

Your Ref.
Our Ref

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Date 18 November 2021

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Typetalk calls welcome

To: Members of the Management Committee of the Yorkshire Purchasing Organisation Joint Committee


Chief Executive of the Constituent Authorities (for information)

Dear Councillor

**YORKSHIRE PURCHASING ORGANISATION MANAGEMENT COMMITTEE MEETING
– FRIDAY, 26 NOVEMBER 2021**

You are invited to a meeting of the Management Committee of the Yorkshire Purchasing Organisation Joint Committee which is to be held at **10:30 am on Friday, 26 November 2021** at the **Council Chambers in County Hall, Bond Street, Wakefield** to consider the items set out in the agenda detailed overleaf.

Yours sincerely



Andrew Balchin
Secretary to the Joint Committee

As a courtesy to colleagues will you please turn all electrical devices to silent prior to the start of the meeting.

**YORKSHIRE PURCHASING ORGANISATION
MANAGEMENT COMMITTEE
Friday, 26 November 2021**

AGENDA

1. Apologies for Absence.
 2. Members' Declaration of Interest.
 3. To note any items which the Chairman has agreed to add to the agenda on the grounds of urgency.
 4. To approve, as a correct record, the Minutes of the Audit & Scrutiny Sub-Committee meeting held 5th November 2021, and agree the recommendations for each report contained within the minutes. (Pages 1 - 3)
 5. To approve as a correct record, the Minutes of the Executive Sub-Committee meeting held on 12th November 2021, and agree the recommendations for each report contained within the minutes. (Pages 5 - 7)
 6. To approve as a correct record, the Minutes of the Management Committee meeting held on 23rd July 2021. (Pages 9 - 15)
 7. Lead Authority Issues - Verbal.
 8. In relation to reports containing exempt information to consider, and if approved, pass the following resolution:-
“That the public and press be excluded from the meeting for consideration of agenda items 9 – 13 on the grounds that they are likely to involve the disclosure of exempt information as described in Part 1 of Schedule 12A to the Local Government Act 1972, as amended.”
- IN PRIVATE**
9. Financial Performance Review. (Pages 17 - 20)
 10. Business Update. (Pages 21 - 22)
 11. YPO 3 - 5 Year Strategic Plan. (Pages 23 - 29)
 12. Business Plans & 2022 Budget. (Pages 31 - 38)
 13. Report of Independent Director. (Pages 39 - 41)
 14. Date and Time of Next Meeting.
25th March 2022.

YORKSHIRE PURCHASING ORGANISATION

AUDIT & SCRUTINY SUB-COMMITTEE

FRIDAY, 5TH NOVEMBER 2021

Present: The Chair: Councillor Mackenzie (North Yorkshire)

Councillors: Barnard (Barnsley), Barnes (Calderdale), Cole (Doncaster)

1.	CHAIR'S INTRODUCTION & WELCOME
	Councillor Mackenzie welcomed all parties to the meeting.
2.	ACCEPTANCE OF APOLOGIES FOR ABSENCE
	Apologies for absence were received on behalf of Councillors Nightingale (Doncaster), Williams (Wakefield), Prescott (Wigan), Groucutt (St Helens), Wyatt (Rotherham), Davies (Kirklees), Haslam (Bolton), Lomas (York), Salam (Bradford).
3.	MEMBERS DECLARATION OF INTEREST
	No declarations of interest were made.
4.	URGENT ITEMS
	No urgent items were raised.
5.	PREVIOUS MINUTES (AUDIT & SCRUTINY SUB COMMITTEE)
	The minutes of the YPO Audit & Scrutiny Sub-Committee held on 5 th July 2021 were approved by all.
6.	INTERNAL AUDIT PLAN 2021 PROGRESS REPORT
	Julie Cousins, Principal Audit Manager (Wakefield Council) shared the progress report from Internal audit. Resolved – (1) That Members acknowledged the plan and the report be noted.
7.	YEAREND CLOSEDOWN TIMETABLE
	Julie Hawley (Executive Director) shared the report of the Head of Finance which informed Members of the contents of the 2021 Closedown Timetable. Resolved – (1) That the timetable shown in Appendix 1 is approved.
8.	EXTERNAL AUDIT STRATEGY MEMORANDUM

