

Better value, delivered.



**YPO**  
**Constitution**

## **YPO Constitution Overview and Contents**

YPO was established in 1974 to supply products and services to a wide range of customers including schools, local authorities, charities, emergency services, public sector and other businesses such as nurseries and care homes. YPO is 100% publicly owned by 13 Founder Member Authorities.

### **YPO Constitution Section 1 Management Agreement**

The Management Agreement is an agreement between 13 local authorities (Founder Member Authorities) to establish YPO (Yorkshire Purchasing Organisation) as a procurement organisation for the effective, efficient and economic supply of goods and services. The Management Agreement:

- Section 1 sets out the Objectives and Purpose of YPO.
- Section 2 sets out YPO's powers, as conferred by the Local Government Act 1972 and the Local Authorities (Goods and Services) Act 1970.
- Section 4 sets out the role of the Lead Authority.
- Section 5 references procedure rules and schemes of delegation. These rules and schemes are set out in the YPO Constitution Sections 2 – 4.
- Section 6 sets out Joint Committee arrangements for the democratic management of YPO, known as the YPO Management Committee.
- Section 7 sets out the Management Committee's requirement to keep under review YPO's Code of Corporate Governance and associated documents.

### **YPO Constitution Section 2 The Scheme of Delegation**

The Scheme of Delegation sets out the powers delegated to the Managing Director of YPO by Founder Member Authority Members of the Management Committee and the reporting responsibilities of senior managers within YPO.

### **YPO Constitution Section 3 Standing Orders for Contracts**

YPO's Standing Orders for Contracts aim to promote the highest standards in procurement activity ensuring probity, integrity, accountability and impartiality in selecting suppliers, and promote value for money, quality, performance and social value.

### **YPO Constitution Section 4 Financial Procedure Rules**

YPO's Financial Procedure Rules make a clear, understandable and transparent statement that aims to promote the highest standards in financial management and activity, ensuring probity, integrity, accountability and impartiality.

## **YPO Constitution Section 5      Governance, Risk and Assurance Framework**

YPO is responsible for ensuring that its business is conducted in accordance with the law and proper standards; that public money is safeguarded and properly accounted for; and that these funds are used economically, efficiently, and effectively.

- Section 5 Part 1      Corporate Governance Framework
- Section 5 Part 2      Local Code of Governance
- Section 5 Part 3      YPO Audit & Governance Sub-Committee Terms of Reference
- Section 5 Part 4      Management Committee and JCC Terms of Reference

## **YPO Constitution Section 6      Governance and Engagement Forums**

YPO maintains a number of fora as part of a framework of engagement with our Founder Member Authorities. The fora enable engagement, communication, working relationships, and exchange of professional knowledge and advice.

- Section 6 Part 1 Chief Executive Officers' Forum. The forum's primary purpose is to ensure that YPO's activities are aligned to the strategic and operational priorities of the Founder Member Authorities.
- Section 6 Part 2 Finance Directors' Forum. The forum's primary purpose is to provide advice and assurance that YPO is complying with relevant legislation and financial governance requirements.
- Section 6 Part 3 Heads of Procurement Forum. The forum's primary purpose is to provide advice and assurance that YPO's procurement strategy meets current and future demand, that procurement decision-making and activity is in line with relevant legislation, and that procurement best practice is shared.
- Section 6 Part 4 Legal Officers' Forum. The forum's primary purpose is to provide advice and assurance that YPO is complying with relevant legislation and that YPO's decision-making and activity are within the law.

**Section 1 - Management  
Agreement**

DATED 12<sup>th</sup> August

2024/5

**BETWEEN**

**BARNSELY METROPOLITAN BOROUGH COUNCIL**

**&**

**THE BOROUGH COUNCIL OF BOLTON**

**&**

**THE CITY OF BRADFORD METROPOLITAN DISTRICT COUNCIL**

**&**

**THE BOROUGH COUNCIL OF CALDERDALE**

**&**

**CITY OF DONCASTER COUNCIL**

**&**

**THE COUNCIL OF THE BOROUGH OF KIRKLEES**

**&**

**KNOWSLEY METROPOLITAN BOROUGH COUNCIL**

**&**

**THE NORTH YORKSHIRE COUNCIL**

**&**

**ROTHERHAM BOROUGH COUNCIL**

**&**

**ST HELENS BOROUGH COUNCIL**

**&**

**THE COUNCIL OF THE CITY OF WAKEFIELD**

**&**

**WIGAN BOROUGH COUNCIL**

**&**

**THE COUNCIL OF THE CITY OF YORK**

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**MANAGEMENT AGREEMENT –  
YORKSHIRE PURCHASING ORGANISATION**

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THIS AGREEMENT is made on

12<sup>th</sup> August

2024/5

**BETWEEN:**

**BARNSELY METROPOLITAN BOROUGH COUNCIL** of the first part; **THE BOROUGH COUNCIL OF BOLTON** of the second part; **THE CITY OF BRADFORD METROPOLITAN DISTRICT COUNCIL** of the third part; **THE BOROUGH COUNCIL OF CALDERDALE** of the fourth part; **CITY OF DONCASTER COUNCIL** of the fifth part; **THE COUNCIL OF THE BOROUGH OF KIRKLEES** of the sixth part; **KNOWSLEY METROPOLITAN BOROUGH COUNCIL** of the seventh part; **NORTH YORKSHIRE COUNCIL** of the eighth part; **ROTHERHAM BOROUGH COUNCIL** of the ninth part; **ST HELENS BOROUGH COUNCIL** of the tenth part; **THE COUNCIL OF THE CITY OF WAKEFIELD** of the eleventh part; **WIGAN BOROUGH COUNCIL** of the twelfth part; and **THE COUNCIL OF THE CITY OF YORK** of the thirteenth part.

**WHEREAS:**

- (1) The above parties are referred to in this Agreement as 'the Founder Member Authorities' collectively and as 'Founder Member Authority' individually, irrespective of whether they were founding members on formation of the Yorkshire Purchasing Organisation in 1974 or became members thereafter.
- (2) The Yorkshire Purchasing Organisation (referred to in this Agreement as YPO) was established in 1974 to maintain effective, efficient, and economical arrangements for the supply of goods, materials, and services.
- (3) This Agreement replaces an earlier agreement agreed in 2011, relating to the governance of YPO, and will govern the operation of YPO from 2024.

**IT IS HEREBY AGREED AS FOLLOWS:**

**1. OBJECTIVES AND PURPOSE OF YPO**

- (1) YPO shall be a procurement organisation, maintaining effective, efficient, and economical arrangements for the supply of goods, materials, works and services, by providing excellent quality, service, and competitive prices, whilst optimising the profits available for distribution to its members and customers.

- (2) YPO shall (unless agreed otherwise by at least two-thirds of the Founder Member Authorities) be a public sector organisation committed to professional, open, sustainable, caring relationships with its members, customers, staff and suppliers, and in doing so shall help the UK public sector by delivering a high quality service which saves them time and money.
- (3) In conducting its business, YPO shall:
- (i) provide all the general supplies and services required by local government and other public/third sector bodies, as permitted under legislation;
  - (ii) optimise profitability by delivering cost effective services that contribute to customers' efficiency;
  - (iii) ensure through periodic reviews that the effectiveness, efficiency, and profitability of YPO is at least comparable with that of other similar organisations;
  - (iv) utilise profits to support business investment, to reward membership and to incentivise usage;
  - (v) be informed by, and be consistent with, the innovation and efficiency plans of the Founder Member Authorities and those of regional bodies; and
  - (vi) play a constructive role in helping to shape, and benefit from, developments in the national procurement agenda.

## **2. POWERS OF YPO**

In conducting its business as defined in paragraph 1 above, YPO shall at all times:

- (i) act within the powers conferred to it by law including but not limited to the Local Authorities (Goods and Services) Act 1970, Sections 101 and 102 of the Local Government Act 1972 and The Local Authorities (Arrangements for the Discharge of Functions)(England) Regulations 2000 (in relation to to the joint discharge of functions) together with Section 111 of the Local Government Act 1972 and to the extent it confers specific power to enter into Contracts Section 1 of the Local Government (Contracts) Act 1997, and Regulation 22

of the Public Contract Regulations 2006 (all as amended from time to time); and

- (ii) comply with all other relevant law.

### **3. MEMBERSHIP OF YPO**

- (1) There shall be two types of YPO membership – a Founder Member Authority and an Associate Member Authority.
- (2) Founder Member Authorities shall participate in YPO under a joint committee arrangement established in exercise of the Founder Member Authorities powers under Sections 101 and 102 of the Local Government Act 1972 and The Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2000.
- (3) No further 'Founder Member Authorities' shall be permitted under this Agreement or otherwise.
- (4) Each Founder Member Authority shall appoint annually one of its elected members as a member of the YPO Joint Committee and each Founder Member Authority shall also be entitled to appoint one additional substitute member. A substitute Member may attend meetings (including sub-committee meetings) of YPO in place of an appointed member who is unable to attend. It shall be the responsibility of each Founder Member Authority to arrange such a substitution on their own behalf.
- (5) Each Founder Member Authority shall have one vote at Management Committee meetings of YPO, and these votes shall be of equal standing.
- (6) The Founder Member Authorities shall select by majority vote in the Management Committee one of their number to act as Lead Authority, with the role and functions specified in clause 4 of this Agreement.
- (7) A vote to replace the Lead Authority shall take place at the written request of the Lead Authority or at the written request of at least one third of the Founder Member Authorities, setting out their reasons for requesting a vote to take place.
- (8) With the agreement of two-thirds of the Founder Member Authorities, via a resolution of the Management Committee, YPO may grant Associate Membership, in accordance with clause 8 of this Agreement.

- (9) All individual customer account holders shall be Ordinary Members of YPO, in accordance with clause 9 of this Agreement.

#### **4. ROLE OF THE LEAD AUTHORITY**

The Lead Authority for the time being is The Council of the City of Wakefield, which shall perform the following functions on behalf of the Founder Member Authorities:

- (1) provide the Management Committee with appropriately qualified staff to carry out the roles of Section 151 Officer and Monitoring Officer in relation to YPO;
- (2) act as employer for all staff of the Management Committee, including the Board of Directors, and to provide such Human Resources input as the Lead Authority considers necessary for the effective discharge of this responsibility;
- (3) provide an effective internal audit service at a level agreed between the Section 151 Officer and the Audit and Governance Sub-Committee of the Management Committee, including such attendance by Auditors at the Audit and Governance Sub-Committee as is necessary to properly discharge this responsibility;
- (4) provide effective banking and resource management services on behalf of YPO;
- (5) shall operate the goods vehicles required for the business of YPO under the Lead Authority's own Operator's Licence and shall control and authorise decision making about the use of such goods vehicles<sup>1</sup>.
- (6) consult Founder Member Authorities on changes to Financial Procedure Rules, Standing Orders, Delegation Schemes, and this Agreement, and make recommendations to the Management Committee;
- (7) chair the Strategic Officers Advisory Group (SOAG);
- (8) ensure appropriate arrangements are made to brief relevant officers in each Founder member authority;
- (9) assist the Chair to monitor the performance of the Managing Director;

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<sup>1</sup> Inserted by Management Committee on 29<sup>th</sup> November 2013

(10) have the authority to defer any proposal to incur expenditure or let any contract by the Board of Directors, pending the outcome of a report to the Management Committee of YPO as appropriate, and shall charge the cost of such services to the Management Committee. The performance of the Lead Authority will be considered by the SOAG annually and formally reviewed at least every five years.

## **5. PROCEDURE RULES AND SCHEMES OF DELEGATION**

- (1) The Management Committee and Board of Directors shall operate at all times in accordance with approved:
- (i) Financial Procedure Rules;
  - (ii) Standing Orders;
  - (iii) Contract Standing Orders; and
  - (iv) Officer Delegation Scheme.
- (2) Any proposed amendments to the documents in clause 5(1) shall be subject to:
- (i) a period of at least 8 weeks prior consultation with Founder Member Authorities by the Monitoring Officer;
  - (ii) a report to the Management Committee by the Monitoring Officer setting out the results of the consultation, and making recommendations; and
  - (iii) the agreement of at least two-thirds of the total membership of the Management Committee.

## **6. JOINT COMMITTEE ARRANGEMENTS**

- (1) The democratic management of YPO shall be vested in the Joint Committee, which shall be known as the Management Committee of YPO.
- (2) The Management Committee shall meet at least twice per year and at such other times as agreed from time to time by the Chair of the Committee.
- (3) Quorum and substitution arrangements for the Management Committee shall be as set out in this document and the approved Standing Orders of YPO.

- (4) The remit of the Management Committee shall be that agreed by the Management Committee held on 25<sup>th</sup> September 2009 (minute 23(4) (attached at Schedule 1 to this Agreement) and be subject to a review at each Annual General Meeting of the Management Committee.
- (5) The Management Committee shall appoint annually from its membership those sub-committees that it considers necessary to discharge its duties and responsibilities under this Agreement and shall include at least an Audit and Governance Sub-Committee.
- (6) Prior to each Management Committee meeting, the Lead Authority shall convene a meeting of officers, drawn from the Founder Member Authorities, with a remit to examine draft reports to the Management Committee, raise issues of concern relating to YPO business and to facilitate the pre-briefing of members. It shall be the responsibility of each Founder Member Authority to make available, wherever possible, an officer of appropriate status to attend such meetings.

## **7. CODE OF CORPORATE GOVERNANCE**

- (1) The Management Committee shall keep under review its code of corporate governance and associated documents, including the register of corporate risk, following recommendations by the Audit and Governance Sub-Committee.
- (2) YPO managers and such other officers as may be required shall agree to attend on request the scrutiny committees of the Founder Member Authorities to assist in their assessment of the effectiveness of YPO operations and assurance procedures.

## **8. ASSOCIATE MEMBERSHIP**

- (1) Associate Members will be entitled to a share of dividend payments under clause 10(3)(ii) of this Agreement for annual levels of usage in excess of the usage level in the full calendar year immediately prior to Associate Membership being granted, in accordance with a scheme to be drawn up annually by the Management Committee.
- (2) Associate Members shall not receive a vote or be entitled to attend 'in confidence' parts of meetings of the Management Committee.

## **9. PAYMENT OF DIVIDENDS**

- (1) Each year, upon receipt of the pre-audit accounts for the previous year the Management Committee shall determine the level of dividend to be paid (if any) but any dividend so determined will not be paid until the accounts have been completed and approved by the s151 Officer.
- (2) The overall dividend sum to be distributed (if any) shall be drawn from accumulated reserves, after deducting a sum which takes account of known risks, to ensure that YPO has adequate cashflow provision and remains a going concern during the forthcoming year, and after deducting the cost of any business development proposals required in consideration of the agreed strategic objectives of the business agreed by the Management Committee.
- (3) The distribution formula shall contain the following elements:
  - (i) a cash sum to be divided equally between the Founder Member Authorities to reflect their risk of ownership; and
  - (ii) a cash sum to reward usage of YPO products and services in all modes of supply (including framework contracts) by the Founder Member Authorities and Associate Members with the weightings between types of membership and modes of supply being determined by the Management Committee.

The weightings attached to clauses 9(3)(i) and 9(3)(ii) above shall be agreed annually by the Management Committee.

## **10. APPOINTMENT OF STAFF**

- (1) The Management Committee shall determine the size, scope, and conditions of service of the Board of Directors of YPO, after receiving appropriate professional advice from the Lead Authority.
- (2) The Management Committee shall appoint annually an 'Appointments Committee' with responsibility for the appointment and disciplinary procedures of the Board of Directors.
- (3) The Board of Directors shall make arrangements to establish and appoint all other staff in accordance with the approved budget and officer delegation scheme, and to ensure that its HR policies and procedures are in accordance with best practice.

- (4) All staff shall be employed by the Lead Authority on behalf of YPO on terms and conditions agreed by the Lead Authority, subject to clause 11(1) of this Agreement.
- (5) The Board of Directors shall make such arrangements with Trades Unions to facilitate effective employee relations, through the periodic Joint Consultative Committee, and the Lead Authority shall be entitled to attend meetings of the Committee as it sees fit.

