



## Trading Board

7 March 2018

Item  
**8**

<b>Report of</b>	<b>Monitoring Officer</b>	<b>Author</b>	<b>Andrew Weavers</b>
<b>Title</b>	<b>Future of the Trading Board</b>		<b>☎ 282213</b>
<b>Wards affected</b>	N/A		

### 1. Executive Summary

- 1.1 The purpose of this report is to detail the future direction and purpose of the Trading Board.
- 1.2 It is suggested that the Trading Board has achieved its original objectives and its responsibilities in relation to monitoring of the performance etc of Colchester Commercial (Holdings) Limited should be transferred to the Governance and Audit Committee. The Trading Board could then be refocussed to act as an advisory body to Cabinet on legislative, improvement and policy issues in the guise of a new Policy Review Panel. This would be subject to approval at the Annual Council meeting on 23 May 2018.

### 2. Recommended Decision

- 2.1 To note the contents of this report.

### 3. Reasons for Recommended Decision

- 3.1 The Council is required to keep its meeting arrangements under review and the future of the Trading Board is part of this. This report contain proposals on revised governance arrangements for the 2018 /19 Municipal year.

### 4. Alternative Options

- 4.1 To retain the Trading Board in its current form however, this is not being recommended

### 5. Supporting Information

- 5.1 The Trading Board was created in 2013 to advise Cabinet on its approach to commercial matters and how it could generate income. Its terms of reference were expanded last year following the creation of Colchester Commercial (Holdings) Ltd and its subsidiary companies including its role as the shareholder committee. The terms of reference of the Trading Board are attached at Appendix 1.
- 5.2 Following a review of the meeting governance arrangements for the 2018/19 municipal year it is suggested that the Trading Board has achieved its original aims and it would now be appropriate for its responsibilities in relation to Colchester Commercial (Holdings) Limited to be transferred to other meetings and for it to focus on legislative and policy issues facing the Council including the impact of Brexit.

- 5.3 It is proposed that the role of shareholder committee for Colchester Commercial (Holdings) Limited be undertaken by the Governance and Audit Committee and that the additional functions (23) – (27) set out at Appendix 2 be included as part of its terms of reference. It would be for the Governance and Audit Committee to determine how it undertakes this as part of its work programme. Whilst the Committee's terms of reference appears to be large, the functions mentioned at (8) – (21) are rarely required to be used.
- 5.4 The Scrutiny Panel will have a role in scrutinising the performance of Colchester Commercial (Holdings) Limited in the same context as it does for Colchester Borough Homes Limited. It is suggested that this would be probably twice a year. The first being to scrutinise the Company's business plans and second to review the Company's performance at the end of the financial year. Again it would be for Scrutiny Panel to manage its work programme.
- 5.5 Following a workshop for the members of the Trading Board held on 15 November 2017 it was suggested that the Trading Boards' terms of reference should include advising Cabinet on wider policy issues.
- 5.5 Accordingly it is considered that Trading Board should be transformed into a new advisory panel to Cabinet and it be named the Policy Review Panel. This Panel would provide legislative, improvement and policy advice to Cabinet and Portfolio Holders on issues that may affect executive functions. The proposed terms of reference for the Policy Review Panel is attached at Appendix 3. It would be for the Policy Review Panel to manage its work programme. This proposal would require ratification by the full council at the Annual Meeting on 23 May 2018.

## **6. Strategic Plan References**

- 6.1 The manner in which the Council governs its business is an underpinning mechanism in the Council's Strategic Plan aims to set out the direction and future potential for our Borough.

## **7. Financial, Equality, Diversity and Human Rights, Consultation, Community Safety, Health, Safety and Risk Management Implications**

- 7.1 None identified.

## **8. Publicity Considerations**

- 8.1 Any changes to the meeting governance arrangements would be included in the Constitution which is published on the Council's website.

Panel	Membership	Terms of Reference
<b>Trading Board</b>	6 Councillors  (except those being appointed as directors of Colchester Commercial (Holdings) Limited) and up to three (non-voting) co-opted external persons.	<ul style="list-style-type: none"> <li>a) Consider and review the activities and financial performance of: <ul style="list-style-type: none"> <li>(i) Colchester Commercial (Holdings) Limited and its subsidiary companies i.e. Housing Company, Energy Company and Trading Company;</li> <li>(ii) those Council services generating income of approximately £250,000 or above; and</li> <li>(iii) any other partly or wholly owned company of the Council</li> </ul> </li> <li>b) Receive, review and recommend Colchester Commercial (Holdings) Limited's business plans (including its subsidiary companies) annually.</li> <li>c) Monitor, challenge and make recommendations to Cabinet regarding Colchester Commercial (Holdings) Limited and its subsidiary companies and other Council services with significant income streams.</li> <li>d) Identify and develop any new commercial agreements generating significant income for the Council for approval by Cabinet or Council.</li> <li>e) Develop the composition of any new body or bodies created wholly or in part by the Council for commercial purposes including their purpose; governance; operating model; business planning function; risk factors; and to recommend approval for such new arrangements to Cabinet or Council.</li> <li>f) Ensure any Council capital investment and/or assets that are to be transferred to or used by an outside body for commercial purposes is properly specified, protected and used by the outside body and recommended to Cabinet or Council for approval.</li> <li>g) Consider any proposed new/transfer or sale/purchase of company shares and make recommendations on these for approval by Council.</li> <li>h) Make recommendations to Full Council on how it should exercise the functions flowing from its ownership of shares in Colchester Commercial (Holdings) Limited and its subsidiary companies.</li> <li>i) Identify and recommend to Cabinet or Council major strategic opportunities for procurement of services from other companies, organisations, social enterprises and the voluntary and third sector.</li> <li>j) Receive regular reports of procurement agreements entered into including financial and service performance measures against those stated in the contract and bring any concerns or risks as recommendations to Cabinet.</li> <li>k) Recommend the constitution and appointment of the Board of Directors of Colchester Commercial (Holdings) Limited.</li> </ul>