	<p>Alastair Newall (Mazars) shared the draft External Audit Strategy Memorandum from Mazars.</p> <p>Councillors asked a number of questions and were satisfied with the responses provided.</p> <p>Resolved – (1) That the report be noted.</p>
<p>9.</p>	<p>CIPFA FINANCIAL MANAGEMENT GUIDE UPDATES - VERBAL</p>
	<p>Julie Hawley (Executive Director) shared a verbal update on the CIPFA Financial Management guide.</p> <p>Resolved – (1) That the updates be noted.</p>
<p>10.</p>	<p>FRAUD PREVENTION REPORT</p>
	<p>Consideration was given to a report of the Managing Director which informed Members of the broad framework in place to help to minimise the risk of fraud and to manage fraud discovery, reporting and investigation.</p> <p>Members asked a number of questions and were satisfied with the responses provided by Officers.</p> <p>Jon Towler suggested some further data be brought back to the next meeting to give a further understanding of the risk.</p> <p>Resolved – (1) That the Fraud Prevention Report be noted.</p> <p>(2) It was agreed a short follow up report including the data on the measures taken would be brought back to the next meeting.</p>
<p>11.</p>	<p>EXCLUSION OF THE PUBLIC AND PRESS</p>
	<p>Resolved – That the public and press be excluded from the meeting during consideration of agenda items 12 - 13 on the grounds that it is likely to involve the disclosure of exempt information as described in Part 1 of Schedule 12A to the Local Government Act 1972, as amended.</p>
<p>12.</p>	<p>DECLARATION OF INTERESTS UPDATE</p>
	<p>Consideration was given to a report of the Managing Director which provided Members with an update on the number of outstanding declaration of interests for YPO.</p> <p>Simon Hill shared that since the report was written, further declarations have been submitted.</p> <p>Simon Hill suggested a review of the policy take place and a report on any update following this to be brought back to this Committee.</p>

	<p>Resolved – (1) That the Fraud Prevention Report be noted.</p> <p>(2) It was agreed a review of the Declaration of Interest policy would take place and any updates following this would be reported back to this Committee.</p>
13.	THIRD PARTY LOGISTICS COSTINGS UPDATE
	<p>Consideration was given to a report of the Head of Finance which provides members with an update on the financial impact that the change in third party logistics providers had in 2021.</p> <p>Councillors made a number of comments on the report which were accepted by Officers.</p> <p>Resolved – (1) That the Third-Party Logistics Costings Update Report be noted.</p>
14.	DATE AND TIME OF NEXT MEETING
	<p>Resolved – (1) That the next meeting of the YPO Audit & Scrutiny Sub Committee is proposed to be held on 4th March 2022, 10.30am.</p>

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YORKSHIRE PURCHASING ORGANISATION EXECUTIVE SUB-COMMITTEE

12TH NOVEMBER 2021

Present: The Chair: Councillor Shaw (Wakefield)
 Councillors: Walker (Wigan), Atkin (Rotherham), Daubeney (York),
 Felstead (Bradford)

1:	CHAIR'S INTRODUCTION & WELCOME
	The Chair, Councillor Shaw, welcomed Members to the meeting.
2:	APOLOGIES FOR ABSENCE
	Apologies for absence submitted prior to the meeting were accepted on behalf of Councillor Cox (Bolton), and White (North Yorkshire).
3:	MEMBERS DECLARATION OF INTEREST
	There were no declarations of interest made.
4:	URGENT ITEMS
	No urgent items were raised.
5:	MINUTES – 9TH JULY 2021
	Resolved – (1) That the Minutes of the meeting of the YPO Executive Sub-Committee held on 9 th July 2021 be approved as a true and accurate record.
6:	YPO PAY POLICY
	<p>Consideration was given to a report of the Executive Director, Julie Hawley, which asked Members to agree a pay policy for YPO in line with statutory requirements to comply with the 2011 Localism Act.</p> <p>A discussion was held which confirmed the appraisal process for the Managing Director.</p> <p>Gillian Marshall (Monitoring Officer) raised the possible need for a market supplement payment provision to be contained in the YPO pay policy going forward. Gillian recommended that Simon Hill be given a delegation of powers to use this provision, on the basis that an appropriate business case is put forward in each instance.</p> <p>Julie Hawley shared that the Gender Pay Gap report has been circulated separately and made the suggestion that this be included within the Pay Policy report in future.</p> <p>Resolved – (1) That the Pay Policy for 2022 be agreed.</p>