## **11. ASSETS**

All existing and future assets shall vest in the Lead Authority in trust for the Founder Member Authorities on terms to be agreed by the Management Committee.

## **12. WITHDRAWAL OF MEMBERS**

- (1) A Founder Member Authority wishing to withdraw from membership of YPO shall give to the Lead Authority at least 12 months' written notice expiring on the 31 December. A Founder Member Authority withdrawing shall be responsible for an equal share of any deficit that is held in the accounts in the financial year of withdrawal, but shall not be entitled to any dividend payment under clause 9(3)(i) of this Agreement, or a share of any assets held in trust by the Lead Authority under clause 11 of this Agreement.
- (2) Associate Members under clause 8 of this Agreement can do so in writing without a notice period but will not be entitled to any dividend payment under clause 9(3)(ii) of this Agreement for the financial year in which the withdrawal takes place.

## **13. TERMINATION**

- (1) Notwithstanding the provisions of clause 12(1) of this Agreement, if two-thirds of the Founder Member Authorities agree, following a resolution by the Management Committee, this Agreement may be terminated on the 31<sup>st</sup> of December in any year.
- (2) The terms of termination shall require:

- (i) the payment of any outstanding dividend to Associate Members under clause 9(3)(ii) of this Agreement which would have been paid out had the termination not taken place;
- (ii) any accumulated deficit to be borne by the Founder Member Authorities equally; and
- (iii) any accumulated surplus in the YPO accounts, and the realised value of any assets held in trust by the Lead Authority under clause 11 of this Agreement, to be shared equally between the Founder Member Authorities.

#### **14. AMENDMENT**

If two-thirds of the Founder Member Authorities agree, following a resolution by the Management Committee, this Agreement may be amended at any time upon terms agreed by the Founder Member Authorities.

#### **15. LITIGATION**

- (1) The institution and defence of necessary litigation by YPO arising out of the exercise of its responsibilities shall be undertaken in a representative capacity by the Lead Authority, or such other Founder Member Authority as appointed by the Lead Authority.
- (2) The Lead Authority, or such other Founder Member Authority undertaking the litigation, shall be indemnified by the Founder Member Authorities.

#### **16. INTERPRETATION AND ARBITRATION**

- (1) In applying the terms of this Agreement, all parties shall act reasonably.
- (2) Where a fraction of Membership is referred to in this Agreement, this should be rounded up to the nearest whole number.
- (3) If at any time any dispute or difference shall arise between the Founder Member Authorities or any of them respecting any matters arising out of this Agreement or the meaning or effect of this Agreement or anything herein contained or the rights or liabilities of any of the Founder Member Authorities the dispute or difference shall be referred to and settled by a single arbiter to be appointed by the

Founder Member Authorities but if they cannot agree to be nominated by the Local Government Association.

(4) This Agreement may be executed in any number of counterparts, each of which shall constitute a duplicate original of this Agreement, but all the counterparts shall together constitute the one Agreement.

The Common Seal of **BARNSELY** )  
**METROPOLITAN BOROUGH** )  
**COUNCIL** was hereunto affixed in the )  
presence of: )



AUTHORISED  
SIGNATORY

No. 1097  
IN REGISTER



The Common Seal of **THE BOROUGH** )  
**COUNCIL OF BOLTON** was hereunto )  
affixed in the presence of: )

.....

The Common Seal of **THE CITY OF** )  
**BRADFORD METROPOLITAN** )  
**DISTRICT COUNCIL** was hereunto )  
affixed in the presence of: )

.....

The Common Seal of **THE BOROUGH** )  
**COUNCIL OF CALDERDALE** was )  
hereunto affixed in the presence of: )

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**METROPOLITAN BOROUGH** )  
**COUNCIL** was hereunto affixed in the )  
presence of: )

.....

The Common Seal of **THE BOROUGH** )  
**COUNCIL OF BOLTON** was hereunto )  
affixed in the presence of: )

*L. O'Connell*  
.....  
*ROBERT MCGUINNESS*



SEALING NO.  
*23274*

The Common Seal of **THE CITY OF** )  
**BRADFORD METROPOLITAN** )  
**DISTRICT COUNCIL** was hereunto )  
affixed in the presence of: )

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The Common Seal of **THE BOROUGH** )  
**COUNCIL OF CALDERDALE** was )  
hereunto affixed in the presence of: )

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presence of: )

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The Common Seal of **THE BOROUGH** )  
**COUNCIL OF BOLTON** was hereunto )  
affixed in the presence of: )

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The Common Seal of **THE CITY OF** )  
**BRADFORD METROPOLITAN** )  
**DISTRICT COUNCIL** was hereunto )  
affixed in the presence of: )



103456

*FJ Chamberley* .....

*Authorised by the Interim  
Director of Legal + Governance*

The Common Seal of **THE BOROUGH** )  
**COUNCIL OF CALDERDALE** was )  
hereunto affixed in the presence of: )

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presence of: )

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The Common Seal of **THE BOROUGH** )  
**COUNCIL OF BOLTON** was hereunto )  
affixed in the presence of: )

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The Common Seal of **THE CITY OF** )  
**BRADFORD METROPOLITAN** )  
**DISTRICT COUNCIL** was hereunto )  
affixed in the presence of: )

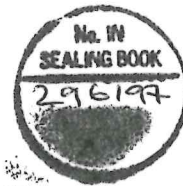
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**COUNCIL OF CALDERDALE** was )  
hereunto affixed in the presence of: )



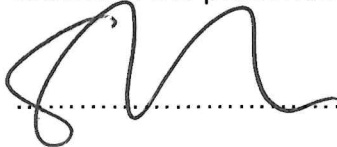
**Zara Turner**

*Authorised Signatory* 11



The Common Seal of **CITY OF** )  
**DONCASTER COUNCIL** was hereunto )  
affixed in the presence of: )



  
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No: 73265

The Common Seal of **THE COUNCIL** )  
**OF THE BOROUGH OF KIRKLEES** )  
was hereunto affixed in the presence of: )

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The Common Seal of **KNOWSLEY** )  
**METROPOLITAN BOROUGH** )  
**COUNCIL** was hereunto affixed in the )  
presence of: )

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The Common Seal of **NORTH** )  
**YORKSHIRE COUNCIL** was hereunto )  
affixed in the presence of: )

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**DONCASTER COUNCIL** was hereunto )  
affixed in the presence of: )

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**OF THE BOROUGH OF KIRKLEES** )  
was hereunto affixed in the presence of: )

*JL* \* \*  
.....  
**JOHN CHADMAN**



The Common Seal of **KNOWSLEY** )  
**METROPOLITAN BOROUGH** )  
**COUNCIL** was hereunto affixed in the )  
presence of: )

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The Common Seal of **NORTH** )  
**YORKSHIRE COUNCIL** was hereunto )  
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**DONCASTER COUNCIL** was hereunto )  
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**OF THE BOROUGH OF KIRKLEES** )  
was hereunto affixed in the presence of: )

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The Common Seal of **KNOWSLEY** )  
**METROPOLITAN BOROUGH** )  
**COUNCIL** was hereunto affixed in the )  
presence of: )

*Nigel Fagan*

.....

*N FAGAN  
Authorised Signatory*

Seal no: 31495

Authority no: CS-126-2024



The Common Seal of **NORTH** )  
**YORKSHIRE COUNCIL** was hereunto )  
affixed in the presence of: )

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The Common Seal of **CITY OF** )  
**DONCASTER COUNCIL** was hereunto )  
affixed in the presence of: )

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was hereunto affixed in the presence of: )

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**METROPOLITAN BOROUGH** )  
**COUNCIL** was hereunto affixed in the )  
presence of: )

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The Common Seal of <sup>THE</sup>**NORTH** )  
**YORKSHIRE COUNCIL** was hereunto )  
affixed in the presence of: )

.....  
*Doncaster*



The Common Seal of **ROTHERHAM** )  
**BOROUGH COUNCIL** was hereunto )  
affixed in the presence of: )

.....  
*Rotham*



The Common Seal of **ST HELENS** )  
**BOROUGH COUNCIL** was hereunto )  
affixed in the presence of: )

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The Common Seal of **THE COUNCIL** )  
**OF THE CITY OF WAKEFIELD** was )  
hereunto affixed in the presence of: )

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The Common Seal of **WIGAN** )  
**BOROUGH COUNCIL** was hereunto )  
affixed in the presence of: )

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The Common Seal of **THE COUNCIL** )  
**OF THE CITY OF YORK** was hereunto )  
affixed in the presence of: )

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**BOROUGH COUNCIL** was hereunto )  
affixed in the presence of: )

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The Common Seal of **ST HELENS** )  
**BOROUGH COUNCIL** was hereunto )  
affixed in the presence of: )

*S. Rowlands*

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The Common Seal of **THE COUNCIL** )  
**OF THE CITY OF WAKEFIELD** was )  
hereunto affixed in the presence of: )

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The Common Seal of **WIGAN** )  
**BOROUGH COUNCIL** was hereunto )  
affixed in the presence of: )

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**BOROUGH COUNCIL** was hereunto )  
affixed in the presence of: )

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The Common Seal of **THE COUNCIL** )  
**OF THE CITY OF WAKEFIELD** was )  
hereunto affixed in the presence of: )

*BAB*

.....



*87815*

The Common Seal of **WIGAN** )  
**BOROUGH COUNCIL** was hereunto )  
affixed in the presence of: )

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The Common Seal of **THE COUNCIL** )  
**OF THE CITY OF YORK** was hereunto )  
affixed in the presence of: )

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affixed in the presence of: )

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The Common Seal of **THE COUNCIL** )  
**OF THE CITY OF WAKEFIELD** was )  
hereunto affixed in the presence of: )

.....

The Common Seal of **WIGAN** )  
**BOROUGH COUNCIL** was hereunto )  
affixed in the presence of: )



..... ASSISTANT DIRECTOR  
LEGAL, GOVERNANCE AND ELECTIONS



270/24

The Common Seal of **THE COUNCIL** )  
**OF THE CITY OF YORK** was hereunto )  
affixed in the presence of: )

.....

The Common Seal of **ROTHERHAM** )  
**BOROUGH COUNCIL** was hereunto )  
affixed in the presence of: )

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The Common Seal of **ST HELENS** )  
**BOROUGH COUNCIL** was hereunto )  
affixed in the presence of: )

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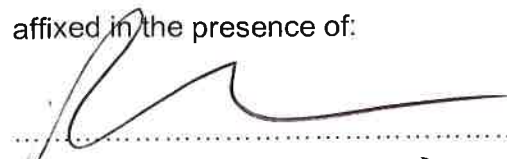
The Common Seal of **THE COUNCIL** )  
**OF THE CITY OF WAKEFIELD** was )  
hereunto affixed in the presence of: )

.....

The Common Seal of **WIGAN** )  
**BOROUGH COUNCIL** was hereunto )  
affixed in the presence of: )

.....

The Common Seal of **THE COUNCIL** )  
**OF THE CITY OF YORK** was hereunto )  
affixed in the presence of: )

.....  
  
**DANIEL MOYNIHAN**  
**SENIOR LAWYER**



### YPO SCHEME OF DELEGATION

#### POWERS DELEGATED TO THE MANAGING DIRECTOR BY LOCAL AUTHORITY MEMBERS OF THE JOINT COMMITTEE AND REPORTING RESPONSIBILITIES OF SENIOR MANAGERS WITHIN YPO

- 1 The Managing Director of Yorkshire Purchasing Organisation (YPO) has authority over all other Officers of YPO so far as is necessary for the efficient management and carrying out of YPO's functions and specifically for the delivery of the strategy and business plans currently approved by members.
- 2 The Managing Director is empowered to take decisions in the name of YPO in all matters where he/she has professional or managerial responsibility and accountability, with the exception of any matters specifically reserved to the Management Committee or Sub-Committees subject to compliance with following:
  - (i) the terms of the Management Agreement in respect of the operation and management of Yorkshire Purchasing Organisation, the Standing Orders of the organisation, these delegated powers, the Standing Orders for Contracts and the Financial Procedure Rules.
  - (ii) all relevant legislation
  - (iii) any direction of the S151 Officer or Monitoring Officer, where he/she makes that direction in order to ensure that no unlawful action is taken, or that no unlawful expenditure is incurred or that no significant expenditure is incurred for which there is no budget provision.
- 3 The Managing Director is empowered to take decisions in cases of emergency in consultation with the Chairman and/or Deputy Chairman of YPO and, where appropriate, the Statutory Officers of the Lead Authority, where these would normally be reserved for the Management Committee or Sub-Committee and where it is not reasonable to require compliance with Standing Orders and other procedural requirements, although this does not authorise unlawful acts. Any such decision shall be reported to the next meeting of the Management Committee, or if no Committee meeting is scheduled within the following 28 days shall advise all members of the Management Committee of the decision taken and the background information and reasons for the decision.
- 4 The Managing Director may authorise officers of YPO to exercise powers delegated under these arrangements where the delegations fall within the scope of their job specification and they have appropriate seniority and experience. However, actions and decisions taken under his/her authority must be taken in the name of the Managing Director and remain his or her responsibility. Such officers are required to act in accordance with the general requirements of these delegation arrangements.
- 5 The Managing Director shall ensure that a formal written record and proper evidence is kept of any decision taken that may directly or indirectly materially affect the costs, income, surpluses, or overall financial position of the Organisation. Such decisions shall be deemed to be significant decisions and records should be made available to the Members of Management Committee and the Statutory Officers of the Servicing Authority as appropriate. Copies of the records shall be made available to Member Authorities of YPO on request.
- 6 The Managing Director shall use whatever lawful means he/she considers appropriate to discharge YPO's functions in an efficient and effective manner, including incurring expenditure, engaging staff, managing and deploying staff, deployment of other resources within his/her control and the procurement of other resources necessary, whether within or outside YPO. Where a YPO policy exists, the Managing Director shall comply with that policy other than in exceptional circumstances and where it is necessary to depart from such policy, he/she shall have particular regard to paragraph 8 of these delegation arrangements before taking any action.

- 7 In deciding whether or not, or how, to exercise his/her delegated powers the Managing Director shall have regard to the desirability of consulting appropriate members of the YPO and he/she shall refer matters to the Management Committee or Executive Sub-Committee for decision where he/she considers it necessary or expedient to do so. This consideration should particularly apply to any business activity which, while falling within the Managing Director's delegated powers, may have reputational or political implications for member authorities. The Managing Director shall keep the Statutory Officers of the Lead Authority informed as appropriate.
- 8 Where statutory licences, necessary to carry out YPO's commercial activities are held by the Lead Authority, day to day operational decisions under these licences shall be delegated to the Managing Director of YPO.
- 9 If there is any disagreement between the Managing Director and the S151 Officer or the Monitoring Officer, the Chief Executive of the Lead Authority shall make a recommendation to Management Committee of the proper way to deal with the disagreement and may call a special meeting of Management Committee, where he/she deems this necessary after consultation with the Chair of the Management Committee.
- 10 Changes to the Managing Director's terms and conditions (including his/her salary) shall be approved by the Chief Executive of the Lead Authority in consultation with the Chair of Management Committee or be referred to Management Committee for approval at the Chief Executive's discretion, following consultation with the Chair.
- 11 Reporting responsibilities of Senior Managers within YPO:
- (i) The Executive Director, Finance has responsibility for reporting to the S151 officer of the Lead Authority any actual or suspected financial impropriety and any occasions where he/she believes that the actual or predicted annual outturn is not/may not be in line with the budget or there are any significant changes in predicted income or expenditure for the year or any significant risk of such changes. It is acknowledged that the Executive Director, Finance will meet regularly with the S151 officer or his/her nominee to discuss financial matters relating to YPO and that the Executive Director, Finance is required to provide to him/her any information that he/she reasonably requires to enable him/her to have oversight of the financial position of YPO.
  - (ii) All members of the Board and the Senior Leadership Team have responsibility for reporting to the Section 151 Officer or the Monitoring Officer of the Lead Authority any actual or suspected unlawful activity or breach or threatened breach of YPO's Rules and Procedures, if he/she considers that this is not being addressed by the Managing Director. Where a member of the Board or an officer of the Senior Leadership Team considers that such action may threaten his/her employment within YPO, he/she may ask that his/her disclosure be treated in confidence so far as this is consistent with the Lead Authority dealing with the issue that is the subject of the disclosure. The Section 151 Officer or the Monitoring Officer shall have the authority to arrange for any allegations to be investigated and the Managing Director may not take any action to discipline the Board member or officer making the disclosure or take any other steps that would affect that officer's tenure and rights within the organisation without the agreement of the Statutory Officer. If either Statutory Officer determines that the allegation is ill-founded and made in bad faith, he/she may decline to investigate the allegations or to have any further involvement in the matter.

