

Your Ref.
Our Ref A45
Please Reply To **Kathryn McGowan**
Telephone No (01924) 305338
Email kmcgowan@wakefield.gov.uk
Date 10 April 2013

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

Dear Member,

YPO SCRUTINY SUB-COMMITTEE – FRIDAY, 19 APRIL 2013

It is with pleasure that I write to invite you to attend a meeting of the YPO Joint Committee Scrutiny Sub-Committee which is to be held at **9:30 am on Friday, 19 April 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 would you please put your mobile phones and pagers on silent 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 SCRUTINY SUB-COMMITTEE -
Friday, 19 April 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 15 February 2013. (Pages 1 - 2)
4. Members' Declarations of Interest.
5. To note any items which the Chair has agreed to add to the Agenda on the grounds of urgency.
6. Review Work Programme and Terms of Reference. (Pages 3 - 6)
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 10 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. Warehouse and Logistics Strategic Plan. (Pages 7 - 10)
9. Customer Satisfaction Survey. (Pages 11 - 30)
10. Stock Losses. (Pages 31 - 42)
11. Date and Time of Next Meeting.
The date and time of the next meeting is to be determined at the YPO Annual Meeting of 28 June 2013 but a provisional date has been set for 13 September 2013.

YORKSHIRE PURCHASING ORGANISATION SCRUTINY SUB-COMMITTEE**Friday, 15 February 2013**

Present: The Chair (Councillor Warburton – Bradford MDC)
Councillors Barnard (Barnsley MBC), Cooper-Holmes (Doncaster MBC), Glover (St Helens MBC) and Gunnell (City of York) substitute for Councillor Barton

44. CHAIR'S INTRODUCTION AND WELCOME

The Chair, Councillor Warburton, welcomed everyone to the meeting.

45. APOLOGIES FOR ABSENCE

Apologies for absence submitted prior to the meeting were accepted on behalf of Councillor Atkin (Rotherham MBC).

46. MINUTES - 28 SEPTEMBER 2012

Resolved – That the Minutes of the meeting of the YPO Scrutiny Sub-Committee held on 28 September 2012 be approved as a correct record.

47. MEMBERS' DECLARATIONS OF INTEREST

No declarations of interest were made.

48. GIFTS AND HOSPITALITY

Consideration was given to a report of the Risk Audit and Assurance Officer detailing the Gifts and Hospitality Register for 2012, attached as Appendix 2, for items valued over £25.00 and the Gifts and Hospitality Policy, attached as Appendix 1.

A discussion took place regarding the contents of the information provided.

Resolved – That the report be noted.

49. STOCK UPDATE

Members considered a report of the Financial Accountant which detailed stock losses for 2012. The report was based on data extracted from the stock integrity system and provided a like for like breakdown between the trading years 2011 and 2012. Detailed results to 31 December 2012 were attached as Appendix 1 to the report.

Whilst results for 2012 were worse than anticipated, it was explained that the underlying reasons for the substantial increase from 2011 were attributable to the timing of stock counts, increase in business and out of date stock. It was acknowledged that the out of date stock had increased as a result of carrying more stock of key lines in an effort to ensure maximum stock availability for customers but every effort would be made to ensure that the balance between supply and demand was evenly matched. Notwithstanding this, it was noted that YPO showed exceptional performance when compared against the industry standard.

During a discussion on the information presented, it was requested that a further report be prepared on the "unknown" item in Appendix 1.

Resolved – That the stock losses for 2012, as part of the Organisations reporting requirements, be noted.

50. EXCLUSION OF THE PUBLIC AND PRESS

Resolved – That the public and press be excluded from the meeting during

**YORKSHIRE PURCHASING ORGANISATION SCRUTINY SUB-COMMITTEE - FRIDAY, 15
FEBRUARY 2013**

consideration of Agenda Items 9 and 10 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.

51. PROCUREMENT STRATEGIC PLAN

A presentation was given by the Procurement and Supply Chain Director providing Members with an overview of the Procurement Strategy for YPO as outlined in the 3 Year Strategy. The key themes of the strategy were outlined to Members.

Members raised a number of issues and detailed responses from YPO Officers were accepted.

Resolved – That the progress made against the Strategic Plan and the plan for the coming years, be noted.

52. COMMERCIAL STRATEGIC PLAN

A presentation was given by the Commercial Director providing Members with an overview of the Commercial Strategy for YPO, as outlined in the 3 Year Strategy. The key themes and actions proposed to continue YPO's growth were explained to Members.

A number of issues were raised by Members and detailed responses were received from YPO Officers.

Resolved – That the progress made against the Strategic Plan and the plan for the coming years, be noted.

