

MINUTES OF A MEETING OF THE CATALOGUE SUPPLIES SERVICE JOINT COMMITTEE HELD IN THE RHYMNEY ROOM, CAERPHILLY COUNTY BOROUGH COUNCIL OFFICES, TY PENALLTA, TREDOMEN, YSTRAD MYNACH ON THURSDAY, 26 JUNE 2008 AT 11.00AM.

Present:-

Representing Bridgend County Borough Council

Councillor R D L Burns  
Councillor H J David

Representing Caerphilly County Borough Council

Councillor G G Hibbert

Representing Merthyr Tydfil County Borough Council

Councillor D D Games

Representing Rhondda Cynon Taff County Borough Council

Councillor W J David  
Councillor C Willis

Officers:

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

1 APPOINTMENT OF CHAIRPERSON OF THE CATALOGUE SUPPLIES SERVICE JOINT COMMITTEE

A motion was made which was duly seconded, that Councillor Burns be appointed Chairperson of the Joint Committee for the ensuing year.

RESOLVED: That Councillor R D L Burns of Bridgend County Borough Council be appointed as Chairperson of the Joint Committee for the forthcoming year.

2 APPOINTMENT OF VICE-CHAIRPERSON OF THE CATALOGUE SUPPLIES SERVICE JOINT COMMITTEE

A motion was made which was duly seconded that Councillor D D Games be appointed Vice-Chairperson of the Joint Committee for the ensuing year.

RESOLVED: That Councillor D D Games of Merthyr Tydfil County Borough Council was appointed Vice-Chairperson of the Joint Committee for the forthcoming year.

3 APOLOGIES FOR ABSENCE

Apologies for absence were received from the following Members:

Councillor C P Mann - Caerphilly County Borough Council  
Councillor A Brown - Merthyr Tydfil County Borough Council

4 MINUTES OF THE PREVIOUS MEETING

RESOLVED: That the minutes of a meeting of the Catalogue Supplies Service Joint Committee held on 26 March 2008, be approved as a true and accurate record.

5 MATTERS ARISING

In relation to the Joint Supplies Service Review (Minute 203 applied), a Member enquired how much the Consultancy fees would be as well as the Customer Service questionnaire fee.

The Manager - Joint Supplies Service replied that these costs would be in the region of £23k and £24k, respectively, which would be funded from balances as previously agreed.

It was further agreed that the Chairperson or Vice-Chairperson, (in his absence) of Joint Committee be nominated to meet with the Consultant as part of the Review process and, if appropriate, have a direct involvement in the Joint Supplies Service Review.

The Manager - Joint Supplies Service in relation Minute 204 advised that the related issues were being considered by the authorities. He further advised that one of the JSS seconded staff is seeking early retirement under protected pension rights and the JSS Manager is supporting the request, with there not being any anticipated net financial consequences for the Joint Committee. Discussions are presently being held with the employing authority. The Manager, JSS, sought authority that in the event of there being any unforeseen issues arising from this request of the individual, which have implications for the JC, that the Chairperson and Vice-Chairperson be given delegated powers to process the matter on behalf of the JC, to avoid delay until the next meeting in October.

The representative for the Treasurer added that staffing issues referred to above, were further compounded by complications regarding pensionable superannuation payouts, at this time.

Members agreed to this course of action being followed should it be immediately required.

6 STATEMENT OF ACCOUNTS 2007/08

The Treasurer submitted a report which attached at Appendix 1, the Catalogue Supplies Service Joint Committee County Borough Supplies Statement of Accounts for 2007/08.

Page six of the Appendix entitled 'Trading and Income and Expenditure Account for the year ended 31 March 2008' showed a surplus of £130k. The Treasurer explained that £82k of this was for retro rebates for energy, which would not apply in the future as this would cease as of 2007/08, with additional net income growth

also arising during the year as a consequence of early catalogue production attainment.

He added that the net trading income reflected a similar pattern to previous recent years though did not reach the target objective.

The Balance Sheet as at 31 March 2008, showed a total surplus of £511k, which included the £130k mentioned above.

He further clarified that Bridgend as the lead authority, has first call on the surplus/stock should there be any related staff costs arising from the ending of the Agreement.

A question was raised as to the implications for the JSS of any change to the policy of the trading partners, Cardiff and Swansea, which would lead to the withdrawal of those parties from the informal arrangement. The Manager, JSS, advised that Swansea have recently undertaken a review of their supplies arrangements with the outcome being considered in a report to that council next month. Any implications for the JSS would need to be considered at that time depending upon the decision of that Council.

RESOLVED: That the report be noted.

#### 7 ANNUAL GOVERNANCE STATEMENT

The Treasurer submitted a report on the above, which was a new statement that in previous years formed part of minute 6 above, and recognised as the Statement of Financial Control.

The Governance Statement laid down the responsibilities of the Joint Committee, in relation to its finances, risks and operating systems in place.

The document, which is prepared a year in advance, involves consultations with, and is audited by, the Councils Internal Audit Section.

The Joint Committee welcomed the report, and enquired whether year on year savings could be included within the Annual Governance Statement, so as to give clearer evidence whether or not the service is providing value for money. It was felt that this was particularly important now, as the organisation was commencing a new business phase, and the above course of action could, within the future, quantify whether or not the service is effective and viable.