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**Section 3 - Standing orders for contracts**

## Document Control Page

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# YORKSHIRE PURCHASING ORGANISATION

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## 1. DEFINITIONS

- 1.1. “**CDP**” means the Central Digital Platform hosted by the Cabinet Office for His Majesty’s Government on .gov and through which the Organisation publishes Tendering opportunities and awards.
- 1.2. “**Chairperson**” means the current Chairperson of the Management Committee.
- 1.3. “**Chief Financial Officer**” means the current Director of Finance of the Lead Authority responsible to the Management Committee of the Organisation for providing financial advice to the Organisation (other than the financial services performed by the Managing Director or other officers designated by him/her). In fulfilling this role, the Chief Financial Officer will be able to rely on the Managing Director of the Organisation to keep him/her informed on all aspects of his/her role relating to the Organisation under Section 151 of the Local Government Act 1972, including compliance with the rules forming the Financial Procedure Rules and Standing Orders relating to Contracts of the Organisation.
- 1.4. “**Contract**” means an agreement made by the Organisation with another party creating a legal relationship enforceable by law.
- 1.5. “**Debarment List**” means the list of suppliers controlled and maintained by the UK Government debarred from being awarded UK public contracts in accordance with s.62 Procurement Act 2023.
- 1.6. “**Emergency**” means an event in which the Organisation is in probable or actual risk of significant financial or operational harm, including in the case of its employees, physical harm.
- 1.7. “**Framework**” means an agreement between one or more contracting authorities and one or more economic operators, the purpose of which is to establish the terms governing contracts to be awarded during a given period, in particular with regard to price, quality and where appropriate the quantity envisaged including dynamic markets as set out in the Procurement Act 2023.
- 1.8. “**Goods**” includes all supplies and materials that the Organisation purchases or obtains.
- 1.9. “**Lead Authority**” is the member authority chosen by the Management Committee to provide support services to the Organisation.
- 1.10. “**Managing Director**” means the current Managing Director of the Organisation or an officer designated by him/her.
- 1.11. “**Management Committee**” means the elected members of the Organisation constituting its Management Committee and any of its Sub Committees.
- 1.12. “**Members**” means those elected officers who have been appointed to the Management Committee.
- 1.13. “**Monitoring Officer**” means the individual appointed by the Management Committee to ensure legality, good governance and ethical conduct within the Organisation. In fulfilling this role, the Monitoring Officer will be able to rely on the Managing Director of the Organisation to keep him/her informed on all aspects of his/her role relating to the Organisation under Section 5 of the Local Government

and Housing Act 1989, including compliance with the rules forming the Financial Procedure Rules and Standing Orders relating to Contracts of the Organisation.

- 1.14. **“Organisation”** means the consortium of local authorities known as the Yorkshire Purchasing Organisation or YPO.
- 1.15. **“Procurement Officer”** means the individual or individuals at the Organisation designated responsible for the procurement including Strategic Procurement Managers, Category Managers, Category Buyers, Assistant Category Buyers, Internal Procurement Officers or Further Competition Coordinators responsible for delivering Contracts, Frameworks and assessing Goods, Services and Works in accordance with the Contracts Standing Orders.
- 1.16. **“Procurement Legislation”** means the Procurement Contract Regulations 2015, Procurement Act 2023, Procurement Regulations 2024 and any other primary or secondary legislation or amendments thereto that pertain to procurement in the public sector.
- 1.17. **“Services”** includes all services, which the Organisation purchases or obtains including but not limited to advice, consultancy, agency staff, third party logistics etc.
- 1.18. **“Tender Plan”** means the intended route to market for any procurement including planned assessment criteria, market considerations, exceptions to the Contracts Standing Orders and planned delivery dates.
- 1.19. **“Tender Recommendation”** means the record used to document the outcome of any tender or procurement exercise including the process used, outcome reached and the proposed intent as a result of the exercise including the award of Contracts or Frameworks where appropriate.
- 1.20. **“Whole Life Costs”** means the whole costs of the provision of the works, goods and/or services from inception to disposal including any annual maintenance costs or annual fees (i.e. software licences)
- 1.21. **“Works”** includes the construction of new buildings and works, restoring and common repairs.

## 2. Introduction

- 2.1. The Standing Orders for Contracts aim to promote the highest standards in procurement activity ensuring probity, integrity, accountability and impartiality in making a clear, understandable, transparent and fair selection of suppliers by the Organisation, and form part of the governance arrangements of the Organisation.
- 2.2. The Standing Orders for Contracts also promote the delivery of value for money and the required levels of quality and performance in all contracts that are let. The Organisation is committed to the overall principles that:
- a) All purchases will be based on the most advantageous tender unless agreed by the Managing Director.
  - b) Goods, services and works will be acquired by fair, objective and transparent competition.
  - c) Social Value impact and outcomes will be a core, demonstrable consideration in

appropriate purchasing decisions made under these Standing Orders for Contracts.

- 2.3. The Standing Orders for Contracts also aim to deliver competitive procedures and the avoidance of practices which may restrict, prevent or distort competition.
- 2.4. Procurements will be carried out in compliance with the legal and ethical requirements referred to in these Standing Orders for Contracts, and taking into account the Organisation's commitment to continuous improvement, quality and environmental issues.
- 2.5. These Standing Orders for Contracts apply to all Contracts for Goods, Services and Works.
- 2.6. All values referred to in these Standing Orders for Contracts are inclusive of VAT.
- 2.7. Any dispute regarding interpretation of these Standing Orders for Contracts shall be referred to the Managing Director or his/her nominated officer.
- 2.8. The Managing Director or his/her nominated officer shall undertake a formal review of these Standing Orders for Contracts on an annual basis.

### **3. Responsibility for Observance**

- 3.1. The Management Committee is responsible for regulating and controlling the contractual arrangements of the Organisation.
- 3.2. The Managing Director shall perform their duties in accordance with these Standing Orders for Contracts, the Organisation's Financial Procedure Rules and the Managing Director's Scheme of Delegation and the law of the land with respect to all matters relating to contracts and public procurement.

### **4. Conduct of Members and Employees**

- 4.1. In dealing with matters referred to in these Standing Orders for Contracts employees shall abide by the provisions of the Organisation's Code of Conduct, the rules contained in these Standing Orders for Contracts and the Organisation's Financial Procedure Rules.
- 4.2. So far as possible, the election to the Management Committee of anyone with a significant involvement in any way with any firm likely to be employed by the Organisation, or the employment of any officer with a similar involvement, should be avoided.
- 4.3. Members and employees of the Organisation shall not sell any goods, services or works to the Organisation.
- 4.4. No contractor, supplier or service provider in which a member or officer has a pecuniary interest may be chosen or appointed, other than by following the procedures laid down in these Standing Orders for Contracts, the Organisation's Code of Conduct Policy and without having disclosed his/her interest by completing a Declaration of Interest Form in accordance with statutory requirements and the Organisation's Employee Interests Policy.

### **5. Propriety**

- 5.1. The Organisation shall conduct all its operations with the utmost propriety. To achieve this, the Managing Director shall have direct access to the Chairperson, Chief Financial Officer and the Monitoring Officer in matters touching on the propriety of purchasing arrangements. The Managing Director shall provide information and advice as necessary, but where circumstances clearly require a completely impartial approach, initial decisions shall be taken by the Monitoring Officer, the Chief Financial Officer or the Chairperson, as appropriate. All such matters must be referred to the Management Committee either for decision or, where action has already been taken, for confirmation.

## 6. Compliance

- 6.1. Contracts entered into on behalf of the Organisation shall be made in accordance with these Standing Orders for Contracts, all relevant UK legislation requirements and timescales, including case law.
- 6.2. The Organisation shall not enter into any Contract with any supplier or other organisation listed on the Debarment List.
- 6.3. Where an appropriate standard or code of practice issued by the UK Government current at the date of the tender, every contract subject to these Standing Orders for Contracts shall require that all goods and materials, used or supplied, and all workmanship provided shall be in accordance with that standard.
- 6.4. The Contracts Team and all other officers with budget responsibilities within the Organisation are responsible for ensuring that processes adopted are compliant with these Standing Orders for Contracts.
- 6.5. The Procurement route should take into account instances where Goods, Services and Works can be obtained via appropriate, existing, approved and enabled arrangements.

These include:

- 6.5.1. The use of a Member Authority's in-house services such as payroll, legal, vehicle maintenance etc.
- 6.5.2. Nationally negotiated contracts such as those arranged by the Organisation, any Public Sector Body or Public Buying Organisations such as Eastern Shires Purchasing Organisation and the Crown Commercial Service.
- 6.6. Whenever possible, the Organisation must prioritise the use of the Organisations Frameworks for procurement requirements before use of any other procurement tools.

## 7. Exceptions

- 7.1. Exceptions from any of the provisions of these Standing Orders for Contracts shall only be made by decision of the Management Committee or in compliance with the terms of the Managing Director's Scheme of Delegation and a written record signed by the Managing Director in the form of an Exception Report will be kept centrally in an electronic file held by the Contracts Team.
- 7.2. In addition, and subject to statutory requirements, tenders need not be invited in accordance with these Standing Orders for Contracts in the following cases:

- a) Goods and Services which are obtainable from one contractor only and for which there is clear recorded evidence that no satisfactory alternative is available.
- b) The execution of Works of a specialised nature where there is clear recorded evidence that they may only be carried out by one contractor.
- c) Goods of a nature entrusted to a particular public utility, local authority (or similar) or other statutory undertaker.
- d) The purchase of Goods and Services from a central or local government purchasing organisation where YPO is satisfied that the procurement has been undertaken in accordance with legislation and any specific Call Off procedure is followed.
- e) The purchase of Goods and Services where prices of the goods are wholly controlled by trade organisations or government order and no reasonably satisfactory alternative is available.
- f) The purchase of Goods and Services in response to an Emergency.
- g) Direct awards for Goods Service in special cases as permitted by s.41 and under circumstances defined by Schedule 5 of the Procurement Act 2025

Where an Exception Report has been properly signed by the Managing Director.

## **8. Freedom of Information**

- 8.1. The Freedom of Information Act 2000 (FOIA) & Environmental Information Regulations 2004 provide the right of public access to information held by public authorities such as the Organisation
- 8.2. All requests received by the Organisation under FOIA in respect of tenders and contracts should be channelled through the Organisations Data Protection Team immediately upon receipt to enable the Organisation to comply with its Access to Information Policy.
- 8.3. The FOIA includes potential exemptions on the basis of commercially confidential information. However, tenderers will be made aware of the implications of the Act at the tender stage.

## **9. Equality and Diversity**

- 9.1. The Organisations Frameworks and Contracts must include protections to ensure contractors, suppliers and service providers will not unlawfully discriminate within the meaning and scope of any law, enactment, order or regulation relating to discrimination (whether in race, gender, religion, disability, sexual orientation, age or otherwise) in employment.
- 9.2. Contractors, suppliers and service providers will be required to take all reasonable steps to secure the observance of the Organisations Framework Agreement / Contract by all servants, employees or agents of their organisations or those of their suppliers and sub-contractors employed in the execution of the Framework Agreement / Contract.

## **10. Terms and Conditions**

- 10.1. Contracts and Framework Agreements will use the Organisations standard terms and conditions whenever possible. Variations from the standard format must be approved by the Managing Director and if necessary legal advice sought. Terms and conditions will be included with tender documents and issued to suppliers as part of the invitation to tender.
- 10.2. Tenderers are expected to accept YPO's Terms and Conditions held within the Framework Agreement or Contract without qualification. Acceptance of qualified terms and conditions will only be made at the Senior Legal and Compliance Managers' discretion and written assessment should be made of its implications and held on a central file within the Contracts Team. YPO is not obliged to accept any variation to terms and conditions and in general, any such relaxation will only be granted if it is considered reasonable under the circumstances, provides a commercial advantage to the Organisation, the level of risk is assessed as acceptable, and it does not distort competition between the tenderers.
- 10.3. The tender documents should give tenderers the opportunity to raise any queries in relation to the terms and conditions during the "Clarification Question" stage of the process to allow for all queries to be addressed and a response (if required) can be circulated to all tenderers. Any queries raised during the tender process in relation to Terms and Conditions should be referred to the Senior Legal and Compliance Manager.
- 10.4. The tender documents should also state that any clarifications raised after the deadline for submission of tenders or any included in a tenderers bid submission will not be considered.
- 10.5. Contracts for the execution of Works or the purchase of Goods or Services where urgency is too great to permit the making of a contract in writing will be confirmed in writing at the earliest opportunity.

## **11. Tendering Process**

- 11.1. The Organisation must use an electronic tendering system (ETS) for tendering activity (including evaluation) above £30,000. Any exception to this process must be agreed on a case-by-case basis with the Contracts Team with full details of the reason for change retained in writing on file.
- 11.2. Cost may be evaluated through an e-auction where appropriate.
- 11.3. Gateway sign off stages for contracts will be dependent on the monetary, complexity and risk value of the contract and an approvals process for tenders detailed within a standard operating procedure.
- 11.4. Any exception to the procurement processes detailed in this document will be at the Managing Director's discretion as detailed above at point 7. A written record documenting the reasons for the exception authorised and signed by the Managing Director, will be retained on an electronic central file held by the Contracts Team.

## **12. Sample Process**

- 12.1. Where samples are requested, they must be provided in accordance with the instructions in the tender document by the set deadline.

- 12.2.They should be sent to the front reception of YPO, site 41 FAO The Contracts Team.
- 12.3.Samples are then required to be held in the designated sample room until the tender deadline has passed when they will then be passed to the relevant buyer in order to be evaluated.
- 12.4.Samples from successful suppliers shall be stored in the warehouse for the life of the contract or Framework whichever is longer only where necessary given their nature and the risk associated with the Goods in question, with the reason for retention being documented by the Procurement Officer(s) within the Tender Recommendation Form
- 12.5.Samples relating to YPO branded Goods shall at all times be retained in the warehouse of the life of the Contract or Framework, whichever is longer.
- 12.6.Samples from unsuccessful suppliers are to be returned to the supplier wherever possible
- 12.7.If the unsuccessful supplier is unable to arrange collection, or does not require the samples to be returned, the samples will be e used internally, donated to charity or disposed of.
- 12.8.Samples from unsuccessful suppliers must be removed from the sample room by the responsible Procurement Officer within three (3) months of the award of the Contract or Framework.

### **13. Tender Information Obligation**

- 13.1.As part of the Local Government Transparency Code the Organisation has an obligation to publish information on a monthly/quarterly basis in relation to invitations to quote and invitation to tender for all contracts to provide goods and/or services that exceed £30,000.
- 13.2.The information to be published is reference number; title; description of goods/services; start, end and review dates; title of agreement; supplier name and details; sum to be paid over the length of the contract; the process used; whether or not the supplier is a small/medium enterprise and/or a voluntary or community sector organisation and the department responsible for the procurement.

### **14. Contracts under £30,000**

- 14.1.This includes any procurement activity (internal or trading spend) involving an estimated aggregate Whole Life Costs value up to £30,000.
- 14.2.The procurer may use any reasonable means to source supplier options but the quotation procedure and outcome including due diligence into the supplier's ability to deliver the Contract must be managed and a written record must be retained. If requested to do so a copy must be provided to the Contracts Team on conclusion.

