

**YORKSHIRE PURCHASING ORGANISATION MANAGEMENT COMMITTEE**

**Friday 22<sup>nd</sup> July 2022**

**Present:**

**Barnsley**  
Councillor Barnard

**City of Bradford**  
Councillor Thornton

**Bolton**  
Councillor Haslam

**Calderdale**  
Councillor Barnes

**Doncaster**  
Councillor Cole

**Kirklees**  
Councillor Turner

**Knowsley**  
Councillor Walsh

**North Yorkshire CC**  
Councillor White

**Rotherham MBC**  
Councillor Atkin  
Councillor Wyatt

**St Helens**  
Councillor Bond

**Wakefield MDC**  
Councillor Shaw

**Wigan MBC**  
Councillor Walker

**City of York**  
Councillor Daubeney

<b>1:</b>	<b>Members Declaration of Interest</b>
	No declarations of interest were made.

<b>2:</b>	<b>Apologies for Absence</b>
	Apologies for absence submitted prior to the meeting were accepted on behalf of Jon Towler, and Councillor Gardiner (Barnsley).
<b>3:</b>	<b>Election of Chair</b>
	<p>The Monitoring Officer requested nominations for the position of Chair of the Management Committee who in turn would become the Chair of the Joint Consultative Committee/Appointments Sub-Committee for the year 2022/23.</p> <p>A nomination was received and seconded on behalf of Councillor L Shaw (Wakefield MDC).</p> <p><b>Resolved</b> – (1) That Councillor L Shaw of Wakefield MDC be elected Chair of the Management Committee of the Yorkshire Purchasing Organisation for 2022/23. Councillor Shaw thanked the Committee for their support.</p>
<b>4:</b>	<b>Election of Vice Chair</b>
	<p>The Chair requested nominations for the position of Vice Chair for 2022/23.</p> <p>A nomination was received and seconded on behalf of Councillor F Walker (Wigan MDC).</p> <p><b>Resolved</b> – (1) That Councillor F Walker of Wigan MBC be elected as Vice Chair of the Management Committee of the Yorkshire Purchasing Organisation for 2022/23.</p>
<b>5:</b>	<b>Urgent Items</b>
	No urgent items were discussed.
<b>6:</b>	<b>Minutes of the Audit &amp; Scrutiny Sub-Committee – 1<sup>st</sup> July 2022</b>
	<p><b>Resolved</b> – (1) That the Minutes of the meeting of the Audit &amp; Scrutiny Sub Committee held on 1<sup>st</sup> July 2022 be accepted as a correct record, and the recommendations contained within the minutes are also agreed.</p> <p>Councillor Barnard raised a query around the decision on the food business. It was agreed this would be discussed under item 16.</p>
<b>7:</b>	<b>Minutes of the Management Committee – 25<sup>th</sup> March 2022</b>
	<b>Resolved</b> – (1) That the Minutes of the meeting of the YPO Management Committee held on 25 <sup>th</sup> March 2022 be accepted as a correct record.
<b>8:</b>	<b>Governance Structure Review</b>
	The Managing Director, Simon Hill, talked through the report relating to the

