

MINUTES OF A MEETING OF THE CATALOGUE SUPPLIES SERVICE JOINT COMMITTEE HELD IN THE CONFERENCE ROOM, SUPPLIES OFFICE, WATERTON, BRIDGEND ON THURSDAY 10 MAY 2007 AT 11.00AM.

Present:-

Councillor D D Games – Chairman
(Merthyr Tydfil County Borough Council)

Representing Bridgend County Borough Council

Councillor R D L Burns

Representing Caerphilly County Borough Council

Councillor A Williams
Councillor G R Price

Representing Merthyr Tydfil County Borough Council

Councillor I W Clark

Representing Rhondda Cynon Taf County Borough Council

Councillor W J David
Councillor E Hanagan

Officers:

P Hughes - (Manager, Joint Supplies)	-	Bridgend County Borough Council
J Ferris	-	Bridgend County Borough Council
K Fowler	-	Bridgend County Borough Council
M A Galvin	-	Bridgend County Borough Council
P Davies	-	Merthyr Tydfil County Borough Council
E Lucas	-	Caerphilly County Borough Council
V Hanley	-	Rhondda Cynon Taf County Borough Council

144 APOLOGIES FOR ABSENCE

Councillor D Sage, Bridgend County Borough Council, - Other Council business.

145 MINUTES OF THE PREVIOUS MEETING

RESOLVED: That the minutes of the meeting of the Catalogue Supplies Service Joint Committee held on 26 October 2006, be approved as a true and accurate record.

146 MATTERS ARISING

It was pointed out that in Minute 137 of the last minutes, third paragraph, third line egg should read e.g.

In relation to Minute 140, the Vice-Chairman advised that the Human Resources Department of the Bridgend County Borough Council was currently reviewing

sickness absence and enquired, whether or not the Joint Supplies Service in Waterton had had any involvement in this.

The County Supplies Manager advised that his staff had received training in relation to these new sickness absence procedures.

147 DECLARATIONS OF INTEREST

None.

148 STATEMENT OF ACCOUNTS 2006/07

The Treasurer submitted a comprehensive report upon the Statement of Accounts for the above period, which were Appended to the report.

The Finance Officer advised that he was pleased to confirm that the number of transactions completed had increased from the previous year, as had the level of sales.

He added that there had been a surplus of £51K during the trading year.

Noted that the approved purchase of two new vehicles, funded from previously accumulated surpluses, was excluded from the above.

Final outturn operational expenditure reflected a net budgetary underspend of £23k, with the prime variations being included in the report.

Reported that the accumulated surplus for the Joint Service at 31 March 2007 was £381k.

The Finance Officer further advised that there was a necessity to finalise the Statement of Accounts by 30 June 2007, in order that they could then be examined by the Authority's Auditors, KPMG.

The Finance Officer also advised that there was now a new Treasurer of the Joint Committee, namely Mr Gareth Moss, Executive Director - Resources, of Bridgend County Borough Council.

Members asked questions of the Statement of Accounts which were responded to by the lead Officer.

RESOLVED: That the Joint Committee approves the Statement of Accounts for 2006/07, in accordance with Regulation 8(2) of the Accounts and Audit Regulations.

149 JOINT SUPPLIES SERVICE TURNOVER - 2006/07

Officers submitted a report outlining the Joint Service Turnover for 2006/2007.

The report contained a financial summary of the total catalogue sales for stores and non-stores, the overall turnover made by the authorities and sales turnover by product class.

The Manager, Joint Supplies stated that it had been a very successful year, with overall turnover growth of 6% compared to the previous year.

The planned growth had been achieved in the Stores-service area, with expansion of the non-stores service area being targeted for 2007/08.

Included in the report, were details of Total Catalogue Sales and Turnover by each of the separate Authorities which make up the Joint Committee.

Members and Officers advised of the need to ensure the core-authority service users were not disadvantaged by the noted growth in supplies to the independent customer sector, whilst also expressing the need to take into consideration the potential vulnerability of this element of overall turnover, particularly schools in adjacent council areas who have purchased from the Joint Service during the year.

It was further noted that growth had been shown in relation to sales for Caerphilly CBC over the last four years. This had been primarily as a consequence of the authority now utilising the Joint Service for the whole of its related supplies requirements following the closure of the previous supplier arrangements.

Conversely, a reduction in turnover with Merthyr Tydfil CBC was noted, which it was agreed would be reviewed by the authority.

The report also presented details of Sales Turnover - Product Class, where the four main areas which reflected high turnover were Janitorial, Schools and Office Furniture, Stationery and Office Machinery and Books and paper.

RESOLVED: That the report be noted.

150 INCOME - DEBT MANAGEMENT

Officers submitted a performance monitoring report, outlining the Organisations debtor balances, a core financial objective for the organisation, to secure targets agreed with the Service Financial advisers.

A table was outlined in the report, showing in summary the debtor statement (monthly average) for 2006/07, which noted the growth in both catalogue service turnover and other income during the year, as well as for information and comparison purposes, statistics for previous years.

The Manager, Joint Supplies advised that the average monthly had been maintained at an acceptable level of 10% of turnover.

The report also included further analysis of the debtor balance, which detailed the aged-debt position, summarised to 31 March 2007.

RESOLVED: That the report be noted.