### **15. Contracts / Frameworks between £30,000 and £75,000**

- 15.1.This includes any procurement activity (internal or trading spend) involving an

estimated aggregate Whole Life Costs value between £30,000 and £75,000

15.2. There must be a minimum of three written quotes from selected suppliers unless agreed otherwise by the Contracts Team in exceptional circumstances.

15.3. The procedure must be carried out electronically with a written record of the specification, the quotations, the evaluation process and notification of award and rejection. This written record must be retained.

15.4. The Organisation will comply, and the Procurement Officer will ensure compliance with the requirements for regulated below threshold Contracts as set out in the Procurement Act 2023.

## **16. Contracts / Frameworks between £75,000 and UK Government Thresholds for Goods, Services & Works**

16.1. This includes any procurement activity (internal or trading spend) involving an estimated aggregate Whole Life Costs value between £75,000 and the UK Government Threshold for Goods, Services and Works.

16.2. The entire process must be overseen by the relevant Procurement Officer and signed off by the Contracts Team.

16.3. The procedure must be carried out electronically via the ETS with a written record of the specification, the quotations, the evaluation process and notification of award and rejection. This written record must be retained.

## **17. Contracts / Frameworks above UK Government Thresholds for Goods, Services & Works**

17.1. Procurement activity with an estimated aggregated Whole Life Costs value above UK Government Thresholds for Goods, Services and Works will be conducted by a Procurement Officer.

17.2. To ensure compliance with national legislation and guidance the Contracts Team will oversee all tendering processes, ensuring a segregation of duties and a consistent approach.

17.3. All tenders must be advertised and Awarded through the CDP

17.4. In the case of tenders for Goods or Services, the relevant officers should consider whether the contract will be of benefit to other public sector bodies.

17.5. The selection and award criteria, sub-criteria and weightings to be used in the evaluation process must be clearly communicated to all tenderers on the CDP and the invitation to tender. The criteria must be followed during the evaluation process. Under no circumstances may any of the criteria be changed or new criteria introduced from those published unless permitted by the Procurement Act 2023.

17.6. Before commencing any tendering exercise an assessment of risk pertaining to the specific tender exercise will be undertaken. This will allocate the required sign off levels / stages which must be adhered to.

17.7. All legally required time limits must be followed as minimum.

17.8. Social Value considerations must be included in the criteria for award in the CDP notice and tender documentation and will be weighted as a minimum of 20% of the evaluation criteria.

17.9. The Social Value Act/added value must be considered within the Tender Plan.

17.10. In every instance detailed records will be held (electronically) of all stages of the process.

## **18. Receipt and Opening of Tenders**

18.1. The receipt and opening of tenders will be undertaken using the ETS unless otherwise agreed by the Contracts Team.

18.2. Late tenders may be considered at the discretion of the Senior Legal and Compliance Manager, if they are satisfied that there was reasonable cause for the delay and fair competition has not been compromised. A record of this decision will be held centrally by the Contracts Team.

## **19. Examination of Tenders**

19.1. Tenders submitted in competition shall not be considered if:

- a. The tender is in some way uncertain in its terms and it is unclear what the submission is offering.
- b. There is evidence that the tender document has been altered without consent.

19.2. If a tender requires clarification on a technical or contractual matter all necessary communication must be properly recorded and remain confidential. Such clarification may only be undertaken when the process remains fair to all Tenderers and does not distort competition in any way.

19.3. During the period between the closing for the receipt of a tender and award, Tenderers may not seek to amend prices in any way, other than a genuine and obvious error. Such circumstances must be properly recorded on file and competition must not be distorted in any way. Evidence should always be provided that can be tracked back to the original quote.

19.4. If variations to specifications are to be examined and considered, tenderers must have been made aware in the invitation to tender document.

## **20. Acceptance of Tenders**

20.1. The designated Procurement Officer(s) shall arrange the evaluation of the tenders and make a recommended contract award based on the most advantageous tender to the sign off panel.

20.2. All tenders must be evaluated by at least 2 individuals and scores moderated by a third individual who has not otherwise been involved in the evaluation process.

20.3. In the case of 2 or more tenders being equal, the highest overall Quality score may be used to determine the successful bid. If all aspects are still equal the Social Value Score shall be used to determine the successful bid.

- 20.4. The proposed award would then be completed and signed off by the relevant approver.
- 20.5. The relevant company credit checks and any other necessary checks will be carried out by the Procurement Officer prior to contract award and copies of any searches and documents retained.
- 20.6. The Procurement Officer shall arrange for assessment summaries containing the information required by the Procurement Act 2023 shall be sent to Tenderers in the format provided by the Contracts Team.
- 20.7. The Procurement Officer shall arrange for the publication of an award notice on the Central Digital Platform which will trigger a mandatory standstill period before the Contract or Framework can commence.
- 20.8. The acceptance of tenders and related communication will be undertaken using the ETS.

## **21. Claims from Contractors, Suppliers and/or Service Providers**

- 21.1. Any claim from a contractor, supplier or service provider shall be referred to the Managing Director, Monitoring Officer and to the Chief Financial Officer for advice before any settlement is made.

## **22. Purchasing**

- 22.1. After the award of the Contract / Framework to the successful providers the Contract / Framework agreement must be signed and returned to YPO immediately (subject to point 10.1).
- 22.2. Upon receipt of the above the Managing Director or his/her nominated officer must sign the framework agreement on behalf of YPO in accordance with the levels set out in appendix 1.
- 22.3. Contained within the Framework agreement is the Call off Order Form. Before any procurement of the Goods, Services or Works can commence the call off order form must be filled in and issued to the supplier. This activates the Call off Terms and Conditions
- 22.4. If included within the Invitation to Tender documents the Supply Chain Agreement must be agreed by the Supplier.
- 22.5. Any variations to the Framework agreement including any specification amendments must be discussed with the Contracts Team to ensure that any amendment will not breach requirements set out under the Procurement Act 2023.
- 22.6. Once agreed between the parties the variation form must be completed by either side and signed off by both YPO and the successful supplier. A variation to the framework must be assessed for risk and verified by the Contracts Team before YPO enter into negotiation to vary the framework agreement/ contract.
- 22.7. Management information must be provided to YPO by all successful suppliers as part of any and all framework agreements.
- 22.8. Orders, despatched electronically or on official stationery, should state the quantity

(where applicable), an adequate description, the price or the basis of the price, an official purchase order number, delivery date and place and all other relevant conditions.

22.9. Verbal orders shall only be permitted in exceptional circumstances where approved by the Managing Director in advance and shall be confirmed with an official order marked appropriately as soon as practicable, but in a period of no longer than two (2) working days.

22.10. Orders shall be individually identified, sequentially numbered, initiated and issued by the Managing Director or a member of staff specifically authorised for that purpose.

22.11. The authorisation of an order will indicate the following: -

- a) That the Goods or Services are necessary for the discharge of the policies and responsibilities of the Organisation.
- b) That where the Goods or Services are for direct use by the Organisation there is a provision for the cost within the estimates, or it is covered by special financial provision.
- c) Compliance with the Organisation's Financial Procedure Rules and Standing Orders for Contracts.

## **23. Further Competition**

23.1. All further competitions should be carried out via the ETS with all budget holders contacting the Procurement Officer prior to commencing any further competition.

23.2. The Contracts Team will advise as to the appropriate process.

## **24. Post Contract Award**

24.1. Following Contract award the Procurement Officer or where appropriate their line manager or contract owner will be responsible for monitoring delivery of the Framework / Contract including any and all reviews to take place between YPO and the contractor, supplier or service provider. All reviews should be carried out on a regular basis, documented and a copy of the review undertaken retained for YPO's records.

24.2. If any problems are experienced and the contractor, supplier or service provider are failing to comply with the Framework / Contract terms and conditions then the following steps should be taken with the assistance of the Contracts Team: -

- a) Written records must be kept of all correspondence between both parties, the Procurement Officer or contract owner shall liaise with the contractor, supplier or service provider to ascertain the root cause of the problem.
- b) The contractor, supplier or service provider should be invited to attend a performance review. At the performance review a list of actions should be agreed between the parties to monitor the future provision of the goods/services. A copy of the minutes of this meeting should be agreed by both parties and a date set for a follow up meeting.
- c) If contract performance has failed to improve, then the Procurement Officer or contract owner should seek advice from the Contracts Team who will provide advice as to the

best remedy and action to be taken and issue the notice as required by the relevant regulation

24.3. Framework Agreements / Contracts must not be terminated without advice from the Contracts Team.

24.4. Throughout the life and termination of the Framework or Contract, the Procurement Officer or contract owner shall ensure compliance with all notice requirements under the Procurement Legislation.

## APPENDIX 1

These appendices set out the limits to be used in conjunction with the *Financial Procedure Rules and Standing Orders for Contracts*.

<b>Delegated officer</b>	<b>Maximum limit for execution of a contract</b>	<b>Maximum limit for execution of a framework agreement</b>
Procurement Officer excluding Assistant Buyers and Further Competition Coordinators	up to £50,000	
Contracting Manager/SMT member	up to £500,000	up to £10,000,000
Director other than the Managing Director	up to £1,000,000	Up to £20,000,000
Managing Director*	All Contracts as permitted within the Scheme of Delegation.	All Frameworks as permitted within the Scheme of Delegation.

The authorities listed in this table should not be delegated below the specified levels.

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Section 4 - Financial Procedure Rules

**FIN POL002**  
**Financial Procedure Rules**

Document Type	Financial Procedure Rules	
Document Ownership	Governance Function	
Title of Document	Financial Procedure Rules	
Status	Draft V1	
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Agreed with Unison / date:	N/A	N/A
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Replaces document	FIN POL002 v1	
Related documents	FIN POL002 v1 Financial Procedure Rules	
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FIN POL002			March 2022		
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<b>2. Roles and Responsibilities</b>	<b>Page 4</b>
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## 1 Purpose

Financial Procedure Rules are a key element of YPO's governance arrangements. They make a clear, understandable, and transparent statement that aims to promote the highest standards in financial management and activity, ensuring probity, integrity, accountability, and impartiality.

Financial Procedure Rules apply to everyone and failure to comply with them may lead to disciplinary action.

In circumstances arising from an emergency, it is permitted to set aside or waive some Financial Procedure Rules. When this occurs the MD / ED-F must inform the CFO at the earliest opportunity and provide a written report to the next Management Committee.

## 2 Roles and Responsibilities

### Responsibilities for Observance

In accordance with the Local Government Act 1972 (Section 151) and the Accounts & Audit Regulations, YPO's Lead Authority must appoint a suitably qualified Responsible Financial Officer. As Lead Authority, Wakefield Council has appointed the Chief Finance Officer (CFO) to this role. CFO is responsible for the proper administration of YPO's finances, maintaining and updating FPRs, and reporting any breaches to the Management Committee.

### Delegated Authority

The day-to-day management of YPO's financial arrangements is delegated to YPO's Managing Director (MD) or Executive Director – Finance (ED-F), as set out in the Scheme of Delegation.

The Scheme of Delegation sets out the delegation from our Management Committee to our Lead Authority and Chief Finance Officer, and then through to the MD and ED-F at YPO.

All financial reporting and decisions are reported back to the Management Committee through the agreed Committee cycle where their approval of any recommendations is agreed and recorded.

## 3 Financial Procedure Rules

### Core Responsibilities of the YPO MD, ED-F and Finance team

To maintain and review all accounting records, to ensure these records are accurate and up to date to present a true and fair view of the Organisation's financial performance and position.

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These records include all invoices, cash transactions, accounting adjustments and payroll information.

To ensure the safeguarding of all assets by ensuring accurate and up to date registers are in place and maintained, these include: -

- Goods held for resale
- Non-Current Assets inc. Land and Buildings
- Assets held not for resale
- Debtors, Cash and Creditor balances

Ensure adequate policies and procedures are in place to prevent fraudulent and other irregular activities. This includes the segregation of duties across all invoice and payment processing activities.

All employees are expected to always act in accordance with YPO’s Anti-Bribery Policy

**Financial reporting and decision making**

In line with the agreed reporting cycles, periodic reports will be submitted to Member Committees, the Chief Finance Officer of the Lead Authority and YPO Board covering: -

- Financial Performance, KPI analysis and Annual Accounts.
- Budget setting and Business Planning.
- Ad hoc financial reports for decision making purposes.

All reports will include recommendations for members to approve.

The draft and audited Statement of Accounts will be prepared and reported annually to the Audit & Governance Committee and to the Management Committee.

Regular Finance updates will also be provided at the Founder Member Forums held during the year; these include Finance Directors, Heads of Procurement, Legal Officers and Chief Executives Forums.

The updates will include Financial Performance, Budget Setting and Dividend Strategies, along with any additional requests from members.

**Authorised signatures and limits**

The ED-F will maintain a list of authorised signatories and authorisation levels for purchase orders.

The ED-F will also maintain a list of authorisation levels for :-

- Customer Credit Limits
- Customer Write Offs
- Inventory Write Offs
- Asset Disposal

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- Payroll

Appendix 2 provides a breakdown of each authorisation level.

The ED-F will maintain a policy that sets out the responsibilities of authorising officers. All authorising officers will familiarise themselves with the policy and their responsibilities.

The MD will authorise several officers as Procurement Card holders. Card holders must comply with Finance Procedure Rules, Contract Procedure Rules and the Payment Card Manual.

### **Banking and Treasury Management**

The CFO will make arrangements for the negotiation of banking terms, the opening and operation of YPO bank accounts.

Day-to-day banking transactions will be managed by YPO, with regular engagement held with the Bank’s Relationship Manager.

A Bank Mandate will be maintained and updated where needed which confirms authorisation levels.

The MD / ED-F will ensure that all treasury management transactions are made in accordance with the Treasury Management Policy. Formal arrangements may be entered into with the Lead Authority with the approval of the CFO and ED-F.

### **Reserves**

The MD / ED-F will maintain approved procedures and records for creating a reserve, that include the purpose of the reserve. Reserve creation must be reviewed by the CFO and approved by the Management Committee prior to use.

Once approved inclusion of the reserve gives the MD / ED-F authority to incur expenditure.

Change of use of a reserve must be reviewed in advance by the CFO and approved by Management Committee.

### **Investments**

The MD / ED-F will maintain approved procedures and records for investment proposals including funding and borrowing in accordance with the Capital Policy, and ongoing revenue implications. Investment proposals must be reviewed by the CFO and approved by the Management Committee prior to expenditure.

Once approved, inclusion in the investment proposal gives the MD / ED-F authority to incur expenditure.

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Progress of investment proposals, including attainment of milestones and any overspends, must be reported to Management Committee at least annually.

**Accounting, Statutory Returns and Taxation**

The ED-F will ensure that all required statutory returns are published and submitted on time.

The ED-F will ensure compliance with HMRC requirements including VAT, and ensure all payments are made on time.

**Risk, Insurance, Assurance and Audit**

The MD will maintain an appropriate Risk Management Framework, Strategy and Policy.

The MD / ED-F will maintain arrangements to effectively manage credit risk and control.

The MD / ED-F will ensure YPO has effective insurance arrangements in place to meet legal requirements and to transfer risk, where appropriate.

The CFO will review YPO’s insurance arrangements at least annually.

The CFO will enable the provision of an Internal Audit function, acting in accordance with relevant standards (currently Public Sector Internal Audit Standards) to provide assurance and make recommendations for improvements in risk mitigation and internal control.

The CFO and / or their IA representative retains the right of access at all reasonable times to YPO premises; documents, records and correspondence; stocks and assets; employees; information and explanation.

The MD / ED-F will ensure that all suspected and actual irregularities are reported to the CFO / Internal Audit, and where appropriate, the Police.

The MD / ED-F will ensure that an appropriate External Auditor is appointed and that they are given the right of access at all reasonable times to YPO premises; documents, records and correspondence; stocks and assets; employees; information and explanation.

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## Appendix 1 Definitions for Financial Procedure Rule and Standing Orders for Contracts

**“Organisation”** means the consortium of local authorities known as Yorkshire Purchasing Organisation (YPO)

**“Managing Director”** means the current Managing Director of the Yorkshire Purchasing Organisation or an officer designated by him/her.

