

WELSH PURCHASING CONSORTIUM
MANAGEMENT BOARD

Minutes of the meeting of the Welsh Purchasing Consortium Management Board held at Cardiff City Council Offices, Atlantic Wharf, Cardiff on Wednesday, 24 June 2015 at 11 a.m.

PRESENT

Blaenau Gwent County Borough Council	Mr.L.Williams
Caerphilly County Borough Council	Mrs.E.Lucas
Cardiff City Council	Mr.S.Robinson
	Mr.G.Henson
Monmouthshire County Council	Councillor P.Murphy (Chair)
Neath Port Talbot County Borough Council	Councillor D.W.Davies
	Mr.S.Smith
Pembrokeshire County Council	Mr.P.Ashley-Jones
Rhondda Cynon Taf County Borough Council	Councillor M.Webber
	Mr.P.J.Lucas (Secretary)
	Mr.S.Lock
City and County of Swansea Council	Mr.A.Williams
Torfaen County Borough Council	Mr.A.J.Maisey
WPC Procurement Manager	Mr.R.Jones

1 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor J.McIlwee (Blaenau Gwent County Borough Council), Councillor C.Smith (Bridgend County Borough Council), Councillor B.Jones (Caerphilly County Borough Council), Councillor G.Hinchey (Cardiff City Council), Councillor J.Thomson-Hill (Denbighshire County Council), Mr.G.A.Staples (Denbighshire and Flintshire County Councils), Councillor P.Williams and Mr.P.Davies (Merthyr Tydfil County Borough Council), Councillor C.Lloyd (City & Country of Swansea), Councillor A.Hunt (Torfaen County Borough Council), Councillor P.Drake and Mr.T.Bowring (Vale of Glamorgan Council), Councillor H.Jones and Mr.R.Barnett (Wrexham County Borough Council).

2 DECLARATIONS OF INTEREST

No personal interests were declared in matters pertaining to the agenda.

3 MINUTES

RESOLVED to approve as an accurate record, the minutes of the meeting of the Welsh Purchasing Consortium Management Board held on 29 April 2015.

4 WPC PROCUREMENT MANAGER'S PROGRESS REPORT

In his report, the WPC Procurement Manager provided the Board with progress reports in relation to:

(a) Forward Contract Plan

The Procurement Manager outlined the WPC Forward Contract Plan as agreed at the WPC Officers' Group meeting held on 15 May 2015.

(b) Transfer of WPC Contracts to the NPS – Current Status

The Procurement Manager advised that the Central Management Team continued to lead on operational transfer issues for the WPC to ensure, as far as possible, that the interests of member authorities were protected and the risk of non-compliance minimised. In his report, he provided an updated list of the WPC Contracts (including Food) and their expiry dates and stated that an updated list of contracts transferring to the NPS and their current status would be circulated by email to all Board Members following the meeting.

A query was raised regarding who would lead on contracts not transferring to the NPS post 31 March 2016 when the WPC would cease to exist. In this regard, reference was made to the WLGA Network Event that took place on 15 June 2015 when the strong message from the Management Board was conveyed to the WLGA on the need to ensure that satisfactory arrangements were put in place in whatever form, to continue collaborative procurement arrangements and the ability to share good practice post March 2016 and also that the WLGA should take a lead role on collaborative procurement going forward. However, no formal response or commitment had been received from the WLGA to date.

A discussion ensued on the way forward and it was **RESOLVED –**

- (1) That the Chairman of the Management Board write to the WLGA stressing the urgent need for collaborative arrangements to be put in place post 31 March 2016 and inviting Mr. John Ray to the September 2015 meeting of the Management Board to outline the WLGA proposals on collaborative procurement arrangements post March 2016.
- (2) That Mr. John Ray be also asked to provide his views on the Procurement Board and its future.
- (3) That if Mr. Ray is unable to attend the Board meeting in September the expectation is that a written response will, instead, be received for Members consideration at the meeting.
- (4) That the WLGA also be informed that the WPC Central Management Team are available to provide support to the WLGA for any change-over.

(c) Food Contracts

The Procurement Manager provided the Board with feedback on the meeting he had with Sheila Powell of the NPS and Vince Hanly, the Chair of the Food Group on 6th May 2015 to discuss and clarify contract transfer arrangements and contract extension requirements particularly relating to the WPC Food portfolio.

At the meeting, Sheila Powell had advised that it was unlikely that the NPS would have a Food Procurement Unit in place until Spring 2016 and felt it was necessary to convene a WPC Food Category Group meeting to consider the options for the next 1-2 years.

The situation was reported to the WPC Officers' Group at its meeting on 15th May and much concern was expressed about the uncertainty as to when the new NPS arrangements would be in place especially as some of the existing WPC Food contracts were expiring in the next year.

The Food Group subsequently met on 2nd June 2015 to discuss the situation and owing to the risks involved in not having food contracts in place, the Chair of the Group had been tasked with speaking to the Director of the NPS, Sue Moffat, to advise her of the intention to re-let existing contracts on a 2 + 2 year basis.