	<p>(2) That the information be published in line with the revised transparency requirements.</p> <p>(3) It was agreed to incorporate the gender pay gap report in the pay policy report going forward.</p> <p>(4) It was agreed to provide Simon Hill with a delegation of power to add a market supplement provision into the YPO Pay Policy.</p>
7:	LEAD AUTHORITY ISSUES
	No Lead Authority issues were discussed.
8:	EXCLUSION OF THE PUBLIC AND PRESS
	Resolved – That the public and press be excluded from the meeting during consideration of Agenda Items 9 to 13 on the grounds that they are likely to involve the disclosure of exempt information as described in Part 1 of Schedule 12A to the Local Government Act 1972 as amended.
	IN PRIVATE:
9:	FINANCIAL PERFORMANCE REPORT (EXEMPT)
	<p>The Executive Director (Julie Hawley) presented the report which provides an update of the organisation’s performance in 2021.</p> <p>Julie provided an update on the October figures.</p> <p>A discussion was held around the profit target for yearend, and Members were satisfied with Officers responses on this.</p> <p>Neil Warren (S151 Officer) recommended that this may be an appropriate time to commission a review of the dividend distribution policy. Councillors agreed with this recommendation.</p> <p>Resolved – (1) That the Financial Performance Report be acknowledged and noted.</p> <p>(2) It was agreed for the dividend distribution policy to be reviewed, and options to be brought back to Committee on this next time a decision is required.</p>
10:	BUSINESS UPDATE (EXEMPT)
	The Managing Director (Simon Hill) presented the Business Update which provided Members with an update on activities of the organisation since the last sub-committee and provided an overview on forthcoming activities and challenges.

	<p>Simon gave an update on current working practises relating to Covid-19.</p> <p>Resolved – (1) That the report be noted.</p>
11:	STOCK ACCURACY REPORT (EXEMPT)
	<p>Consideration was given to a report that provides Members with an up to date stock adjustments position for 2021.</p> <p>Julie Hawley talked through the report and the intentions going forward relating to the perpetual inventory plan.</p> <p>Resolved – (1) That the report be noted.</p>
12:	ATTENDANCE REPORT (EXEMPT)
	<p>The Executive Director (Julie Hawley) presented the Attendance report. This report provides an update to the Executive Sub Committee regarding attendance management for the period September 2020 to August 2021 including coronavirus (COVID-19) absences.</p> <p>Julie talked through the measures that have been put in place to protect staff relating to Covid-19.</p> <p>Resolved – (1) That the report be noted.</p>
13:	INDEPENDENT DIRECTOR MEMBERS DISCUSSION (EXEMPT)
	<p>The Chair requested that YPO officers leave the meeting for this item.</p> <p>Jon Towler (Independent Director) provided a verbal update to Members, highlighting key areas for member consideration and sharing his observations since the last sub-committee.</p> <p>Councillors thanked Jon for his comments.</p> <p>Resolved – (1) That the verbal update be acknowledged and noted.</p>
15:	DATE AND TIME OF NEXT MEETING
	<p>Resolved – (1) That the next meeting of the YPO Executive Sub Committee is proposed to be held 11th March 2022, at 10:30am.</p>

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YORKSHIRE PURCHASING ORGANISATION MANAGEMENT COMMITTEE

Friday 23rd July 2021

Present:

City of Bradford
Councillor Felstead

Doncaster
Councillor Nightingale

Kirklees
Councillor Davies

North Yorkshire CC
Councillor White
Councillor Mackenzie

Rotherham MBC
Councillor Atkin
Councillor Wyatt

Wakefield MDC
Councillor Shaw

Wigan MBC
Councillor Walker

City of York
Councillor Daubeney

1:	Members Declaration of Interest
	No declarations of interest were made.
2:	Apologies for Absence
	Apologies for absence submitted prior to the meeting were accepted on behalf of Julie Hawley (YPO), Jon Towler, Neil Warren (Wakefield), and Councillors: Salam (Bradford), Cole (Doncaster), Williams (Wakefield), Walsh (Knowsley), Haslam (Bolton), Groucutt (St Helens), Gardiner (Barnsley), Cox (Bolton), Bond (St Helens), Uppal (Kirklees), Barnes (Calderdale), Barnard (Barnsley).
3:	Membership of the YPO Management Committee
	The Managing Director asked members to review the information contained in the report regarding Committee representation from Member Authorities. Resolved – (1) That the content of the report relating to Management Committee Membership be noted.