**“Executive Director - Finance”** means the current Executive Director – Finance of the Yorkshire Purchasing Organisation or an officer designated by him/her.

**“Chief Financial Officer”** means the current Director of Finance of the Lead Authority responsible to the Management Committee of the Organisation for providing financial advice to the Organisation (other than the financial services performed by the Managing Director or other officers designated by him/her). In fulfilling this role the Chief Financial Officer will be able to rely on the Managing Director of the Organisation to keep him/her informed on all aspects of his/her role relating to the Organisation under Section 151 of the Local Government Act 1972, including compliance with the rules forming the Financial Procedure Rules and Standing Orders relating to Contracts of the Organisation.

**“Management Committee”** means the elected members of the Organisation constituting its Management Committee and any of its Sub Committees.

**“Lead Authority”** is the member authority chosen by the Management Committee to provide support services to the Organisation.

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## Appendix 2 Authorisation Limits for Finance Procedure Rules

These appendices set out the limits to be used in conjunction with the *Financial Procedure Rules*

### Bank Mandate

Approval of cheque payments – Up to £5,000 one signature required  
Above £5,000 two signatures required

Setting up of Direct Debit payments – 2 signatures required

### General Ledger Expense Approval Limits

Head of Department – up to £5,000  
Director – Above £5,000

### Customer Write off Limits

Credit Controller – up to £10  
Accounts Receivable Team Leader – up to £100  
Operations Manager – Finance – up to £500  
Head of Finance – up to £5,000  
Director – above £5,000

### Customer Credit Limit Approval Limits

Automatic default credit limits are granted to customers based on their Experian credit score as per the below.

Experian Score	Credit Limit
Very Low Risk	£2,000
Low Risk	£1,000
Below Average Risk	£500
Above Average Risk	£250

However, these credit limits can be overridden and increased in line with customer and commercial requirements within the below limits, all additional credit is subject to further due diligence and financial checks.

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Accounts Receivable Assistant – up to £5,000  
 Accounts Receivable Team Leader – up to £12,500  
 Operations Manager – Finance – up to £25,000  
 Head of Finance – up to £50,000  
 Director – above £50,000

**Inventory Write off Limits**

Asset and Inventory Officer – stocktake plans up to £1,000  
 Asset and Inventory Manager – stocktake plans up to £10,000  
 Logistics Performance Manager – stocktake plans up to £20,000  
 Director – stocktake plans above £20,000

**Asset Disposal Write of Limits**

Head of Finance – net book value up to £5,000  
 Director – net book value above £5,000

**Payroll Approval Limits**

Head of HR / Head of Finance are responsible for reviewing and approving the monthly payroll file prepared by WMDC.

No approval limit is in place, but the net pay amount is checked against the latest budget and forecast information.

Controls are also in place with Barclays Bank to ensure combined monthly payroll payments do not exceed £2.5m, anything above this is, is flagged, by Barclays, to the Head of Finance.

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## **Section 5 Part 1 Governance, Risk and Assurance**

As a commercial organisation, set up as a Local Authority Joint Committee, under the Local Government Act Section 102, YPO has adopted local government regulation and best practice, as far as is reasonable and practicable, with regard to its governance framework and system of internal control; arrangements for risk and financial management; oversight of executive decision making including overview and scrutiny; and the provision of assurance including audit and audit committee.

### **Corporate Governance Framework**

YPO is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for. YPO acknowledges its responsibility for putting in place proper and effective governance arrangements.

YPO's governance framework comprises the systems and processes, culture and values by which we direct and control the organisation, engage with, and remain accountable to, our Founder Member Authorities and other key stakeholders. Key elements of the framework include:

- Promoting high standards of conduct in accordance with the seven principles of public life: selflessness; integrity; objectivity; accountability; openness; honesty; leadership.
- Adopting the principles set out in Delivering Good Governance in Local Government: Framework (CIPFA / SOLACE 2016) and compliance with Accounts & Audit Regulations (2015).
- A sound system of internal control including arrangements for risk management, financial management and sources of assurance including Internal and External Audit.
- Compliance with the requirements for Audit Committees in Local Authorities (CIPFA Position Statement updated 2022) through the Audit & Governance Sub-Committee.
- Arrangements for oversight of, and challenge to, executive decision making, including overview and scrutiny, and support from the Lead Authority.

### **Principles of Public Life (Nolan Principles)**

YPO relies on its Founder Member Authorities to publish a Members' Code of Conduct; to ensure its elected members comply with the Code including maintaining a register of interests; and to maintain a Standards Committee or Sub-Committee and arrangements to investigate allegations of failure to comply with the code.

YPO has adopted a set of values, things we believe in, that are practical and directly inform the decisions we make and the action we take. Each value is supported by a set of commitments from the YPO Board and Senior Leadership Team, and a set of behaviours to demonstrate how our values are positively brought to life through our actions.

### **Delivering Good Governance**

In accordance with Delivering Good Governance in Local Government: Framework (CIPFA / SOLACE 2016) YPO has approved and published a *Local Code of Governance* that sets out:

- Our commitment to the 2016 Framework's principles of good governance
- Our governance structure and the behaviours and actions that demonstrate good governance in practice

In compliance with Accounts & Audit Regulations (2015) YPO has arrangements in place to:

- Ensure it has a sound system of internal control
- Conduct a review of the effectiveness of the system of internal control each financial year, in accordance with proper practice (as set out in the 2016 Framework)
- Report the results of the review in an annual governance statement, for approval by members and publication

### **System of Internal Control**

The system of internal control is a significant aspect of YPO's governance framework and is designed to manage risk to a reasonable level. It helps to identify and prioritise mitigation of the risks to the achievement of our aims and objectives. The system of internal control:

- Facilitates the achievements of YPO's aims and objectives
- Includes effective arrangements for the management of risk
- Ensures that the financial and operational management of YPO is effective

### **Sources of Assurance**

YPO has a duty to ensure it has arrangements in place for effective internal audit to evaluate the effectiveness of its risk management, control, and governance processes, taking into account public sector internal audit standards and guidance. It is part of the Lead Authority's role to provide an effective internal audit service as part of an agreed Service Level Agreement. Any officer or member must, if required to do so for the purposes of Internal Audit, make available such documents and records, and supply such information and explanations, as are considered necessary by those conducting the internal audit.

YPO appoints an external auditor to conduct a high-level risk-based assessment of our financial systems, processes and transactions, to provide reasonable assurance, and an independent opinion that our financial statements give a true and fair view of our financial performance, free from material misstatement and prepared in accordance with relevant legal and accounting standards.

Assurance is also available from other providers including those with legal and regulatory powers such as HSE, or those providing assessment of YPO's activities against established measures such as ISO (International Organisation for Standardisation) standards.

### **Audit Committees in Local Authorities (CIPFA Position Statement updated 2022)**

CIPFA's position statement sets out how UK local authorities can meet their statutory responsibilities for governance by establishing an audit committee. The position statement outlines the status, purpose, and core responsibilities of an audit committee, to:

- Provide an independent and high-level focus on the adequacy of governance, risk and internal control arrangements.
- Give confidence to those charged with governance that there is sufficient control over governance, risk and internal control that arrangements are effective.

The position statement recommends an audit committee based on an 'independent and effective model' with sufficient authority that its recommendations carry weight and have influence with the leadership team and those charged with governance. Elements include:

- Directly accountable to the governing body
- Independent of both the executive and scrutiny functions
- Has rights of access to, and constructive engagement with, other committees and functions, and rights to request reports and seek assurances from relevant officers.
- Is of an appropriate size to operate as an experienced, trained committee.
- May allow independent members to be co-opted onto the committee.

### **Application of the CIPFA Position Statement to YPO Audit & Governance Sub-Committee**

YPO's Audit & Governance Sub-Committee has been established to meet the requirements of CIPFA's position statement, as far as is reasonable and practicable, and so contribute to YPO's overall governance, risk and assurance arrangements.

The Sub-Committee delivers all of the core functions outlined in the position statement, as set out in its Terms of Reference. However, it differs from the 'independent and effective model' in three key ways, that are noted here for transparency.

- Due to organisational structures and member representation, the Sub-Committee is not independent of both the executive and scrutiny functions. However, risk is mitigated by other controls including transparency around appointments to committees; member declarations of interest; arrangements for public reporting; and the access and reporting rights of the Non-Executive Director whose role specification includes a responsibility to identify potential risks to governance controls as well as operational continuity.
- The Sub-Committee provides YPO's overview and scrutiny function including the ability to gather information to carry out reviews; to contribute to policy development and implementation; and to examine any decisions made or to be made.
- The Sub-Committee does not have a means of co-opting independent members on a standing or ad hoc basis. This is mitigated by the Lead Authority's provision of appropriately qualified staff to carry out the roles of Section 151 officer and Monitoring office and support from other relevant organisations such as the Local Government Association (LGA).

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Section 5 - Part 2 - Local Code of  
Corporate Governance

**Code of Corporate  
Governance**

## YPO Local Code of Corporate Governance 2025

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### Document Control Page

Document Type	Policy	
Document Ownership	Corporate	
Title of Document	Code of Corporate Governance	
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Reference number	FIN POL010 v1	
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## YPO Local Code of Corporate Governance 2025

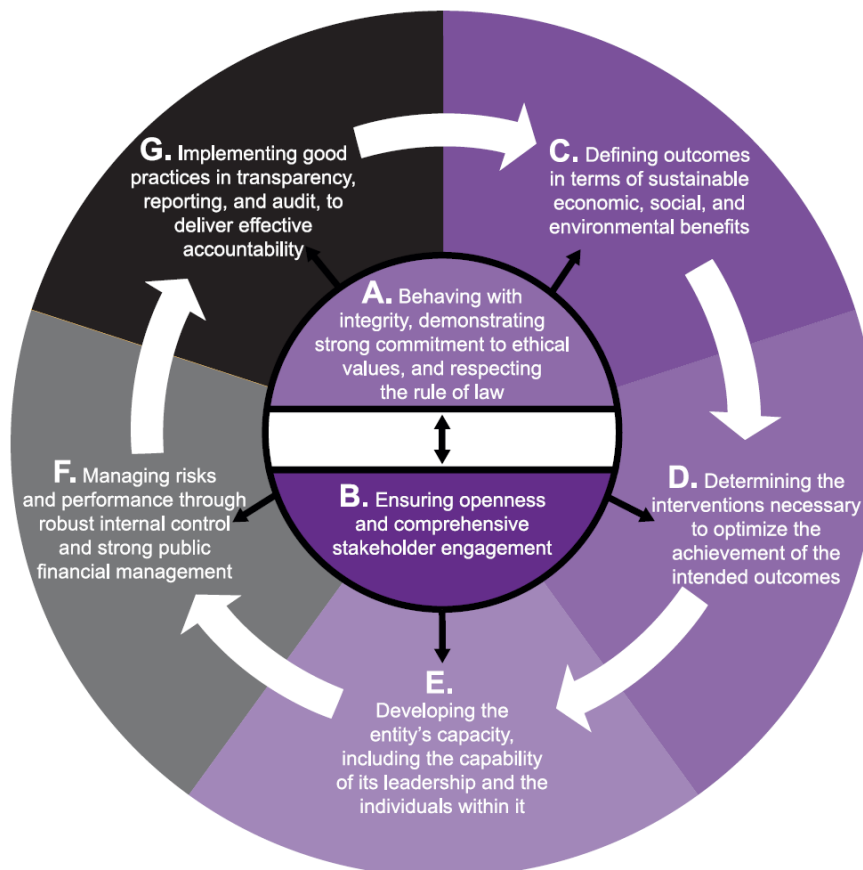
### International Framework: Good Governance in the Public Sector (CIPFA/IFAC 2014)

The International Framework: Good Governance in the Public Sector (CIPFA/IFAC 2014) illustrates the various principles of good governance in the public sector and how they relate to each other. The aim of the governance principles is:

**“Achieving the intended outcomes while acting in the public interest at all times”**

The diagram below is taken from the International Framework and shows how the principles relate to each other. The International Framework notes that:

“Principles A and B permeate implementation of Principles C to G. The diagram illustrates that good governance is dynamic, and that an entity as a whole should be committed to improving governance on a continuing basis through a process of evaluation and review.”



The International Framework defines governance as follows: “the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved.”

“To deliver good governance in the public sector, both governing bodies and individuals working for public sector organisations must try to achieve the organisation’s objectives while acting in the public interest at all times. Acting in the public interest implies primary consideration of the benefits for society, which should result in positive outcomes for service users and other stakeholders.

## **YPO Local Code of Corporate Governance 2025**

### **Delivering Good Governance in Local Government: Framework (CIPFA/SOLACE 2016)**

In 2016 CIPFA / SOLACE published Delivering Good Governance in Local Government: Framework. This document interprets the core principles and sub-principles set out in the International Framework for a local government context.

The CIPFA / SOLACE framework is applicable to all parts of local government and its partnerships, joint boards and other vehicles through which local authorities deliver their services. However the framework recognises that a one-size-fits-all approach is inappropriate as not all parts of the framework will be applicable to all organisations. It is up to each organisation to:

- Set out its commitment to the principles of good governance included in the Framework
- Determine its own governance structure, or local code, underpinned by these principles
- Ensure that it remains up to date, relevant and operates effectively in practice

Accounts & Audit Regulations 2015 require a relevant authority to:

- Ensure it has a sound system of internal control (Section 3)
- Conduct a review of the effectiveness of the system of internal control, each financial year (Section 6(1)a)
- Prepare an annual governance statement (Section 6(1)b) for approval by members

The review and publication must be carried out in accordance with 'proper practice'. Carrying out the annual review and preparing an Annual Governance Statement in accordance with the 2016 CIPFA/SOLACE Framework fulfils this statutory requirement.

### **YPO's Commitment to Good Governance**

YPO is responsible for ensuring that its business is conducted in accordance with the law and proper standards, that public money is safeguarded and properly accounted for, and that these funds are used economically, efficiently and effectively. YPO also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

YPO acknowledges its responsibility for putting in place proper and effective governance arrangements. YPO has approved and adopted this Local Code of Corporate Governance which is consistent with the principles of the 2016 CIPFA / SOLACE Framework.

YPO will also conduct a review at least annually of the effectiveness of its systems of internal control and report the findings in an Annual Governance Statement, in accordance with the proper practice set out in the 2016 CIPFA / SOLACE Framework. This statement will explain how YPO has complied with this Local Code.

## **YPO Local Code of Corporate Governance 2025**

### **Purpose of YPO's Governance Framework**

Governance is about ensuring that we do the right things, at the right time, in the right way, for the right people in an open, transparent, honest and accountable manner.

YPO's governance framework comprises the systems and processes, culture and values by which we direct and control the organisation, engage with, and remain accountable to, our owners and other key stakeholders. It enables YPO to monitor the achievement of our strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.

The system of internal control is a significant part of our governance framework and is designed to manage risk to a reasonable level. It helps us to identify and prioritise the risks to the achievement of our policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised, and to manage them efficiently, effectively and economically. We cannot eliminate all risk so we can only provide reasonable and not absolute assurance of its effectiveness.

## **YPO Local Code of Corporate Governance 2025**

### **How does governance work in practice at YPO?**

YPO is a Joint Committee formed under Section 102 of the Local Government Act 1974. As the largest formally constituted local authority education purchasing consortium in the UK, YPO is governed by a management committee of elected representatives (councillors) from its 13 Founder Member Authorities, in accordance with the Management Agreement. The Management Committee, which consists of a representative from each of the founder member authorities, governs YPO policy and decision-making arrangements, and reflects openness, accountability and transparency. Specific procedural rules, protocols and policies are in place to govern committee functions and delegated authority. Management Committee and all Sub-Committees have clear terms of reference that are reviewed on a regular basis.

A Scheme of Delegation is in place which enables YPO's Managing Director to make decisions on behalf of the Management Committee, except for certain specific matters which are reserved for the Management Committee, Sub-Committees or statutory officers.

