

YORKSHIRE PURCHASING ORGANISATION

AUDIT & SCRUTINY SUB-COMMITTEE

FRIDAY, 25TH MAY 2018

Present: The Chair: Councillor Warburton (Bradford)

Councillors: Barnard (Barnsley), Vjestica (Rotherham), Scullion (Calderdale) and Cuthbertson (York).

49.	CHAIR'S INTRODUCTION & WELCOME
	Councillor Warburton welcomed all parties to the meeting.
50.	ACCEPTANCE OF APOLOGIES FOR ABSENCE
	Apologies for absence submitted prior to the meeting were accepted on behalf of Councillors Gardiner (Barnsley), Dadd (North Yorkshire), Sweeney (Wigan), Nightingale (Doncaster), & Mather (Kirklees).
51.	MEMBERS DECLARATION OF INTEREST
	No declarations of interest were made.
52.	URGENT ITEMS
	No urgent items were raised by Members. Councillor Warburton shared that he would like Officers to provide a GDPR update during the agenda today.
53.	PREVIOUS MINUTES (AUDIT & SCRUTINY SUB COMMITTEE)
	The minutes of the YPO Audit & Scrutiny Sub-Committee held on 16 th February 2018 were approved as a correct record.
54.	EXTERNAL AUDIT REPORT
	Consideration was given to the External Audit Report from KPMG which provided Members with key findings from the recent audit. Rashpal Khangura (KPMG) shared that the report gives a clean audit and clean value for money conclusion. Rashpal 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. Resolved – (1) That the report be noted.
55.	AUDITED STATEMENT OF ACCOUNTS
	Consideration was given to a report of the Head of Finance which detailed the 2017 Audited Statement of Accounts. The Audited Statement of Accounts have been externally audited and the auditors anticipate an unqualified opinion.

	<p>Both Officers and Members offered their thanks to KPMG for their assistance and hard work in completing the accounts.</p> <p>Resolved – (1) That the completion of the Audited Statement of Accounts for 2017, 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 Management Committee, Councillor Shaw.</p>
56.	AUDIT & SCRUTINY SUB COMMITTEE TERMS OF REFERENCE & WORK PROGRAMME
	<p>Consideration was given to the report of the Managing Director which provided members with an overview of the work scheduled for the 2018/19 committee cycle.</p> <p>The report also proposed the Terms of Reference, Principal Agenda Items, 2018/19 Meeting Schedule and Training Plan.</p> <p>Resolved – (1) That the report be noted and submitted to the Annual General Meeting June.</p> <p>(2) That the Terms of Reference be updated to reflect that three Audit & Scrutiny Sub Committee meetings will take place per Committee cycle.</p>
57.	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 1.2.</p>
58.	INTERNAL AUDIT PROGRESS
	<p>Consideration was given to a report which detailed the Internal Audit's progress and work during the period January to March 2018 and to note the contents therein.</p> <p>Resolved – (1) That the report be noted.</p>
59.	LEAD AUTHORITY SLA COSTS
	<p>Consideration was given to the report of the Head of Finance, which provided Members with a breakdown of costs made to the Lead Authority (Wakefield Metropolitan District Council) in the 2017 financial year.</p>

	<p>All services provided by the Lead Authority are provided in accordance with the Management Agreement and established Service Level Agreements.</p> <p>Resolved – (1) That the report be noted.</p>
60.	RISK APPETITE – FOR INFORMATION ONLY
	<p>The Executive Director (Paul Smith) shared a report and presentation to Members to outline that the further work proposed will help provide a better understanding of YPO's risk appetite, and how it influences YPO's risk management arrangements.</p> <p>The presentation highlighted what YPO's current Risk Management Policy and Strategic Framework outlines.</p>
61.	EXCLUSION OF THE PUBLIC AND PRESS
	<p>Resolved – That the public and press be excluded from the meeting during consideration of agenda items 14 to 16 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>
62.	IT PROGRAMME UPDATE (EXEMPT – PARAGRAPH 3)
	<p>Consideration was given to the report of the Head of Business Change & IT which provided Members with an update on the current project dossier.</p> <p>The report summarised the major risks and mitigation for each project and Members were informed that the Board review the activity and progress on the IT Programme on a monthly basis at the Programme Board Meeting.</p> <p>Resolved – (1) That the report be noted.</p>
63.	PROCUREMENT SERVICES STRATEGY (EXEMPT – PARAGRAPH 3)
	<p>The Executive Director (Paul Smith) shared the YPO Procurement Strategy for 2018 and provided Members with an update on current activity.</p> <p>YPO continues to grow its Procurement Services department which is now a significant revenue contributor to the organisation. The growth of the function is underpinned by five strategic key themes:</p> <ul style="list-style-type: none"> • Training and development • Category & Market Intelligence • Commercial Results • Social Values & the Environment • Suppliers & Supply Chain <p>Resolved – (1) That the report be noted.</p>
64.	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 2nd November 2018.</p>