

YORKSHIRE PURCHASING ORGANISATION

AUDIT & SCRUTINY SUB-COMMITTEE

FRIDAY 19th MAY 2017

Present: The Chair: Councillor Warburton (Bradford)

Councillors: Barnard (Barnsley), Waller (York), Trotter (North Yorkshire), Johnson (Wakefield).

1.	CHAIR'S INTRODUCTION & WELCOME
	Councillor Warburton welcomed all parties to the meeting.
2.	ACCEPTANCE OF APOLOGIES FOR ABSENCE
	Apologies for absence submitted prior to the meeting were accepted on behalf of Councillors Dagger (Wakefield), Corden (Doncaster), Williams (Knowsley) Pillai (Calderdale), Walker (Kirklees) & Mather (Kirklees).
3.	MEMBER DECLARATION OF INTEREST
	No declarations of interest were made.
4.	URGENT ITEMS
	No urgent items were raised by Members.
5.	MINUTES (AUDIT SUB COMMITTEE)
	The minutes of the YPO Audit Sub-Committee held on 10 th February 2017 were approved as a correct record.
6.	NOTES – NOT QUORATE (SCRUTINY SUB COMMITTEE)
	It was the feeling of the meeting that the notes of the YPO Scrutiny Sub-Committee held on 10 th February 2017 were a correct record.
7.	EXTERNAL AUDIT REPORT
	Consideration was given to the External Audit Report from KPMG which provided Members with key findings from the recent audit.
	Lizzie Wharton (KPMG) shared that the report anticipates an unqualified audit opinion and provided Members with an update on the findings from the audit and explained any differences, risks or recommendations.
	Lizzie thanked YPO for their support during the audit process and noted that it had been a smooth process and the finance team were very well prepared and helpful in their responses.
	Resolved – (1) That the report be noted.

8.	AUDIT STATEMENT OF ACCOUNTS
	<p>Consideration was given to a report from the Head of Finance which detailed the 2016 Audited Statement of Accounts.</p> <p>The Audited Statement of Accounts have been externally audited and the auditors anticipate an unqualified opinion.</p> <p>Resolved – (1) That the completion of the Audited Statement of Accounts for 2016, attached as Appendix 2 be noted.</p> <p>(2) That the Members of the Audit & Scrutiny Sub Committee recommend sign off of the accounts to the Chair of the Audit & Scrutiny Sub Committee, Councillor Warburton.</p>
9.	GOVERNANCE REVIEW
	<p>Consideration was given to a report of the Managing Director entitled Governance Review.</p> <p>The report explained that YPO has various governance policies and these are reviewed at least annually by the Board, any changes to these policies are brought to Management Committee for approval.</p> <p>The report detailed when each policy was last reviewed and any proposed action by the Board.</p> <p>Resolved - (1) That the Audit & Scrutiny Sub Committee recommends to the Management Committee the proposals outlined in table 2.2.</p>
10.	INTERNAL AUDIT PROGRESS
	<p>Consideration was given to a report which detailed the Internal Audit's progress and work during the period February to April 2017 and to note the contents therein.</p> <p>Members asked a number of questions in relation to the checks on employee driver licenses for those whom use company vehicles and it was agreed further information would be provided in the report when it is discussed at the Management Committee.</p> <p>Resolved – (1) That the report be noted.</p>
11.	LEAD AUTHORITY SLA COSTS
	<p>Consideration was given to the report of the Head of Finance, which provided Members with a breakdown of all payments made to the Lead Authority in the 2016 financial year.</p> <p>All services are provided in accordance with established Service Level Agreements.</p> <p>Resolved – (1) That the report be noted.</p>

12.	<p>PROPOSED AUDIT & SCRUTINY SUB COMMITTEE WORK PROGRAMME & TERMS OF REFERENCE</p>
	<p>Consideration was given to the report of the Managing Director which provided Members with an overview of the work scheduled for the 2017/18 committee cycle.</p> <p>The report also proposed the Terms of Reference, Principal Agenda Items, 2017/18 Meeting Schedule and Training Plan.</p> <p>Resolved – (1) That the report be noted and submitted to the Annual General Meeting June.</p>
13.	<p>EXCLUSION OF THE PUBLIC & PRESS</p>
	<p>Resolved – That the public and press be excluded from the meeting during consideration of agenda items 14 and 15 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.</p>
14.	<p>IT PROGRAMME UPDATE</p>
	<p>Consideration was given to the report which provided Members with an update on the progress of the implementation of the ERP Business Case.</p> <p>The update contained a highlight report which documented the progress between January and April 2017.</p> <p>The use of USB's with the organisation was discussed as a potential security risk and the Managing Director agreed to come back to Members with further information in relation to this matter.</p> <p>Resolved – (1) That the report be noted.</p>
15.	<p>REBATE INCOME DELIVERY PLAN</p>
	<p>Consideration was given to the report from the Head of Procurement Services. The report summarised the 2017 business plan for the delivery of frameworks.</p> <p>The Executive Director (Jo Marshall) delivered a presentation which provided Members with details of the category breakdown, income breakdown, the focused activity and challenging targets for 2017.</p> <p>Resolved – (1) Members noted the report and presentation and gave thanks to staff for their continued hard work in developing the services side of the business.</p>
16.	<p>DATE AND TIME OF NEXT MEETING</p>
	<p>Resolved – (1) That the next meeting of the YPO Audit & Scrutiny Sub Committee proposed will be held on 15th September 2017.</p>