The Statutory Finance (S151) Officer of the Lead Authority is responsible to the Management Committee for ensuring that appropriate advice is given on all financial matters, for keeping proper financial records and accounts, and for maintaining an effective system of internal financial control. The Managing Director has a clear role, responsibility and duty, as specified in the Scheme of Delegation, Financial Procedure Rules and Contract Standing Orders, for day-to-day financial management and adherence.

The Statutory Monitoring Officer of the Lead Authority is responsible to the Management Committee for ensuring that agreed procedures are followed and that all applicable Statutes and Regulations are complied with. Members of the YPO Board of Directors have clear roles, responsibilities and duties for day-to-day governance.

The YPO Board have regular meetings with the Section 151 Officer and Monitoring Officer of the Lead Authority. The Lead Authority's Internal Audit team is responsible for providing an independent and objective opinion on the control environment within YPO. Their audit plan and subsequent findings are reported to the YPO Board, the Management Committee and the Audit & Governance Sub-Committee.

Following the YPO Governance Review in 2022, new arrangements, to establish a more structured and formal programme of engagement with Founder Member Authorities' Chief Executives and Finance Directors were put in place through the set-up of dedicated fora that meet regularly throughout the year. Engagement was extended in 2023 to Heads of Procurement, and in 2024 to Legal Officers. These groups replace the previous Statutory Officers Advisory Group (SOAG).

In 2023, in response to a recommendation from the Audit & Governance Sub-Committee, YPO set up an officer Governance Group, now chaired by the Managing Director. The purpose of the group is to provide greater assurance to those charged with governance (YPO Management Committee) and those charged with oversight (primarily the Audit & Governance Sub-Committee), that effective governance is in place across YPO.

## YPO Local Code of Corporate Governance 2025

### **Principle A            Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law**

Local Government organisations are accountable for how much they spend, and how they use the resources under their stewardship. This includes outputs, positive and negative, and for the outcomes they have achieved. They have an overarching responsibility to serve the public interest in adhering to legislation and government policies. It is essential that they can demonstrate the appropriateness of their actions and have the mechanisms in place to encourage and enforce ethical values and respect for the law.

<b>Supporting Principle – Behaving with Integrity</b>	
<b>Behaviours and actions that demonstrate good governance in practice</b>	<b>How we demonstrate this at YPO</b>
<p>Members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the organisation’s reputation</p>	<p>YPO’s committees are made up of elected members from our 13 Founder Member local authorities. Members complete their own council’s induction and training and must comply with their codes of conduct, members interests policy etc. Each year, YPO’s Head of Finance reviews committee members’ declarations of interest to identify potential conflicts of interest. The first agenda item on all <a href="#">Management Committee</a> and other member meetings is declaration of interests.</p> <p>All employees receive an induction pack when starting work at YPO that includes the Employee Code of Conduct. There is a process in place to ensure employees and managers sign off the completed induction.</p>
<p>Members take the lead in establishing specific standard operating principles and values for the organisation and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life (the Nolan Principles – selflessness; integrity; objectivity; accountability; openness; honesty; leadership)</p>	<p>YPO’s values are the things we believe in: they are practical, directly inform the decisions we make and actions we take, and are visibly demonstrated through employee behaviour.</p> <ul style="list-style-type: none"> <li>• Be kind</li> <li>• Do the right thing</li> <li>• Embrace creativity</li> <li>• Make a difference</li> </ul> <p>YPO’s Anti-Fraud &amp; Bribery Framework includes</p> <ul style="list-style-type: none"> <li>• Anti-Fraud &amp; Bribery Risk Assessments</li> <li>• <a href="#">Anti Bribery Policy Statement</a></li> <li>• Fraud Response Plan</li> <li>• Employee Interests Policy &amp; Register</li> <li>• Gifts &amp; Hospitality Policy &amp; Register</li> <li>• Whistle Blowing Policy</li> </ul>
<p>Lead by example. Use standard operating principles or values for decision making and other actions.</p> <p>Demonstrate, communicate and embed the standard operating principles through appropriate policies and processes which are reviewed on a regular basis to ensure they are operating effectively.</p>	

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<b>Supporting Principle – Demonstrating strong commitment to ethical values</b>	
<b>Behaviours and actions that demonstrate good governance in practice</b>	<b>How we demonstrate this at YPO</b>
Seeking to establish, monitor and maintain the organisation’s ethical standards and performance	As a large public sector employer YPO has a role to strengthen the communities and societies we do business in, to benefit the environment, our customers and consumers, employees, stakeholders and other members of the public.
Underpinning personal behaviour with ethical values and ensuring that they permeate all aspects of the organisation’s culture and operation	YPO is committed to high standards of <a href="#">Social Value</a> and <a href="#">Sustainability</a> We are certified to the ISO14001 standard, publish a <a href="#">Modern Slavery Statement</a> including conduct of modern slavery risk assessments and set behavioural standards in our procurements to ensure a minimum expectation via YPOs Supplier Code of Conduct.
Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values	YPO’s <a href="#">Audit &amp; Governance Sub Committee</a> meets twice a year and plays a key role in holding the Board and Management Committee to account.
Ensuring that external suppliers of services on behalf of the organisation are required to act with integrity and in compliance with high ethical standards expected by the organisation	YPO publishes a Recruitment & Selection Policy and further guidance on staff appointments.  YPO’s <a href="#">Anti Bribery Policy Statement</a> applies to associated persons including members, suppliers and distributors, who are asked to sign up.

<b>Supporting Principle – Respecting the rule of law</b>	
<b>Behaviours and actions that demonstrate good governance in practice</b>	<b>How we demonstrate this at YPO</b>
Ensuring members and staff demonstrate a strong commitment to the rule of law as well as adhering to relevant laws and regulations	Wakefield Council act as YPO’s Lead Authority and provide various governance related functions including: Section 151 Officer (Chief Financial Officer), Internal Audit, Committee Support and Monitoring Officer. The latter ensures YPO complies with all relevant regulation and statutes  Report templates include a mandatory section for Legal Implications. Legal advice from Wakefield Council is recorded in meeting minutes.
Creating the conditions to ensure that statutory officers, other key post holders and members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements	
Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders	
Dealing with breaches of legal and regulatory provisions effectively	

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Ensuring corruption and misuse of power are dealt with effectively	Internal Audit test YPO’s Anti-Bribery and Corruption and Counter Fraud frameworks on a regular basis to provide assurance that it is working effectively in practice
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### **Principle B Ensuring openness and comprehensive stakeholder engagement**

Local Government is run for the public good; organisations therefore should ensure openness in their activities. Clear, trusted channels of communication and consultation should be used to engage effectively with all groups of stakeholders, such as individual citizens and service users, as well as institutional stakeholders.

<b>Supporting Principle – Openness</b>	
<b>Behaviours and actions that demonstrate good governance in practice</b>	<b>How we demonstrate this at YPO</b>
Ensuring an open culture through demonstrating, documenting and communicating the organisation’s commitment to openness	<p><a href="#">YPO’s</a> website is both transactional, enabling purchases, and provides information about our <a href="#">governance arrangements</a>, details of our compliance with <a href="#">transparency</a> requirements and access to information including our Access to Information Policy and Guide to Information.</p> <p>YPO publishes an <a href="#">Annual Report</a> that sets out our performance, achievements and improvements in the past year and our plans for the year ahead.</p> <p>An annual timetable of meetings, reports and training is agreed with the Management Committee and other relevant committees and sub-committees each year, and adhered to. Variations to the timetable are allowed if reasons are given and agreed in advance.</p> <p>YPO elected member meeting papers are published in the <a href="#">Governance</a> section of our website except where they include exempt information as described in Part 1 of Schedule 12A to the Local Government Act 1972. Meetings are open to the public except when exempt information is being considered.</p>
Making decisions that are open about actions, plans, resource use, forecasts, outcomes and outputs. Presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided	
Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear.	
Using formal and informal consultation and engagement to determine the most appropriate and effective interventions / courses of action	

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<b>Supporting Principle – Engaging institutional &amp; individual stakeholders effectively</b>	
<b>Behaviours and actions that demonstrate good governance in practice</b>	<b>How we demonstrate this at YPO</b>
Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably	As a public sector procurement organisation, YPO’s key institutional stakeholders are its Founder Members, Associate Members, Strategic Partners, Suppliers, Distributors and local communities. YPO’s key individual stakeholders are its Customers and Employees.
Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively	YPO engages with its owners both formally and informally, on a regular basis. Consultation and agreement on the 5 year strategy ensures that YPO’s objectives are aligned to our owners’ long term and political wishes. Regular engagement also takes place with senior officers from member authorities, the Lead Authority’s Monitoring Officer and Section 151 Officer.
<p>Ensuring that partnerships are based on:</p> <ul style="list-style-type: none"> <li>• Trust</li> <li>• A shared commitment to change</li> <li>• A culture that promotes and accepts challenge among partners</li> </ul> <p>And that the added value of partnership working is explicit</p>	<p>YPO has established formal structured engagement with Founder Member Authorities through the set up of fora for:</p> <ul style="list-style-type: none"> <li>• Chief Executives</li> <li>• Finance Directors</li> <li>• Heads of Procurement</li> <li>• Legal Officers</li> </ul>
Implementing effective feedback mechanisms in order to demonstrate how their views have been taken into account	YPO engages its strategic partners, suppliers and customers through forums and events, and seeks independent <a href="#">Customer Service Reviews</a> via feefo (currently a satisfaction rating of 4.7/5)
Taking account of the interests of future generations of tax payers and service users	YPO engages with its staff through organisation wide updates including ‘Our Day’ (formerly YPO Big Day), the Intranet and notice boards, display screens, team brief and consultation with the Trade Union. We encourage staff to take part in regular employee surveys.

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### **Principle C Defining outcomes in terms of sustainable economic, social and environmental benefits**

The long term nature and impact of many of local government’s responsibilities mean that it should define and plan outcomes and that these should be sustainable. Decisions should further the organisation’s purpose, contribute to intended benefits and outcomes, and remain within the limits of authority and resources. Input from all groups of stakeholders is vital to the success of this process and in balancing competing demands when determining priorities for the finite resources available.

<b>Supporting Principle – Defining outcomes</b>	
<b>Behaviours and actions that demonstrate good governance in practice</b>	<b>How we demonstrate this at YPO</b>
Having a clear vision which is an agreed formal statement of the organisation’s purpose and intended outcomes containing appropriate performance indicators, which provides the basis for the organisation’s overall strategy, planning and other decisions	YPO’s brand purpose is to help the public sector achieve the best possible value when buying products and services. YPO’s mission is to champion public value, helping education and public organisations get the most from their resources when buying products and services.
Specifying the intended impact on, or changes for, stakeholders. It could be immediately or over the course of a year or longer	We publish a 5 year strategy that sets out a strategic statement of our overall vision for the business; current business plan; medium term financial strategy; objectives and deliverables over the next three years that will be monitored to ensure achievement of our aims.
Delivering defined outcomes on a sustainable basis within the resources that will be available	Strategic objectives are reviewed annually and supported by an annual business planning cycle linked to annual budget setting. Budgets and key performance indicators are monitored monthly by the Board and Senior Leadership Team (SLT).
Identifying and managing risks to the achievement of outcomes	YPO maintains a Risk Management Strategy and Framework. The YPO Board are responsible for managing the Strategic Risk Register which reflects the most significant risks to the achievement of YPO’s long term objectives and outcomes. The Strategic Risk Register is updated in real time and reported to the Audit & Governance Sub-Committee twice a year.

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<b>Supporting Principle – Sustaining economic, social and environmental benefits</b>	
<b>Behaviours and actions that demonstrate good governance in practice</b>	<b>How we demonstrate this at YPO</b>
<p>Taking a longer term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation’s intended outcomes and short term factors such as the political cycle or financial constraints</p>	<p>Consultation and agreement on YPO’s 5 year strategy ensures that our objectives are aligned to our owners’ long term and political wishes.</p> <p>YPO is committed to high standards of <a href="#">Social Value</a> and <a href="#">Sustainability</a> We are certified to the ISO14001 standard, publish a <a href="#">Modern Slavery Statement</a> including the conduct of modern slavery risk assessments and set behavioural standards in our procurements to ensure a minimum expectation via YPOs Supplier Code of Conduct.</p>

### **Principle D            Determining the interventions necessary to optimise the achievement of the intended outcomes**

Local government achieves its intended outcomes by providing a mixture of legal, regulatory, and practical interventions. Determining the right mix of these courses of action is a critically important strategic choice that local government has to make to ensure intended outcomes are achieved. They need robust decision making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. Decisions made need to be reviewed continually to ensure that achievement of outcomes is optimised.

<b>Supporting Principle – Determining interventions</b>	
<b>Behaviours and actions that demonstrate good governance in practice</b>	<b>How we demonstrate this at YPO</b>
<p>Ensuring decision makers received objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and including the risks associated with those options. Therefore ensuring best value is achieved however services are provided.</p>	<p>The YPO Board and senior officers from Founder Member Authorities, including the Lead Authority’s S151 Officer and Monitoring Officer, meet on a regular basis and discuss information needs of members to support effective decision making.</p> <p>An annual timetable of meetings, reports and training is agreed with the Management Committee and other relevant committees and sub-committees each year, and adhered to.</p>

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	<p>Variations to the timetable are allowed if reasons are given and agreed in advance.</p> <p>Decision making protocols are in place and supported by clear terms of reference for the Management Committee and sub committees. Report templates include mandatory sections for legal, financial and risk implications, options appraisals and reasons for recommendations.</p>
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<b>Supporting Principle – Planning interventions</b>	
<b>Behaviours and actions that demonstrate good governance in practice</b>	<b>How we demonstrate this at YPO</b>
Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets	An annual timetable of meetings, reports and training is agreed with the Management Committee and other relevant committees and sub-committees each year, and adhered to.
Ensuring arrangements are flexible and agile so that the mechanisms for delivering outputs can be adapted to changing circumstances	An Organisational Key Measures report is produced monthly which is reviewed by the YPO Board and SLT. This adopts a balanced scorecard approach and assesses key performance indicators, including Financial, Customer, Internal Processes and People related measures.
Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured	This report is supported by a suite of power BI dashboards, updated daily, which allows the organisation’s performance, across a wide range of areas (including: Sales, Procurement, Finance & HR) to be monitored in real time so remedial and proactive decisions can be made if needed.
Ensuring capacity exists to generate the information required to review service quality regularly	
Preparing budgets in accordance with organisational objectives, strategies and the medium term financial plan	The 5 Year Financial Plan forms part of the 5 Year Strategy and is reviewed as part of the annual business planning process.
Informing medium and long term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at develop a sustainable funding strategy	<p>There is a robust annual budget setting process that takes into account strategic and business planning, revenue budgets, profit projections and longer term financial investment.</p> <p>Once agreed, budgets are monitored monthly and forecasts updated to reflect activity.</p>

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<b>Supporting Principle – Optimising achievement of intended outcomes</b>	
<b>Behaviours and actions that demonstrate good governance in practice</b>	<b>How we demonstrate this at YPO</b>
Ensuring the Medium Term Financial Strategy integrates and balances service priorities, affordability and other resource constraints	<p>The 5 Year Financial Plan takes into account the long term priorities set out in the 5 year strategy and informs annual budget setting</p> <p>Budget holders are consulted on their budgets before they are finalised and provided with monthly updates against forecast.</p>
Ensuring the budget process is all inclusive, taking into account the full cost of operations over the medium and longer term	
Ensuring the Medium Term Financial Strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage	
Ensuring the achievement of social value through service planning and commissioning (The <a href="#">Public Services (Social Value) Act 2012</a> the additional benefit to the community ... over and above the direct purchasing of goods, services and outcomes	<p>YPO is committed to high standards of <a href="#">Social Value</a> and <a href="#">Sustainability</a>. Social value is embedded at all stages of the procurement process including a minimum 20% commitment to social value when weighting evaluation criteria, formal contractual commitment to social value promises by YPO suppliers and measurement of Social Value outputs using through use of an external tool – <a href="#">the Social Value Engine</a>.</p>

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### **Principle E Developing the organisation’s capacity, including the capability of its leadership and the individuals within it**

Local government needs appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mindset, to operate efficiently and effectively and achieve their intended outcomes within specified periods. A local government organisation must ensure that it has both the capacity to fulfil its own mandate and to make certain that there are policies in place to guarantee that its management has the operational capacity of the organisation as a whole. Because both individuals and the environment in which an organisation operates will change over time, there will be a continuous need to develop its capacity as well as the skills and experience of the leadership of individual staff members. Leadership in local government is strengthened by the participation of people of many different types of backgrounds, reflecting the structure and diversity of communities.