	<p>Governance Structure Review. The purpose of the report is to request members' agreement to recommend proposed changes to the YPO governance structure for approval by the Founder member authorities and associated changes to the YPO Management Agreement.</p> <p>Simon explained that the number of Management Committee meetings has changed in the Terms of Reference to a minimum of two per year. These two meetings will be fixed in the diary at set times of the year; however, Members can call as many additional meetings as they feel necessary in between.</p> <p>It was noted that more engagement will be taking place with the Chair, Vice Chair, Monitoring Officer, and S151 Officer. The Chair can call a meeting if it is felt necessary following these discussions. It was agreed to amend the standing orders to Chair &amp; Vice Chair.</p> <p>Councillor Walker suggested putting a meeting date in the diary in March which could be cancelled if not needed, however it was agreed meetings will be called as and when required.</p> <p>Simon confirmed the aim of the governance changes is to tighten up our governance, and we are looking for an increase in overall engagement.</p> <p>It was noted that if Members don't feel the changes are working, we can look to review and amend this further. Gillian Marshall confirmed that Standing Order changes are more in the gift of the Management Committee, whereas changes to the Management Agreement require approval from each authority.</p> <p><b>Resolved</b> – (1) That Members agree to the proposed changes to YPO's governance arrangements and recommend that the required changes to the YPO Management Agreement be approved by the Founder Member authorities; and</p> <p>(2) Agree to review the constitutional structure of YPO again at some point after the 2023 Annual General Meeting.</p>
<b>9:</b>	<b>Membership of the YPO Management Committee</b>
	<p>The Managing Director asked members to review the information contained in the report regarding Committee representation from Member Authorities.</p> <p><b>Resolved</b> – (1) That the content of the report relating to Management Committee Membership be noted.</p>
<b>10:</b>	<b>Appointments to Sub Committees &amp; Joint Consultative Committee</b>
	<p>Consideration was given to a report to receive nominations from the Constituent Authorities in relation to Membership of Sub-Committees and Joint Consultative Committee and to determine the membership for those meetings for the twelve-month period commencing July 2022.</p> <p>The Chair asked for nominations for sub committees.</p>

	<p>It was agreed that Councillor Shaw, Councillor Walker, Councillor Bond, Councillor Cole, and Councillor Thornton would make up the Members JCC Sub-Committee.</p> <p>On this basis it was agreed that the numbers for the Audit &amp; Governance Sub-Committee be upped to eight Members, and it was agreed the remaining lead Members from each authority would make up this Sub-Committee.</p> <p>Councillor White asked if all the Sub-Committees could take place on the same day? It was agreed to investigate whether this will be possible.</p> <p><b>Resolved</b> – (1) That the report be noted.</p>
<b>11:</b>	<b>Terms of Reference &amp; Work Programme 2022-2023</b>
	<p>Consideration was given to a report of the Managing Director which detailed the work of the YPO Management Committee and its associated Sub-Committees. The report also included the Meeting Schedule, Terms of Reference, and Principal Agenda Items for each Committee and Sub-Committee.</p> <p><b>Resolved</b> - (1) That the terms of reference for 2022/23 for the Management Committee, Audit &amp; Governance Sub-Committee and Joint Consultative Committee be agreed, with agreement to up the number of Members on the Audit &amp; Governance Sub-Committee from seven Members to eight.</p> <p>(2) That the Principal Agenda Items for 2022/23 be agreed.</p> <p>(3) That the Meeting Schedule for 2022/23 be agreed.</p>
<b>12:</b>	<b>Lead Authority Issues</b>
	No Lead Authority issues were raised.
<b>13:</b>	<b>Policies &amp; Procedures Review</b>
	<p>Consideration was given to a report of the Managing Director to review the policies and processes by which YPO is managed.</p> <p>The report highlighted the policies and protocols which have been reviewed within the last 12 months.</p> <p><b>Resolved</b> – (1) That the Management Committee note the content of the table in appendix 1.</p>
<b>14:</b>	<b>Annual Report 2021</b>
	<p>The Managing Director, Simon Hill, submitted the annual report to the Management Committee as set out in the YPO Management Agreement.</p> <p>It was explained that it was intended to circulate the Annual Report to Leaders, Chief Executives and Finance Directors of Member Authorities and also use it more widely as marketing and promotional material.</p>

