

Your Ref.
Our Ref
Please Reply To Kayley Sykes
Telephone No (01924) 834912
Email kayley.sykes@ypo.co.uk
Date 31 May 2018

Merran McRae – Chief Executive

Town Hall
Wood Street
Wakefield
WF1 2HQ

T 01924 305101; E chiefexec@wakefield.gov.uk
Typetalk calls welcome

To: Members of the YPO Joint Committee Executive Sub-Committee

Dear Member,

YPO EXECUTIVE SUB-COMMITTEE – FRIDAY, 8 JUNE 2018

It is with pleasure that I write to invite you to attend a meeting of the YPO Joint Committee Executive Sub-Committee which is to be held at **10:30 am on Friday, 8 June 2018** in the **YPO Headquarters, 41 Industrial Park, Wakefield** to consider the items set out in the agenda attached.

Please note there is a training session prior to the meeting at 10am entitled 'IT – Website Security'.

Yours sincerely



Merran McRae
Secretary to the Joint Committee

As a courtesy to colleagues will you please turn off your mobile phones and pagers prior to the start of the meeting.

**YORKSHIRE PURCHASING ORGANISATION EXECUTIVE SUB-COMMITTEE -
Friday, 8 June 2018**

AGENDA

1. Chair's Introduction and Welcome.
2. Acceptance of Apologies for Absence.
3. Members' Declarations of Interest.
4. To note any items which the Chairman has agreed to add to the Agenda on the grounds of urgency.
5. To approve, as a correct record, the Minutes of the Executive Sub-committee meeting held on 9th March 2018. (Pages 1 - 3)
6. Lead Authority Issues.
7. Executive Sub Committee Work Programme & Terms of Reference. (Pages 5 - 19)
8. **EXCLUSION OF THE PUBLIC AND PRESS.**
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 during consideration of agenda items 9 - 11 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."
9. Financial Performance Report. (Pages 21 - 23)
10. Business Update. (Pages 25 - 29)
11. Investment Proposal. (Pages 31 - 32)
12. Date and Time of Next Meeting.

YORKSHIRE PURCHASING ORGANISATION EXECUTIVE SUB-COMMITTEE

9TH MARCH 2018

Present: The Vice Chair: Councillor Walker (Wigan)
 Councillors: Atkin (Rotherham), Mackenzie (North Yorkshire),
 Whiteley (Bradford), Johnson (St Helens).

60:	VICE - CHAIR'S INTRODUCTION & WELCOME
	The Vice-Chair, Councillor Walker, welcomed Members to the meeting.
61:	APOLOGIES FOR ABSENCE
	Apologies for absence submitted prior to the meeting were accepted on behalf of Councillor Byron (Knowsley), Councillor Morris (Bolton), Councillor Mercer (City of York), Councillor Shaw (Wakefield).
62:	MEMBERS DECLARATION OF INTEREST
	No declarations of interest were made.
63:	URGENT ITEMS
	No items were discussed.
64:	MINUTES – 22ND SEPTEMBER 2017
	Resolved – (1) That the Minutes of the meeting of the YPO Executive Sub-Committee held on 22 nd September 2017 be approved as a true and accurate record.
65:	LEAD AUTHORITY ISSUES
	No Lead Authority issues were discussed.
66:	FINANCIAL PROCEDURE RULES & STANDING ORDERS RELATING TO CONTRACTS
	The Executive Director (Paul Smith) presented the Financial Procedure Rules & Standing Orders Relating to Contracts. The Financial Procedure Rules & Standing Orders Relating to Contracts have been reviewed to ensure compliance with the current law. Members were advised of minor changes. Resolved – (1) That the revised Standing Orders for Contracts and Financial Procedure Rules, attached as Appendix 1 are noted by the Executive Sub Committee and recommended to Management Committee for approval.

