



Notes of an inquorate meeting of the ESPO Management Committee held at County Hall, Glenfield on Wednesday, 15 November 2023.

PRESENT

Cambridgeshire County Council
Cllr. S. Ferguson

Lincolnshire County Council
Cllr. A. Hagues
Cllr. S. Rawlins

Leicestershire County Council
Mrs. M. Wright CC (Chair)
Mr. J. Poland CC

Apologies

Apologies were received from:

Cllr. A. Jamieson (Norfolk County Council), Cllr. J. James (Norfolk County Council) and Cllr. N. Shailer (Cambridgeshire County Council)

In attendance

Cllr. M. Farooq (Peterborough City Council – Online)
Cllr. J. Howard (Peterborough City Council – Online)
Cllr. R. Baxter-Payne (Warwickshire County Council – Online)

ESPO

Kristian Smith – Director
David Godsell – Assistant Director
Dave Goodacre – Financial Controller
Maurice Campbell – Assistant Director
Gary Ford – Assistant Director

Leicestershire County Council

Simone Hines – on behalf of the Consortium Treasurer
Rosemary Whitelaw – Democratic Services Officer

25. Minutes of the previous meeting.

The minutes of the meeting held on 20 September 2023 were taken as read, confirmed, and signed.

26. Inquorate Meeting.

The Chairman advised members present that the ESPO Constitution provides that for a quorum there should be at least four Members who are entitled to attend and vote, provided that at least four of the Member Authorities are represented.

As the meeting was inquorate it would be necessary for the Consortium Secretary to write to all constituent authorities to seek their agreement to “decisions” reached. This would be in relation to Item 5 on the agenda – 2022/23 Financial Statements and Annual Governance Statement.

27. Urgent Items.

There were no urgent items for consideration.

28. Declarations of interest.

The Chairman invited members who wished to do so to declare any interest in respect of items on the agenda for the meeting.

No declarations were made.

29. Items referred by the Finance and Audit Subcommittee.

There was one item referred by the Finance and Audit Subcommittee, the 2022/23 Financial Statements and Annual Governance Statement. The report is attached as Agenda Item 5 (minute 33 refers).

30. Change to the Order of Business.

The Chairman sought and obtained the consent of the members present to vary the order of business from that set out on the agenda.

31. Warehouse Extension Update.

The members present considered a report of the Director of ESPO which provided an update on the project to develop the Grove Park site to accommodate additional warehouse capacity as part of the agreed long-term financial plan. A copy of the report marked ‘Agenda Item 6’ is filed with these minutes.

Members were pleased to note that the programme of work had now started and thanked officers for their preparatory work on the project.

It was explained that the warehouse extension would be used for bulk storage rather than picking activity. This would create more space in the main warehouse and allow for greater efficiency, for example conveyors could take bulk stock directly to the packing area.

To protect long term viability, ESPO was looking to drive costs down, through routes such as mechanisation. The current head count would be protected but it was intended that processes would be redesigned so that they were quicker and enabled ESPO to remain competitive in the market.

Members present noted the update on the project to develop the Grove Park site to accommodate additional warehouse capacity with support.

32. Director's Progress update.

Members present considered a report of the Director which provided an update of the actions and progress made since the previous ESPO Management Committee meeting held on 20 September 2023. A copy of the report, marked 'Agenda Item 7', is filed with these minutes.

In presenting the report, the Director advised members that there would be a presentation on the People Plan at the next meeting of the Management Committee.

In response to questions, the Director explained that:

- (i) ESPO had benefitted from purchasing warehouse stock at last year's cheaper prices. It was recognised that this position was not sustainable, however ESPO was considering innovative ways in which to maintain the profit margin.
- (ii) Officers were confident in the level of wage inflation that had been factored into next year's budget.

Members present noted the update on actions and progress made since September 2023 with support.

33. 2022/23 Financial Statements and Annual Governance Statement.

Members present considered a joint report of the Director and the Consortium Treasurer which set out the 2022/23 Financial Statements and the 2022/23 Annual Governance Statements. A copy of the report marked 'Agenda Item 5' is filed with these minutes.

Members noted that the report had previously been considered in detail by the Finance and Audit Subcommittee. The position with regard to the balance sheet and reserves was welcomed, as was the assessment by the external auditors.

Members present noted the contents of the reports and the recommendations set out therein, as follows:

- (a) That the 2022/23 Annual Governance Statement be approved;
- (b) That the 2022/23 Financial Statements be approved;
- (c) That the dividend pool of £4,369,269 be approved to be paid out in December 2023.

34. Exclusion of the Press and Public.

It was agreed that under Section 100 (A) (iv) of the Local Government Act 1972 the public be excluded from the meeting for the remaining items of business on the grounds that it will involve the disclosure of exempt information as defined in the Act and that in all of the circumstances the public interest in maintaining the exception outweighs the public interest in disclosing the information.

35. Supplementary Information Informing the Progress Report of the Director's Progress Update.

Members present considered an exempt report of the Director which set out further supplementary information regarding the Director's Progress Update. A copy of the report marked 'Agenda Item 9' is filed with these minutes.

The exempt report was not for publication as it contained information relating to the financial or business affairs of a particular person (including the authority holding that information).

The Director responded to questions related to Department for Education proposals to change the way in which schools purchased supplies.

Members presented noted the update on actions and progress made since September 2023 with support.

36. Date of Next Meeting.

It was noted that the next meeting of the Committee would be held on 20 March 2024 at 10.30am at County Hall, Glenfield.

10.30 - 11.32 am
15 November 2023

CHAIRMAN