	<b>Membership</b>	<b>Terms of Reference</b>	
<b>Governance and Audit Committee</b>	6 Councillors	<p><b>Accounts and Audit</b></p> <p>(1) To consider and approve the Council's Statement of Accounts in accordance with the Accounts and Audit Regulations.</p> <p>(2) As part of the Council's governance arrangements, to consider the findings of the annual review of governance (which includes a review of the effectiveness of the system of internal audit) and approve the signing of the Annual Governance Statement by the Leader of the Council and the Chief Executive in accordance with the Accounts and Audit Regulations.</p> <p>(3) To have an overview of the Council's control arrangements including risk management and in particular with regard to the annual audit plan, the audit work programme and progress reports and to make recommendations to Cabinet as appropriate.</p> <p>(4) To review the Council's external auditor's annual audit letter.</p> <p><b>Miscellaneous regulatory matters</b></p> <p>(5) To make recommendations to Council on the Council's functions contained in Parts D (elections), E (name and status of areas and individuals), F (making, amending, revoking , re-enacting or enforcing byelaws) G (promotion or opposing local or personal bills), of Schedule 1 of the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 (as amended).</p> <p>(6) To determine Community Governance Reviews.</p> <p>(7) An overview of the Council's complaint handling procedure and Local Government Ombudsman investigations</p> <p><b>Standards</b></p> <p>(8) Promoting and maintaining high standards of conduct by Members and Co-opted Members of the Council.</p> <p>(9) Advising the Council on the adoption or revision of the Members' Code of Conduct.</p> <p>(10) Advising and assisting Parish Council(s) and Councillors to maintain high standards of conduct.</p> <p>(11) To receive referrals from the Monitoring Officer into allegations of misconduct in accordance with the Council's assessment criteria.</p> <p>(12) Receiving reports from the Monitoring Officer and assessing the operation and effectiveness of the Members' Code of Conduct.</p> <p>(13) Advising, training or arranging to train Members and Co-opted Members on matters relating to the Members' Code of Conduct.</p> <p>(14) Assisting Councillors and co-opted Members to observe the Members' Code of Conduct.</p> <p>(15) To create a Hearings Sub-Committee to hear and determine complaints about Members and Co-opted Members referred to it by the Monitoring Officer.</p> <p>(16) To conduct hearings on behalf of the Parish and Town Councils and to make recommendation to Parish and Town Councils on</p>	

		<p>improving standards or actions following a finding of a failure by a Parish or Town Councillor to comply with the Code of Conduct.</p> <p>(17) To inform Council and the Chief Executive of relevant issues arising from the determination of Code of Conduct complaints.</p> <p>(18) Advising the Council upon the contents of and requirements for codes/ protocols/ other procedures relating to standards of conduct throughout the Council.</p> <p>(19) To grant dispensations after consultation with the Independent Person pursuant to Sections 33(2) (b), (c) and (e) of the Localism Act 2011.</p> <p>(20) To hear and determine appeals against refusal to grant dispensations by the Monitoring Officer pursuant to Sections 33(2)(a) and (d) of the Localism Act 2011.</p> <p>(21) To make recommendations to Council regarding the appointment of Independent Persons in accordance with section 28 (7) and (8) of the Localism Act 2011.</p> <p><b>General</b></p> <p>(22) Review of the Constitution including governance issues around formal meetings, processes and member training and to make recommendations to Council.</p> <p>(23) Consider and review the activities and financial performance of:  (a) Colchester Commercial (Holdings) Limited and its subsidiary companies i.e. Housing Company, Energy Company and Trading Company;  (b) those Council services generating income of approximately £250,000 or above; and  (c) any other partly or wholly owned company of the Council</p> <p>(24) Receive, review and recommend Colchester Commercial (Holdings) Limited's business plans (including its subsidiary companies) annually.</p> <p>(25) Monitor, challenge and make recommendations to Cabinet regarding Colchester Commercial (Holdings) Limited and its subsidiary companies and other Council services with significant income streams.</p> <p>(26) Make recommendations to Cabinet on how it should exercise the functions flowing from its ownership of shares in Colchester Commercial (Holdings) Limited and its subsidiary companies.</p> <p>(27) Recommend the constitution and appointment of the Board of Directors of Colchester Commercial (Holdings) Limited to Cabinet.</p>	
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	<b>Membership</b>	<b>Terms of Reference</b>
<b>Policy Review Panel</b>	6 Councillors	<p>(1) To proactively identify issues and legislative changes that may require review and improvement and to seek Cabinet's agreement as to whether and how they should be examined.</p> <p>(2) To review strategies and policies at the request of the Cabinet and to make recommendations back to Cabinet for decision.</p> <p>(3) To review issues at the request of a Portfolio Holder and to make recommendations back to the Portfolio Holder for decision.</p>