	(2) That the Financial Procedure Rules & Standing Orders Relating to Contracts are considered bi-annually moving forward unless there are any material changes.
67:	EARMARKED RESERVES SPEND
	<p>The Executive Director (Paul Smith) presented the Earmarked Reserves Spend. The report details any over/under spend against funding and provides a breakdown of how the closing balance will be used.</p> <p>Members raised a number of questions in relation to the YPO fleet vehicles and what the plan is going forward. Members were satisfied with the responses provided by Officers.</p> <p>Resolved – (1) That the Earmarked Reserves Spend be acknowledged and noted.</p>
68:	EXCLUSION OF THE PUBLIC AND PRESS
	<p>Resolved – That the public and press be excluded from the meeting during consideration of Agenda Items 10 to 12 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>
69:	2017 FINANCIAL PERFORMANCE REPORT (EXEMPT)
	<p>The Executive Director (Paul Smith) presented the Financial Performance Report which provided Members with an overview of the organisation's performance in 2017.</p> <p>Thanks were given to the Board of Directors for the work undertaken throughout the year to achieve the bottom line that was achieved for 2017 in a very challenging market.</p> <p>Julie Wray (Executive Director) shared with Members the new performance measures that have been implemented in Operations.</p> <p>Resolved – (1) That the Performance Report be acknowledged and noted.</p>
70:	CREDIT CONTROL (EXEMPT)
	<p>The Executive Director (Paul Smith) shared the Credit Control report which provided Members with an overview of the YPO Credit Control Process.</p> <p>The Credit Control Processes at YPO are highly effective and it was acknowledged the importance of an effective credit control cannot be understated.</p>

	<p>Members raised a number of questions in relation to the processes and Members were satisfied with the responses provided by Officers.</p> <p>Resolved – (1) That the credit control report be noted.</p>
71:	BUSINESS UPDATE (EXEMPT)
	<p>The Executive Directors (Paul Smith, Jo Marshall & Julie Wray) 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>Resolved – (1) That the report be noted.</p>
72:	DATE AND TIME OF NEXT MEETING
	<p>Resolved – (1) That the next meeting of the YPO Executive Sub Committee is proposed for 8th June 2018 at 10.30am.</p>

This page is intentionally left blank



YPO
EXECUTIVE SUB COMMITTEE
TO BE HELD ON
8TH JUNE 2018

TITLE: 2018/19 WORK PROGRAMME

REPORT OF: MANAGING DIRECTOR

1. PURPOSE OF REPORT

1.1 To provide Members with an overview of the work scheduled for the 2018/19 committee cycle.

2. BACKGROUND INFORMATION

2.1 The Executive Sub-Committee has a membership of nine members drawn from the Management Committee (including the Chair and Vice Chair of the Management Committee). Its primary purpose is to review the performance of the organisation, ensure delivery of the agreed strategy and review the performance of the Managing Director.

2.2 Since the last AGM the Executive Sub-Committee has met three times and on each occasion a full set of minutes with actions and matters arising has been presented to the Management Committee.

3. TERMS OF REFERENCE

3.1 The Terms of Reference have been reviewed and are attached for Member's consideration.

4. PRINCIPAL AGENDA ITEMS

4.1 The focus of principal agenda items for the Executive Sub-Committee are similar to previous years and they are aimed at providing the members with sufficient information to undertake their role, as set out in the terms of reference. The proposed principal agenda items along with a meeting schedule and training plan are attached as appendices.

5. RECOMMENDATION

5.1 Members are asked to agree this report for submission to the AGM in the name of the Chair of the Executive Sub-Committee.

REPORT AUTHOR: SIMON HILL, MANAGING DIRECTOR

YPO
41 Industrial Park
Wakefield
WF2 0XE

Telephone No: 01924 834912
E-mail address: simon.hill@ypo.co.uk

APPENDICES:

Appendix 1 - Terms of Reference 2018/19
Appendix 2 - Principal Agenda Items
Appendix 3 - Meeting Schedule
Appendix 4 - Training Schedule

PRINCIPAL AGENDA ITEMS 2018 - 2019

MANAGEMENT COMMITTEE

November 2018	Author	Agenda
Budget and Business Plans for 2018	PS/S Hall	Private
Business Update	SH	Private
YPO Pay Policy	JW	Public
Lead Authority Issues	BL	Public
Appointment of Auditors	PS	Public
Report of Independent Director	Independent Director	Private

