



Minutes of a meeting of the ESPO Management Committee held at County Hall, Glenfield, Leicestershire on Wednesday, 12 June 2024.

PRESENT

Lincolnshire County Council
Cllr. S. Rawlins

Norfolk County Council
Cllr. J. James

Leicestershire County Council
Mrs. M. Wright CC
Mr. J. Poland CC

Peterborough City Council
Cllr. C. Hogg
Cllr A. Iqbal

Apologies

Apologies were received from Cllr. R. Baxter-Payne (Warwickshire County Council), Cllr. P. Butlin (Warwickshire County Council) and Cllr. S. Ferguson (Cambridgeshire County Council).

In attendance

Cllr. A. Hagues (Lincolnshire County Council)
Cllr. N. Shailer (Cambridgeshire County Council – online)

ESPO

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

Leicestershire County Council

Fiona McMillan –on behalf of the Consortium Secretary
Simone Hines – on behalf of the Consortium Treasurer
Anna Poole – Democratic Services Officer

1. Appointment of Chairman.

RESOLVED:

That Cllr. A. Iqbal be appointed Chairman for the municipal year ending June 2025.

Cllr. A. Iqbal in the Chair.

2. Chairman's Announcements.

The Chairman thanked Mrs Maggie Wright CC, Leicestershire for her work as Chairman of the ESPO Management Committee for the period June 2023 to May 2024. During her period of office, Mrs Wright CC has overseen the following:

- i. Achieving a trading surplus of £8.3m which is £2.2m ahead of budget and £2.4m ahead of last year – this is a record surplus for ESPO.
- ii. ESPO's procurement services creating a rebate income of £12.2m and a year-on-year growth of circa £1.7m
- iii. ESPO's Catalogue business recording sales of £75.9m, which is £1.2m growth from the previous year.
- iv. The successful construction of a 26,000sq ft warehousing extension to the Grove Park due to open at the end of the summer.
- v. Progression of the business development agenda including the growth of My School Fund partnership with Sainsbury's, international trading expansion and significant growth into Scotland via Scotland Excel framework.
- vi. Organisational investments such as fitting safety cameras to the delivery fleet, enhancements to ESPO's website and improvements to cyber security.
- vii. Preparatory work to ensure the readiness for the new Procurement Act 2023 go live in October.
- viii. A robust governance framework for Health and Safety, Legal Compliance, flexible working and employee well-being.

Members of the Committee echoed the Chairman's comments and thanks.

3. Appointment of Vice Chairman.

RESOLVED:

That Cllr. S. Rawlins be appointed Vice-Chairman for the municipal year ending June 2025.

4. Minutes of the previous meeting.

The minutes of the meeting held on 20 March 2024 were taken as read, confirmed, and signed.

5. Urgent items.

There were no urgent items for consideration.

6. 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.

7. Items referred by the Finance and Audit Subcommittee.

There were no items referred by the Finance and Audit Subcommittee. The issues considered by the Subcommittee were covered under item 13 which appeared elsewhere on the agenda (minute 12 refers).

8. 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 20 March 2024. A copy of the report, marked 'Agenda Item 8', is filed with these minutes.

The Director highlighted the good operational performance of ESPO, particularly the performance of the Customer Services Team, which had answered 96% of calls within 30 seconds, and also the Staff Survey, which showed that over 90% of respondents agreed that ESPO was a good employer.

In response to a question from a member, the Director explained that the target pick rate for compiling orders of 32 lines per hour had been established during the covid pandemic. It was recognised that this was slightly lower than pre-pandemic targets, and it was expected that a higher target would be set once the new warehouse extension was in use. The warehouse would enable the introduction of limited automation which would improve efficiency.

It was moved by Cllr A. Iqbal and seconded by Cllr. S. Rawlins that the update provided by the Director be noted.

RESOLVED:

That the update provided by the Director be noted.

9. Date of Future Meetings.

RESOLVED:

That it be noted that the next meeting of the Committee would be held on 18 September 2024 at 10.30am at County Hall, Glenfield and future meetings would be held at the same time on the following dates:

- 19 March 2025
- 18 June 2025
- 17 September 2025
- 19 November 2025

It was also noted that meetings of the ESPO Finance and Audit Subcommittee would be held at 10.30am on the following dates in 2025:

- 12 February 2025
- 8 October 2025

10. Exclusion of the Press and Public.

RESOLVED:

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 would involve the disclosure of exempt information as defined in the Act and that in all circumstances the public interest in maintaining the exception outweighs the public interest in disclosing the information.

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

The Committee 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 12', 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 Sports England Active Lives Research Programme, Energy Bill Validation offer, My School Fund and the impact of a falling birth rate on business.

It was moved by Cllr. A. Iqbal and seconded by Mrs. Maggie Wright CC that the update provided by the Director be noted.

RESOLVED:

That the update provided by the Director be noted.

12. Outturn 2023-24 and MTFFS 2024/25 - 2028/29 Update.

The Committee considered an exempt report of the Director and Consortium Treasurer which provided an update on the financial outturn for 2023/24 and the Medium-Term Financial Strategy 2024/25 – 2028/29. A copy of the report, marked 'Agenda Item 13', 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 highlighted the good performance during the year and responded to questions related to business investment, impact on ESPO of an increase in business rates and the potential for marketing opportunities with ESPO vehicles.

The Committee commended Dave Goodacre, ESPO's Commercial Financial Controller, for his support to the Management Committee.

It was moved by Cllr. A. Iqbal and seconded by Mr. J. Poland CC that the update provided on the financial outturn 2023/24 and the Medium-Term Financial Strategy 2024/25 – 2028/29 be noted.

RESOLVED:

That the update provided on the financial outturn 2023/24 and the Medium-Term Financial Strategy 2024/25 – 2028/29 be noted.

13. ESPO Preparation for Procurement Transformation.

The Committee considered an exempt report of the Director concerning the new Procurement Regulations. A copy of the report, marked 'Agenda Item 14', 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 explained that the training for staff on the new Regulations to be held on 11 and 12 September 2024 was also open to all Members of the Management Committee and their staff, should they wish to attend.

The Director responded to questions related to the risk presented by the new Regulations, arrangements for 'go-live' date, market share comparable with competitors and resources to implement the new Regulations.

It was moved by Cllr. A. Iqbal and seconded by Cllr. C. Hogg that the update provided on the legislative process of the transition to the new Procurement Regulations and ESPO's preparations for these changes be noted.

RESOLVED:

That the update provided on the legislative process of the transition to the new Procurement Regulations and ESPO's preparations for these changes be noted.

14. Extension at Grove Park - Space Utilisation.

The Committee considered an exempt report of the Director concerning the proposed plans for the use of additional space created by the extension to the ESPO warehouse. A copy of the report, marked 'Agenda Item 15', 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 the sale and handing of direct products, cyber security and the production of exercise books.

It was moved by Cllr. A. Iqbal and seconded by Cllr. S. Rawlins that the proposed plans detailed in the report for use of the additional space created as a result of the extension of the ESPO warehouse be noted and supported.

RESOLVED:

That the proposed plans detailed in the report for use of the additional space created as a result of the extension of the ESPO warehouse be noted and supported.

10.30 am - 12.30 pm
12 June 2024

CHAIRMAN