companies through examination of the business case before the company commences trading and make recommendations to the appropriate Cabinet Member.
 - As required (note that urgent meetings may be called to deal with such business or alternatively this business conducted through e mail)
- 4. Monitor trading and commercial activities being undertaken by the Council to ensure that they have the right structure.
 - Commission annual review by Internal Audit to review whether structures are appropriate
 - Request comment by Director of Law and Governance
 - Request comment by External Audit as part of the annual Final Accounts audit
- 5. Monitor adherence to the appropriate legal, regulatory and accounting frameworks governing local authority trading activities.
 - Commission External Audit to undertake one-off review of Commercial Services activity (now complete)
 - Other work to be discussed