March 2019	Author	Agenda
Pre-Audit Statement of Accounts <i>(For information only)</i>	PS/S Hall	Public
Dividend Distribution <i>(Total amount of dividend)</i>	PS/ S Hall	Private
Internal Audit Annual Report	JG	Public
Lead Authority Issues	BL	Public
Business Update	SH	Private
Report of Independent Director	Independent Director	Private
Internal Audit Plan	JG	Public

June 2019	Author	Agenda
Annual Report	SH	Public
Audited Accounts <i>(For information only)</i>	PS/S Hall	Public
Governance Review	PS/AHG	Public
TOR and Work Programme	SH	Public
Business Update	SH	Private
Report of Independent Director	Independent Director	Private
Lead Authority Issues	BL	Public
Membership of the YPO Management Committee	KS	Public
Appointments to Sub-Committees & Joint Consultative Committee	KS	Public
Dividend Distribution <i>(Individual Dividend Amounts)</i>	PS	Private

PRINCIPAL AGENDA ITEMS 2018 - 2019

EXECUTIVE SUB COMMITTEE

November 2018	Author	Agenda
Financial Performance Report (Forecast for next year)	PS/S Hall	Private
Lead Authority Issues	BL	Public
Business Update	SH	Private
Cost Saving	SH/ PS	Private
Stock Losses Report	PS	Private
Strategy Update	PS	Private

March 2019	Author	Agenda
Financial Performance Report (Earmarked Reserves Spend to be included in this) (Review of previous year performance)	PS/S Hall	Private
Lead Authority Issues	BL	Public
Business Update	SH	Private
Standing Orders & Financial Procedure Rules	PS/S Hall	Public

June 2019	Author	Agenda
Financial Performance Report (Mid-year performance update)	PS/S Hall	Private
Business Update	SH	Private
Lead Authority Issues	BL	Public
Exec Sub Work Programme & TOR	SH	Public

PRINCIPAL AGENDA ITEMS 2018 - 2019

AUDIT & SCRUTINY SUB COMMITTEE

November 2018	Author	Agenda
Internal Audit Plan Template 2018	JG	Public
Risk Management Process	PS/AHG	Public
Risk Register	PS/AHG	Private
Year End Closedown Timetable	PS/S Hall	Public
External Audit Plan	KPMG	Public
Annual Audit Letter	KPMG	Public
IT Programme Update	GR	Private
Warehouse & Logistics Strategy	JW	Private
Appointment of Auditors	PS	

February 2019	Author	Agenda
Internal Audit Action Update	PS/AHG	Private
Annual Governance Statement	PS/S Hall	Public
Pre-Audit Statement of Accounts	PS/S Hall	Public
Internal Audit Annual Report 2018	JG	Public
Internal Audit Plan 2018	JG	Public
IT Programme Update	GR	Private
Commercial Strategy/ Sales Analysis	JM	Private
Stock Adjustments	PS	Private
Gifts & Hospitality	JW	Public

May 2019	Author	Agenda
External Audit Report	KPMG	Public
Audited Statement of Accounts	PS/S Hall	Public
Audit & Scrutiny Sub Work Programme & TOR	SH	Public
Governance Review	PS/ AHG	Public
Internal Audit Progress	JG	Public
IT Programme Update	GR	Private

This page is intentionally left blank

Yorkshire Purchasing Organisation

Management Committee Terms of Reference 2018/19

Number of Members

Twenty Six Councillors – Two from each Member Authority

Quorum

Member representation from at least five Member Authorities.

Substitutes

Two named substitutes from each Member Authority.

Frequency of Meetings

Three times per annum.

Suggested duration: Max 2 hours (10:30am – 12:30pm)

Remit

1. To approve and keep under review a long term plan setting out the strategic direction of YPO.
2. To consider, approve and keep under review Standing Orders, Financial Procedure Rules and the Officer Delegation Scheme prior to subsequent approval by Member Authorities, and to carry out such actions as are required by these rules.
3. To provide leadership for Risk Management across YPO and ensure Risk Management is used as a strategic and operational tool.
4. To keep under review the method of distributing annual dividends, and decide annually on the amount and timing of dividend distribution.
5. To periodically review the membership of YPO.
6. To appoint annually at the Annual General Meeting an Audit & Scrutiny Sub-Committee and an Executive Sub-Committee, and a Joint Consultative Committee and receive minutes or reports from them highlighting any areas that require action by the Management Committee.
7. To seek assurances from the sub-committees that YPO is acting with all due care and attention.
8. The Management Committee shall appoint annually an 'Appointments Committee' with responsibility for the appointment and disciplinary procedures of the Board of Directors and appraising the performance of the Managing Director.