4:	Election of Chair
	<p>The Monitoring Officer requested nominations for the position of Chair of the Management Committee who in turn would become the Chair of the Executive Sub-Committee and Joint Consultative Committee/Appointments Sub-Committee for the year 2021/22.</p> <p>A nomination was received and seconded on behalf of Councillor L Shaw (Wakefield MDC).</p> <p>Resolved – (1) That Councillor L Shaw of Wakefield MDC be elected Chair of the Management Committee of the Yorkshire Purchasing Organisation for 2021/22. Councillor Shaw thanked the Committee for their support.</p>
5:	Election of Vice Chair
	<p>The Chair requested nominations for the position of Vice Chair for 2021/22.</p> <p>A nomination was received and seconded on behalf of Councillor F Walker (Wigan MDC).</p> <p>Resolved – (1) That Councillor F Walker of Wigan MBC be elected as Vice Chair of the Management Committee of the Yorkshire Purchasing Organisation for 2021/22.</p>
6:	Urgent Items
	<p>No urgent items were discussed.</p>
7:	Minutes of the Audit & Scrutiny Sub-Committee – 5th July 2021
	<p>Resolved – (1) That the Minutes of the meeting of the Audit & Scrutiny Sub Committee held on 5th July 2021 be accepted as a correct record.</p>
8:	Minutes of the Executive Sub-Committee – 9th July 2021
	<p>Resolved – (1) That the Minutes of the meeting of the Executive Sub Committee held on 9th July 2021 be accepted as a correct record.</p>
9:	Minutes of the Management Committee – 26th March 2021
	<p>Resolved – (1) That the Minutes of the meeting of the YPO Management Committee held on 26th March 2021 be accepted as a correct record.</p>
10:	Appointments to Sub Committees & Joint Consultative Committee
	<p>Consideration was given to a report to receive nominations from the Constituent Authorities in relation to Membership of Sub-Committees and Joint Consultative Committee and to determine the membership for those meetings for the twelve-month period commencing July 2021.</p>

	<p>Resolved – (1) That the report be noted.</p>
11:	<p>Terms of Reference & Work Programme 2021-2022</p> <p>Consideration was given to a report of the Managing Director which detailed the work of the YPO Management Committee and its associated Sub-Committees. The report also included the Meeting Schedule, Terms of Reference, Principal Agenda Items and Training Schedule for each Committee and Sub-Committee.</p> <p>Resolved - (1) That the terms of reference for 2021/22 for the Management Committee, Executive Sub-Committee, Audit & Scrutiny Sub-Committee and Joint Consultative Committee be agreed.</p> <p>(2) That the Principal Agenda Items for 2021/22 be agreed.</p> <p>(3) That the Training Schedule for 2021/22 be agreed.</p> <p>(4) That the Meeting Schedule for 2021/22 be agreed.</p>
12:	<p>Policies & Procedures Review</p> <p>Consideration was given to a report of the Managing Director to review the policies and processes by which YPO is managed.</p> <p>The report highlighted the policies and protocols which have been reviewed within the last 12 months. Simon shared an update on the outstanding actions.</p> <p>Resolved – (1) That the Management Committee approved the proposals outlined in the table in appendix 1.</p>
13:	<p>Annual Report 2020</p> <p>The Managing Director, Simon Hill, submitted the annual report to the Management Committee as set out in the YPO Management Agreement.</p> <p>A number of key achievements were highlighted within the Annual Report. It was explained that it was intended to circulate the Annual Report to Leaders, Chief Executives and Finance Directors of Member Authorities and also use it more widely as marketing and promotional material.</p> <p>A copy of the report was circulated to Management Committee and individual authority Benefits Statements will be forwarded to Members in due course.</p> <p>Resolved – (1) That the report be noted.</p>

<p>14:</p>	<p>External Audit Completion Report</p> <p>Consideration was given to the External Audit Report from Mazars which provided Members with key findings from the recent audit. Matthew Hirst shared the key highlights from the report.</p> <p>Cllr Mackenzie noted this was reviewed at the Audit & Scrutiny Sub-Committee and answers were received in that meeting that were accepted by Members.</p> <p>Resolved – (1) That the report be noted.</p>
<p>15:</p>	<p>Audited Accounts</p> <p>Consideration was given to a report of the Head of Finance which presented to Members' the 2020 Audited Statement of Accounts.</p> <p>Cllr Mackenzie noted this was also discussed in the Audit & Scrutiny Sub Committee, and Members welcomed the losses being put into the 2020 accounts.</p> <p>Cllr Shaw noted this thanks to the Audit & Scrutiny sub-committee for their work.</p> <p>Resolved - (1) That the Audited Accounts be approved and signed.</p>
<p>16:</p>	<p>Lead Authority Issues</p> <p>No Lead Authority issues were raised.</p>
<p>17:</p>	<p>Powers & Governance Structure Review</p> <p>The Monitoring Officer shared the report on the Powers and Governance Structure Review.</p> <p>Gillian Marshall shared some background on the report, and why it is recommended this review take place.</p> <p>Resolved - (1) It was agreed for a review of YPO's Powers and Governance Structures to take place, and for a review group to be formed to conduct this with the Terms of Reference set out in the report.</p>
<p>18:</p>	<p>Draft Internal Audit Plan 2021</p> <p>Jason Brook (Wakefield Council) presented the proposed Internal Audit Plan for 2021.</p> <p>Jason Brook explained the key areas of the audit and the plans for 2021.</p>

