

Companies Governance Executive Sub-Committee – 19 May 2020

Subject:	Proposed Council's Group Companies Financial Performance Reporting		
Corporate Director/ Directors:	Candida Brudenell – Corporate Director of Strategy and Resources Malcolm R. Townroe – Director of Legal and Governance Laura Pattman – Strategic Director of Finance		
Portfolio Holder:	Councillor David Mellen – Leader of the Council		
Report author and contact details:	Bipon Bhakri, Head of Finance Projects and Commercial		
Key Decision	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Subject to call-in
			<input type="checkbox"/> Yes
			<input checked="" type="checkbox"/> No
Reasons:	<input type="checkbox"/> Expenditure	<input type="checkbox"/> Income	<input type="checkbox"/> Savings of £1,000,000 or more taking account of the overall impact of the decision
	<input type="checkbox"/> Revenue	<input type="checkbox"/> Capital	
Significant impact on communities living or working in two or more wards in the City	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
Total value of the decision: Nil			
Wards affected: All			
Relevant Council Plan Key Theme:			
Nottingham People			<input type="checkbox"/>
Living in Nottingham			<input type="checkbox"/>
Growing Nottingham			<input checked="" type="checkbox"/>
Respect for Nottingham			<input type="checkbox"/>
Serving Nottingham Better			<input checked="" type="checkbox"/>
Summary of issues (including benefits to citizens/service users):			
The proposed council group of companies financial performance review report will support the committee in meeting its key objectives of being able to have adequate oversight of the council companies' financial performance and information on potential issues/opportunities arising.			
Exempt information: None			
Recommendation:			
1 That the Sub-Committee note and comment on the proposed Council's Group Companies financial performance reporting pack.			

1 Reasons for recommendation

- 1.1 To support the effective financial governance of companies that are either wholly owned by the Council or where the Council has a controlling interest.

2 Background (including outcomes of consultation)

- 2.1 A template which outlines the proposed approach to report on the trading companies financial position is attached at appendix 1 for consideration.
- 2.2 It has been reported previously by external consultants when reporting on the councils companies, that a significant risk to the council, was that the current quality of

financial planning and reporting and control, was not giving the council, the adequate foresight of underperformance in relation to financial results. This reporting pack and approach is the positive response to the consultants' findings.

3 Other options considered in making recommendations

- 3.1 Not to have an agreed reporting procedure – It is best practice to have agreed set of requirements for financial management information so colleagues can plan reporting timelines and agree the information being submitted, so this option has not been considered further.

4 Finance colleague comments (including implications and value for money/VAT)

- 4.1 The focus on weekly and monthly reporting of the NCC group companies will enhance the accuracy of the NCC financial position with respect to expected dividend/debt payments from these companies and also position NCC better by being able to identify future risks/opportunities from current information to proactively support the NCC group companies.

5 Legal and Procurement colleague comments (including risk management issues, and including legal, Crime and Disorder Act and procurement implications)

- 5.1 None.

6 Social value considerations

- 6.1 None.

7 Regard to the NHS Constitution

- 7.1 None.

8 Equality Impact Assessment (EIA)

- 8.1 An EIA is not required because no service is proposed or changed by this paper.

9 List of background papers relied upon in writing this report (not including published documents or confidential or exempt information)

- 9.1 None.

10 Published documents referred to in this report

- 10.1 None.