



Audit Advisory Committee
20 September 2017

**Report from Chief Finance
Officer**

For Information

Wards Affected: All

**Cover Report: Update on mobilisation and initial
operation of I4B Holdings Ltd**

1.0 Purpose of the Report

- 1.1 The attached report is from the Directors of the Council's wholly owned investment company, I4B holdings Ltd. The company is a distinct legal entity with its own Board of Directors. It, however, relies on the support of council officers, funded through service level agreement and similar arrangements, to carry out its activities, except where these are performed by external contractors or agents. This report has therefore been prepared with the support of those officers, but is nonetheless the report of the Directors of the Company.

- 1.2 A report from the Council Management team, which responds to the I4B report, is also attached.

2.0 Recommendations

- 2.1 The Audit Advisory committee is asked to note the content of the reports.

3.0 Detail

- 3.1 The performance of the company, and of the activities it delivers for the council, is reviewed monthly at officer level. The Council Management Team also reviewed performance and governance in detail at its meeting of 24 August 2017.

- 3.2 However, in the formation of company, it was always envisaged that elected councillors should play a key role in holding the Directors of the company to account. Formally, this role sits with the Audit Advisory Committee. This is because this is the council committee with the most natural remit to scrutinise complex financial models and forecasts and to consider the governance

matters that may arise accordingly. The Committee meets in public and reports to each meeting of the Full Council, thereby ensuring proper democratic oversight.

- 3.3 Matters relating to the company will be reported on to Cabinet. However, in the formation of the company it was not envisaged that this would be the format or place for a detailed review of the company's activities. This is much the same convention as adopted for the approval of the Council's accounts. They are reviewed in detail at the Audit Committee, and then reported on to Cabinet for good governance and transparency rather than in anticipation of further detailed questions.
- 3.4 This way Cabinet will be able to exercise public oversight of the company with the benefit of the assurance provided by the Audit Advisory Committee as to the robustness of the information provided and other key issues, thus ensuring transparent and efficient governance.
- 3.5 The Committee's role is therefore to carry out such review of the Directors' report as they consider necessary.

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