	<p>A copy of the report was circulated to Management Committee Members prior to the meeting, and individual authority Benefits Statements will be forwarded to Members in due course.</p> <p><b>Resolved</b> – (1) That the report be noted.</p>
<b>15:</b>	<b>Exclusion of the Public &amp; Press</b>
	<p><b>Resolved</b> - <i>That the public and press be excluded from the meeting during consideration of Agenda Items 16 to 19 on the grounds that they were likely to involve the disclosure of exempt information as described in Part 1 of Schedule 12A to the Local Government Act 1972, as amended.</i></p>
	<b>IN PRIVATE:</b>
<b>16:</b>	<b>Business Update - (Exempt Paragraph 3)</b>
	<p>The Managing Director (Simon Hill) presented the Business Update which provided Members with an update on activities of the organisation since the last committee and provided an overview on forthcoming activities and challenges.</p> <p>Julie Hawley (Executive Director) talked through the financials and explained we are expecting to finish the year in a better position than was originally forecast. It has been a good peak for the business.</p> <p>Councillor Walsh asked about fuel costs and the impact of this, do we ensure that deliveries are geographically advantageous. Jacquie Lightfoot (Executive Director) explained that delivery routes are planned in advance using a routing system which ensures geographic efficiencies.</p> <p>Councillor Bond commented that it was good to hear the Union members share that they are coping well with the workload in the JCC meeting. Councillor Shaw agreed this is good to hear.</p> <p>Councillors asked a number of questions on the financials and were satisfied with the responses from Officers.</p> <p>A discussion was held around the Food Business. Simon Hill explained the background of the decision on this. We have now been talking to customers and have engaged with our owning members and key associates. There have been some concerns raised around timescales due to complexities within each individual authority. It was confirmed that a strong transition plan over a 6 – 9-month period will be in place for all customers.</p> <p>Simon Hill explained that it has been requested that we re-look at the options on this, however all authorities will need to understand the investment requirements for us to consider other options. A discussion was held around the vehicle requirements.</p>

	<p>Councillor Barnard raised concerns from Barnsley Council. There are concerns around timescales and they request a delay until 2024.</p> <p>A discussion was held around the requirements that would need to be met to look at an alternative service offering. Simon suggested we propose completing a report on what a theoretical service could look like, showing everything that would be required from member authorities. It was agreed this would be done in parallel whilst continuing with our current plans at the same time. Councillor Bond asked if we could include the social value aspect in terms of the impact to local suppliers in the report.</p> <p>Simon Hill shared an update on energy pricing and the current market. The impact on authorities has been greater than expected. Simon explained we are currently re-looking at our trading practices. Comments were made from Councillors, and they were satisfied with the responses from Officers.</p> <p><b>Resolved</b> – (1) That the report be noted.</p> <p>(2) It was agreed to continue with the plan on the food business but complete a shadow proposal in parallel and circulate this to Members as quickly as possible. If an extraordinary meeting is required, this will be discussed with Chair.</p> <p>(3) It was agreed the food report will contain the social value aspect relating to the impact on local suppliers within each authority.</p>
<b>17:</b>	<p><b>Dividend Distribution – (Exempt Paragraph 3)</b></p> <p>Members considered a report of the Head of Finance which sought agreement on the level and method of dividend distribution for the year 2021.</p> <p>Julie Hawley explained this is followed by the formal signing of the accounts.</p> <p><b>Resolved</b> - (1) That the committee agree the proposed distributable amounts in relation to the dividend of £3m.</p>
<b>18:</b>	<p><b>Report of Independent Director – (Exempt Paragraph 3)</b></p> <p>Members gave consideration to a report of the Independent Director which detailed his observations of the organisation since March.</p> <p><b>Resolved</b> - (1) That the report of the Independent Director be noted.</p>
<b>19:</b>	<p><b>Independent Director Recruitment – (Exempt Paragraph 3)</b></p> <p>Consideration was given to a report of the Managing Director to consider the future of the role of the Independent Director.</p>

	<p>Simon Hill talked through the options appraisal, and Councillors discussed the options available.</p> <p><b>Resolved</b> - (1) That Members agreed to option 2.2 contained within the report - Recruit again for a further two-year contract through open advertisement (using the title Non-Executive Director), with the caveat that the current Independent Director's contract is extended on a rolling monthly basis if a replacement is not in post by 30<sup>th</sup> September 2022.</p>
<b>20:</b>	<p><b>DATE AND TIME OF NEXT MEETING</b></p> <p><b>Resolved</b> – That the next meeting of the YPO Management Committee will be held on 25<sup>th</sup> November 2022.</p>