



Minutes of a meeting of the ESPO Management Committee held at County Hall, Glenfield, Leicestershire on Thursday, 4 December 2014.

PRESENT

Mr. J. Clarke CC (in the Chair)

Dr. R. K. A. Feltham CC
Mr. G. A. Hart CC
Mr. J. Holdich CC
Mr. I. Monson CC

Mr. D. Parsons CC
Mrs. S. Ransome CC
Mrs. S. Rawlins CC

99. Councillor John Reynolds.

The Chairman reported the death of Councillor John Reynolds.

John was elected to Cambridgeshire County Council in May 1981 and served on their Cabinet having previously served as the Deputy Leader of the Council.

John was appointed to serve on the ESPO Management Committee in 2008 and chaired the Management Committee in 2008 and then again in 2014/15. He also served on the ESPO Finance and Audit Subcommittee and chaired the Subcommittee from 2012 to 2014 and was instrumental in shaping the new governance arrangements at what was a particularly difficult time for ESPO.

Mr Holdich CC, who served with John on Cambridgeshire County Council, spoke of high regard that all members had for John. He also mentioned the charitable work John undertook for the Guide Dogs for the Blind Association by looking after trainee puppies.

Members and officers stood in silent tribute to the memory of John Reynolds.

100. Apologies.

Apologies were received from Mr. D. Seaton CC (Peterborough City Council).

101. Minutes of the previous meeting.

The minutes of the meeting held on 25 September 2014 were taken as read, confirmed and signed.

102. Urgent items.

The Chairman advised that there was one urgent item for consideration;

a report of Pricewaterhousecoopers (PwC): "External Audit Plan – 2014/15". He advised that, with the consent of Members, he intended to vary the order of business from that set out on the agenda and to take this as item 6.a (minute 106 below).

103. Declarations of interests.

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.

104. Items referred by the Finance and Audit Subcommittee.

There were no items referred by the Finance and Audit Subcommittee.

105. Change to the order of business.

The Chairman, with the consent of the Committee, confirmed a change to the order of business to that set out on the agenda.

106. External Audit Plan - 2014/15.

The Committee considered this matter, the Chairman having decided it was of an urgent nature, in view of the need to agree the audit plan going forward.

The Committee considered the External Audit Plan – 2014/15 presented by Catherine Bru from Pricewaterhousecoopers (PwC). The report outlined potential areas of audit risks, the audit timetable, and the fees charged for auditing.

The Plan presented was similar to the previous plan with some minor changes being made. The increased risk outlined last year due to changes in the warehouse management system had now been removed due to the planned changes having been progressed.

RESOLVED:

That the report be noted.

107. Proposed Changes to the Contract Procedure Rules.

The Committee considered a report of the Director outlining the operation of the Contract Procedure Rules between 1 July 2013 and 30 June 2014 and seeking approval of the proposed amendments to the Contract Procedure Rules for 2014/15.

Arising from discussion the following points were noted:-

- (i). The proposed changes to the Rules outlined in the report were a result of changes being made at ESPO and in wider procurement regulations. As ESPO was moving towards using more E-Tendering processes it was necessary for the Rules to reflect this. At a wider level the

proposed amendments also reflected changes being made to EU procurement regulations;

- (ii). It was reported that the appendix set out the Contract Procedure Rules applied at Leicestershire County Council and that these would be reflected in the revised ESPO Contract Procedure Rules.

RESOLVED:

- (a). That the proposed amendments to the Contract Procedure Rules for 2014/15 be approved;
- (b). That a revised appendix setting out the Contract Procedure Rules as they are applied at ESPO be circulated to members.

108. Director's Progress Update.

The Management Committee gave consideration to a report of the Director which provided an update of the actions and progress made since the previous ESPO Management Committee held on 25 September 2014. A copy of the report, marked 'Agenda Item 8', is filed with these minutes.

Arising from discussion the following points were noted:-

- (i). Sales to October 2014 were behind target primarily due to gas sales. As the margin was very low, this will have a minor impact on the forecast surplus. The rebate income was significantly higher than had been budgeted. Overall surplus amount was on track;
- (ii). The need for a seasonal relief warehouse facility was being explored with neighbouring businesses;
- (iii). Norfolk, Leicestershire, Warwickshire, Cambridgeshire and Lincolnshire had agreed to take part in a spend analytics programme which would highlight areas of potential savings. The Committee was informed that this was progressing well subject to agreement being reached by the participating authorities to share data;
- (iv). The staff survey had recently concluded with a response rate of approximately 60% which was encouraging. The emerging themes from this would be fed into the ESPO change programme. Concern had been raised regarding satisfying customer demand during busy periods in both the staff survey and in recent All-Staff Briefings;
- (v). ESPO had recently received positive coverage in the Leicester Mercury on 18 November. The article outlined the history and ethos of ESPO, and followed on from coverage on East Midlands Today earlier in the year. The article was requested to be circulated to members.

RESOLVED:

Members noted the contents of the report.

109. Change to the order of business.

The Chairman, with the consent of the Committee, confirmed a change to the order of business to that set out on the agenda.

110. Exclusion of the public.

That under Section 100(A)(iv) of the Local Government Act 1972 the public be excluded from the meeting for the items shown below, on the grounds that it will involve the likely disclosure of exempt information, and in all circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information during consideration of the following items of business:

'Item 11 - Supplementary Information Informing the Progress Report of the Director's Progress Update' and 'Item 12 - Strategic Discussion Document to Inform MTFs Assumptions for 2015-19' (exempt under paragraphs 3 and 10 of Schedule 12A of the Act).

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

The Management Committee received an exempt report from the Director, which set out supplementary exempt information to his Progress Update (minute 108 refers). A copy of the exempt report, marked 'Agenda Item 11' is filed with these minutes.

The exempt report was not for publication by virtue of paragraph 3 and 10 of Section 12A of the Local Government Act 1972.

RESOLVED:

That the contents of the report be noted.

112. Strategic Discussion Document to Inform MTFs Assumptions for 2015-19.

The Subcommittee received an exempt report of the Director and Consortium Treasurer setting out the assumptions being considered for the MTFs covering the period 2015-19. A copy of the exempt report, marked 'Agenda Item 12', is filed with these minutes.

The exempt report was not for publication by virtue of paragraph 3 and 10 of Section 12A of the Local Government Act 1972.

A member of the Committee expressed concern that the MTFs was predicated on an increase in prices. He queried the advisability of this as this would impact on already pressed schools and other public sector bodies. The Director noted the concern but drew attention to the benchmarking figures regarding pricing set out in the report, and indicated that the impact of any price changes would be monitored.

RESOLVED:

- (a). Members noted the contents of the report;
- (b). That the Director update members with progress against the report.

(THE MEETING THEN RECONVENED INTO PUBLIC SESSION).

113. Dates of Future Meetings.

RESOLVED:

The following dates were approved:

- 4 March 2015, 10.30am – County Hall
- 24 June 2015, 10.30am – County Hall
- 23 September 2015, 10.30am – ESPO
- 4 December 2015, 10.30am – County Hall

10.30 am - 11.50 am
04 December 2014

CHAIRMAN

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