<b>Supporting Principle – Developing the organisation’s capacity</b>	
<b>Behaviours and actions that demonstrate good governance in practice</b>	<b>How we demonstrate this at YPO</b>
Reviewing operations, performance of assets on a regular basis to ensure their continuing effectiveness	Progress against achievement of objectives and deliverables set out in the 5 year strategy is monitored on a regular basis. Business planning is carried out annually.
Improving resource use through appropriate application of techniques such as benchmarking and other options to determine how the organisation’s resources are allocated so that outcomes are achieved effectively and efficiently	The commercial activity plans include an analysis of market intelligence as well as YPO performance against plan and progress is reported to the Board monthly along with financial performance reports.  Where necessary external expertise is secured to review use of assets and resources with the aim of optimising them for example risk engineers and consultants for warehouse and logistics operations design and performance management
Recognising the benefits of partnerships and collaborative working where added value can be achieved	All major programmes and projects are managed by the Programme Board which meets monthly, feeds into Board meetings and 5 year strategy.
Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources	YPO recognises that lack of workforce skills is a strategic risk and has put in place strategic workforce planning, a People Strategy, skills audits and an Apprenticeship Programme.

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<b>Supporting Principle – Developing the capability of the organisation’s leadership and other individuals</b>	
<b>Behaviours and actions that demonstrate good governance in practice</b>	<b>How we demonstrate this at YPO</b>
<p>Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained.</p> <p>Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads the organisation in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other’s authority</p>	<p>The relationship between YPO and its owners is set out in a Management Agreement. Terms of reference and respective roles for the YPO Board, Management Committee and other Sub-Committees are clear and reviewed regularly.</p> <p>Financial Procedure Rules clearly set out delegated authority to YPO’s Managing Director and Board, and are reviewed annually, as are Standing Orders for Contracts.</p> <p>The <a href="#">Audit &amp; Governance Sub Committee</a> oversee scrutiny of decision making and independent challenge and hold the Management Committee and YPO Board to account.</p>
<p>Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body</p>	<p>Decision making processes are transparent and timely. An annual timetable of meetings, reports and training is agreed each year, and adhered to. Variations are allowed if valid reasons are given and agreed in advance by the relevant Committee or Sub-Committee to which the report would usually be made.</p> <p>YPO elected member meeting papers are published in the <a href="#">Governance</a> section of our website except where they include exempt information as described in Part 1 of Schedule 12A to the Local Government Act 1972.</p>
<p>Developing the capabilities of members and senior management to achieve effective shared leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by:</p> <ul style="list-style-type: none"> <li>• Ensuring members and staff have access to appropriate induction tailored to their role and that ongoing training and development matching</li> </ul>	<p>Elected members receive induction, training and development through their individual local authorities and receive further training at YPO on a range of topics relevant to their role, from employees and from external providers.</p> <p>All employees complete an induction when starting work at YPO and have an annual appraisal that identifies their training needs and ways to meet them.</p>

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<p>individual and organisational requirements is available and encouraged</p> <ul style="list-style-type: none"> <li>• Ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis</li> <li>• Ensuring personal, organisational and system-wide development through shared learning, including lessons learned from governance weaknesses both internal and external</li> </ul>	<p>YPO has a dedicated Learning &amp; Development Team that provides in-house training, maintains an eLearning platform, and oversees access to professional and other qualifications.</p> <p>YPO also provides organisation wide training in areas such as Health &amp; Safety, information security, fraud awareness and prevention.</p> <p>Employees are encouraged to maximise training opportunities and maintain continuing professional development through membership of professional and other bodies eg CIPS, ICS</p>
<p>Holding staff to account through regular performance reviews which take account of training or development needs</p>	<p>YPO carries out workforce and succession planning and has an established apprenticeship scheme.</p>
<p>Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing</p>	<p>The Health &amp; Safety Committee is chaired by the Managing Director and meets monthly. YPO maintains an Employee Assistance Programme that includes policies and support such as Wellbeing Days, Occupational Health, mental health awareness and access to 24/7 telephone support, advice and counselling.</p>

### **Principle F            Managing risks and performance through robust internal control and strong public financial management**

Local government needs to ensure that organisations and governance structures that it oversees have implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and crucial to the achievement of outcomes. Risk should be considered and addressed as part of all decision making activities. A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it will enforce financial discipline, strategic allocation of resources, efficient service delivery, and accountability. It is also essential that a culture and structure for scrutiny is in place as a key part of accountable decision making, policy making and review. A positive working culture that accepts, promotes and encourages constructive challenge is critical to successful scrutiny and successful delivery. Importantly, this culture does not happen automatically, it requires repeated public commitment from those in authority.

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<b>Supporting Principle – Managing risk</b>	
<b>Behaviours and actions that demonstrate good governance in practice</b>	<b>How we demonstrate this at YPO</b>
Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making	<p>YPO has a Risk Management Strategy &amp; Framework that sets out our approach to risk, how we identify, analyse and evaluate risks and controls (based on ISO 30001 Life Cycle of Risk).</p> <p>YPO maintains a Strategic Risk Register, operational risk registers for each department, Risk registers are owned by Board and SLT members and each risk is assigned to an individual owner. YPO also maintains a range of thematic (cross-cutting) risk registers including for bribery and fraud risk.</p> <p>Risk management documents are reviewed annually and reported to the YPO Board and the <a href="#">Audit &amp; Governance Sub Committee</a> Training is provided to enable Board and Sub-Committee members to scrutinise them effectively.</p> <p>Internal Audit review YPO’s risk management arrangements and test the controls in place to manage risks to provide assurance that they are operating effectively in practice.</p>
Implementing robust and integrated risk management arrangements and ensuring that they are working effectively	
Ensuring that responsibilities for managing individual risks are clearly allocated	

<b>Supporting Principle – Managing performance</b>	
<b>Behaviours and actions that demonstrate good governance in practice</b>	<b>How we demonstrate this at YPO</b>
Monitoring service delivery effectively including planning, specification, execution and independent post implementation review	As a public sector procurement organisation, YPO’s performance framework focusses on its trading and sales plans and results, and financial performance, including margin, profit, overheads
Making decisions based on relevant, clear, objective analysis and advice pointing out the implications and risks inherent in the organisation’s financial, social and environmental position and outlook	Discussions take place between members and officers on the information needs of members to support decision making. A timetable of meeting dates, agenda items and reports is agreed annually and published on <a href="#">YPO/Governance</a> Members Services are provided by Wakefield MDC and YPO’s Business Services Team.

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Ensuring an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible	YPO's <a href="#">Audit &amp; Governance Sub Committee</a> provide oversight of executive decisions making. There is a member training programme to assist members to deliver their role.
Providing members and senior management with regular reports on service delivery plans and progress towards outcome achievement	An information pack of financial and other key performance indicators is prepared and reported to the YPO Board monthly and the Management Committee quarterly.
Ensuring there is consistency between specification stages (such as budgets) and post implementation reporting (eg financial statements)	YPO maintains Financial Procedure Rules and Standing Orders for Contracts that are reviewed and reported annually.

<b>Supporting Principle – Robust internal control</b>	
<b>Behaviours and actions that demonstrate good governance in practice</b>	<b>How we demonstrate this at YPO</b>
Aligning the risk management strategy and policies on internal control with achieving the objectives	Internal Audit is provided by Wakefield MDC. The Head of Internal Audit & Counter Fraud presents an Annual Audit Plan for agreement by the YPO Board, Management Committee and Audit & Governance Sub-Committee. Audit reports are agreed with the relevant Board or SLT member. Agreed audit actions are monitored for completion and outstanding actions are reported annually to the Audit & Governance Sub-committee.
Evaluating and monitoring the organisation's risk management and internal control on a regular basis	
Ensuring effective counter fraud and anti-corruption arrangements are in place	YPO's Counter Fraud Framework includes arrangements to raise and maintain fraud awareness with staff. YPO co-ordinates with Wakefield MDC for serious fraud reporting and investigation.
Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor	YPO publishes a Local Code of Governance, carries out an Annual Governance Review, and reports the results in an Annual Governance Statement, with the Statement of Accounts.
Ensuring an audit committee or equivalent group or function which is independent of the executive and accountable to the governing body:	YPO's <a href="#">Audit &amp; Governance Sub Committee</a> consists of eight elected members from its founder member authorities. Its <a href="#">Terms of Reference</a> were last updated in 2024.

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<ul style="list-style-type: none"> <li>• Provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment</li> <li>• That its recommendations are listened to and acted upon</li> </ul>	
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<b>Supporting Principle – Managing data</b>	
<b>Behaviours and actions that demonstrate good governance in practice</b>	<b>How we demonstrate this at YPO</b>
<p>Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data</p>	<p>YPO has been through the ISO27001 accreditation assessment and its data management framework includes:</p> <ul style="list-style-type: none"> <li>• Data Protection Policy and Guidance</li> <li>• Retention Policy</li> <li>• Privacy Impact Assessment Guidance</li> <li>• Information Security Incident Reporting</li> <li>• Access to Information Policy</li> <li>• Guide to Information</li> </ul> <p>YPO’s statutory Data Protection Officer function is provided by Bruce &amp; Butler.</p>
<p>Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies</p>	
<p>Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring</p>	

<b>Supporting Principle – Strong public financial management</b>	
<b>Behaviours and actions that demonstrate good governance in practice</b>	<b>How we demonstrate this at YPO</b>
<p>Ensuring financial management supports both long term achievement of outcomes and short term financial and operational performance</p>	<p>The Lead Authority’s Section 151 Officer is responsible for ensuring the Management Committee receive proper financial advice, records and accounts.</p> <p>YPO’s financial management supports the delivery of services and transformation change as well as good stewardship and includes:</p> <ul style="list-style-type: none"> <li>• Treasury Management Policy</li> <li>• 5 Year Financial Plan</li> <li>• Annual budget setting process that takes into account projected income / profit needs as well as annual business planning requests</li> <li>• Monthly budget monitoring reports and meetings between budget holders and Finance Business Partners</li> <li>• Integrated financial and performance reporting</li> <li>• Budget Holder Responsibility Policy</li> </ul>
<p>Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls</p>	

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### **Principle G            Implementing good practices in transparency, reporting and audit to deliver effective accountability**

Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed, but also ensuring that stakeholders are able to understand and respond as the organisation plans and carries out its activities in a transparent manner. Both internal and external audit contribute to effective accountability.

<b>Supporting Principle – Implementing good practice in transparency</b>	
<b>Behaviours and actions that demonstrate good governance in practice</b>	<b>How we demonstrate this at YPO</b>
Writing and communicating reports for the public and other stakeholders in an understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate	<a href="#">YPO's Website</a> is both transactional and publishes details of our <a href="#">governance</a> , reporting, and <a href="#">transparency</a> arrangements which sets out our commitment to Freedom of Information and provides links to our <a href="#">Access to Information Policy</a> and <a href="#">Guide to Information</a> and the data we publish to comply with the requirements of the <a href="#">Local Government Transparency Code 2015</a>
Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand	

<b>Supporting Principle – Implementing good practice in reporting</b>	
<b>Behaviours and actions that demonstrate good governance in practice</b>	<b>How we demonstrate this at YPO</b>
Reporting at least annually on performance, value for money and the stewardship of its resources	YPO publishes an <a href="#">Annual Report</a> . YPO publishes its <a href="#">Financial Statements</a> including an audited Statement of Accounts (although as a Joint Committee it is no longer required to do so).
Ensuring members and senior management own the results	Copies of meeting agendas, reports and minutes for <a href="#">YPO Management Committee</a> and other sub-committees including the <a href="#">Audit &amp; Governance Sub Committee</a> are published on the YPO website.

## YPO Local Code of Corporate Governance 2025

<p>Ensuring robust arrangements for assessing the extent to which the principles contained in the Framework have been applied and publishing the results on this assessment including an action plan for improvement and evidence to demonstrate good governance (AGS)</p>	<p>YPO publishes an Annual Governance Statement each year with the audited Statement of Accounts, that reports the results of our annual governance review against the arrangements set out in this Local Code of Governance in accordance with the good practice set out in the CIPFA/SOLACE Framework 2016</p>
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<b>Supporting Principle – Assurance and effective accountability</b>	
<b>Behaviours and actions that demonstrate good governance in practice</b>	<b>How we demonstrate this at YPO</b>
<p>Ensuring that recommendations for corrective action made by external audit are acted upon Ensuring an effective internal audit service with direct access to members is in place which provides assurance with regard to governance arrangements and recommendations are acted upon</p>	<p>YPO’s External Auditors are appointed using a competitive process every 3 years: the current external auditors are Mazars. They carry out both interim and final audits and publish an opinion on the Statement of Accounts.</p> <p>Internal Audit is provided by YPO’s lead authority, Wakefield Council, under an SLA.</p> <p>All audit actions are assigned to individuals, recorded and monitored for completion.</p>
<p>Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations</p>	<p>Outstanding actions are reported to the Audit &amp; Governance Sub-Committee annually.</p>
<p>Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the AGS</p>	<p>YPO also seeks assurance from independent third party assessments including a range of internal standards including ISO9001 Quality Management Standard.</p>

## Section 5 - Part 3

### Audit & Governance Sub-Committee Terms of Reference

<b>Name of Committee:</b>	Audit & Governance Sub-Committee
<b>Date ToR published:</b>	November 2025 (replaces November 2024)
<b>Next review due:</b>	June 2026 (and annually thereafter)

#### Authority, Accountability, Relationships

Audit & Governance Sub-Committee is an elected member committee set up by YPO and its Founder Member Authorities to meet the requirements for a local authority audit committee, as set out in the CIPFA Position Statement 2022 as far as is reasonable and practicable. The Sub-Committee retains some responsibilities of its predecessor Audit & Scrutiny Sub-Committee (and earlier Scrutiny Sub-Committee), set up in compliance with the Local Government Act 2000.

The Sub-Committee is accountable to the YPO Management Committee. In addition to its audit committee responsibilities, and its inherited overview and scrutiny powers, it may also undertake work and take decisions delegated by the Management Committee.

The Sub-Committee is not required to be politically proportionate, but it is expected to operate in an apolitical manner and to promote apolitical discussion.

#### Membership

- Membership is open to eight elected members from across the 13 Founder Member Authorities, no more than one per local authority. The Chair and Vice Chair of the Management Committee cannot be members of the Sub-Committee.
- One agreed named substitute per Founder Member Authority is allowed.
- Membership is reviewed annually following Local Authority elections.
- The Chair and Vice Chair of the Sub-Committee are appointed at the YPO AGM.
- At least three Founder Member Authorities must be represented for the meeting to be quorate.

#### Activity and Decision Making

- The Sub-Committee will meet at least twice per year, approximately one month prior to YPO Management Committee meetings. Emergency or ad hoc meetings may be arranged by agreement between the Chairs / Vice Chairs of the Sub-Committee and Management Committee, YPO's Managing Director and the Lead Authority.
- Meetings will be managed by YPO Business Services and Wakefield Council Chief Executive's Office in accordance with Local Government Act 1972.
- Meeting agendas will include standing items, cyclical and ad hoc reports. A list of principal agenda items will be published annually.
- Sub-Committee members must respect personal and commercial confidentiality of information shared.

## **Purpose, Role and Responsibilities**

Audit & Governance Sub-Committee is a key component of YPO's governance and internal control framework. Its role is to provide an independent and high-level focus on the adequacy of YPO's governance, risk and control arrangements, and to give confidence to those charged with governance that there is sufficient control over governance, risk and control that arrangements are operating effectively. Audit & Governance Sub-Committee can also undertake overview and scrutiny functions.