The Chairperson added that the Joint Committee needed to look at matters such as sustainability and regeneration in terms of products used and cash savings we provided and that any Performance Indicators detailed were evidence based.

RESOLVED: That the Joint Committee approves its Annual Governance Statement for 2007/08.

#### 8 JOINT SUPPLIES SERVICE REVIEW PROJECT

The Manager - Joint Supplies Service presented a report, on the current Service Review Project, the commissioning of which was agreed at the last meeting of the Catalogue supplies Service Joint Committee.

The report outlined the review objectives, which were required to consider and assess the joint supplies arrangements as relative to the existing and future

service strategies of the four participating authorities; service user requirements, the existing and expected future supplies market generally, models of other joint collaborative or other similar arrangements, and to produce a range of options for consideration as to the general way forward.

The report outlined the current position on progress as it stood and the planned timescale for the Project.

The Terms of Reference in relation to the review were attached for Members information at Appendix 1, which included some Project deliverables.

It was agreed that a customer questionnaire should be included at an agreed additional cost.

RESOLVED: That the report be noted

9 SERVICE PROGRAMME 2008/09

The Manager - Joint Supplies Service, submitted a report which attached at Appendix 2, a planned service programme for the joint arrangements.

A summary of the targets and direction for the organisation during the year were shown as bullet points in paragraph 2.3 of the report.

It was agreed that the Purchasing Strategy referred to on page 20 be circulated to all Joint Committee Officers.

It was also suggested that each of the Joint Committee local authorities endeavour to use their web sites, to raise the profile of the Joint Committee Catalogue Supplies Service.

Some concern was raised regarding Value Wales intended approach of marketing broad supply arrangements to schools, including the joint authorities areas, and it was felt the Joint Service e-catalogue should be produced before March, as this would form an integral part of the Supplies Service Marketing, and that the Exchange Wales Programme regarding the securing of trade from schools needed to be considered further.

The previously agreed deferment of the e-catalogue supply project (pending the outcome of the Service Review) was discussed and the Joint Committee decided the project should proceed with immediate effect, utilising the balances previously set aside for the work.

It was further agreed that the Joint Committee proceeds with the direction outlined in the report, and awaits an updated report at the next quarterly Joint Committee meeting.

RESOLVED: That the Joint Committee notes the report and that the e-catalogue supply project should be completed at an early date.

10 JOINT SUPPLIES SERVICE TURNOVER - 2007/2008 AND 2008/2009

The Manager, Joint Services presented a report which detailed in tabular form:-

Total Catalogue Supplies - (up 3% on previous years)  
Catalogue Sales - April to May (2008/2009 and 2007/2008) - (turnover 7%)  
Turnover by Authority - (total £814k)

A summary within the report showed final turnover for 2007/08 and the previous year.

The report showed the spend for the Joint Supplies Service for the last three years, which reflected a modest yet steady growth.

Members congratulated Officers on the report and acknowledged the improved sales growth trend compared to previous years.

RESOLVED: That the report be noted.

11 FINANCE - BUDGET MONITORING 2008/09

The Manager, Joint Supplies Service, presented a report outlining a summary of the budget expenditure/income, including projected year end charges, for the period April - May 2008.

The table showed that at this time, there is a deficit in recovery, for the period to 31 May 2008, of £2k, noting non-trading income is recovered at the end of the financial year.

RESOLVED: That the report be noted.

12 STAFFING - SICKNESS ABSENCE 2008/09

The Manager - Joint Supplies Services detailed a monitoring report on sickness absence within the Joint Supplies Service organisation for April/May 2008.

Paragraph 1 of the report showed the number of staff absences, together with the total number of days absence for these staff.

The report clarified that 67% of the sickness absence was due to long term certified absence of three members of staff.

RESOLVED: That the report be noted.

13 SERVICE PERFORMANCE INDICATORS

The Manager - Joint Supplies Service submitted a report, outlining Performance Indicators for the period April - May, in respect of the following areas:-

- Stores Delivery
- Stores - Product Availability (upon demand)
- Creditor Payments
- Debt Management

The P.I.'s gave percentage details of the targets and of the Actual achieved, in respect of each category of these P.I.'s.

Members commended staff for the excellent achievements performed in relation to these P.I.'s.

RESOLVED: That the report be noted.

14 DISPOSAL OF OBSOLETE/SURPLUS STOCK

The Manager - Joint Supplies Service submitted a report, regarding the above matter.

The report advised that the annual stores turnover value was currently in excess of £3.4m reflecting a stock range of 2,900 product lines, with the accumulated turnover over the past three years being £9.9m.

The report went on to state, that the Joint Committee had previously included provision in the service accounts for stock obsolescence, being financed from accumulated surpluses, to a sum of £13k.

The report further advised that currently, a range of stock items considered to be surplus to requirements and no longer part of the catalogue range, with a value of £2,930 was available for disposal. These items were considered to be un-saleable overall and it was therefore felt that they could be disposed in appropriate manner, preferably within the authorities' customer base or donation to charitable causes where practical.

RESOLVED: That in light of the content of the above report, part of the finance committed in the accounts for the purpose of stock obsolescence, be utilised to dispose of the existing surplus stock as referred to.

The meeting closed at 12.40pm.