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Date             21 February 2013

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

Dear Member,

**YPO EXECUTIVE SUB-COMMITTEE – FRIDAY, 1 MARCH 2013**

It is with pleasure that I write to invite you to attend a meeting of the YPO Joint Committee Executive Sub-Committee which is to be held at **9:30 am on Friday, 1 March 2013** in the **YPO Headquarters, 41 Industrial Park, Wakefield** to consider the items set out in the agenda attached.

Yours sincerely



Joanne Roney OBE  
Secretary to the Joint Committee

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

This agenda can be provided in large type, cassette, Braille or in another format or language if required. Please contact the person named above to discuss your requirement.



**YORKSHIRE PURCHASING ORGANISATION EXECUTIVE SUB-COMMITTEE -  
Friday, 1 March 2013**

**AGENDA**

1. Chair's Introduction and Welcome.
2. Acceptance of Apologies for Absence.
3. To approve, as a correct record, the Minutes of the meeting held on 26 October 2012. (Pages 1 - 4)
4. Members' Declarations of Interest.
5. To note any items which the Chairman has agreed to add to the Agenda on the grounds of urgency.
6. Lead Authority Issues.
7. Exclusion of the Public and Press.  
In relation to reports containing exempt information to consider and, if approved, pass the following resolution: -  
  
"That the public and press be excluded from the meeting during consideration of agenda items 8 to 11 on the grounds that they are likely to involve the disclosure of exempt information as described in Part 1 of Schedule 12A to the Local Government Act 1972, as amended."  
  
**IN PRIVATE**
8. Managing Director's Update. (Pages 5 - 8)
9. Performance Report and Provisional Outturn for 2012. (Pages 9 - 40)
10. Dividend Distribution. (Pages 41 - 48)
11. Investment Business Cases 2013. (Pages 49 - 114)
12. Date and Time of Next Meeting.  
The next meeting of the YPO Executive Sub-Committee will be held on 26 April 2013 at 2.00pm.



**YORKSHIRE PURCHASING ORGANISATION EXECUTIVE SUB-COMMITTEE****Friday, 26 October 2012**

Present: The Chair – Councillor Sharman (Rotherham MBC)  
 The Vice-Chair – Councillor Sykes (City of Bradford MC)  
 Councillor O'Donovan – Kirklees MBC  
 Councillor Keats – Knowsley MBC  
 County Councillor Watson – North Yorkshire CC  
 Councillor Grunewald – St Helens MBC  
 Councillor Stokes – City of Wakefield MDC  
 Councillor Dawber – Wigan MBC

**11. CHAIR'S INTRODUCTION AND WELCOME**

The Chair welcomed everyone to the meeting.

**12. ACCEPTANCE OF APOLOGIES FOR ABSENCE**

Apologies for absence were submitted on behalf of Bernadette Livesey, Monitoring Officer and Julie Copley, Group Finance Manager, Wakefield MDC.

**13. MINUTES - 27 JULY 2012.**

**Resolved** – That the Minutes of the meeting of the YPO Executive Sub-Committee held on 27 July 2012 were approved as a correct record.

It was noted that a request had been made in Minute 7 for an update regarding customer numbers and J Marshall, Commercial Manager, gave verbal information in response.

It was further noted that, in Minute 8, a report had been requested for consideration by this sub-committee on the legal structure of YPO. The Corporate Director explained this report was still being prepared and would be submitted to the Management Committee meeting to be held in November 2012.

**14. MEMBERS' DECLARATIONS OF INTEREST**

No declarations of interest were made.

**15. LEAD AUTHORITY ISSUES.**

There were no Lead Authority issues to report.

**16. EXCLUSION OF THE PUBLIC AND PRESS**

**Resolved** - That the public and press be excluded from the meeting during consideration of agenda items 8 to 13 on the grounds that they are likely to involve the disclosure of exempt information as described in Part 1 of Schedule 12A to the Local Government Act 1972, as amended.

**IN PRIVATE****17. MANAGING DIRECTORS REPORT. (EXEMPT - PARAGRAPH 3)**

The Managing Director gave a full report of issues and progress since the last meeting of the Sub-Committee. Particular attention was drawn to turnover, the production of the new catalogue, progress in e-business arrangements, procurement, partnership working, the management of sickness absence, proposed management training and development and Associate Member developments. A number of challenges to the organisation were also discussed.

**Resolved** – That the report of the Managing Director be noted.

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**18. PERFORMANCE REPORT. (EXEMPT - PARAGRAPH 3)**

The Corporate Director presented a report on performance to September 2012. It was noted that sales and profits were continuing to improve and that hit rates and orders completed in full had risen to over 73%. Discussion was held with regard to debtors and a number of other risks that had been identified.

**Resolved** – That the report of the Corporate Director be noted.

**19. REMUNERATION REPORT. (EXEMPT - PARAGRAPH 3)**

The Monitoring Officer submitted a report in response to a Member request for information regarding Officer remuneration. The report detailed the provisions within the Code of Governance and HR policy and procedures, and detailed differences in practice between private industry and a joint committee led body. Members discussed the information presented.

**Resolved** – That the Chair and Vice Chair discuss the implications further with relevant Officers prior to the matter being presented to the Management Committee for determination.

*Officers remained in the meeting at the request of Members, but took no part in discussion or determination of the matter.*

**20. DRAFT BUSINESS PLAN AND BUDGET 2013. (EXEMPT - PARAGRAPH 3)**

The Managing Director and Corporate Director gave a presentation on the overview, direction and strategy of the proposed budget. Members discussed various issues arising from the proposals, including pricing structures, dividend, the preparation of the next long term strategy, future growth possibilities with regard to reduced customer budgets, supplier pressures on costs and pricing, the impact of the Academy School system on YPO business and competition from other procurement and supply businesses.

**Resolved** – 1. That the 2013 budget as detailed in the report and Appendix 1, be recommended to the Management Committee for determination at the meeting to be held in November 2012.

2. That the investment requests detailed in Appendix 4 to the report be recommended to the Management Committee for determination at the meeting to be held in November 2012.

3. That a further report be submitted to a future meeting regarding pricing strategy.

**21. WORKFORCE MOTIVATION PAYMENTS. (EXEMPT - PARAGRAPH 3)**

The Managing Director submitted a report requesting consideration of a workforce motivation package. Proposals had been put forward for consultation, and the Strategic Officers of all Member Authorities had made comments on them.

**Resolved** – That the proposed Workforce Motivation Payment scheme be considered by the Management Committee for determination at its meeting in November 2012. Such a scheme, if approved, to be subject to the achievement of financial results that would fully fund the scheme from surplus over and above the Half Year Forecast

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**22. ACADEMY UPDATE (EXEMPT - PARAGRAPH 3) .**

The Commercial Director presented a report regarding the approach YPO was taking toward the new Academy market. Details were given on activity that had been undertaken to date and proposals for future business with Academies. A number of risks and budgetary considerations were also detailed.

**Resolved** – That the Academy proposals, work undertaken to date and proposal for forthcoming activity be noted and welcomed.

**23. DATE AND TIME OF NEXT MEETING.**

The next meeting of the Executive Sub-Committee was scheduled to be held at 9:30 on 1 March 2013.

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