## **Core Audit Committee Functions**

Maintenance of governance, risk and control arrangements:

- Support a comprehensive understanding of governance across YPO
- Consider the effectiveness of YPO's risk management arrangements; understand YPO's risk profile; and seek assurances that risks are being actively managed
- Monitor the effectiveness of YPO's system of internal control, including financial management; standards and ethics; exposure to the risk of fraud and corruption

Financial and governance reporting:

- Be satisfied that YPO's accountability statements properly reflect the risk environment, and demonstrate how governance supports the achievement of YPO's objectives
- Support effective arrangements for YPO's financial reporting, and review the statutory statements of account and reports that accompany them
- Have oversight of YPO's Treasury Management arrangements
- Have oversight of YPO's Value for Money work

Establish appropriate and effective arrangements for audit and assurance:

- Ensuring the adequacy and effectiveness of the assurance framework
- Oversee Internal Audit independence, performance and professional standards
- Ensure Internal Audit work is planned and carried out with regard to significant risk, to provide assurance that governance, risk and controls are operating effectively
- Consider the appointment, work programme, reports, opinion, and recommendations of External Audit, and their implications for governance, risk and internal control
- Make enquiries regarding External Audit's planned audit approach and ensure the quality of External Audit work
- Ensure YPO Management implement audit actions and recommendations

## **Overview and Scrutiny Functions**

- Gather information from diverse sources to conduct reviews over a range of issues
- Contribute to policy development and implementation
- Examine any decisions made or to be made

## **Review and Report**

- YPO Management Committee may request a review of the Sub-Committee.
- The Sub-Committee should undertake an annual review of how it has complied with the position statement; discharged its responsibilities; its performance; evaluated its impact; and identified any improvements, and publish the results in a public report.

**Yorkshire Purchasing Organisation**

**Management Committee Terms of Reference 2025/26**

**Number of Members**

Thirteen Councillors – One from each Member Authority

**Quorum**

Member representation from at least five Member Authorities.

**Substitutes**

One agreed named substitute per authority is allowed.

**Frequency of Meetings**

A minimum of twice 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 & Governance 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. All Members of the Management Committee shall sit on the '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**

## **Joint Consultative Committee Terms of Reference 2025/26**

### **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**

A minimum of twice per annum, on the same day as Management Committee meetings (9:30am – 10:30am)

### **Quorum**

Two Councillors and two Trade Union officials.

### **Substitutes**

One agreed named substitute per authority is 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.

## Section 6 - Part 1

### Terms of Reference

<b>Name of Group:</b>	Chief Executive Officers' Forum (YPO and Founder Members)
<b>Date ToR published:</b>	November 2025
<b>Next review due:</b>	Annually

### Authority, Accountability, Relationships

The Chief Executive Officers' (CEO) Forum is a consultation and information sharing forum, proposed by YPO and set up in agreement with YPO's Founder Member Authority CEOs in March 2022. It supplements the 1-2-1 meetings between YPO's Managing Director and individual Founder Member Authority CEOs, which are offered as either an addition or an alternative to attendance of the CEO Forum.

The group is part of a wider framework of engagement with Founder Member Authorities that includes Finance Directors' Forum; Heads of Procurement Forum; and Legal Officers' Forum.

The group has no formal delegated or decision-making authority but provides advice and recommendations to the Managing Director in relation to the operational and strategic direction of YPO. Its primary purpose is to provide a forum for input to ensure that YPO's activities are aligned to the operational and strategic priorities of its Founder Member Authorities.

### Purpose / Role / Responsibilities

The purpose of the forum is to enable YPO to engage with Founder Member Authorities; to build working relationships that enable consultation and informed decision making on major issues (e.g. acquisitions or new business activities); to facilitate discussion to identify common procurement concerns and influence how YPO might provide solutions.

In particular this will include (but is not limited to):

- YPO's 5 Year Strategy, its aims, objectives and deliverables, including plans for growth in existing procurement categories and development of new categories
- YPO financial update including trading performance, sales margin, gross and net profits against budget, forecast position, investment, impact on dividend, and development of a Dividend Strategy
- Market updates for existing and emerging categories
- Added value offering e.g. energy solutions, social value and sustainability to support Founder Member Authorities' achievement of net zero targets, decarbonisation etc
- Bringing together professional and procurement expertise to develop new collaborative solutions to ease pressure e.g. Social Care Framework

## **Membership**

- Group membership is open to Founder Member Authority Chief Executive Officers and the YPO Managing Director. Substitutes are permitted and actively encouraged to ensure the broadest possible representation of Founder member views.
- There is no quorum as this is a consultation and information sharing forum.
- The group will be chaired by YPO Managing Director, or in absence, their nominated representative.
- It would be helpful for group members to have an understanding of the YPO Management Agreement.

## **Activity & Decision Making**

- The group will meet twice per year, approximately one month before YPO Management Committee meetings. Meetings will usually be held over Teams.
- Emergency or ad hoc meetings may be called at the request of group members and at the discretion of the Chair. The group will agree a process for this.
- Meeting agendas and minutes will be managed by YPO Business Services. Agendas will be circulated ahead of the group meetings: minutes will be circulated after meetings, to all group members, whether in attendance or not.
- The agenda may include standing items, cyclical and ad hoc reports. Any member can add an agenda item.
- Group members will be expected to respect personal and commercial confidentiality of any information shared.

## **Review**

- The group may carry out its own review of its work programme, activity and impact.
- Group members are responsible for reporting back to their own local authority.

## Section 6 - Part 2

### Terms of Reference

<b>Name of Group:</b>	Finance Directors' Forum (YPO and Founder Members)
<b>Date ToR published:</b>	June 2025
<b>Next review due:</b>	Annually

### Authority, Accountability, Relationships

The Finance Directors' Forum is a working group, set up following the YPO Governance Review in 2022 to establish a more structured and formal programme of engagement with YPO's Founder Member Authorities (FMAs).

The group is part of a wider framework that replaced the [Executive Sub-Committee](#) and Senior Officer Advisory Group (SOAG) and includes: Chief Executives' Forum; Heads of Procurement Forum; and Legal Officers' Forum.

The group is accountable to the YPO Management Committee. The group has no formal delegated or decision-making authority but provides professional advice and recommendations to the Management Committee. Individual group members are also accountable to their own Founder Member Authority.

### Purpose / Role / Responsibilities

The group's purpose is to consider YPO activity and reports and provide communication, advice and assurance to the YPO Management Committee and the Founder Member Authorities that:

- YPO is complying with relevant legislation and regulations, including audit and tax
- YPO is complying with YPO financial governance requirements including those contained within the Management Agreement, Financial Procedure Rules, Internal Audit, and Risk Registers

The group is also responsible for:

- Monitoring YPO's Medium Term Financial Strategy (MTFS) including 5 Year Strategy, annual budget, dividend policy, capital and investment requirements
- Monitoring and reporting on current financial performance and projected forecasts / outturn
- Monitoring and reporting on current and projected liquidity of the business
- Highlighting anything topical which would be impactful to members through YPO activity eg energy, procurement, cost of living etc
- Providing support to the Lead Authority's S151 Officer with assurances to the financial health of YPO
- Sharing knowledge and understanding of relevant legislation and regulatory requirements, and best practice.

## **Membership**

- Group membership is open to Founder Member Authority and YPO employees who work in finance related roles (one per organisation plus Chair). Substitutes are permitted (one per organisation plus Chair) and will be allowed to vote.
- There is no quorum but where a majority decision is allowed this must be a majority of the group members not just those in attendance at a meeting.
- The group will be chaired by a member of the YPO Board or, in absence, their nominated representative.
- Members can be co-opted onto the group, subject to agreement with the Chair. Co-opted members will not be able to vote. Co-opted membership will be time limited with the limit to be agreed from the outset.
- Group members and co-opted members must declare their interests and advise the Chair of any potential conflicts of interest.
- Group members must have an understanding of the YPO Management Agreement.

## **Activity & Decision Making**

- The group will meet twice per year, approximately one month before YPO Management Committee meetings. Meetings will usually be held over Teams.
- Emergency or ad hoc meetings may be called at the request of group members and the discretion of the Chair. The group will agree a process for this.
- Meeting agendas, papers and minutes will be managed by YPO Business Services. Agendas and papers will be circulated ahead of the group meetings: minutes will be circulated after, to all group members, whether in attendance or not.
- The agenda will include standing items, cyclical and ad hoc reports. Decisions will be passed by majority. The Chair has a casting vote.
- Special interest reports, call ins etc are permitted, at the discretion of the Chair, or by majority vote of the total group membership.
- Group members must ensure that decisions and recommendations are made in accordance with the YPO Management Agreement (June 2024) and Scheme of Delegation.
- Group members will be expected to respect personal and commercial confidentiality of any information shared.

## **Review**

- YPO Management Committee may request a review of the group, their activity, impact and communications, and a report back.
- The group's contribution to effective governance will be reviewed as part of YPO's annual governance review.
- The group may carry out its own review of its work programme, activity and impact.

## Section 6 - Part 3

### Terms of Reference

<b>Name of Group:</b>	Heads of Procurement Forum (YPO and Founder Members)
<b>Date ToR published:</b>	June 2025
<b>Next review due:</b>	Annually

### Authority, Accountability, Relationships

The Heads of Procurement (HoPs') Forum is a working group, set up following the YPO Governance Review in 2022 to establish a more structured and formal programme of engagement with YPO's Founder Member Authorities (FMAs).

The group is part of a wider framework that replaced the [Executive Sub-Committee](#) and Senior Officer Advisory Group (SOAG) and includes: Chief Executive Forum; Finance Directors Forum; and Legal Officers Forum.

The group is accountable to the YPO Management Committee. The group has no formal delegated or decision making authority but provides professional advice and recommendations to the Management Committee. Individual group members are also accountable to their own Founder Member Authority.

### Purpose / Role / Responsibilities

The group's purpose is to consider YPO activity and reports and provide communication, advice and assurance to the YPO Management Committee and the Founder Member Authorities that:

- The YPO procurement strategy and category strategies meet current and future demand
- Procurement priorities and activities are in line with the procurement strategy
- Procurement best practice is shared
- YPO's decisions and activity are within the requirements of the Procurement Act
- Innovation and future developments are discussed and ideas shared
- Commercially sensitive information is discussed and kept confidential within the group
- Technology is procured and implemented to support current and future procurement activity

Group members are responsible for sharing knowledge and understanding of relevant legislation and best practice.

### Membership

- Group membership is open to Founder Member Authority and YPO employees who work in procurement related roles (one per organisation plus Chair). Substitutes are permitted (one per organisation plus Chair) and will be allowed to vote.
- There is no quorum but where a majority decision is allowed this must be a majority of the group members not just those in attendance at a meeting.

- The group will be chaired by a member of the YPO Board or, in absence, their nominated representative.
- Members can be co-opted onto the group, subject to agreement with the Chair. Co-opted members will not be able to vote. Co-opted membership will be time limited with the limit to be agreed from the outset.
- Members who have outsourced procurement to a competitor organisation will hold a separate meeting to discuss objectives and operational matters in relation to outsourced procurement activity.
- Group members and co-opted members must declare their interests and advise the Chair of any potential conflicts of interest.
- Group members must have an understanding of the YPO Management Agreement.

### **Activity & Decision Making**

- The group will meet quarterly, approximately one month before YPO Management Committee meetings. Meetings will usually be held over Teams.
- Emergency or ad hoc meetings may be called at the request of group members and the discretion of the Chair. The group will agree a process for this.
- Meeting agendas, papers and minutes will be managed by YPO Business Services. Agendas and papers will be circulated ahead of the group meetings: minutes will be circulated after, to all group members, whether in attendance or not.
- The agenda will include standing items, cyclical and ad hoc reports. Decisions will be passed by majority. The Chair has a casting vote.
- Special interest reports, call ins etc are permitted, at the discretion of the Chair, or by majority vote of the total group membership.
- Group members must ensure that decisions and recommendations are made in accordance with the YPO Management Agreement (June 2024) and Scheme of Delegation.
- Group members will be expected to respect personal and commercial confidentiality of any information shared.

### **Review**

- YPO Management Committee may request a review of the group, their activity, impact and communications, and a report back.
- The group's contribution to effective governance will be reviewed as part of YPO's annual governance review.
- The group may carry out its own review of its work programme, activity and impact.

## Section 6 - Part 4

### Terms of Reference

<b>Name of Group:</b>	Legal Officers Group (YPO and Founder Member Authorities)
<b>Date ToR published:</b>	26 <sup>th</sup> June 2024
<b>Next review due:</b>	Annually

### Authority, Accountability, Relationships

The Legal Officers Group is a working group, set up following the YPO Governance Review in 2022 to establish a more structured and formal programme of engagement with YPO's Founder Member Authorities (FMAs).

The Group is part of a wider framework that replaced the [Executive Sub-Committee](#) and Senior Officer Advisory Group (SOAG) and includes: Chief Executive Forum; Finance Directors Forum; and Heads of Procurement Forum (*to link when all available online*).

The Group is accountable to the YPO Management Committee. The Group has no formal delegated or decision making authority but provides professional advice and recommendations to the Management Committee. Individual group members are also accountable to their own Founder Member Authority.

### Purpose / Role / Responsibilities

The Group's purpose is to consider YPO activity and reports and provide communication, advice and assurance to the YPO Management Committee and the Founder Member Authorities that:

- YPO is complying with relevant legislation and regulations including: general regulatory requirements; Local Authority legal framework requirements; and relevant specialist legal requirements (eg Procurement Act).
- The legal implications of YPO's strategies, plans and proposals are considered and any concerns identified, where possible, before implementation.
- YPO's decisions and activity are within the law.
- Actions to support compliant decisions made are seen through to implementation.

The Group will support YPO and the Lead Authority Monitoring Officer to ensure compliance with YPO governance requirements including Founder Member engagement with, and timely sign off of, constitutional documents (eg YPO Management Agreement).

The Group is responsible for legal oversight of YPO Procurement Holdings Ltd (the 'Limited Company') including its annual Business Plan and activity.

Group members are responsible for sharing knowledge and understanding of relevant legislation and regulatory requirements, and best practice.

## **Membership**

- Group membership is open to Founder Member Authority and YPO employees who work in legal related roles (one per organisation plus Chair). Substitutes are permitted (one per organisation plus Chair) and will be allowed to vote.
- There is no quorum but where a majority decision is allowed this must be a majority of the group members not just those in attendance at a meeting.
- The group will be chaired by a member of the YPO Board or, in absence, their nominated representative.
- Members can be co-opted onto the group, subject to agreement with the Chair. Co-opted members will not be able to vote. Co-opted membership will be time limited with the limit to be agreed from the outset.
- Group members and co-opted members must declare their interests and advise the Chair of any potential conflicts of interest.
- Group members must have an understanding of the YPO Management Agreement.

## **Activity & Decision Making**

- The Group will meet twice per year, approximately one month before YPO Management Committee meetings. Meetings will usually be held over Teams.
- Emergency or ad hoc meetings may be called at the request of group members and the discretion of the Chair. The Group will agree a process for this.
- Meeting agendas, papers and minutes will be managed by YPO Business Services. Agendas and papers will be circulated ahead of the group meetings: minutes will be circulated after, to all group members, whether in attendance or not.
- The agenda will include standing items, cyclical and ad hoc reports. Decisions will be passed by majority. The Chair has a casting vote.
- Special interest reports, call ins etc are permitted, at the discretion of the Chair, or by majority vote of the total group membership.
- Group members must ensure that decisions and recommendations are made in accordance with the YPO Management Agreement (June 2024) and Scheme of Delegation.
- Group members will be expected to respect personal and commercial confidentiality of any information shared.

## **Review**

- YPO Management Committee may request a review of the Group, their activity, impact and communications, and a report back.
- The Group's contribution to effective governance will be reviewed as part of YPO's annual governance review.
- The Group may carry out its own review of its work programme, activity and impact.