	<p>Councillor Walker asked if once the stock control review is complete, can the status be reported on. Jason noted this would be included and taken back to the Audit & Scrutiny Sub Committee.</p> <p>Simon noted that the audit plan is jointly agreed between internal audit and the Board of YPO.</p> <p>Cllr Shaw noted that he welcomes a review on the WMS system.</p> <p>Resolved – (1) That the Internal Audit Plan for 2021 be approved.</p>
19:	Exclusion of the Public & Press
	<p>Resolved - <i>That the public and press be excluded from the meeting during consideration of Agenda Items 20 to 23 on the grounds that they were likely to involve the disclosure of exempt information as described in Part 1 of Schedule 12A to the Local Government Act 1972, as amended.</i></p>
20:	IN PRIVATE
	Annual Internal Audit Opinion – (Exempt Paragraph 3)
	<p>Consideration was given to the report of the Service Manager for Internal Audit & Risk (Wakefield Council) which provided Members with details of the Internal audit work completed from January – December 2020.</p> <p>Jason Brook talked through the key headlines of the report.</p> <p>Simon noted that there were 29 recommendations on the Link programme. All except 7 of these are now closed off. The remaining 7 are low priority and will be closed off by Q3.</p> <p>Questions from Councillors were considered, and responses provided by Officers.</p> <p>Resolved – (1) That the Internal Audit Opinion Report be noted.</p> <p>(2) It was agreed that the nominated Committee to track a formal action plan following the production of the Annual Governance Statement would be the Audit & Scrutiny Sub Committee.</p> <p>(3) That the Executive Sub Committee would receive increased strategic performance reporting, particularly for non-financial matters.</p> <p>(4) It was agreed that the Audit & Scrutiny Sub Committee will review the full Strategic Risk Register at least one per annum.</p> <p>(5) It was agreed that deep dives would take place on any areas identified as a major risk, supported by the Independent Directors.</p>

	<p>(6) It was agreed that the YPO Directors will review the template documents offline with support from Internal Audit.</p> <p>(7) It was agreed that Internal Audit would support YPO offline to investigate how we can better utilise the skills and expertise of officers working in member authorities.</p> <p>(8) Members note the outcome of the latest periodic self-assessment on conformance to the Public Sector Internal Audit Standards.</p> <p>(9) YPO Directors to encourage the completion of client satisfaction questionnaires by officers at the YPO following the completion of internal audit work.</p>
21:	Financial Performance Review – (Exempt Paragraph 3)
	<p>The Head of Finance (Matthew Hirst) presented the report which provides an update of the organisation’s performance in 2020 and 2021.</p> <p>Matthew shared the key headlines of the report and shared that a half year review has taken place.</p> <p>Cllr Shaw noted his thanks to Matthew.</p> <p>Councillors asked several questions and Matthew provided answers which were accepted by the Committee.</p> <p>Resolved – (1) That the Financial Performance Update Report be acknowledged and noted.</p> <p>(2) That Members agree to the proposed changes to the 2020 accounts.</p>
22:	Business Update - (Exempt Paragraph 3)
	<p>The Managing Director (Simon Hill) presented the Business Update which provided Members with an update on activities of the organisation since the last sub-committee and provided an overview on forthcoming activities and challenges.</p> <p>Simon shared that we now have a full team of Directors on the Board.</p> <p>Cllr Shaw welcomed the new Directors.</p> <p>Resolved – (1) That the report be noted.</p>
23:	Report of Independent Directors – (Exempt Paragraph 3)
	<p>Cllr Shaw noted this is Rob McWilliam’s last Committee meeting. Cllr Shaw, Cllr Walker, and Cllr Mackenzie thanked Rob for his contributions and support.</p>

	<p>Rob shared his thanks and noted he has enjoyed his time at YPO.</p> <p>Members gave consideration to a report of the Independent Directors which detailed their observations of the organisation since March.</p> <p>Rob McWilliam shared the key headlines of the report.</p> <p>A discussion was held around future strategies for YPO.</p> <p>Resolved - (1) That the report of the Independent Directors and their observations be noted.</p>
24:	<p>DATE AND TIME OF NEXT MEETING</p> <p>Resolved – That the next meeting of the YPO Management Committee will be held on 26th November 2021.</p>

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