

**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 Friday, 11 December 2015 at 11 a.m.

**PRESENT**

<b>Caerphilly County Borough Council</b>	Councillor B.Jones Mr.D.Morris
<b>Cardiff City Council</b>	Mr.S.Robinson Mr.G.Henson
<b>Denbighshire County Council</b>	Mr.A.Staples
<b>Flintshire County Council</b>	Mr.A.Staples
<b>Merthyr Tydfil County Borough Council</b>	Mr.P.Davies
<b>Monmouthshire County Council</b>	Councillor P.Murphy (Chair) Mr.S.James
<b>Neath Port Talbot County Borough Council</b>	Councillor D.W.Davies
<b>Newport City Council</b>	Mr.R.Leake
<b>Rhondda Cynon Taf County Borough Council</b>	Councillor G.Hopkins Mr.P.J.Lucas (Secretary) Mr.S.Vaughan
<b>City and County of Swansea</b>	Mr.A.Williams
<b>Torfaen County Borough Council</b>	Mr.A.J.Maisey
<b>The Vale of Glamorgan Council</b>	Mr.N.T.Smith
<b>Wrexham County Borough Council</b>	Mr.R.Barnett

**122 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor C.Smith (Bridgend County Borough Council), Mrs.E.Lucas (Caerphilly County Borough Council), Councillor P.Williams (Merthyr Tydfil County Borough Council), Councillor G.Giles (Newport City Council), Mr.P.Ashley-Jones (Pembrokeshire County Council), Councillor M.Webber (Rhondda Cynon Taf County Borough Council), Councillor C.Lloyd (City and County of Swansea), Councillor A.Hunt (Torfaen County Borough Council), Councillor P.Drake (Vale of Glamorgan Council), Councillor N.Moore (Vale of Glamorgan Council) and Councillor H.Jones (Wrexham County Borough Council).

**123 DECLARATIONS OF INTEREST**

There were no personal interests declared in matters pertaining to the agenda.

**124 MINUTES**

**RESOLVED** to approve as an accurate record, the minutes of the meeting of the Welsh Purchasing Consortium Management Board held on 16 September 2016 subject to a correction to Minute No.20 in that the Central Management

Team's premises were located in Llanelli and not Cardiff as stated in the minute.

**125 FORWARD CONTRACT PROGRAMME**

The Board considered the updated Forward Contract Programme and **RESOLVED** to note the information.

**126 SUMMARY OF COMMODITY AND EXTENSION REPORTS**

It was **RESOLVED** to note the summary of Commodity and Extension Reports presented for the period October 2015 – December 2015.

**127 BUDGET MONITORING 2015/16**

The Treasurer, in his report, presented the financial monitoring position for 2015/16 based on the first seven months of the financial year.

Members noted that the current projection indicated that a deficit of £36,538 would have to be funded from the reserve leaving a balance of £140,069 in the reserve at 31<sup>st</sup> March 2016. In this regard, the Officers' Group which met on 27 November 2016, had considered two options regarding the allocation of the reserves to member authorities. These options were outlined fully in the report for the Board's consideration.

The Secretary, Mr.P.J.Lucas, provided the Board Members with feedback from the Officers' Group meeting in respect of this matter and their recommendation to the Board was to adopt the approach outlined in Option 2 whereby the 3 NE Wales authorities contributed to the net expenditure for 2015/16 up to the value of their shares of the reserves, the remainder to be funded by equal contributions from the other 16 authorities' shares. This option leaves a nil balance on the reserves for the 3 NE Wales authorities and a smaller surplus on the balances of the other 16 authorities.

The Chairman of the Officers' Group, Mr.A.J.Maisey, informed the Board that whilst Option 2 was the preferred option of those Officers present at the Group meeting on 27 November 2016, Mrs.E.Lucas of Caerphilly County Borough Council, who had been unable to attend that day, had advised the Group, via email, that she, along with her Section 151 Officer, would not support any alternative to Option 1 whereby they wanted the net expenditure for 2015/16 to be split equally between the 19 authorities and funded from their shares of the reserves. This option left a shortfall on the share balances of the three authorities in NE Wales which joined the WPC in 2013/14 and a surplus on the balances of the original 16 authorities.

The Chairman of the Board Members invited views on their preferred way forward and during the ensuing discussion, the majority spoke in support of Option 2 being adopted.

The Secretary also informed the Board that Paul Ashley-Jones, who represents Pembrokeshire County Council, had been unable to attend the meeting and he emailed him prior to the meeting to register his Authority's support for Option 2.