Yorkshire Purchasing Organisation

Executive Sub-Committee Terms of Reference 2018/19

Number of Members

Nine Councillors, including Chair and Vice Chair of the Management Committee.
Not more than one Councillor from any member authority.

Quorum

Member representation from at least three Member Authorities.

Substitutes

Agreed named substitutes are Allowed.

Frequency of Meetings

Three times per annum.

Remit

1. To ensure that the performance of YPO is in accord with established business plans.
2. To receive trading reports from senior managers and that trading operations are in line with approved business plans.
3. To review the performance of the organisation in achieving its objectives through an examination of performance data and relevant performance indicators.
4. To receive reports on spending against approved budgets.
5. To review annually its terms of reference and report any additions and amendments to the Management Committee.
6. To provide an update to Management Committee on the activities of the Committee by way of meeting minutes and responses to any matters arising.
7. To consider applications for Associate Membership of YPO, and recommend them for approval by the Management Committee.

To act with delegated authority of the Management committee in respect of:

1. To approve individual capital investment proposals, in line with the overall investment plan agreed by the Management Committee.
2. To agree conditions within which goods, materials and services can be supplied to Member Authorities, Associate Members and other Local and Public Authorities covered by the Local Authorities (Goods and Services) 1970 act and any subsequent modifications.

Yorkshire Purchasing Organisation

Audit & Scrutiny Sub-Committee Terms of Reference 2018/19

Number of Members

Sixteen Councillors, but not the Chair or Vice Chair of the Management Committee

Frequency of Meetings

Three times per annum, to be scheduled approximately one month prior to Management Committee meetings.

Quorum

Member representation from at least four Member Authorities.

Substitutes

Agreed named substitutes are allowed.

Remit

1. To ensure that the highest standards of probity and public accountability are demonstrated and in doing so ensure effective governance of YPO.
2. To provide the Management Committee with a reasonable assurance of the efficient and effective operation of the overall internal control environment within YPO, through a systematic appraisal of its framework of internal controls, processes and data quality.
3. To consider internal audit plans and performance to ensure the work of internal audit is planned and carried out with due regard to major risks, areas of significant financial effect and the need to cover the range of the service, and to challenge and review actions taken by senior managers on significant audit recommendations.
4. To consider the external audit work programme and monitor the implementation of significant external audit recommendations.
5. To ensure that an appropriate risk management strategy has been drawn up and to monitor that risk management procedures are being carried out effectively, including the establishment of a reserves policy.
6. To review annually its terms of reference and report any additions and amendments to the Management Committee.
7. To provide an update to management committee on the activities of the committee activity by way of meeting minutes and responses to any matters arising.
8. To ensure the effectiveness of decisions made by YPO by means of conducting scrutiny reviews in accordance with both an approved programme and on an ad-hoc "call in" basis.
9. In conducting reviews receive evidence and call witnesses as appropriate for each review so as to determine how decisions were made, on what basis were they made, if appropriate account of options and risks were considered, if the decisions made reflected original statements of intent and if decisions were made in a timely fashion

and if they were made in the best interests of YPO and in accord with YPO's public accountability and code of corporate governance.

10. To prepare a report following each review, setting out conclusions and recommendations, for submission to the Management Committee.
11. To review periodically the response of senior managers to completed reviews.
12. To carry out reviews requested by the Executive Sub-Committee and the Management Committee.

To act with delegated authority of the Management committee in respect of:

1. To approve the annual governance statement to the Management Committee for inclusion in the annual statement of accounts, and review the implementation of any audit recommendations arising from the final accounts audit.
2. To approve the acceptance of the annual statement of accounts. In the event the Committee not being quorate the Chair of the Audit & Scrutiny Sub-Committee shall have delegated authority from the Management Committee to sign the accounts if confident to do so after consultation with the Section 151 Officer.