53. DATE AND TIME OF NEXT MEETING

Resolved – That the next meeting of the YPO Scrutiny Sub-Committee be held on 19 April 2013 at 9.30am at YPO Headquarters.



YPO
SCRUTINY SUB COMMITTEE
TO BE HELD ON
19TH APRIL 2013

TITLE: REVIEW WORK PROGRAMME AND TERMS OF REFERENCE

REPORT OF: CORPORATE DIRECTOR

1. PURPOSE OF REPORT

1.1 To provide members with an overview of work undertaken by the committee since the 2012 AGM and propose terms of reference and work programme for presentation to the 2013 AGM.

2. RECOMMENDATION

2.1 Members are asked to agree this report for submission to the AGM in the name of the Chair of the Scrutiny Sub Committee.

3. FINANCIAL IMPLICATIONS

3.1 There are no financial implications.

4. LEGAL IMPLICATIONS

4.1 There are no risks arising from this report.

5. BACKGROUND INFORMATION

5.1 The Scrutiny Sub Committee has a membership of seven members drawn from the Management Committee and met three times during the year. Its primary purpose is to scrutinise strategies and actions of the YPO management team and provide feedback, comment and recommendations. However the Sub Committee does not have decision making powers.

5.2 Since the last AGM the Scrutiny Sub Committee has considered reports covering Trading and Sales Analysis (1), Gifts and Hospitality, Customer Satisfaction Survey (2), Stock Losses (2), the Workforce Strategic Plan, the ICT Strategic Plan, Procurement Strategic Plan and the Commercial Strategic Plan. Given the revision to the terms of reference at the 2012 AGM the subject matter considered by the committee has been considered commercially sensitivity and therefore only 23% of papers have been considered in public.

5.3 During the last twelve months members have received training covering risk management and HR processes.

5.4 TERMS OF REFERENCE

5.5 The terms of reference have been reviewed and are attached for members' consideration. There are no changes recommended at this time and given the subject matter of the committee there is an expectation that the level of public discussion is likely to be limited as in the current year.

5.6 WORK PROGRAMME

5.7 The focus of the work programme for the Scrutiny Sub Committee will be updates on the Current Strategic Plans, updates on the current business change programme, reports on Gifts and Hospitality, Stock Losses and the Customer Satisfaction Survey.

5.8 Therefore the proposed workplan following the AGM in June 2013 will be as shown below.

September 2013	March 2014	April 2014
Workforce Strategy	Procurement Strategy	Warehouse and Logistics Strategy
Sales Analysis	Gifts and Hospitality	Review Work plan
Customer Satisfaction Survey	Commercial Strategy	Customer Satisfaction Survey
Stock Losses	Stock Losses	ICT Strategy
Business Change Programme		Business Change Programme

SERVICE DIRECTOR: IAN KNOWLES, CORPORATE DIRECTOR

Yorkshire Purchasing Organisation
 41 Industrial Park
 Wakefield
 WF2 0XE

Telephone No: 01924 834890
 E-mail address: ian.knowles@ypo.co.uk

APPENDIX:

Appendix 1 – Scrutiny Sub Committee Terms of Reference

Yorkshire Purchasing Organisation

SCRUTINY SUB COMMITTEE – DRAFT TERMS OF REFERENCE 2013/14

Number of Members

Seven Councillors who are not members of the Executive Sub-Committee
Not more than one Councillor from any member authority.

Frequency of Meetings

Three times per annum.

Quorum

Three members.

Substitutes

Allowed.

Remit

1. To ensure the effectiveness of decisions made by YPO by means of conducting scrutiny reviews in accordance with both an approved programme and on an ad-hoc "call in" basis.
2. To prepare and submit to the Management Committee for approval an annual programme of scrutiny reviews.
3. In conducting reviews receive evidence and call witnesses as appropriate for each review so as to determine how decisions were made, on what basis were they made, if appropriate account of options and risks were considered, if the decisions made reflected original statements of intent and if decisions were made in a timely fashion and if they were made in the best interests of YPO and in accord with YPO's public accountability and code of corporate governance.
4. To prepare a report following each review, setting out conclusions and recommendations, for submission to the Management Committee.
5. To review periodically the response of senior managers to completed reviews.
6. To carry out reviews requested by the Executive Sub-Committee and the Management Committee.
7. To review annually its terms of reference and report any additions and amendments to the Management Committee.
8. To submit to each Annual Meeting of the Management Committee a report of its activities during the previous year.

Document is Restricted

Document is Restricted

Document is Restricted

Document is Restricted

Document is Restricted

Document is Restricted

Agenda Page 35

Exempt Information by virtue of paragraph(s) 3
of Part 1 of Schedule 12A of the Local Government Act 1972.

Document is Restricted