However, the Member representing Caerphilly County Borough Council was still of the view that Option 1 should be adopted as her Authority did not consider it should be taking a reduction on the reserves available to the original 16 member authorities which included Caerphilly. She stated that Mrs.E.Lucas had indicated to her that she had previously asked for information regarding the final reserve figure but had not had a response to date. It was pointed out to the Councillor and Officer representing Caerphilly County Borough Council that no specific final figures regarding the level of reserves available had ever been passed on to any member authority to date as this information would not be known by the Treasurer until the final outturn when the Consortium's accounts were being closed down and all outstanding costs had been paid. The figures before Members today were remain estimates at this stage in time.

Following further discussion, it was **RESOLVED** –

- (1) To note the monitoring position for 2015/16 as at Month 7.
- (2) To adopt Option 2, i.e. the 3 NE Wales authorities to continue to the net expenditure for 2015/16 up to the value of their shares of the reserves, the remainder to be funded by equal contributions from the other 16 authorities' shares. This option leaves a nil balance on the reserves for the 3 NE Wales authorities and a smaller surplus on the balances of the other 16 authorities.

**(Note:** County Borough Councillor B.Jones (Caerphilly County Borough Council) wished to have recorded that she was against Option 2 and in favour of adopting Option 1).

## **128 THE FUTURE OF LOCAL GOVERNMENT PROCUREMENT**

The Secretary, Mr.P.J.Lucas, provided the Board with a copy of the W.L.G.A. Report in relation to The Future of Local Government Procurement post April 2016.

The Report proposed that the W.L.G.A. would reconstitute in existing procurement network arrangements to facilitate a Heads of Procurement collaborative group. This group would focus on how the collaborate procurement agenda could continue to be developed and delivered. The group would act both as a medium for collaboration as a procurement network and as a conduit for wider collaboration to occur, whilst enabling collaboration across local government and with other partners. The WLGA, through its existing web facilities would provide a means of sharing material, posting good practice and act as a conduit for appropriate communications.

The Secretary reported that the W.L.G.A. Council at its meeting on 27 November 2015 had given broad approval to facilitate these arrangements.

It was agreed that a strong local government voice was needed with all 22 local authorities in Wales participating in the new arrangements especially moving towards local government re-organisation at some time in the future. All agreed that it was also essential that a Memorandum of Understanding was drawn up and signed by all local authorities as a matter of urgency and this issue should be taken up with the W.L.G.A.

The Board was also informed that at the last meeting of the Officers' Group it had been unanimously agreed that Andrew Maisey should be appointed as the Chair of the new Heads of Procurement collaborate group and the Board was asked to endorse this viewpoint.

Following a discussion, it was **RESOLVED** to endorse the appointment of Andrew Maisey as the Chair of the new collaborative Group and that he be authorised to liaise with Chris Chapman of the W.L.G.A. on the way forward and in particular, establishing a Memorandum of Understanding and a mechanism for the future commissioning of professional procurement legal advice which could be access by all local authorities in Wales.

## 129 **ACCESS TO ALITO**

The Board was informed that information relating to W.P.C. collaboration was kept on the 'Alito' computer system. When the Consortium ceases to exist at the end of March 2016, access to the Alito system would also cease and there would be no further funding to maintain the system.

The existing Licence with Proactis ends in January 2016 and to keep the system up and running until the end of March 2016 would cost approximately £480.

It was noted that authorities that manage W.P.C. contracts also hold information contained on the 'Alito' system and, therefore, a discussion ensued on whether there was actually a need to extend the licence for a further two months.

Following consideration of the way forward in this matter, it was **RESOLVED** -

- (1) Not to extend the licence for the 'Alito' system beyond 31 January 2016 to avoid further unnecessary costs being incurred.
- (2) To instruct Shaun Price of the WPC Central Management Team to produce a summary report on all current information held on 'Alito' and to advise all Heads of Procurement accordingly with a view to managing authorities' confirming that they already hold the information or if not, the necessary action be taken to ensure the information is transferred from 'Alito' prior to the existing licence expiring.

**130 DATE OF NEXT MEETING**

The Chairman informed the Board that there was a need to hold one further meeting of the W.P.C. Officers' Group before March 2016 and possibly, one further meeting of the Management Board regarding the closure of accounts could be necessary.

Following a discussion on the way forward, it was **RESOLVED** to note the information and to delegate authority to the Chair of the Board to sign-off the accounts with the proviso that if there was any concern raised regarding the accounts, he would convene a meeting of the Board to deal with the matter.

**P.MURPHY  
CHAIRMAN**

The meeting terminated at