151 STORES AND INVENTORY ADJUSTMENTS

Officers reported upon the above issue.

The JSS Manager, explained the reported increase in average stockholding during the period reflected the significant growth in Stores service turnover during the year. The stockturn ratio attained was considered to be acceptable.

Officers noted the requirement to maintain appropriate monitoring of stock to avoid obsolescence, with past practice of disposal any such stock to continue.

The lead officer advised that over the last six months of the year, 98% of stock requirements were available upon request from customers.

A table showing details of turnover for the current and previous two financial years was shown in the Officers' report.

Also included within the report was a summary of the inventory adjustments for the last financial year, together with comparator information for the previous year, noting a significant reduction to the overall value of such adjustments during the year.

Further reports regarding this to the Joint Committee would be submitted every quarter.

RESOLVED: That the report be noted.

152 STAFFING SICKNESS ABSENCE 2006/07

Officers submitted a report on sickness absence for 2006/07.

A summary of such sickness absence was shown in paragraph two of the report, together with similar comparable information for the previous year.

The Manager, Joint Supplies reported that of the total number of days for employee sickness absence during the current year, i.e. 362, 200 days were long term sickness absence.

The Vice-Chairperson of the Joint Committee advised those present that Bridgend CBC had enhanced its Attendance Management Strategy, with the Joint Service adopting the policy change.

RESOLVED: That the report be noted.

153 STAFFING - ANNUAL REVIEW

The Officers' submitted a report given annually, which showed details regarding staffing complements of the Joint Supplies Service.

The Manager, Joint Supplies advised that the Joint Supplies Service currently had a total of 45 staff at present.

The report also gave details in summary format, of the complement of seconded staff within the Service, as at 1 April 2007.

RESOLVED: That the report be noted.

154 OFFICERS AUTHORISED TO ENTER INTO CONTRACTS

Officers submitted a report which gave information regarding those Officers' occupying posts within the Joint Supplies Service, delegated within the Authority to enter into contracts for the purchase of goods and services which come under the purview of the Joint Supplies Service, on a day to day basis.

An annual review had been completed and the revised schedule of delegation to Officers was detailed in paragraph three of the report.

RESOLVED: That the Joint Committee gives approval for the Schedule of Officers given delegated authority to enter into contracts for the purchase of goods and services, as outlined in paragraph three of the Officers' report.

155 THE WAY FORWARD - REVIEW

The Manager, Joint Supplies reminded the Joint Committee of a previous report it considered with regard to 'the Way Forward', i.e. to review the function and development of the Joint Supplies Service, outlining the assessed benefits of existing arrangements and putting forward an appraisal of the issues, both immediate and in the longer term, which were of consideration to the future planning for the service.

The purpose of the current report, was to review progress, the expectations for the current year, and to commence the process of determining the way forward for organisation beyond March 2008.

The report outlined the reasoning behind the rationale of the above proposals which were itemised in paragraph 4 of the report, and advised that whilst such proposals had not to date had any significant bearing on turnover within the organisation, some expected changes which could have an impact, were still in process.

The report then went on to outline information regarding the continued supporting of the Strategy comprising the three core elements as detailed in paragraph 7.1 of the same and included in Paragraph 7.2, initiatives implemented in 2006/07 to facilitate this Strategy.

The report concluded by outlining certain Future Considerations.

Members and Officers addressed the report, and showed collective concern over the negative results following meetings with Value Wales regarding the joint arrangements already in place. Concern was expressed over Value Wales in that the previously advised basis of collaboration was not obviously apparent, with their approaching 'education' directly without regard for the potential detrimental impact on Joint Supplies Service arrangements and the other 'Supplies' Partners.

Members considered there is a need to develop a collective strategy between the four authorities and the Joint Service to respond to the Value Wales initiative.

It was also considered necessary for the Joint Committee to write to Value Wales emphasising its concern, and requesting a meeting to discuss the way forward.

It was noted that this matter is linked to the proposed All Wales Sourcing Plan, which is under consideration presently, with Officer representation on the Steering Group and this could also be used as a further vehicle to clarify intended practice.

Following consideration of the Officers' report, and the concerns raised at the meeting, it was

- RESOLVED: (1) That the Joint Committee write to Value Wales expressing its concerns regarding the future supplies arrangements with schools, with a view to possibly entering into further dialogue with them on this issue.
- (2) The outcome of the meeting of the All Wales Steering Group, be reported back to the next Joint Committee meeting.
- (3) A further report on the way forward, be submitted to the next scheduled meeting of the Joint Committee.

156 JOINT COMMITTEE SCHEDULE OF MEETINGS

RESOLVED: That the report of Officers' on the proposed schedule of future meetings of the Joint Committee be noted, and that the next scheduled meeting be on Thursday, 12 July 2007 in Caerphilly, and that dates of further meetings for the ensuing year be established at that meeting.

157 EXCLUSION OF THE PUBLIC

RESOLVED: That under Section 100A(4) of the Local Government Act 1972 the public be excluded from the meeting for the following item of business because of the likelihood that, if members of the public are present during this item, there would be disclosure to them of exempt information as specified in Paragraph 14 of Part 4 of Schedule 12A of the said Act:-

<u>Minute Nos.</u>	<u>Summary of Item:</u>
158	Contract arrangements.