Since then, the Chair of the Food Group had been informed by email from the Interim Head of Food Category in the NPS that a meeting was taking place with his Director, Sue Moffat, on 1st July 2015 to discuss their options in terms of 'Food' and in the meantime, he requested relevant lead authorities (Caerphilly, Cardiff and Monmouthshire) to provide him with detailed information on existing spend, suppliers, frameworks and tender documentation.

Reference was made to the fact that Caerphilly County Borough Council was currently working on its own arrangements for Groceries and Provisions and had offered to run this contract for WPC member authorities, for a fee. Ms. Lucas of Caerphilly County Borough Council informed the Board that she had personally spoken to Sue Moffat, the Director of the NPS, who had told her she was happy for local government to run interim arrangements until her Food Procurement Team were in place. Hearing the latest news that there was to be a meeting of NPS Officers on 1st July 2015 was totally unacceptable to Caerphilly and Ms. Lucas stated that she would not be providing information regarding the Groceries and Provisions contract to the NPS and would continue with the contract as planned.

Much concern was expressed about the fact that the NPS had not yet established Food Category Team, the need to have interim arrangements in place and the conflicting views coming from the NPS as to the current situation regarding Food and interim arrangements, it was considered

essential to request a written position statement from the NPS not only in respect of 'Food' but also, 'ICT' which was also a cause for concern.

RESOLVED –

- (1) To formally request the NPS to provide an urgent written position statement regarding Food and ICT and that a copy of this request be sent to Mr. John Ray - WLGA.
- (2) That the Chair and Vice-Chair of the Board be advised of the response received from the NPS and respond accordingly, if necessary, prior to the next Board meeting.
- (3) To receive an update report at the September meeting of the Board.

(d) CMT Working Arrangements to 31st March 2016

The Procurement Manager provided the Board with details of the adopted CMT working arrangements to 31st March 2016.

The Procurement Manager was pleased to report that Tony Williams, Procurement Support Officer within the CMT had been successful in being appointed to a post of Category Manager in the Procurement Unit at the City & County of Swansea and would take up his new post in July 2015. The Board wished Tony all the best in his future role.

**5 COMMODITY AND EXTENSION REPORTS
1ST MAY 2015 – 30TH JUNE 2015**

The Procurement Manager provided Members with a summary of Commodity, Extension and Variation reports considered by the WPC Officers' Group during the period May-June 2015 and it was **RESOLVED** to note the report.

**6 ANNUAL RETURN FOR THE YEAR ENDED 31ST MARCH 2015 AND
BUDGET MONITORING 2015-16**

The Treasurer provided the Board with his report outlining the Final Outturn Position for 2014-15, the Annual Return for the year ended 31st March 2015 and the financial monitoring position for 2015-16 based on the first two months of the financial year.

The Board was informed that the figures were based on all three members of the Central Management Team being in post throughout the year and as one of the Team had now been appointed to a post with Swansea, as reported earlier in the meeting, the underspend at the end of the year would be greater than expected.

Following consideration of the report, it was **RESOLVED –**

- (1) To note the final outturn position for 2014-15.
- (2) That the Annual Return for the Year ended 31st March 2015 be approved.
- (3) To note the monitoring position for 2015/16 as at Month 2.

7 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED that the press and public be excluded for the next item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraphs 12 & 13 of Part 4 of Schedule 12A of the Local Government 1972 (as amended).

(**Note:** At this point in the proceedings, the WPC Procurement Manager, Mr.R.Jones, left the meeting for the next item).

8 ORAL UPDATE IN RESPECT OF THE TUPE TRANSFER OF THE WPC CENTRAL MANAGEMENT TEAM TO THE NATIONAL PROCUREMENT SERVICES, CONTAINING EXEMPT INFORMATION

The Board received an oral update in respect of the above-mentioned matter from Mr.S.Robinson of Cardiff City Council, the employing authority of the Central Management Team staff members.

The Board was informed that the Director of Resources at Cardiff City Council had received a formal written response from Sue Moffat, the Director of the National Procurement Service, refuting the stance of Cardiff that TUPE applied in this case and stated that Welsh Government did not intend to enter into further correspondence in relation to the matter.

Mr.Robinson then circulated a draft response to Sue Moffat from Cardiff's Director of Resources for information and he sought the Board's views on the way forward in this matter accepting that the final decision regarding the staff involved rests with Cardiff, as the employing authority.

A discussion ensued and the Board expressed the view whilst it was content not to pursue the matter further with the NPS in the interests of the staff concerned, the opinion of Cardiff's Section 151 Officer should first be obtained on the use of WPC surplus funds to finance the redundancy costs of the two members of staff concerned and that her response be provided to all member authorities within the next week. Each member authority could then respond to Cardiff on an individual basis.

(**Note:** The WPC Procurement Manager, Mr.R.Jones, was invited back into the meeting at this point in the proceedings).

9 **DATE OF NEXT MEETING**

RESOLVED that the next meeting of the Board takes place on Wednesday, 16 September at 11 a.m. (Venue: Cardiff).

**P.MURPHY
CHAIRMAN**

The meeting terminated at 12.10 p.m.