Yorkshire Purchasing Organisation

Joint Consultative Committee Terms of Reference 2018/19

Number of Members

- Five Councillors (including the Chair and Vice Chair of the Management Committee) drawn from different member authorities.
- The Chair and Secretary of the YPO branch of UNISON.
- The UNISON Regional Organiser responsible for liaising with YPO.

Frequency of Meetings

Three times per annum, linked to Management Committee meetings.

Quorum

Two Councillors and two Trade Union officials.

Substitutes

Agreed name substitutes are allowed.

Remit

1. To represent and co-ordinate the views locally of UNISON and Members of the YPO Management Committee on issues of common interest in relation to YPO.
2. To raise issues, make recommendations and reach agreement on issues which have an effect on the employees of YPO, but without binding effect on either party.
3. To monitor and challenge the outputs of any employee satisfaction survey.
4. To promote the well-being of employees and monitor and challenge matters related to sickness and attendance.
5. To promote, challenge and monitor YPO's actions in relation to it being an employer of choice and its public sector equality duties.
6. To review annually its terms of reference and report any additions and amendments to the Management Committee.
7. To provide an update to management committee on any matters arising which warrant a wider discussion.

This page is intentionally left blank



Date of Meeting		Board Meeting	Strategic Officers Meeting	Executive Sub Committee	Management Committee	JCC Members Meeting	Audit & Scrutiny Sub Committee	Partnership Liaison Meeting
July								
24/7	9:00	Board Meeting						
August								
28/8	9:00	Board Meeting						
September								
25/9	9:00	Board Meeting						
October								
9/10	9:00							Partnership Meeting
16/10	10:30		Strategic Officers					
23/10	9:00	Board Meeting						
November								
2/11	10:30						Audit & Scrutiny Sub	
16/11	10:30			Executive Sub				
27/11	9:00	Board Meeting						
30/11	9:30					JCC		
30/11	10:30				Management Committee			
December								
18/12	9:00	Board Meeting						
January								
22/1	9:00	Board Meeting						
February								
TBC	TBC							Partnership Meeting
5/2	10:30		Strategic Officers					
15/2	10:30						Audit & Scrutiny Sub	
26/2	10:30	Board Meeting						
March								
8/3	10:30			Executive Sub				
22/3	9:30					JCC		
22/3	10:30				Management Committee			
26/3	9:00	Board Meeting						
April								
30/4	9:00	Board Meeting						
May								
TBC	TBC							Partnership Meeting
14/5	10:30		Strategic Officers					
24/5	10:30						Audit & Scrutiny Sub	
21/5	9:00	Board Meeting						
June								
7/6	10:30			Executive Sub				
21/6	9:30					JCC		
21/6	10:30				Management Committee			
25/6	9:00	Board Meeting						

This page is intentionally left blank

TRAINING SCHEUDLE FOR 2018 - 2019

	EXEC SUB COM	AUDIT & SCRUTINY SUB COM
Date and Training Topic	16 th November 2018 Warehouse & Logistics Strategy Julie Wray	2 nd November 2018 External & Internal Audit Relationship Julie Gill
Date and Training Topic	8 th March 2019 Commercial & Customer Strategy Jo Marshall	15 th February 2019 Risk Management Andrea Hirst-Gee/ Steven Hall
Date and Training Topic	7 th June 2019 Business Planning Steven Hall	24 th May 2019 Financial Management Steven Hall

TRAINING TOPICS FOR 2019-2020:

- Workforce/ People Strategy
- Procurement Services Strategy
- IT Strategy & Business Change Programme

This page is intentionally left blank

~~Refer to Part 1 of Schedule 12A of the Land Information Management Act 1972.~~

Document is Restricted

This page is intentionally left blank

~~Refer to Part 1 of Schedule 12A of the Land Information Management Act 1972.~~

Document is Restricted

This page is intentionally left blank

~~Refer to Part 1 of Schedule 12A of the Information Privacy Act 1972.~~

Document is Restricted

This page is intentionally left blank