

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

This page is intentionally left blank

APPENDIX A

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*